



# 2025 INTEGRATED ANNUAL REPORT

# About our report

FaR Property Company Limited (“FPC”) is a property investment company listed on the Botswana Stock Exchange (“BSE”). The Company is internally managed and holds a portfolio of retail, commercial, industrial and residential properties located in Botswana, South Africa and Zambia.

This integrated report details the manner in which FPC generates and sustains long-term value. Serving as our principal communication to investors, it provides a comprehensive overview of our strategic direction, progress towards key objectives, investment proposition, material risks, performance and governance framework.

## Scope and boundary

This integrated annual report presents the performance and activities of FPC for the financial year 1 July 2024 to 30 June 2025, from a financial, economic and governance perspective. It aims to demonstrate how FPC will create and sustain value for stakeholders over the short, medium and long term. The report is primarily aimed at linked unitholders and providers of capital. The scope and boundary of the information contained in this integrated annual report encompass the Group’s business activities and property portfolios in Botswana, South Africa and Zambia.

## Reporting frameworks

This integrated annual report is prepared in accordance with IFRS, the BSE Listings Requirements, the Botswana Companies Act and the International Integrated Reporting Framework. FPC complies in all material respects with the principles contained in the BSE Code of Best Practice on Corporate Governance as well as King IV\* as encapsulated in the applicable regulations.

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## Assurance

The company’s external auditor, Grant Thornton, has independently audited the annual financial statements for the year ended 30 June 2025. They have provided assurance on the financial statements and expressed an unqualified audit opinion. The integrated annual report of the Group has been prepared under the supervision of Shinu Joy BCom ACA, ACMA (US), the acting Chief Executive Officer of FPC. The remaining content of the integrated annual report has been reviewed by the Board but has not been externally assured.

Business process	Nature of assurance	Assurance provider
Consolidated annual financial statements	External audit	Grant Thornton
Health, safety, environmental and community audits	Compliance reviews	Board of Directors
BSE Listings Requirements	Compliance reviews	Management
Lender due diligence	Legal and compliance reviews	Board of Directors and management
Insurance due diligence	Independent risk reviews	Board of Directors

## Forward-looking statements

This integrated annual report contains forward-looking statements that, unless otherwise indicated, reflect the Group’s expectations as at year-end. Actual results may differ materially from the group’s expectations. The Group cannot guarantee that any forward-looking statement will materialise and, accordingly, readers are cautioned not to place undue reliance on these. The Group disclaims any intention and assumes no obligation to revise any forward-looking statement even if new information becomes available, other than as required by the BSE Listings Requirements or any other applicable regulations.

## Six capitals and materiality

FPC applies the six capitals as described by the International Integrated Reporting Council’s International <IR> Framework, to produce long-term sustainable value for stakeholders. Our balanced use of these capitals is outlined in our business model on pages 18 and 19.

While this report is primarily aimed at our present and potential shareholders, it also takes into account the information needs of our vast and diverse range of stakeholders who are critical to the Group’s long-term value development.

### Our identified stakeholders

- Investors and funders
- Regulators, government and authorities
- Employees
- Media
- Tenants
- Suppliers
- Communities

For further information, please see pages 26 to 28.

## Board responsibility statement

The Board acknowledges its responsibility to ensure the integrity of this integrated annual report. The directors can be contacted at the registered office of the Company. Details of the Directors are contained on pages 48 and 49.

The Board believes that the integrated annual report was prepared in accordance with the <IR> framework. The report, which remains the ultimate responsibility of the Board, is prepared under the supervision of senior management and subject to external assurance. The report is submitted to the Audit, Risk and Compliance Committee, which reviews and recommends it to the Board for approval having reviewed the contents, as well as the collation process, and with reliance on the assurance provided on the various reporting elements. The committee has applied its mind to the report and believes that it appropriately and sufficiently addresses FPC’s performance for the year within the scope and boundary outlined above. The Audit, Risk and Compliance Committee recommended this integrated annual report to the Board for approval which then approved it on 9 September 2025.

**Rajeshkumar Jayrajh**  
Independent Non-executive Chairman

9 September 2025

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# FY2025 highlights

Revenue <b>↑ 3%</b>	Investment property <b>↑ 9%</b>	Operating profit <b>↑ 7%</b>
Loan-to-asset ratio <b>22%</b>	Rent yield <b>10%</b>	
Distribution <b>12.65 THEBE</b>	Basic earnings per linked units <b>28.93 THEBE</b>	



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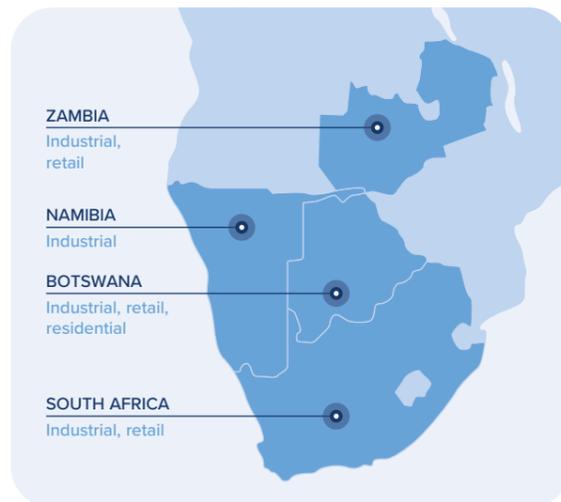
# FPC in a snapshot

FPC is a BSE-listed property investment company with a diversified BWP 1.76 billion portfolio located in four countries.

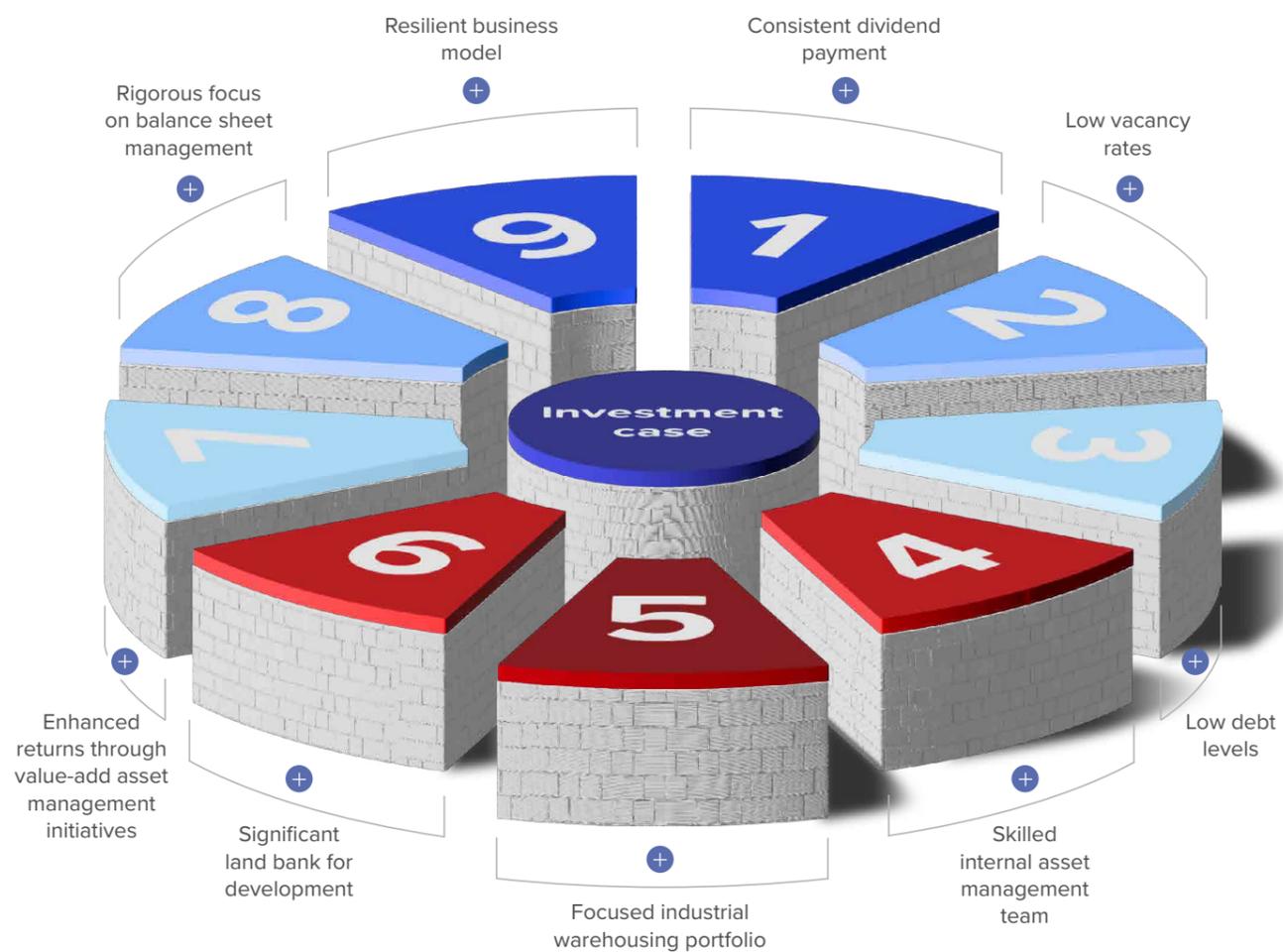
We are dedicated to generating long-term value for our stakeholders by delivering exceptional service to our tenants, which in turn nurtures lasting customer relationships. People are at the heart of our business approach and we strive to design environments that foster human connection and support business success.

As one of Botswana's leading property companies, our objective is to become the preferred infrastructure partner in Southern Africa.

The portfolio is managed internally by a highly experienced team committed to driving sustainable value for all stakeholders.



## Investment case



## Mission



To develop and maintain a balanced and sustainable portfolio for the future

## Vision



- To develop a property portfolio fund with sustainable growth
- To create favourable environments for tenants
- To strategically develop properties to meet current and future market demand
- To accelerate local economic growth by developing properties that enhance economic activity
- To provide good standard properties and nurture strong relationships with tenants to maintain high-occupancy levels

## Values



- |  |  |   |   |  |   |
|--|--|---|---|--|---|
| <b>Knowledge</b><br>We strive to understand our markets and our clients' needs | <b>Connections</b><br>Relationships are everything to us; we connect people to their communities and livelihoods | <b>Passion</b><br>We believe that working with "all heart" can change the world | <b>Fun</b><br>We love what we do and it shows | <b>Integrity</b><br>Our clients' needs and best interests are at the heart of everything we do | <b>Effectiveness</b><br>We set a high bar and move mountains to exceed expectations |
|--|--|---|---|--|---|

Our values translate into:

- Professionalism above all
- Making our tenants happy
- Strong stakeholder engagement
- A positive approach
- Unwavering focus on growth and sustainability
- Adding value for the benefit of all our stakeholders
- Giving back to communities



# Chairman's report



Notwithstanding macroeconomic challenges, FPC had a relatively good year. Operating profit for the Group was up by 7% compared to the previous year, reflecting another strong set of results. This performance was underpinned by a 3% increase in rental income and a consistently low vacancy rate across the portfolio at below 4%.

Robust and reliable rental contributions from grade A tenants played a key role in enhancing the open market value of the portfolio. The property portfolio increased 9% due to acquisitions, ending the year with an overall open market value of the investment property of BWP 1.76 billion compared to BWP 1.62 billion in the prior year.

The Group has a well-balanced and diversified portfolio comprising 52% commercial/retail, 41% industrial and warehousing and 7% residential properties. We boast an impressive tenant mix with 78% grade A tenants consisting of premium tenants and 19% medium-sized businesses with well-established business operations, as well as 3% new startup companies. The Group operates in three countries with 81% of GLA in Botswana, 14% in South Africa and 5% in Zambia.

Our loans-to-equity ratio is in a healthy state and we continue to prudently manage our cash to ensure that debt payments are made as they fall due.

We continue to be competitive when compared to our peers, and with our current landbank, we will continue to be competitive well into the foreseeable future while sustainably growing our portfolio.

## Macroeconomic outlook

Following Botswana's 2.5% economic contraction in 2024, expectations are for this cycle to continue due to multiple factors. The tariffs imposed by Donald Trump as well as the recent devaluation of the Pula could pose further harm to the economic outlook for Botswana.

Zambia's GDP outlook remains relatively positive for 2025 and 2026 on the back of easing drought conditions, which previously impacted the country's economy.

## Governance

During the year, we continued with our Board development, supported by the Institute of Directors in South Africa. In 2025, directors attended training on cyber security which is part of the Director's roles and responsibilities programme.

We currently have one female Board member and the Board continues to look at ways to increase these numbers. We are striving to reach a balance in terms of gender diversity and during the year, the Board passed a diversity policy.

The anti-money laundering ("AML") policy and procedures and data protection policy, implemented in the previous financial year, continues to serve us well in our effort to combat money laundering.

FPC continues to play its role in sustainability and advancing ESG principles. In doing so as a Board we are cognisant of the UN Sustainable Development Goals. We have two roof top solar systems, which are fully operational and currently have plans to implement another seven projects in 2026. Further, the Board, in partnership with solar energy companies, has approved the implementation of a sizeable roof top solar system in our industrial and commercial properties which is expected to generate about 15MW, providing significant power savings. It is the Board's aim to continue implementing similar projects to achieve both energy and cost savings for the Company.

As a Group, we are committed to creating value while making a meaningful contribution to a more sustainable future. I am incredibly proud of the way our team continues to rise to this challenge. As one of the leading property developers in the country, FPC is well-positioned to support our customers in lowering their carbon footprint by delivering clean energy solutions through solar-powered initiatives.

The Board has further set aside funding to support social projects to ensure we continue to play our role as a responsible corporate entity. It is the Board's intention to ensure the funding also aligns with our sustainability objectives. We also continue to engage stakeholders, including regulators, to ensure regulatory requirements are met, as it is imperative for us as a listed entity.

## Dividend declaration

We are pleased to announce a distribution of 12.65 thebe per linked unit for the period ended 30 June 2025, consisting of a gross dividend of 0.11 thebe per share and gross interest of 12.54 thebe per debenture. Delivering value to our unitholders continues to be a central focus as we pursue our long-term strategic objectives.

Aligned with our growth strategy and efforts to maintain optimal liquidity, unitholders will have the opportunity to receive the full net distribution amount as a scrip distribution, issued in the form of fully paid linked units.

## Operations

There are currently seven major projects ongoing, including the distribution centre project in the Gabane, Gaborone, and various projects across Zambia which indicate our commitment to expanding in these new markets.

## Outlook

We have a five-year strategy which will be reviewed every year. The year under review was the third year of this strategy. The Group is planning for more expansion in Zambia in the form of retail outlets.

We continuously review our strategy as and when there are activities, particularly external economic impacts, around us that warrant review.

It is our intention to implement more solar projects in order to play our part in sustainable development.

Our development approach is guided by opportunity and demand, both locally and across the region, supported by a substantial land bank. Rather than pursuing widespread mall construction, we continue to focus on consumer-driven developments backed by committed tenants to ensure long-term viability. This aligns with our strategy of measured, sustainable growth and we remain committed to delivering consistent value to our unitholders.

## Appreciation

I would like to express my deep appreciation to the Board for their outstanding commitment and valuable insight throughout the year. I am equally grateful to our management team and employees for their dedication and hard work and I extend my thanks to our tenants, suppliers, and shareholders for their continued support and trust in us.

**Rajeshkumar Jayrajh**  
Independent Non-executive Chairman

9 September 2025



# Executive Director's report



Despite persistent macroeconomic headwinds, FPC maintained its resilience and delivered a strong performance over the year. The Company responded swiftly and effectively to shifts in consumer behaviour, showcasing its agility in both strategic thinking and operational execution.

## Financial highlights

### Revenue

↑ 3%

### Operating profit

↑ 7%

### Rental yields at a stable rate of

10%

### Vacancies low at

4%

### Loan-to-asset ratio of

22%

## Operations

Our diversified portfolio ensured consistent growth with annual rental yields of 10%.

Vacancies continued to be low at 4%.

We are currently developing seven major projects. One of these is a distribution centre project in the Gabane, Gaborone. We are also developing several properties across Zambia.

### Our strategic direction

We aim to build the best balanced portfolio in the region. In Botswana our land bank positions us well to achieve this, while in Zambia and Namibia we continue to build our land bank. We focus on smaller business centres where there is minimal risk of a single tenant and we continue to seek to diversify.

Residential remains a non-core sector. All our leases are triple net leases, which limit our landlord responsibilities to only structural maintenance. In order to provide long-term stability, lease renewals are typically for five years with a further five-year option.

Supported by our strong NAV we plan to develop our land bank over the next few years which will position us for our next growth phase. The land bank is currently between 5% and 10% of the total portfolio. Our internal asset management and low debt levels continue to position us strongly compared to our peers.

## Proposed and planned developments

### Botswana

- Supermarket in Mopipi
- Industrial development in Gabane, Gaborone
- Shopping complex and filling station project Mathengwane
- Supermarket and filling station project in Hukuntsi
- Industrial development in Gaborone International Commerce Park, Gaborone

### Zambia

- Shopping complex in Sirenje, Zambia
- Shopping complex in Nawala, Zambia

## Distribution

The Board is pleased to declare a distribution amounting to 12.65 thebe, comprising 12.54 thebe interest and 0.11 thebe dividend per linked unit for the year ended 30 June 2025.

## Looking ahead

The five-year strategic plan is proceeding according to schedule, with preparations in place for future development. Efforts are being directed toward expanding and managing the existing land bank while maintaining the current gearing ratio.

FPC will continue to retain the South African portfolio while reviewing debt repayment strategies.

The greywater trial project and the solar pilot project are ongoing initiatives designed to reduce energy and water consumption. In the medium term, there are plans to implement the Botswana model in Namibia and Zambia.

The Company's objective is to become a leading provider of commercial infrastructure property in Southern Africa by prioritising client demands.

## Appreciation

I extend my heartfelt appreciation to our team for their unwavering commitment and resilience throughout these challenging times. I am also deeply grateful to the Board for their thoughtful guidance and strategic insight. Furthermore, I want to acknowledge and thank our tenants and service providers for their continued support and partnership.

Vidya Sanooj  
Executive Director

9 September 2025



# Report from Acting CEO



It is with great satisfaction that I share FPC’s year-end results, which reflect a strong performance despite a challenging economic landscape marked by elevated interest rates, sluggish growth and rising living costs.

## Financial highlights

### Revenue

↑ BWP 174M

### Operating profit

↑ 7%

### Headline earnings per share

28.98 THEBE

### Distribution

12.65 THEBE

### Basic earnings per share

28.93 THEBE

### Value of portfolio

↑ BWP 1.76BN

## Financial performance

Revenue increased by 3% to BWP 174 million from BWP 168 million in 2024. The profit before tax reduced due to the fair value adjustment on investment property. Fair value growth in investment property was 3% compared to 4% in the prior year due to the current economic situation in the country

Operating profit increased 7% to BWP 161 million (2024: BWP 151 million). Vacancies across the portfolio remain below 4%, which is encouraging given the tough trading environment. The rent yield remained stable at 10% while the loan-to-asset ratio is at a healthy 22%.

## Distributable income

Profit for the year attributable to linked unitholders BWP 139 million (2024: BWP 159 million).

FPC also generated basic earnings per share of 28.93 thebe (2024: 33.63 thebe) while headline earnings per linked unit 28.98 thebe (2024: 33.73 thebe).

## Borrowings

While maintaining tight control over costs, debt facilities increased to BWP 390 million (2024: BWP 308 million). Operating expenses remain at stable level of BWP 38 million (2024: BWP 38 million) On a positive note, we contributed to the national GDP by paying income tax of BWP 16.70 million (2024: BWP 14 million).

## Cash management

Through the dedicated efforts of our property management team, we achieved an impressive average rental collection rate of 98% across our portfolio for the year ended 30 June 2025. We also had capital commitments of BWP 42.46 million (2024: BWP 42.96 million) for the new development projects.

## Net asset value

The portfolio consisted of 195 properties with a GLA of 300 056 m<sup>2</sup> (2024: 287 802 m<sup>2</sup>). Our property portfolio value increased by 9% to R1.76 billion (2024: R1.62 billion).

The increase in valuations was mainly driven by the market-driven rentals, new developments and acquisitions and well-maintained conditions of the portfolio.

## Looking ahead

Our focus remains on staying agile and strategically positioning the business to seize growth opportunities as economic conditions stabilise and the market rebounds. We will seek to achieve this with a focus on the following:

**Portfolio diversification:** Mitigate risk by investing in different types of properties in various locations to avoid over-reliance on a single market segment.

**Tenant experience:** Prioritise tenant satisfaction to build long-term relationships, reduce turnover and improve overall property value.

**Regulatory compliance:** Stay informed about evolving property regulations to ensure our properties remain compliant and meet current standards.

**Technology adoption:** Invest in smart home features and property management software such as MRI property management to improve efficiency and attract tech-savvy tenants.

## Appreciation

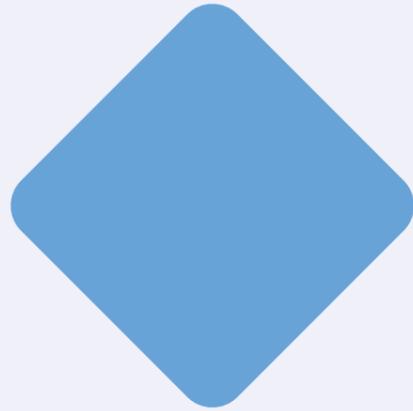
A heartfelt thank you to the FPC team, whose unwavering professionalism and optimistic spirit have played a vital role in driving our success.

Shinu Joy  
Acting CEO

9 September 2025



# Our operations



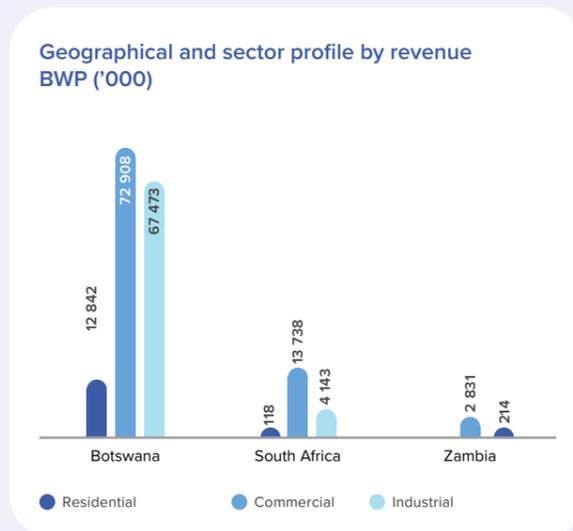
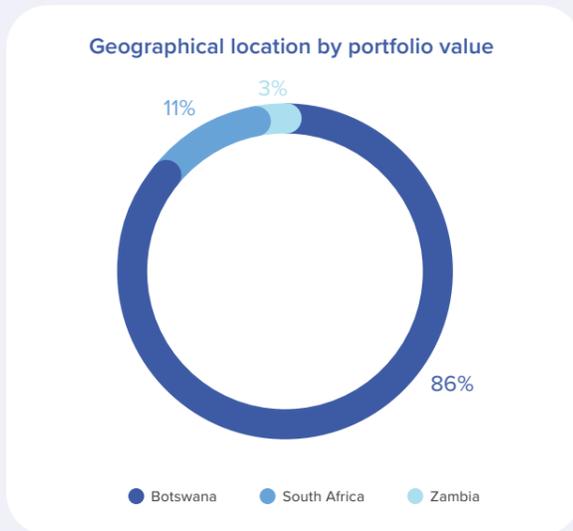
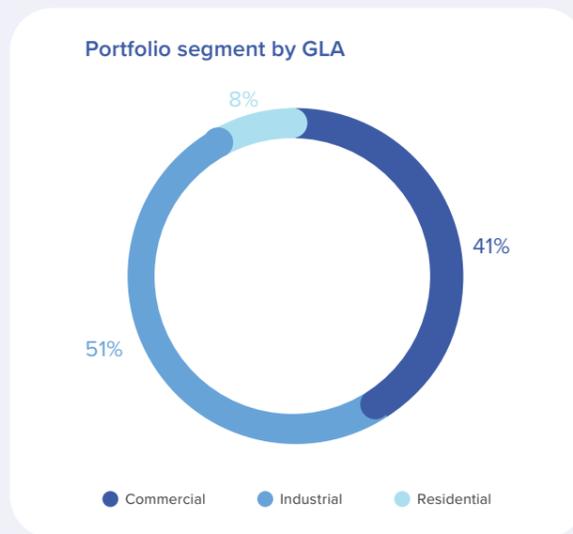
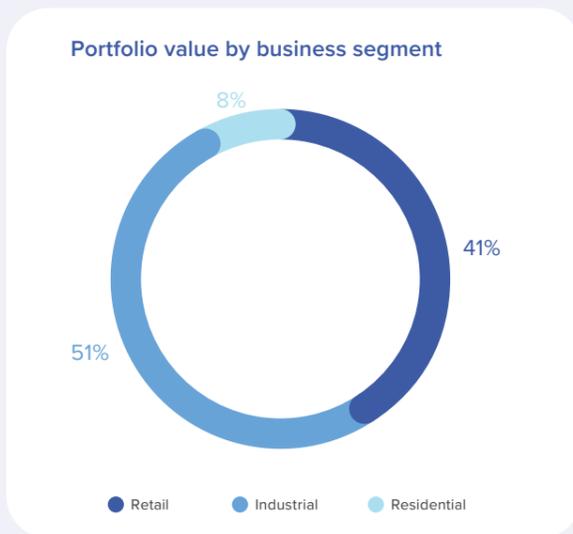
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# Who we are

FPC manages properties that are supported by long-term leases with a majority of grade A tenants and strong ongoing demand that results in consistently low vacancies. FPC's **BWP 1.76 billion** portfolio comprises **195 diverse properties** and is **well-balanced** and **risk defensive**.

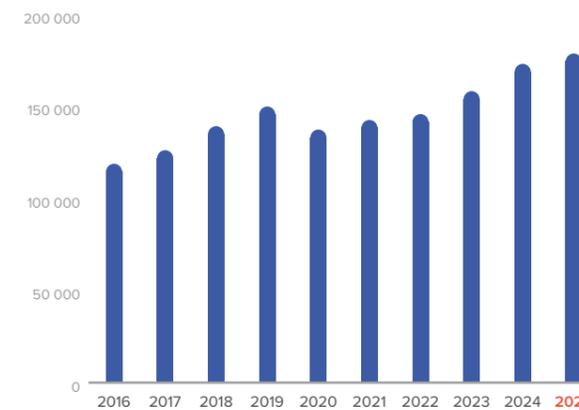
We are focused primarily on the retail/commercial and industrial sectors with a small non-core residential portfolio. We pride ourselves in our substantial land bank designated for future development.



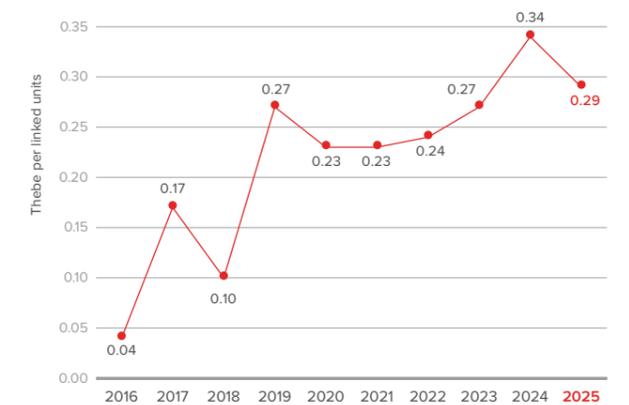
## Our portfolio differentiators

- Building a property portfolio fund for sustainable growth
- Creating tenant-friendly environments
- Developing properties to meet evolving market needs
- Boosting local economies through targeted development
- Offering quality properties and maintaining strong tenant relations to ensure high occupancy
- Collaborating with communities to develop centres that serve the community

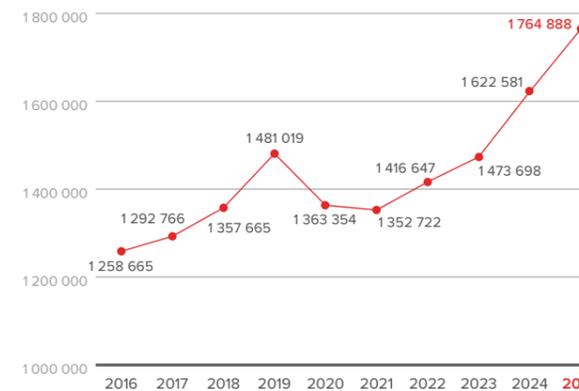
### Revenue growth over years BWP ('000)



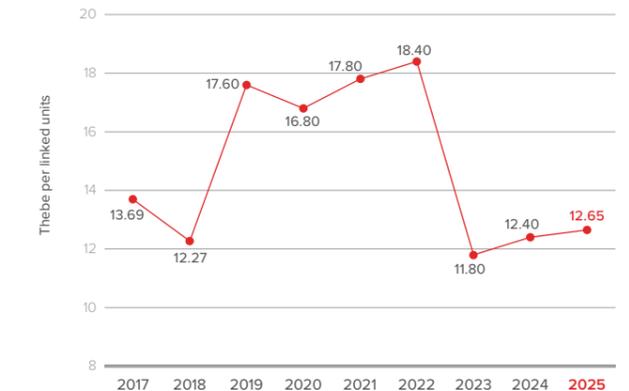
### Basic earnings per linked unit



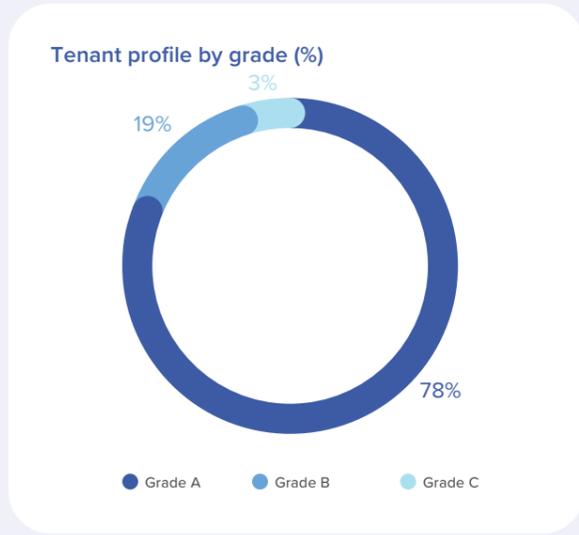
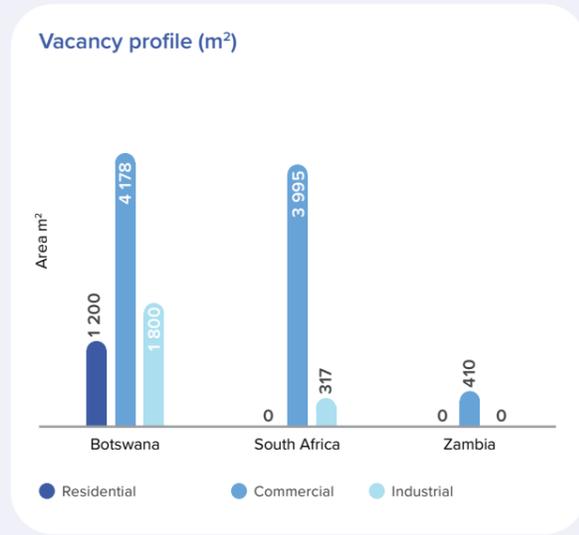
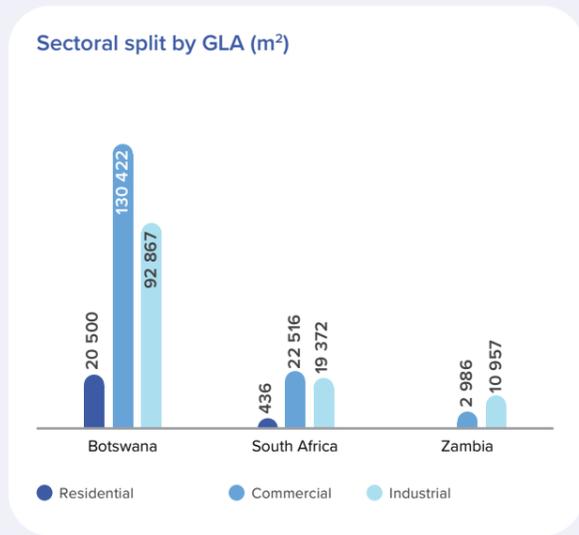
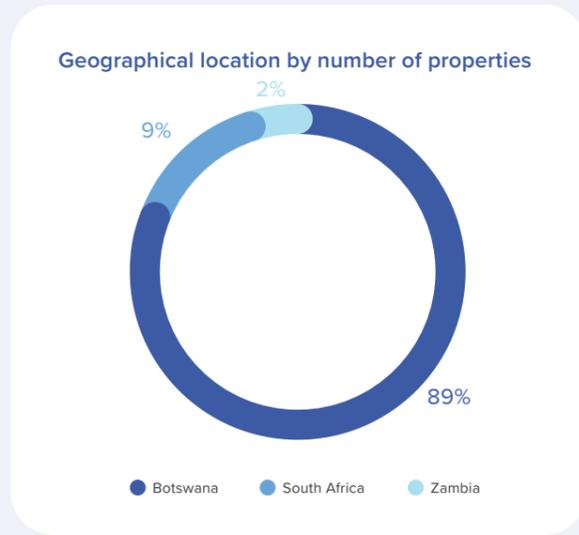
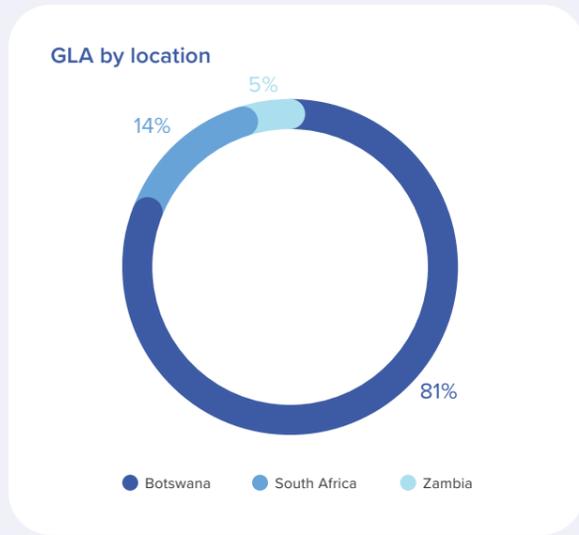
### Value of the portfolio BWP ('000)



### Distribution per linked unit



# Who we are continued



**Grade A**  
Premium tenants including retail tenants with national and international brands

**Grade B**  
Local tenants and medium-sized business with well-established network

**Grade C**  
New start-up companies and small business operations

Total number of tenants: **770**

## Our portfolio

### Botswana

Number of properties  
**173**

Total value of properties  
**BWP 1.52<sub>BN</sub>**

GLA  
**243 789<sub>M²</sub>**

Sectoral split by GLA

Retail/commercial  
**130 422<sub>M²</sub>**

Industrial  
**92 867<sub>M²</sub>**

Residential  
**20 500<sub>M²</sub>**

### South Africa

Number of properties  
**18**

Total value of properties  
**BWP 0.19<sub>BN</sub>**

GLA  
**42 324<sub>M²</sub>**

Sectoral split by GLA

Retail/commercial  
**22 516<sub>M²</sub>**

Industrial  
**19 372<sub>M²</sub>**

Residential  
**436<sub>M²</sub>**

### Zambia

Number of properties  
**4**

Total value of properties  
**BWP 0.05<sub>BN</sub>**

GLA  
**13 943<sub>M²</sub>**

Sectoral split by GLA

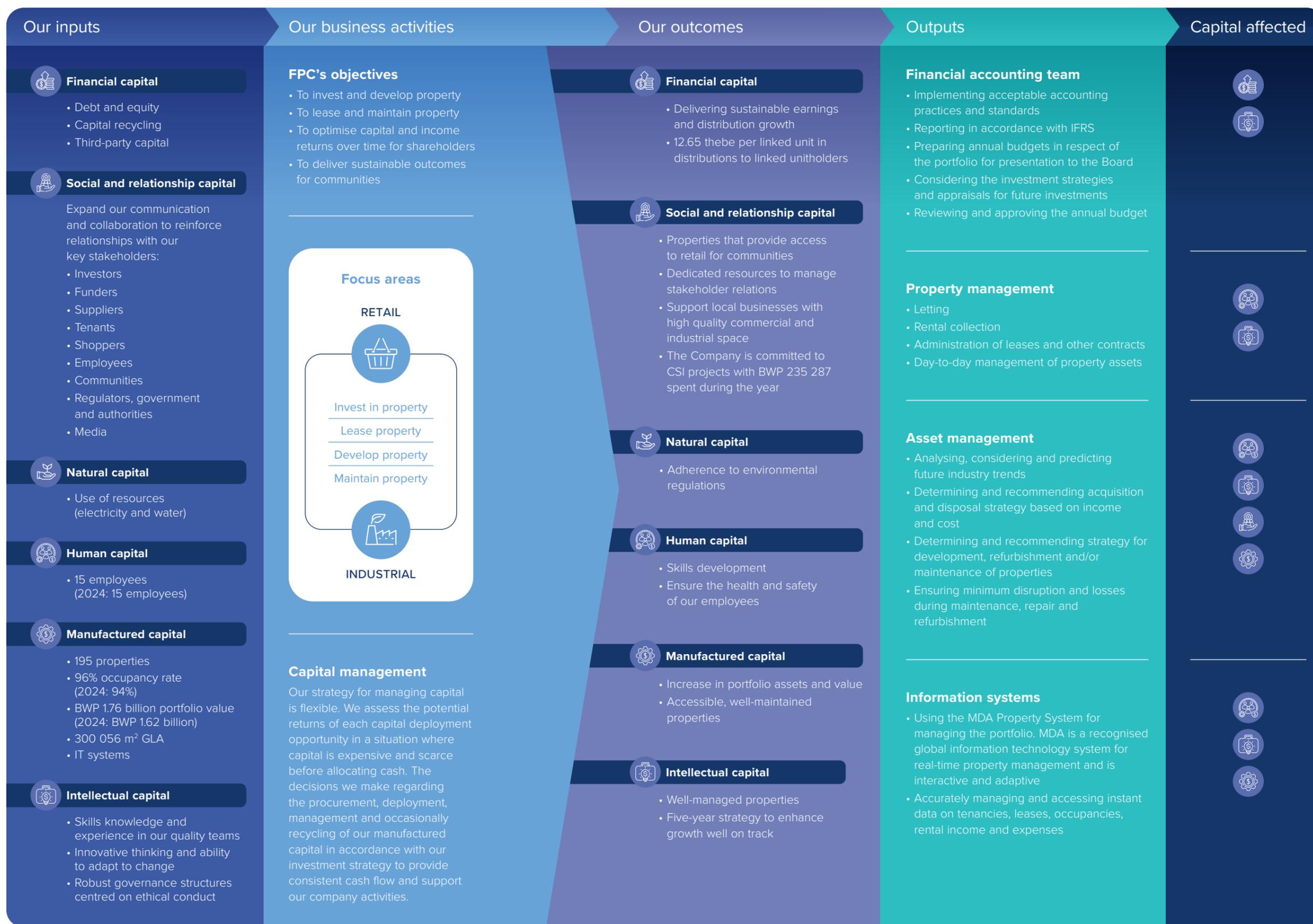
Commercial  
**2 986<sub>M²</sub>**

Industrial  
**10 957<sub>M²</sub>**

# Business model

Our business model is structured to fulfil our purpose of being the infrastructure company of choice in Southern Africa. It also helps us outline how we create, sustain, and, where necessary, reduce value. We take a proactive approach to managing our operations and evaluating their impacts to ensure we maximise the positive outcomes of our activities and minimise any negative effects while preserving value for all our stakeholders.

Our goal is to leverage our business model to drive sustainable capital and income growth, supporting long-term value creation. The outcomes reflect how we generate and sustain value for our stakeholders.



# Our strategy

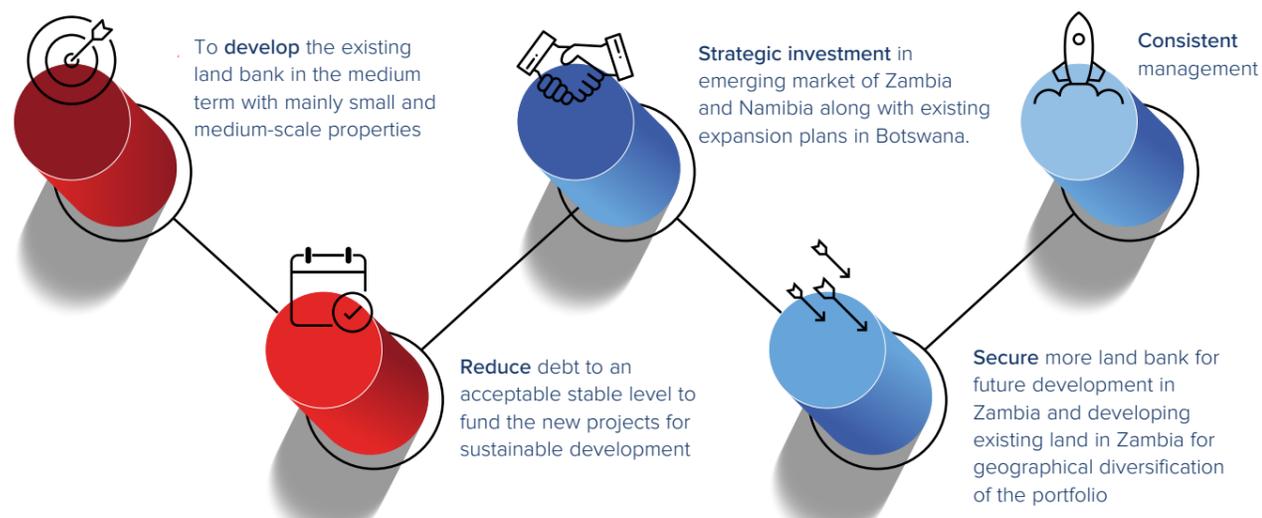
We are guided by our five-year strategy which focuses on developing and maintaining a balanced and sustainable portfolio for the future. This strategy will position the Company as a professionally managed property firm that delivers excellent value to its tenants.

Our end goal is to develop a property portfolio fund with sustainable growth, create favourable environments for tenants and develop properties to meet current and future market demand.

## Our strategy scorecard

Strategic objectives	Measures
<b>Financial</b> <ul style="list-style-type: none"> <li>To reach sustainable and profitable growth</li> <li>Asset growth</li> <li>To achieve higher return on equity</li> <li>Increase new cash inflow</li> </ul>	<ul style="list-style-type: none"> <li>Return on assets: Return on equity</li> <li>Cost/income ratio</li> <li>Revenue from new projects</li> <li>Market share in terms of assets</li> </ul>
<b>Customer</b> <ul style="list-style-type: none"> <li>Maximise tenants' satisfaction</li> <li>Add and retain high value tenants</li> <li>Increase revenue per tenant</li> <li>Reduce cost per property</li> </ul>	<ul style="list-style-type: none"> <li>Tenant satisfaction index</li> <li>Tenant loyalty index</li> <li>Tenant retention ratio</li> <li>Number of tenant complaints</li> <li>New tenant acquisition rate</li> </ul>
<b>Internal processes</b> <p>Achieve service excellence in terms of:</p> <ul style="list-style-type: none"> <li>Reliability/availability</li> <li>Responsiveness</li> <li>Absence of errors /mistakes</li> </ul>	<ul style="list-style-type: none"> <li>Request/complaints fulfilment time</li> <li>Tenant complaints</li> <li>Number of errors and mistakes</li> </ul>
<b>Learning and growth</b> <ul style="list-style-type: none"> <li>Increase employees' competency</li> <li>Increase employees' responsibility</li> <li>Improve activities</li> </ul>	<ul style="list-style-type: none"> <li>New revenue per employees</li> <li>Qualification test result</li> <li>Number of errors per employees</li> </ul>

The following objectives guide us in building a future ready business



These objectives provide crucial guidance for shaping a clear pathway towards building a well-diversified portfolio that is strategically positioned to capitalise on the best market opportunities and enhance yields over the short, medium and long term.

## Our approach to real estate management

The business planning process incorporates a strategic approach to real estate and facilities, designed to align with the principles of the Company's mission. The objectives include long-term profitability and balance sheet management.

This review is carried out by senior management and property managers. The internal planning analysis team contributes internal and market insights to support organisational growth.

## A 10-year horizon

Given the time involved in planning, designing and occupying new properties, as well as the typical duration of leases and

ownership, we have established a 10-year timeline as the standard for our strategic planning and implementation goals. While forecasting over such an extended period involves inherent uncertainty, the protracted nature of real estate transactions necessitates a long-term perspective.

## Internal asset management

Our internal asset and property management team ensures efficient service and better returns. Our tenants are responsible for all maintenance work allowing FPC to focus on longer-term maintenance and new tenant maintenance.

Third-party contractors are engaged if it is deemed to be more cost-effective or specialist skills are required. If more cost-effective, staff are trained in the required specialist skills.

## Our maintenance system

- Priority system**
  - Prioritises critical work
  - Scheduled and preventative maintenance ensures the decreased need for on-demand work
  - Improved cost-efficiencies.

**Priorities:**

  - Emergencies
  - Vacant properties
  - Scheduled operations and services
  - Resident on-demand request.
- Long-term planning**

Long-term maintenance plan including property-specific long-term plans.
- Training**

Training provided to refine, update and expand skills.
- Develop procedures**

Clear procedures are in place.
- Develop performance standards and goals**

to ensure effectiveness in line with local housing codes, housing quality standards and job descriptions.
- Work order system**

to track the source of request, priority, location, completion date, etc.

## How we maintain the properties

- Emergencies**
  - Highest priority an emergency response
  - System is in place.
- Resident on-demand service**

All tenant-generated work requests.
- Scheduled routine maintenance**
  - Pest control
  - Landscaping
  - Building exteriors and interior common areas.
- Preparing vacant units for re-occupancy**
  - Ensure re-occupancy as soon as possible
  - Prompt notification from management to ensure fast and accurate inspection of unit
  - Special teams created for vacancy turnaround.
- Preventative maintenance programme**

Anticipate maintenance requirements and ensure they are addressed cost effectively.

Areas of focus:

  - Roofs
  - Vehicles and equipment
  - Lead-based paint (control of hazard)
  - Life-safety systems (e.g. fire alarms, generators and smoke detectors).
- Inspection programme**

Maintenance staff follow a unit inspection programme and perform specific preventative and routine maintenance tasks.

Regular inspections are conducted of:

  - Dwelling units
  - Buildings and grounds.

# Our market environment

FPC’s core business revolves around owning, managing and developing a diverse property portfolio located across Botswana, South Africa and Zambia. Our operational landscape is shaped by a range of macroeconomic and geopolitical dynamics that have the potential to impact our activities and investments within these regions.

## Botswana

Trade tensions driven by US tariffs imposed by the Trump administration will weigh on Botswana’s already-fragile economic growth outlook.

On the back of the 2.5% contraction in 2024, real GDP growth in Botswana has been projected to accelerate to 2.0% in 2025 driven by a modest recovery in global demand for diamonds. Given that the US is the world’s largest consumer of diamonds, the tariffs imposed on most countries in the world will increase end-consumer diamond prices, destroying some demand for diamonds and weighing on export growth. Furthermore, the imposed tariffs will increase political and socio-economic risks in Botswana.

Following a historic change of government, it is forecast that the risks to policymaking will remain limited over the coming quarters given the ruling umbrella for democratic change’s strong parliamentary majority, with economic diversification as the top policy priority.

Strong macroeconomic headwinds are likely to generate some socio-economic frustrations which will be aimed at the ruling party.

## South Africa

South Africa recorded a GDP growth of 0.8% in the second quarter of 2025 building on the modest 0.1% expansion seen in the first quarter. The trade, catering and accommodation sector was a key contributor rising by 1.7% and adding 0.2% points to overall growth. This uptick was driven by increased activity across retail and motor trade as well as accommodation and food services.

Household final consumption also showed improvement, climbing by 0.8% and contributing 0.6 percentage points to GDP. Growth was particularly evident in spending on durable and semi-durable goods along with services.

## Zambia

Real GDP growth forecasts for Zambia were revised from 5.9% to 5.6%, however, it remains up from the 2024 estimates, despite first quarter growth coming in slower than expected at 4.5% year on year. This is primarily due to the 12.0% year-on-year contraction in the wholesale and retail trade sector, a development resulting from the temporary money supply dislocations stemming from the Bank of Zambia’s issuance of redesigned banknotes from 31 March.

The easing drought conditions in Zambia will provide significant tailwinds to the country’s economy through improved power availability and a rebound in agricultural production. The copper sector is positioned for continued growth during the year.

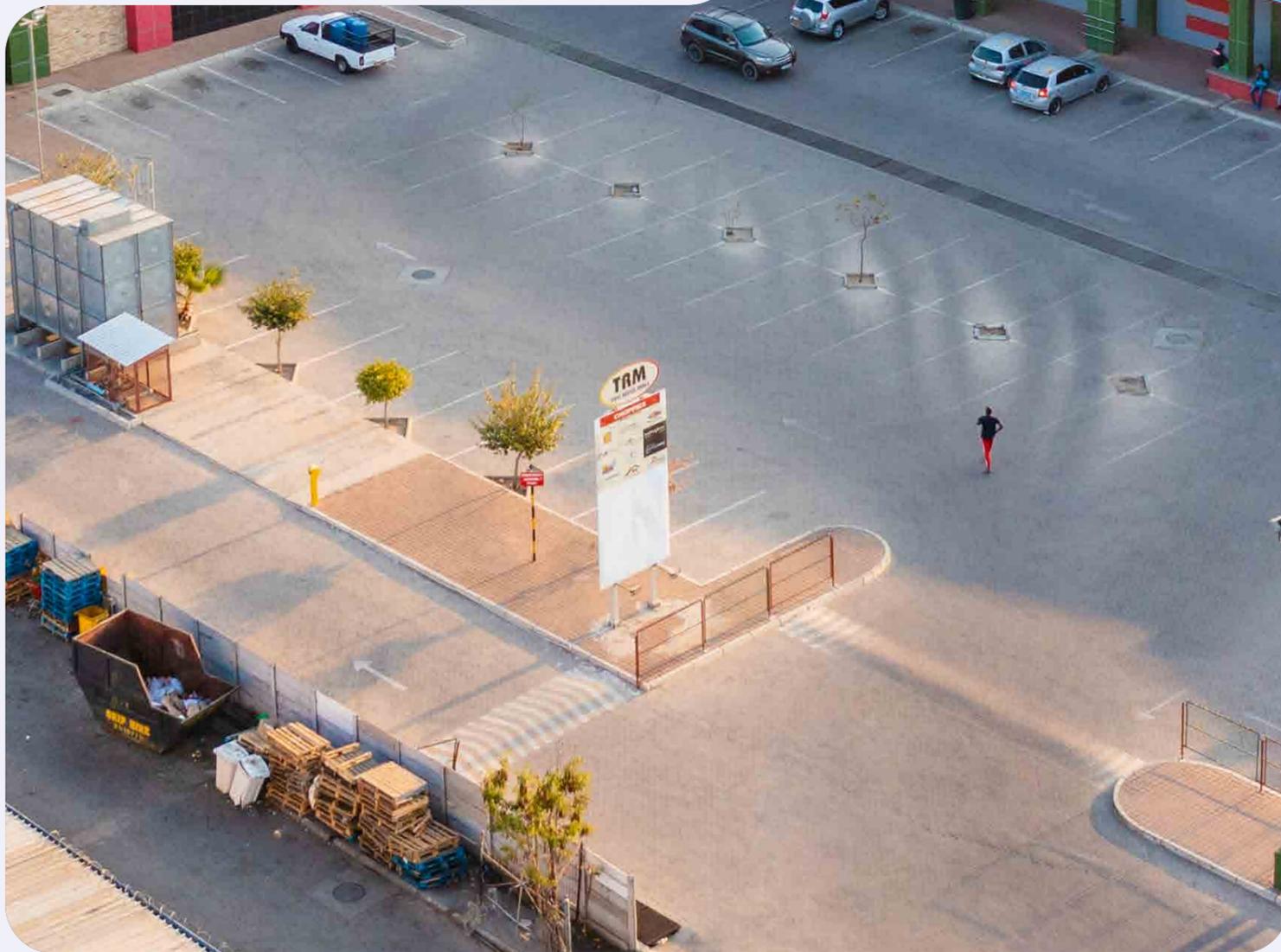
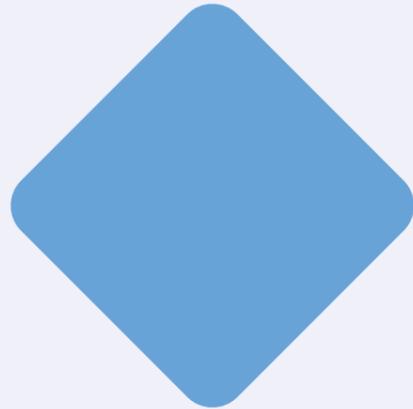
The prospects for household spending remain encouraging, particularly given the recent appreciation of the kwacha, which could pave the way for a sharper disinflationary trajectory. As disruptions in money supply ease, we anticipate a rebound in consumer expenditure during the second quarter. Additionally inflation is firmly trending downward, driven by a combination of factors including a high base effect, declining oil prices, enhanced food availability and currency strength.

Looking ahead expectations are for economic growth to accelerate to 6.8% by 2026 underpinned by continued disinflation, a more accommodative monetary policy stance and strong momentum in production.

*Source: FitchSolutions and Stats SA*



# Our performance



## IN THIS SECTION

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# Stakeholder engagement

We believe that effective and integrated stakeholder engagement is critical in terms of the decisions we make and the path we take to value creation.

Our purpose-led approach ensures consistent, timeous and open communication with all stakeholders and seeks to build and maintain sustainable relationships based on mutual trust, respect and transparency. We believe that how we engage with our stakeholders and respond to their concerns directly influences the strength and quality of our relationships with them.

Our engagements focus on the stakeholder groups most likely to have an impact on our ability to deliver on our strategic priorities and our aim is to strengthen these relationships by understanding and addressing a range of social, economic and environment-related issues to align stakeholders with our purpose-led journey. These engagements are critical to our long-term sustainability and business plan.

## Integrated stakeholder management



Set out below are our stakeholders and the topics that affect them:

Stakeholder	Methods of engagement	Impact on capitals
<b>Investors and funders</b> 	<ul style="list-style-type: none"> <li>One-on-one discussions</li> <li>Stakeholder sessions</li> <li>Press releases</li> <li>Property tours</li> <li>Annual and interim presentations</li> <li>Integrated annual report</li> <li>Annual general meetings (AGMs)</li> <li>Website</li> <li>Brochures, leaflets and advertisements</li> </ul>	
What matters to them	Our strategic response	
<ul style="list-style-type: none"> <li>Distributions</li> <li>Geopolitical tensions</li> <li>Capital appreciation</li> <li>Market confidence and share price</li> <li>Governance and sustainability</li> <li>Compliance with debt</li> <li>Accessibility to management</li> </ul>	<ul style="list-style-type: none"> <li>Transparent communication and engagement with investors</li> <li>Improvement in vacancy levels</li> <li>Continued focus on yield-enhancing assets</li> </ul>	

Stakeholder	Methods of engagement	Impact on capitals
<b>Regulators, government and authorities</b> 	<ul style="list-style-type: none"> <li>Knowledge sharing sessions/seminars</li> <li>Site visits</li> <li>Website</li> <li>Newsletter</li> <li>Media and market reports</li> <li>Brochures and leaflets</li> <li>Integrated annual report</li> <li>Presentations</li> </ul>	
What matters to them	Our strategic response	
<ul style="list-style-type: none"> <li>Compliance</li> <li>Tax revenue</li> <li>Meeting public disclosure obligations through the Company Secretary</li> <li>Monitoring and responding to developments in the BSE Listings Requirements and the Botswana Companies Act</li> </ul>	<ul style="list-style-type: none"> <li>Active participation and engagement on various industry bodies to ensure key issues are being addressed</li> </ul>	

Stakeholder	Methods of engagement	Impact on capitals
<b>Employees</b> 	<ul style="list-style-type: none"> <li>Emails</li> <li>Debriefings and information sessions</li> <li>Staff meetings</li> <li>Website</li> <li>Letters</li> </ul>	
What matters to them	Our strategic response	
<ul style="list-style-type: none"> <li>Job security</li> <li>Remote working</li> <li>Health and wellness</li> <li>Remuneration</li> <li>Career development</li> </ul>	<ul style="list-style-type: none"> <li>Training and upskilling employees</li> <li>Wellbeing discussions with all staff</li> </ul>	

Stakeholder	Methods of engagement	Impact on capitals
<b>Media</b> 	<ul style="list-style-type: none"> <li>Press releases</li> <li>Interviews and speeches</li> <li>Workshops and seminars</li> <li>Website</li> </ul>	
What matters to them	Our strategic response	
<ul style="list-style-type: none"> <li>Communications</li> <li>Accessibility of the management team</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring information is readily available</li> <li>Open and transparent engagements with management when requested</li> </ul>	

- Financial capital
- Social and relationship capital
- Natural capital
- Human capital
- Manufactured capital
- Intellectual capital

# Stakeholder engagement continued

Stakeholder	Methods of engagement	Impact on capitals
<b>Tenants</b> 	<ul style="list-style-type: none"> <li>One-on-one discussions</li> <li>Stakeholder sessions</li> <li>Website</li> </ul>	
What matters to them		Our strategic response
<ul style="list-style-type: none"> <li>Communication</li> <li>Increased cost of occupations</li> <li>Security maintenance</li> </ul>		<ul style="list-style-type: none"> <li>Improved level of service delivery</li> <li>Client-centric focus and consistency in service delivery</li> </ul>

Stakeholder	Methods of engagement	Impact on capitals
<b>Suppliers</b> 	<ul style="list-style-type: none"> <li>Potential/new supplier introduction</li> <li>Tenants feedback</li> <li>Service level agreement management and service delivery feedback meetings</li> </ul>	
What matters to them		Our strategic response
<ul style="list-style-type: none"> <li>Ongoing interaction</li> <li>Alignment with agreed-upon payment terms</li> <li>Contract management</li> </ul>		<ul style="list-style-type: none"> <li>Enhanced efficiencies</li> <li>Procurement opportunities on regular basis to ensure competitive pricing and improved service delivery</li> <li>Use of analytics to identify areas in need of improvement</li> <li>Quick decision-making and simple deal structuring</li> </ul>

Stakeholder	Methods of engagement	Impact on capitals
<b>Communities</b> 	<ul style="list-style-type: none"> <li>Direct engagement about community concerns</li> <li>Encourage SMME suppliers</li> <li>Contributions made to disadvantaged communities</li> <li>Website</li> </ul>	
What matters to them		Our strategic response
<ul style="list-style-type: none"> <li>Job creation</li> <li>Business opportunities</li> <li>Corporate social investment</li> <li>A responsible corporate citizen</li> </ul>		<ul style="list-style-type: none"> <li>Environmentally friendly business practices</li> <li>Employment opportunities</li> </ul>

# Our approach to ESG

We recognise the vital importance of environmental sustainability in the real estate industry and are dedicated to creating long-term value through responsible and sustainable practices. This helps us ensure we maintain our status as a good corporate citizen while carrying out strategic decisions and operations that are geared towards the long-term sustainability not only of the business but of the communities in which we operate.

## Environmental stewardship

Environmental stewardship requires collective commitment and accountability. Guided by our ESG strategy, our approach integrates targeted strategies, policies and clear responsibilities across key environmental focus areas; climate change and resilience, energy, water, waste and green buildings. We strive to assess our impact, raise awareness, and promote responsible practices among our tenants, employees, and suppliers.

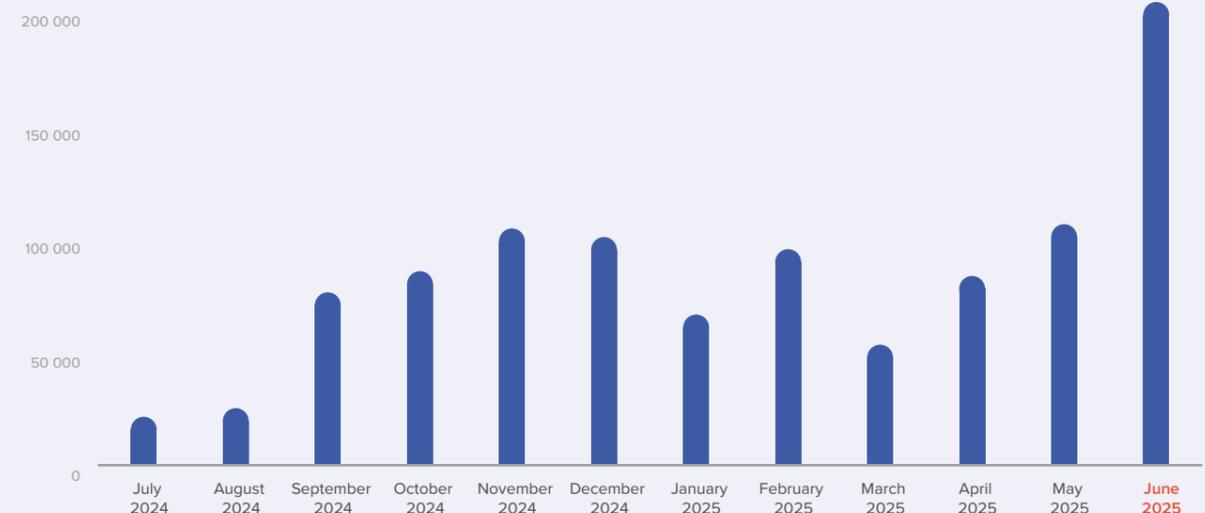
Sustainable ESG practices are embedded into every aspect of the way we conduct business. This helps us ensure we maintain our status as a good corporate citizen while carrying out strategic decisions and operations that are geared towards the long-term sustainability not only of the business but of the communities in which we operate.

## Solar power system

We offset our energy consumption through our rooftop solar projects which form part of our efforts to reduce our carbon footprint. Our rooftop solar system at plot 888 in Gaborone International Commerce Park continues to generate sustainable solar energy. For FY2025, the project generated 951 824.10 kWh of electricity.

Solar power allows for the generation of emissions-free renewable energy. The electricity generated by the solar power satisfies a significant portion of the property's onsite power demand, thus limiting the amount of energy pulled from non-solar sources, which most often is generated via pollution-causing fossil fuels.

Solar energy production in 2025 (kWp)



# Our approach to ESG continued



Solar energy provides a buffer against unexpected market shifts in utility prices which will hedge the Company against rising electricity prices and volatility in electricity supplies in the future. We are still looking to extend solar to various sites across our operations.

## Waste-water treatment system

We installed a waste-water treatment system at the Thamaga site, which treats water that can be reused for toilet flushing and irrigation. The treatment system has a total power consumption of 4.5 Kw (less than an average microwave) which is perfect for running on solar or a generator. FPC believes this is a small step in the right direction in the conservation of natural resources and is committed to making greater strides in the future.



## Monitoring consumption of water and electricity

We installed sub-meters at various properties which continue to help us obtain accurate tenant water and electricity consumption for billing purposes. A by-product of this installation is the monitoring of usage which can lead to early detection of water leaks to avoid unnecessary wastage.

## Social

### Corporate social investment

As part of our community outreach efforts, we donated to various organisations including orphanages, municipal wards, community support organisations, religious organisations as well as providing rent-free space to charity organisations.

Our total CSI spend for the year totalled BWP 213 287.

### Skills for the future

FPC believes that the betterment of the quality of life begins with educating children which helps to break the vicious cycle of poverty in homes by supporting self-sustaining individuals who are better equipped with the knowledge to earn a livelihood and lead a crime-free life. This is why we are driven to make donations that contribute to the betterment of the quality of education in the communities in which we operate.

Our commitment to CSR activity recognition for the certificates.

Taxi River Mall was awarded a cleanest major mall by the City of Francistown Council as part of the global Clean-up the World Commemoration. The local theme was 'Clean Today, Green Tomorrow, Our City Our Responsibility.'

## Employee safety

Our number one goal is to ensure a safe and healthy working environment for our people. We are committed to creating a safe working space for its employees. On-the-ground staff are equipped with protective wear and FPC ensures motor vehicles and machinery are serviced regularly to ensure the safety of our employees. Zero work accidents were reported to date.

## Governance

### Corporate governance code

FPC takes pride in the early adoption of the King IV code even though the minimum requirement for listed entities is King III. Our compliance checklist is set out on pages 62 to 65 of this report.

### Board composition

FPC's Board of Directors brings together a diverse range of backgrounds and expertise, offering a unique blend of skills. They are well positioned to guide the Group in conducting business responsibly, ensuring that the decisions made today contribute to a better and more sustainable future.

### Ethical trading

FPC has a securities dealings policy which prohibits Directors and executive management from trading shares during closed periods. FPC's code of conduct policy sets out zero tolerance for bribery and corruption and all employees at all levels within the Group are bound by this code.

### Tax transparency

FPC recognises that tax payments are essential to support governmental functions in the provision of public benefits. FPC has a transfer pricing policy in place, ensuring all related party disclosures are adequately disclosed. FPC regularly engages its outsourced expert tax consultants to ensure compliance.

Further details of our corporate governance are set out in the corporate governance report on pages 54 to 57.

## Skills development

FPC constantly encourages and supports its managerial employees with updating their skills through continuous professional development ("CPDs") provided by professional institutes such as BICA. We are dedicated to equipping employees with the necessary skills along with providing them adequate opportunities for growth. As part of our continued focus on skills development, we strive to ensure all employees are well-prepared and empowered to succeed in their roles.

# Top properties

## Plot 903, Francistown

RETAIL

FRANCISTOWN, BOTSWANA

### About the property

This property comprises a modern retail complex which features stores such as Choppies Hyper along with 17-line units from Block A to Block B totalling 10 shops. The two-storey portion overlooking the Tati River was disposed of and is excluded from FPC ownership. This mall was selected for the Best Cleanest Mall in Francistown Award and a certificate of appreciation was received.



GLA

6 797m<sup>2</sup>

Value at 30 June 2025

BWP 71 710 000

### Anchor tenants

- Choppies Distribution Centre (Pty) Ltd
- OK Furniture Botswana (Pty) Ltd

### Other key tenants

- ZCX Investments (Pty) Ltd
- JB Sports (Pty) Ltd
- Letshego Financial Services (Pty) Ltd
- Timeless Moments (Pty) Ltd

## Plot 30, 31 Ghanzi

RETAIL

GHANZI, BOTSWANA

### About the property

This property comprises a modern retail complex. Choppies Hyper is a food anchor and there are eight-line shops.



GLA

3 319m<sup>2</sup>

Value at 30 June 2025

BWP 35 700 000

### Anchor tenants

- Choppies Distribution Centre (Pty) Ltd
- Bank Gaborone (Pty) Ltd
- Pep Botswana Holdings Limited

# Top properties continued

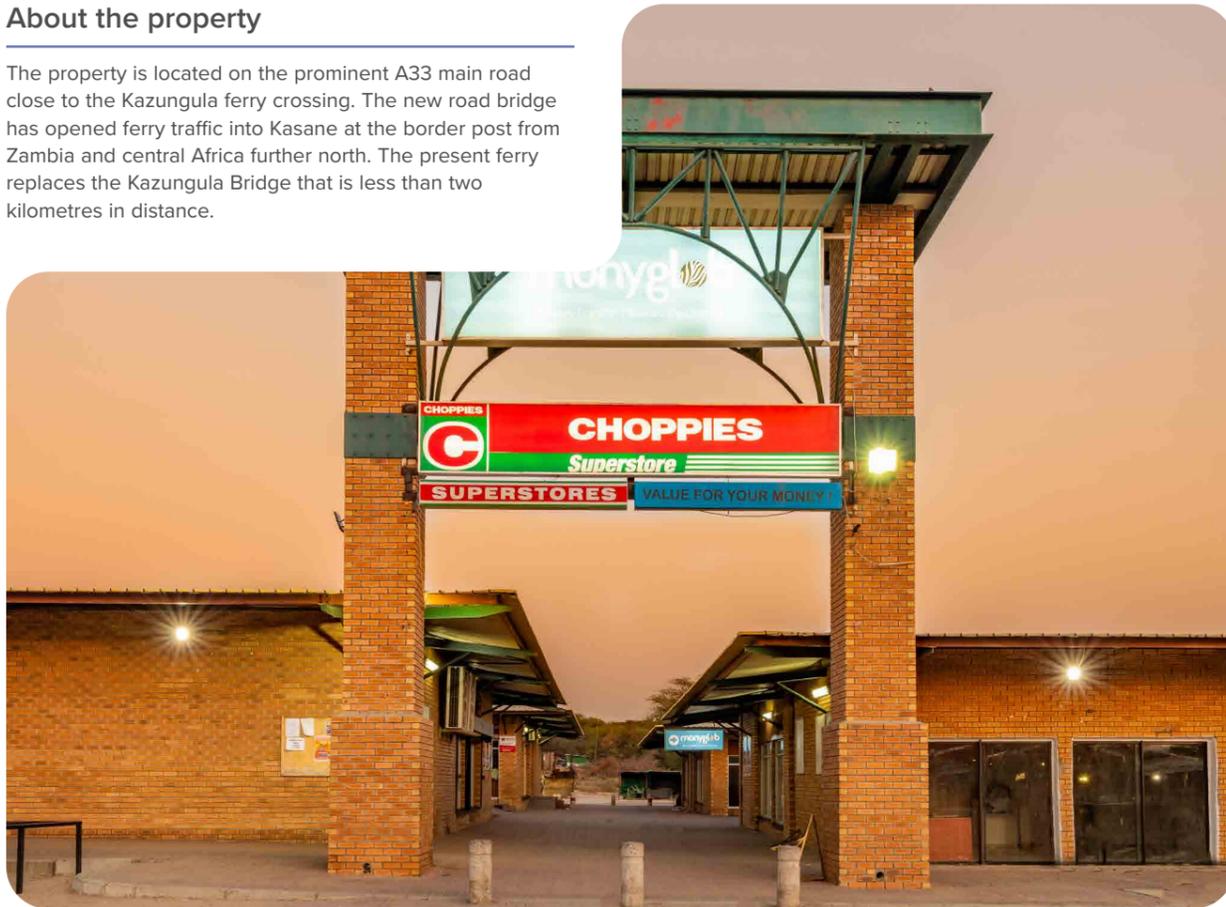
## Plot 1301 Borogo Mall

RETAIL

KAZUNGULA, BOTSWANA

### About the property

The property is located on the prominent A33 main road close to the Kazungula ferry crossing. The new road bridge has opened ferry traffic into Kasane at the border post from Zambia and central Africa further north. The present ferry replaces the Kazungula Bridge that is less than two kilometres in distance.



GLA

7 374m<sup>2</sup>

Value at 30 June 2025

BWP 82 190 000

### Anchor tenants

- Choppies Distribution Centre (Pty) Ltd
- Motovac Serowe (Pty) Ltd
- Bahumi Trading-Kasane (Pty) Ltd

### Other key tenants

- Diagnofirm (Pty) Ltd
- JB Sports (Pty) Ltd
- Carnival Furnishers (Pty) Ltd
- Chobe Cell World (Pty) Ltd
- Auto World (Pty) Ltd
- ZCX Investments (Pty) Ltd

## Plot 880-9 KO

INDUSTRIAL

GABORONE, BOTSWANA

### About the property

The property is located in Gaborone's newest industrial estate in the south of the city close to the by-pass and the Gaborone International Commerce Park areas which is less than 500 metres away from the A1 highway.



GLA

17 595m<sup>2</sup>

Value at 30 June 2025

BWP 125 230 000

### Anchor tenants

- Choppies Distribution Centre (Pty) Ltd
- Metrofile Records and Information Management Botswana (Pty) Ltd
- DCS Tropicana (Pty) Ltd
- Vet Agric Suppliers (Pty) Ltd

# Top properties continued

## Plot 888-9 KO

INDUSTRIAL

GABORONE, BOTSWANA

### About the property

The property is also located in Gaborone's newest industrial estate south of the city close to the by-pass and the Gaborone International Commerce Park areas. It is less than 750 metres away from the A1 highway.



GLA

11 949m<sup>2</sup>

Value at 30 June 2025

BWP 71 960 000

### Anchor tenants

- Choppies Distribution Centre (Pty) Ltd
- NBL Botswana (Pty) Ltd
- Senn Food Botswana (Pty) Ltd

## Plot 212 9-KO

INDUSTRIAL

GABORONE, BOTSWANA

### About the property

The property is located in Gaborone's newest industrial estate south of the city and is close to the by-pass and the Gaborone International Commerce Park areas. It is less than 750 metres away from the A1 highway.



GLA

11 706m<sup>2</sup>

Value at 30 June 2025

BWP 70 680 000

### Anchor tenant

- Choppies Distribution Centre (Pty) Ltd

# Top properties continued

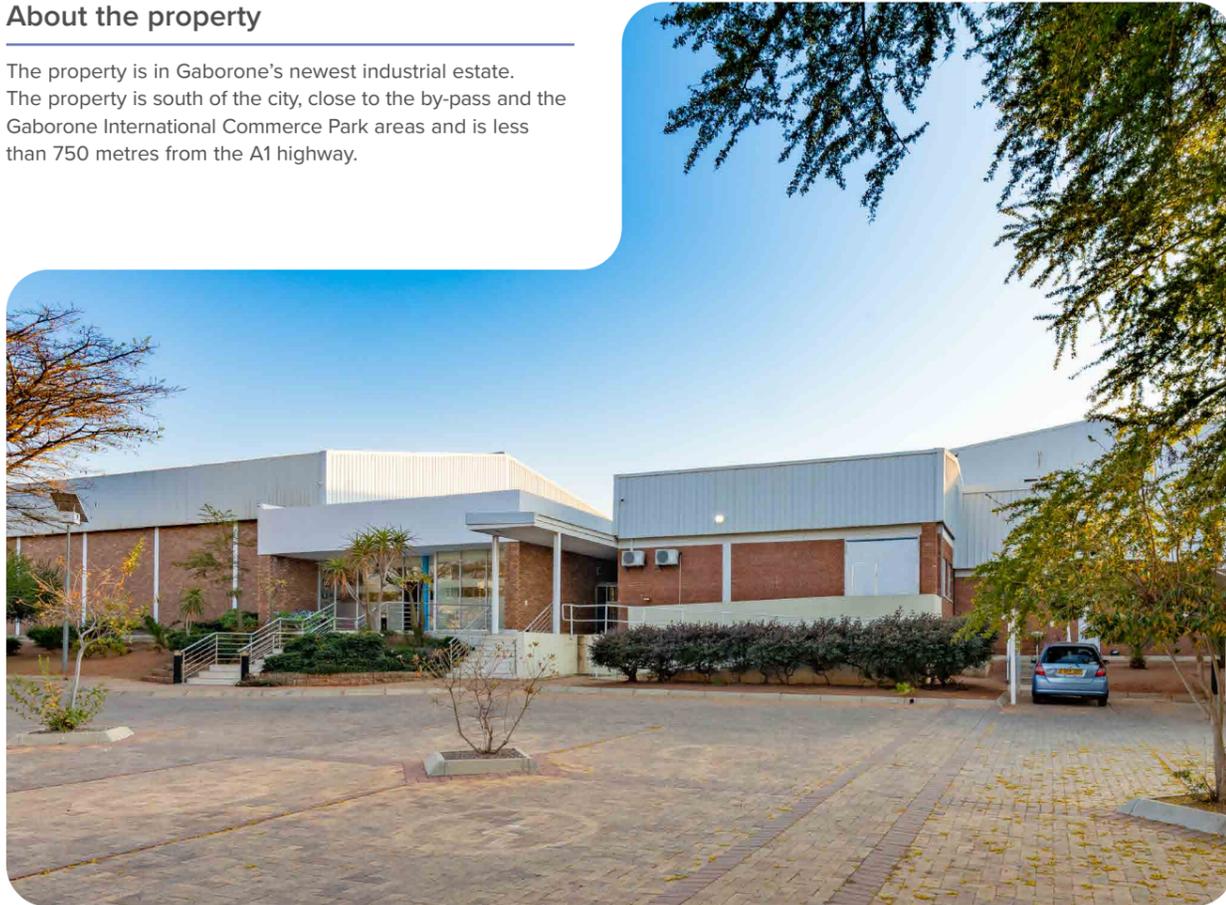
## Portion 196, Farm Forest Hill No 9

COMMERCIAL

GABORONE, BOTSWANA

### About the property

The property is in Gaborone's newest industrial estate. The property is south of the city, close to the by-pass and the Gaborone International Commerce Park areas and is less than 750 metres from the A1 highway.



GLA

4 992m<sup>2</sup>

Value at 30 June 2025

BWP 33 790 000

### Anchor tenant

- Clover Botswana (Pty) Ltd

## Lot 43517 Francistown

INDUSTRIAL

GABORONE, BOTSWANA

### About the property

The property is located south of the city in a new industrial area, north of the BMC circle. It is less than one kilometre from the dual carriageway connecting Tonota and Francistown.



GLA

4 928m<sup>2</sup>

Value at 30 June 2025

BWP 27 150 000

### Anchor tenants

- Choppies Distribution Centre (Pty) Ltd
- RBV Consultant (Pty) Ltd
- Feasible Investment (Pty) Ltd

# Top properties continued

## Portion 1666, Farm Forest Hill

INDUSTRIAL

GABORONE, BOTSWANA

### About the property

The property is located in Gaborone's newest industrial estate established some 10 years ago near the A1 highway. The property is south of the city, close to the by-pass at Gaborone International Commerce Park.



GLA

3 545m<sup>2</sup>

Value at 30 June 2025

BWP 35 040 000

### Anchor tenant

- Ovis Investment (Pty) Ltd

## Plot 46-KO

INDUSTRIAL

GABORONE, BOTSWANA

### About the property

The property is located in Gaborone's newest industrial estate south of the city and is close to the by-pass and the Gaborone International Commerce Park areas. It is less than 750 meters away from the A1 highway.



GLA

2 110m<sup>2</sup>

Value at 30 June 2025

BWP 26 950 000

### Anchor tenant

- Choppies Distribution Centre (Pty) Ltd

# Top properties continued

## ERF 6162 Mahikeng

RETAIL

MAHIKENG, NORTH WEST PROVINCE, SOUTH AFRICA

### About the property

The property comprises two single-storey retail buildings with customer parking, providing an average quality retail accommodation within a level commercial plot of approximately 1.285 hectares.



GLA

5 176m<sup>2</sup>

Value at 30 June 2025

R58 200 000

### Anchor tenants

- Business Ventures Investment (Pty) Ltd
- Azbo Trading (Pty) Ltd
- Clicks Retailers (Pty) Ltd
- First Rand Bank Limited
- Shahzaib Gondal Trading (Pty) Ltd
- Skywalker Trading (Pty) Ltd

## ERF 7185 Rustenburg Extension 9

COMMERCIAL

RUSTENBURG, NORTH WEST PROVINCE, SOUTH AFRICA

### About the property

ERF 7185 Rustenburg extension 9 is a consolidation of ERF 2288 and the remaining extent and portion 6 of ERF 2289 Rustenburg extension 9. The consolidated ERF measures approximately 29 949 m<sup>2</sup>.

The property includes two warehouses and a truck wash bay which was constructed in 2018.



GLA

5 974m<sup>2</sup>

Value at 30 June 2025

R48 300 000

### Anchor tenant

- Fair Discounters (Pty) Ltd

# Top properties continued

## ERF 2282 Rustenburg Extension 9

COMMERCIAL

RUSTENBURG, NORTH WEST PROVINCE, SOUTH AFRICA

### About the property

The property comprises a large modern warehouse with a double-storey office block and visitors parking. It provides a good quality warehouse accommodation on a commercial plot measuring approximately 22 138 m<sup>2</sup>.



GLA

10 304m<sup>2</sup>

Value at 30 June 2025

R44 000 000

### Anchor tenant

- Rustenburg Platinum Mines (Pty) Ltd

## Stand No PHIND 7 and 8 Lusaka, Zambia

INDUSTRIAL DISTRIBUTION

LUSAKA, ZAMBIA

### About the property

Stand No PHIND 7 and 8 located in Lusaka South Economic Zone Area about 24km east of central business district of the City of Lusaka.

The property includes a large warehouse, a truck wash bay and a modern office facility which was constructed in 2025.



GLA

10 020m<sup>2</sup>

Value at 30 June 2025

ZMW46 860 000

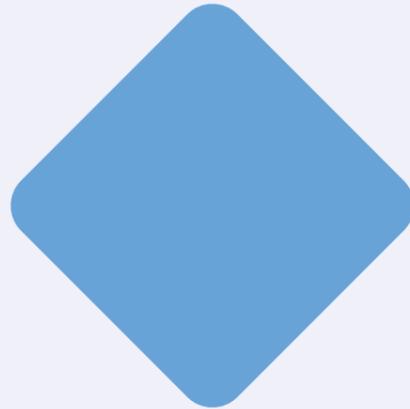
### Anchor tenant

- Choppies Supermarkets Zambia Ltd

### Annual rent

- ZMW6 776 500

# Accountability



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# Directorate



GN

**Rajeshkumar Jayrajh**  
(54)

SOUTH AFRICA

**Independent Non-executive Chairman**  
Appointed: October 2020  
Appointed as Chairman 2025  
*Bachelor of Law (UNISA) Certified Risk Specialist (INTERFIRMA)*

As an experienced Chief Risk Officer Rajesh has a strong track record in the banking and financial services sector. His career in business and risk spans more than 22 years with senior executive experience in retail, SME, commercial and corporate banking across Africa, Asia, Eastern Europe, South America and the United Kingdom.

**Skills brought to FPC:**  
Accounting, compliance, risk management, mergers and acquisitions and real estate.



GN

ARC

**Ranjith Priyalal de Silva**  
(70)

SRI LANKA

**Independent Non-executive Director**  
Appointed: June 2019  
*FCA (Bots), FCA (Sri Lanka), ACMA (UK)*

Priyalal is a well-known Chartered Accountant with over 45 years of experience in the professional accounting field mainly at PricewaterhouseCoopers (PwC) Botswana where he was an audit partner for 19 years. He also held the position of Chief Operating Officer of PwC Botswana from 1 July 2007 until his retirement on 30 June 2016. He sits on the board of Old Mutual.

**Skills brought to FPC:**  
Leadership, accounting, auditing, taxation, financial management and corporate governance.



ARC

**Gobusamang Dempsey Keebine**  
(67)

BOTSWANA

**Independent Non-executive Director**  
Appointed: December 2022  
*MSc, BA*

Gobusamang has over 10 years leadership experience at Business Botswana providing national representation as head of the private sector. He has held positions including that of Chairperson of the Transport Sector and Chairperson of the Trading Across Border, vice president and current president spearheading fundraising, advocacy/lobby and driving leadership engagement both at government and international level and lead sectors such as construction and real estate development.

**Skills brought to FPC:**  
Sales and marketing, leadership and strategy development.



**Ramachandran "Ram" Ottapathu**  
(62)

BOTSWANA

**Non-executive Director**  
Appointed: July 2010  
*BCom, CA (ICAI), FBICA*

Ram has more than 30 years' experience in the retail industry in both finance and operations, and further experience in other industries such as manufacturing, packaging, milling and medical distribution. He combines entrepreneurial and commercial acumen with excellent management skills. Ram is a fellow member of the Institute of Chartered Accountants of India and Associate Member of the Botswana Institute of Chartered Accountants.

**Skills brought to FPC:**  
Retail, finance, operations management, entrepreneurial, accounting, management and leadership.



**Faizel Ismail**  
(43)

BOTSWANA

**Non-executive Director**  
Appointed: June 2016  
*IMM diploma*

Faizel is the Managing Director of Chicken Licken Botswana. He previously worked as a purchasing manager for many years and brings a wealth of business and marketing experience to the Group.

**Skills brought to FPC:**  
Management, marketing and technical.



GN

**Vidya Sanooj**  
(43)

BOTSWANA

**Executive Director**  
Appointed: June 2015  
*BCom, CA (ICAI), FBICA*

Vidya serves on a number of boards, for both listed and unlisted companies. She is a fellow of the Institute of Chartered Accountants of India and of the Botswana Institute of Chartered Accountants. She has worked in several divisions at Choppies Group from management of accounts, advising on the listing road map and investor relations. She has over 18 years' experience in retail accounting, finance, corporate restructuring and merger and acquisitions.

**Skills brought to FPC:**  
Accounting, finance, corporate restructuring and retail.

GN Governance and Nomination Committee

ARC Audit, Risk and Compliance Committee

# Risk management

Effective risk management is fundamental to ensuring the long-term sustainability, operational viability, and growth of the business. By thoughtfully balancing potential risks with opportunities for value creation, it plays a critical role in driving the achievement of our strategic goals.

The organisation’s risk management policy is aligned with prevailing industry standards and explicitly restricts FPC from engaging in derivative transactions that fall outside the scope of its core business activities.

The Board has conducted a thorough assessment of the internal risk management and control systems, with the findings subsequently reviewed and discussed with the Audit, Risk and Compliance Committee.

## Risk appetite

The Board is responsible for setting risk appetite and tolerance. FPC’s growth strategy within a well-defined asset class as well as the acquisition criteria and geographic targets are clearly defined and outlined. Within this defined strategy FPC is prepared to take risks in a responsible and sustainable way that is in line with the interests of all stakeholders.

In assessing risk appetite FPC considers its key values which include performance excellence. By embedding this into our culture on a day-to-day basis ensures that we are able to deliver expected returns and meet the expectations of our stakeholders. Any risk deemed medium to low is considered within tolerance levels.

FPC ensures that it abides by the rules and regulations in each of the jurisdictions where it conducts business, which is supported by its core principle of openness. The Group’s risk appetite is further defined by this. FPC believes it is essential to correctly apply the pertinent tax laws and industry-specific standards while also fully complying with these laws as to their object and purpose. To reduce the risk of non-compliance, FPC consults with specialist teams (internal and external) for complex topics.

FPC adopts a conservative financial policy ensuring proper equity and debt management and maintenance of a strong financial profile. The Company’s appetite for any finance-related risk is low and actively mitigates the risk factors involved.

The Group’s policy is to hedge the interest rate risk to the extent where the hedging costs do not exceed the forecast risk exposure for each particular borrowing. The Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

FPC is exposed to foreign currency risk on receivables and payables denominated in a currency other than Pula, being the functional and the presentation currency. The Group’s policy is to hedge expected significant transactions in currencies other than Pula, such as dividend payments, in order to minimise the impact of exchange rate fluctuations to the extent where the hedging cost does not exceed the forecast risk exposure for each particular transaction.

The key risks and steps we take to mitigate these are set out on the next page. None of these risks had significant impact during the year.

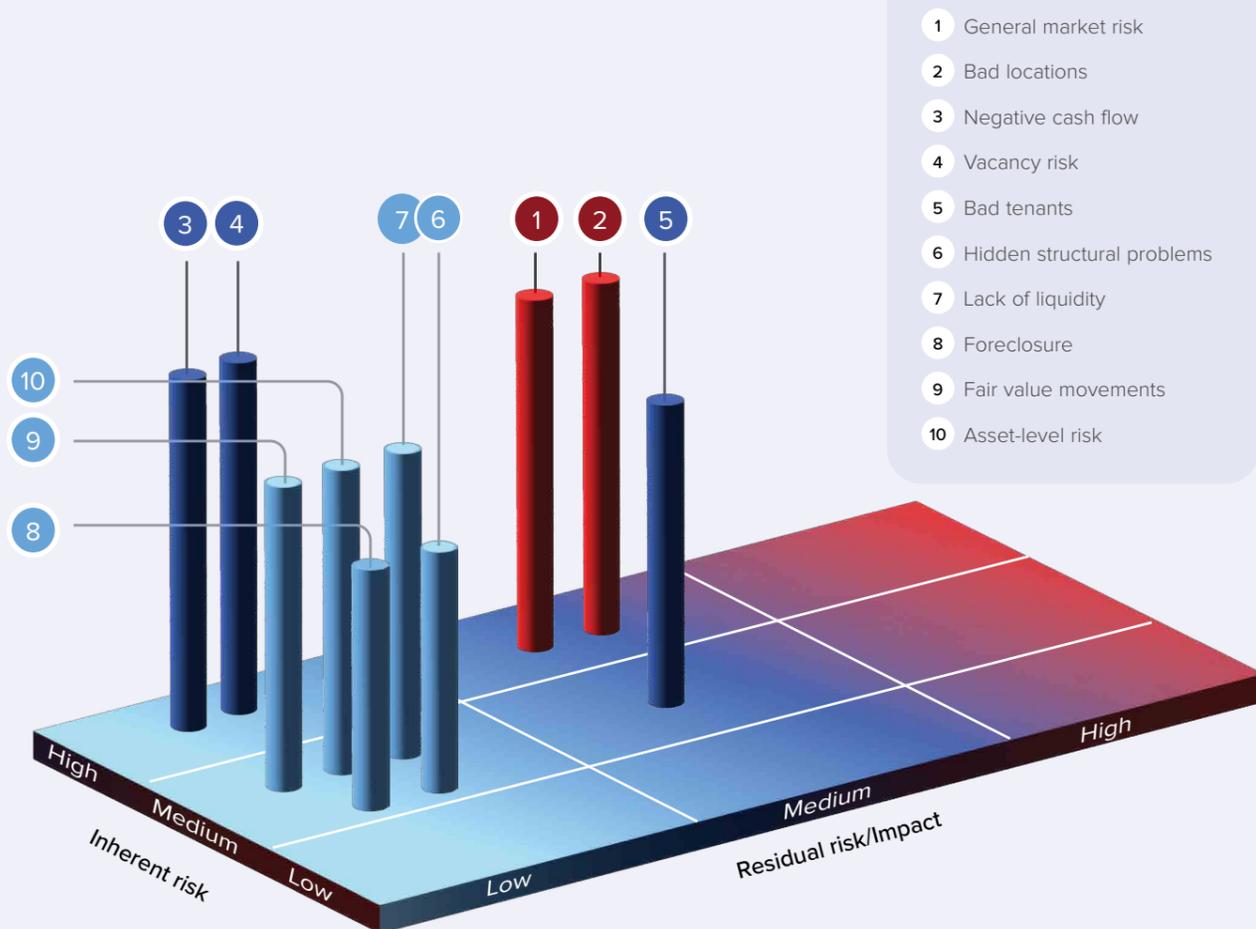
## Strategic risk dashboard

Risk description	Level of risk	Effect on FPC group	Mitigation
<b>1 General market risk</b> With the constantly shifting economic conditions, the real estate market is renowned for its ups and downs. The value of an investment property in real estate is significantly influenced by the state of the economy.	High	Medium	The Group is planning to dispose of some of its investment properties in South Africa to reduce exposure in this market.
<b>2 Bad locations</b> Location determines supply and demand. While a certain location may be lower priced, it could be located in an area with too many investment properties available, and no growing population or a good job market, resulting in greater risk for the investor. Location determines appreciation. Low appreciation means negative return on investment when the property investor decides to sell an investment property.	High	Medium	The locational advantage of the Group portfolio is well maintained to minimise the risk of bad location. Any new location is closely analysed.
<b>3 Negative cash flow</b> A negative cash flow means that expenses, taxes and mortgage payments are all higher than the rental income, which results in losing money.	High	Low	The Group has a considerable positive cash flow to meet its day-to-day obligations and mortgage payments. Ensuring rental property is located in a prime location that yields positive cash flow.
<b>4 Vacancy risk</b> The possibility of high vacancy is a major risk to real estate investors’ rental income as it can yield negative cash flow.	High	Low	The vacancy level of the Group is at an acceptable level of below 6% across the entire portfolio.
<b>5 Bad tenants</b> Finding tenants is a requirement for profiting from real estate investment. However, having a bad tenant that has a hard time meeting rental obligations is a higher risk.	Medium	Medium	The Group has a few bad tenants who fail to pay continuously. Management takes timely action for eviction and recovery with legal experts and debt collectors.
<b>6 Hidden structural problems</b> Investment properties may have a serious structural problem or a structural problem exists after development, which increases the chances of facing unexpected repairs and maintenance costs.	Medium	Low	The Group develops most of the properties on its own with value addition as per the pre-requirements of the anchor tenants or other group of tenants. The Group sources high levels of professional expertise for property development.
<b>7 Lack of liquidity</b> Investment properties can be illiquid and not easily converted into cash. Selling a property is neither a quick nor a simple process. This lack of liquidity forces real estate investors to hold their investments for longer than other types of investments.	Medium	Low	The Group acquires or develops properties for long-term purpose and most of the rental units are supported by long-term leases.
<b>8 Foreclosure</b> Inability to service mortgage payments can put rental property at the risk of foreclosure	Medium	Low	The Group meets its mortgage obligations on a timely basis and currently has no risk of foreclosure.

# Risk management continued

Risk description	Level of risk	Effect on FPC group	Mitigation
<p><b>9 Fair value movements</b> Not all properties are guaranteed to grow in value. Therefore, a major risk of real estate investing is investing in a rental property whose value drops in the future, meaning the property investor will end up with a loss.</p>	Medium	Low	The Group has a location advantage for more than 95% of the properties providing a fair value gain every year.
<p><b>10 Asset-level risk</b> Demand for industrial warehouse and commercial properties is generally high. Currently in Botswana residential property is very volatile and the return on investment is very low when compared to industrial and commercial properties.</p> <p>Industrial warehouse and commercial shopping outlets are considered low-risk and often yield higher returns. Office buildings are less sensitive to consumer demand than shopping malls.</p>	Medium	Low	The Group has a stable portfolio consisting of a 51% industrial, 41% commercial and 8% residential tenant mix.

## Risk heat map



# Ethical leadership

We uphold high ethical standards and prioritise transparency and accountability in all operations. FPC remains committed to strong ethics, good governance and strict compliance for the benefit of all stakeholders.

The Board is responsible for FPC's governance, ethics and values, with management supporting the Board in maintaining these standards across the organisation. The Board is tasked with providing ethical leadership within a framework of governance, ensuring ethical considerations are addressed and the organisation acts as a corporate citizen.

Although King III is the minimum standard required for listed entities, FPC distinguishes itself by its early adoption of the King IV code. The Board not only upholds the principles outlined in King IV but also defines its rights and responsibilities through the Board charter. To ensure continued compliance with King IV's guiding principles, FPC conducts a biennial review of the Board charter. Adherence to the King IV guidelines is further detailed on pages 62 to 65.

Code of conduct, HR policies and procedures and compliance framework policies, to which all employees are required to adhere to, are in place. FPC's employees are expected to disclose any conflicts of interest and vetting is undertaken at the point of appointment.

No contraventions of the codes and policies were reported during the year.



# Corporate governance report

## Governance structure

Board	
	Rajeshkumar Jayrajh <sup>1</sup> (Chairman of the Board)
	Ranjith Priyalal De Silva <sup>1</sup>
	Gobusamang Dempsey Keebine <sup>1</sup>
	Faizel Ismail <sup>2</sup>
	Ramachandran Ottapathu <sup>2</sup>
	Vidya Sanooj <sup>3</sup>

<sup>1</sup> Independent non-executive  
<sup>2</sup> Non-executive  
<sup>3</sup> Executive

### Audit, Risk and Compliance Committee

- Ranjith Priyalal de Silva (Chairman)
- Gobusamang Dempsey Keebine

For more information see page 60.

#### Responsibilities

- Compliance with good corporate governance
- Determining distributions to linked unitholders
- Assurance procedures and policies
- Evaluating management's actions in ensuring the integrity and reliability of the Group's financial systems
- Reviewing financial reporting
- Reviewing and approving the annual budget
- Considering the investment strategies and appraisals for future investments

The Board is the main custodian of good corporate governance and plays a prominent role in the strategic development, risk management and sustainability processes of the Group. The Board understands that adhering to the highest standards of corporate governance is fundamental to sustaining the FPC business and all business practices are conducted in good faith and in the best interests of the Company and all its stakeholders.

We are committed to maintaining the highest standards of governance and adopt stringent compliance practices. Our disclosure standards are regulated by the Botswana Companies Act, BSE Listings Requirements, BSE Code of Best Practice on Corporate Governance and King IV. The Board appreciates that

### Governance and Nomination Committee

- Rajeshkumar Jayrajh (Chairman)
- Vidya Sanooj
- Ranjith Priyalal de Silva

For more information see page 58.

#### Responsibilities

- Organisational policies
- Organisational development
- Succession planning
- Selecting, remunerating and evaluating executive management

effective governance is a key driver of sustainability and acknowledges its responsibility in this regard. This includes reporting on its operations and results to stakeholders in a timely manner.

The Group's application of the King IV report compliance can be found on pages 62 to 65.

The Board has established standing committees, as set out in the governance framework to promote independent judgement, assist with the balance of powers and assist the Board with effectively fulfilling its responsibilities in accordance with the provisions of its Board charter.

## Board and committee meeting attendance

Attendance register	Board	Audit, Risk and Compliance Committee	Governance and Nomination Committee	Annual general meeting
Reetsang Willie Mokgathe (Chairman) <sup>^</sup>	3	–	–	1
Ramachandran Ottapathu	5	–	–	1
Vidya Sanooj	4	–	1	1
Faizel Ismail	5	–	–	1
Ranjith Priyalal De Silva	5	4	1	1
Rajeshkumar Jayrajh (Chairman)	5	3	1	1
Gobusamang Dempsey Keebine	5	4	–	1

<sup>^</sup> Resigned 10 December 2024

## Board composition

The Board consists of six Directors, one Executive Director and five Non-executive Directors, with three of these being independent.

The Board values independent judgement and requires that each Board member prepare, participate and contribute at each meeting. Board members are provided with relevant information, including information on the Group's strategies, plans and performance and are required to devote sufficient time and effort in preparation for meetings. Agendas of meetings are prepared by the Company Secretary in accordance with approved annual work plans and in consultation with the respective chairman.

The Board is ultimately responsible and accountable for the performance of the Group. The Chairman and acting CEO's responsibilities are explicitly segregated from those of other Non-executive Directors and Executive Directors in order to maintain a balance of power and prevent any one person from exerting unrestricted decision-making authority.

The Independent Non-executive Directors are highly qualified professionals who bring to the Board's decision-making process a diverse set of industry skills, knowledge and experience from different sectors of business including law, real estate, investment management and human resources management. These Directors are not involved in the Company's day-to-day activities. To examine any changes, an informal examination of these Directors' independence is conducted on a regular basis based on a formal annual statement of interests. All Independent Non-executive Directors were confirmed to be independent during the year's inspection.

The Board charter was reviewed at a Board meeting held in November 2023 and the Board will continue to review its charter every two years, with the next review scheduled for November 2025.

## Executive management

The role and responsibilities of both the Board and executive management have been clearly defined and are distinct. The independent chairman is responsible for ensuring proper governance of the Board and its committees, ensuring that the interests of all stakeholders are protected and facilitating constructive relations between the executive and the Board.

Shinu Joy (head of finance and operations) our acting CEO is responsible for the overall finance management and operations of the Group and implementation of the strategy and objectives as adopted by the Board. He has over 16 years' experience in finance and operations in India, the Middle East and Africa within various industries and groups. He holds a BCom, ACA and ACMA (US). He is well versed in the property market and joined FPC in December 2017.

Afifa Patel (Finance Manager) is responsible for the management of accounts and finance and has experience in various service industries in Botswana. She holds a Bachelor's degree in Accounting and Finance and is a member of ACCA and BICA. She joined FPC in August 2018.

Devon Symons (Property Manager) is responsible for the general property management in South Africa.

## Board evaluation

The Board has adopted the principles of King IV and agreed to conduct its assessment biannually to allow sufficient time to implement remedial action.

The self-evaluation covers the size and composition of the Board, the Directors' induction and development effectiveness, Board meetings, the relationship between the Board and management, the flow of information, skills needed by the Board and its committees, as well as stakeholder relations.

# Corporate governance report continued

The self-evaluation of Board members and the evaluation of the chairman's performance by the individual Board members as well as the assessment of the performance of individual members by the chairman is conducted every two years. The next review is scheduled for June 2026. The Audit, Risk and Compliance Committee is working with the Board in terms of the composition of the committee.

The Group is registered with the Institute of Directors in South Africa ("IoDSA") and has conducted a formal induction and ongoing training programme for all Board members and executive management.

## Succession planning

The Board is responsible for ensuring that there is a proper succession plan for Directors and management and that all committees are appropriately constituted and chaired. The Board is responsible for identifying future business challenges and key roles, evaluating and selecting employees based on critical competencies and preparing those employees to fill future positions.

The Board is satisfied that the depth of skills of current Directors meets succession requirements which include reviewing skills development, career path and succession planning, policies and procedures and recommendations regarding the essential and desired criteria, experiences and skills for potential new Directors, taking into consideration the Board's short-term needs and long-term succession plans.

## Appointment and rotation of Directors

Directors are appointed in accordance with a formal and transparent appointment policy which involves all Board members. Board members are formally appointed for a period of three years and retire on a rotation basis. Retiring Directors may make themselves available for re-election provided they remain eligible. Rajeshkumar Jayrajh and Gobusamang Dempsey Keebine will be retiring by rotation and standing for re-election at the upcoming annual general meeting.

A formal induction programme for new Directors is in place whereby all new Directors are welcomed by management and provided with copies of company statutory documents including Board charters, the Companies' Act, King reports and corporate governance principles.

All Board members are subject to ongoing training and development and are encouraged to pursue CPD training from outside sources. The Company has a formal training and development programme in place which is registered with the Institute of Directors of South Africa ("IoDSA").

## Stakeholder relations

The Board and management proactively engage with material stakeholders and address their concerns in the best way possible.

Collaboration is important to the Group's approach and strategic partnerships are driven with like-minded stakeholders. In addition, personal meetings with analysts and fund managers or trustees are arranged when appropriate. FPC publishes its interim and annual results in the media when finalised and in addition, mails its integrated annual report to all shareholders. See stakeholder engagement on page 26 for further detail.

## Internal control

The financial and operational systems of internal control are designed to provide reasonable assurance that transactions are concluded in accordance with management's authority, that the assets are adequately protected against material losses, unauthorised acquisition, use or disposal, and that transactions are properly authorised and recorded.

Management monitors the operation of the internal control systems in order to determine if there are deficiencies. Corrective actions are taken where appropriate. The head of finance and operations and chief internal audit executive play a key role in this regard. The Board, operating through the Audit, Risk and Compliance Committee, oversees the internal control environment and financial reporting process. An effective internal control system provides reasonable assurance with respect to financial statement preparation and the safeguarding of assets.

The Board reviews the policies regularly and updates when required.

## Internal audit function

Internal audit is governed by a Board-approved charter that enshrines the independence of the function which mainly focuses on operational activities. As a cost-effective measure, the Company continues to outsource this function and engages with an independent firm of accountants to provide this service.

### Focus areas during the year included:

- Review of controls over revenue cycle
- Review of controls over payments cycle
- Anti-money laundering
- Cyber security and information technology general controls
- Review of controls over maintenance work
- Controls over property, plant and equipment, investment property and capital projects
- Compliance with CIPA, BSE, BAOA and the Financial Intelligence Agency ("FIA")
- Compliance with VAT and income tax

The risk register, which was prepared by internal audit, was reviewed and approved by the Audit, Risk and Compliance Committee remains in place.

During the year, the Board reviewed all recommendations that were made and remained implemented.

## Company Secretary

The Company Secretary is BP Consulting Services (Proprietary) Limited and the Board is satisfied that they are a suitably qualified, competent and experienced professional firm. The Company Secretary representative is not a director of the Company. The Board has considered the individuals at BP Consulting Services Proprietary Limited who perform the company secretarial functions and is satisfied that there is an arm's-length relationship between the Company Secretary and the Board. The Board also reviews the competence, qualifications and experience of the Company Secretary annually.

The Company Secretary provides the Directors, collectively and individually, with guidance as to their duties, responsibilities and powers and ensures that the Directors are aware of all laws and relevant legislations.

## Independent advice

All Non-executive Directors have unrestricted access to management at any time as well as to the Group's external auditor. Further, all Directors are entitled to seek independent professional advice on any matters pertaining to the Group as they deem necessary at the Group's expense.

## IT governance

IT requirements are currently outsourced to an external IT company in view of the size of the Company and as a cost-effective measure. An IT strategy and data protection policy is in place.

Our IT governance ensures that information in all its forms – written, spoken, recorded electronically or printed – will be protected from accidental or intentional unauthorised modification, destruction or disclosure throughout its life cycle. This protection includes an appropriate level of security over the equipment and software used to process, store and transmit that information.

An IT governance function is in place and is regularly monitored by management in terms of the efficiency of IT controls, policies and processes. The Board approved the Company's IT security policy which remains in place. All policies and procedures are documented and provided to the relevant employees.

All the documentation is retained for at least six years after initial creation, or pertaining to policies and procedures, after changes are made. All documentation is periodically reviewed for appropriateness and currency.

All departmental policies must be consistent with this policy. All systems implemented after the effective date of these policies are expected to comply with the provisions of this policy where possible. Existing systems are expected to be brought into compliance where possible and as soon as practical.

A business continuity plan and disaster recovery plan are in place.

The Board received an independent assurance from internal auditors and independent IT service providers regarding the effectiveness of the IT internal control and IT governance.

## Compliance

Due to the size and limited activities of the Company, compliance functions are overseen by the acting CEO. A compliance framework policy approved by the Board remains in place.



# Governance and Nomination Committee report

The Governance and Nomination Committee supports the Board in establishing the Group's remuneration policy, ensuring that both compensation practices and recruitment strategies are aligned with the organisation's broader business objectives. The attraction and retention of highly skilled employees remain essential to the Group's ongoing development.

The Governance and Nomination Committee comprises Independent Non-executive Chairman Rajeshkumar Jayrajh, Independent Non-executive Director Ranjith Priyalal de Silva and Executive Director Vidya Sanooj. Other Directors attend by invitation. Meeting attendance is set out on page 55.

Terms of reference are in place and are reviewed biannually. The committee chair submits reports to the Board at every scheduled meeting, offering feedback and recommendations for consideration. Committee members are granted full access to all financially pertinent information concerning any employee whose remuneration will be subject to the committee's recommendations.

The committee reviewed and recommended the Group's succession plan which was approved by the Board of Directors. The succession plan and organisational structure ensure the Group has adequate human capital and a structure that best position it for achieving its strategic objectives. The acting Chief Executive Officer is responsible for ensuring depth of capability for business continuity planning.

The Board comprises six members, of whom one is a female Executive Director. In order to ensure compliance with BSE Listings Requirements, a policy on the promotion of gender diversity in the nomination and appointment of Directors is in place. In addition, a Board approved a gender diversity policy is in place.

As part of Board development, members of the Board attended a training programme on cyber crime conducted by the Institute of Directors South Africa.

To support governance, each employment contract refers to the code of conduct and the obligation of each employee to abide by the code.

Performance appraisals of staff are carried out in June every year on which remuneration increases are based. The committee considers the proposed annual increases as part of its mandate.

## Remuneration policy

- The Directors' remuneration policy ("the policy") sets an appropriate level of remuneration that allows FPC to attract and retain the services of a suitable number of talented and well-qualified Directors in line with the Company's long-term business strategy. The remuneration of Executive Directors is set by the Board based on the recommendation from the Governance and Nomination Committee. The same process applies to the remuneration of Non-executive Directors, except this remuneration requires shareholders' approval and ratification.
- The committee is empowered to make quantitative and qualitative assessments of performance in reaching its recommendations and is also responsible for providing appropriate disclosure, if required, so that shareholders can understand the basis of its recommendation.
- The Governance and Nomination Committee reviews and assesses the effectiveness and continued relevance of this policy periodically. Any recommended revisions regarding the policy are submitted to the Board for consideration and approval.

The policy provides guidance as follows:

### Executive Directors and executives

- Fixed remuneration to reflect the scale and complexity of both the business and the role, and to be competitive with the external market
- Salary levels take into account the nature of the role, performance of the business and the individual, market positioning and pay conditions in FPC
- Consider best practice in other comparable property development companies as well as other companies of a similar size, geographic spread and business dynamic to FPC when recommending remuneration
- Executive Directors are entitled to receive those benefits available to all employees of FPC. These benefits include Group insurance coverage, medical benefits, motor vehicle-related benefits and annual leave
- Executive Directors may receive other benefits that are considered to be appropriate in terms of the individual's role.

### Annual bonus

- To provide variable remuneration dependent on performance against annual financial, operational and employee engagement measures.
- Based on performance against annual measures and targets set at the start of the year, evaluated at the end of the financial year.
- The level of bonus payable may vary depending on the job performance

### Non-executive Directors

- Remuneration is in the form of fees, payable for each sitting of a board or committee meeting
- In addition to the sitting allowance, the Board Chairman is paid a monthly retainer fee
- Remuneration practice follows established standards for Non-executive Directors' remuneration. As a company listed on the Botswana Stock Exchange, the level and structure of Non-executive Directors' remuneration are primarily benchmarked against prevailing practices in Botswana

- Level and structure of Non-executive Directors' remuneration is reviewed by the Governance and Nomination Committee who will make recommendations to the Board
- Non-executive Directors do not vote on their own remuneration
- Non-executive Directors receive a sitting fee for the purpose of attending Board or committee meetings

### Directors' and key management remuneration

Independent Non-executive Directors receive the following sitting fee for each meeting attended, including Board, Audit, Risk and Compliance Committee, Governance and Nomination Committee and linked unitholders' meetings:

- BWP 33 333 (gross) for resident directors
- BWP 29 412 (gross) for non-resident directors.

Any increase in Directors' remuneration must be submitted to linked unitholders at an annual general meeting for consideration and approval or ratification.

### Directors' fees FY25 (BWP)

Directors	Retainer fee	Sitting fee	Total BWP
Reetsang Willie Mokgathe <sup>^</sup>	75 000	133 333	208 333
Ramachandran Ottapathu	–	–	–
Ranjith Priyalal De Silva	–	366 667	366 667
Vidya Sanooj	–	–	–
Faizel Ismail	–	–	–
Rajeshkumar Jayrajh	62 500	294 118	356 618
Gobusamang Dempsey Keebine	–	333 333	333 333
<b>Total</b>	<b>137 500</b>	<b>1 127 451</b>	<b>1 264 951</b>

<sup>^</sup> Resigned 10 December 2024

### Key management personnel remuneration FY25 (BWP)

	Salaries and short-term employee benefits	Other long-term (severance)	Total
Shinu Joy	1 079 156	231 923	1 311 079
Vidya Sanooj	650 000	–	650 000
Afifa Patel	559 952	110 385	670 337
<b>Total</b>	<b>2 289 108</b>	<b>342 308</b>	<b>2 631 416</b>

Rajeshkumar Jayrajh

Governance and Nomination Committee Chairman

9 September 2025

# Audit, Risk and Compliance Committee report

The Board of Directors appoints the Audit, Risk and Compliance Committee ("ARCC") which operates within the terms of reference as defined in its charter. The charter is reviewed and approved by the Board.

The committee consists of two Independent Non-executive Directors. Senior management and the internal auditors and external auditors also attend ARCC meetings by invitation. Other Directors may also be requested to attend sections of meetings as required. Four meetings of the committee were held during the year and attendance is set out on page 55.

The ARCC follows standard corporate governance practices, with all members being Independent Non-executive Directors possessing the necessary expertise and experience. Executive Directors attend meetings by invitation only.

The ARCC interacts regularly with the acting CEO and Finance Manager and is satisfied with their expertise, experience and competence.

The ARCC has assessed and is satisfied with the independence of the external auditors.

The committee's responsibilities include:

## Finance function

- Oversee the finance function.
- Ensure the expertise, experience and resources of the Group's finance function.

## Internal audit

- Approve the appointment of the internal auditors, approve the annual internal audit plan
- Oversee the functioning of the internal auditor and performance assessment of the internal auditor
- Ensure the internal audit function is subject to independent quality review as appropriate.

## Risk management

- Ensure the Group has an effective policy and plan for risk management
- Oversee the development and annual review of the risk management policy and plan
- Make recommendations to the Board on levels of risk tolerance and risk appetite

- Ensure risk management is integrated into business operations
- Ensure risk management assessments are conducted continuously
- Ensure frameworks and methodologies are implemented to increase the possibility of anticipating unpredictable risks
- Ensure that management considers and implements appropriate risk responses
- Express the committee's opinion on the effectiveness of the system and process of risk management
- Ensure risk management reporting in the integrated annual report is comprehensive and relevant.

## External audit

- Nominate the external auditor for appointment by the shareholders
- Approve the terms of engagement and remuneration of the auditor
- Ensure the appointment of the auditor complies with relevant legislation
- Monitor and report on the independence of the external auditor
- Define a policy for non-audit services which the auditor may provide
- Approve non-audit service contracts
- Review the quality and effectiveness of the external audit process
- Ensure a process is in place for the committee to be informed of any reportable irregularities identified by the external auditor.

The Audit, Risk and Compliance committee is satisfied with the independence of the external auditors.

## IT governance

- Ensure that the Company's governance and management system establishes the integration of people, processes, technology, information and management systems to support effective corporate governance and facilitate the achievement of organisational strategic objectives
- Ensure that there are adequate mechanisms to safeguard the Company's information and that the Group has measures in place to recover from any technological disruptions.

## Focus areas for FY2025

- Review of the ARCC charter
- Planning for the external audit process, including discussions on key issues related to the external audit, the proposed fee for the audit and other related matters
- Year-end planning for clearance of the audited annual financial statements and review of the external audit reports on issues related to the external audit process
- Consideration of the distribution to linked unitholders, including solvency test in relation thereto, for recommendation to the Board
- Consideration of the offer to unitholders of the capitalisation of distribution related to the year ended 30 June 2025
- Review of the integrity of the integrated annual report
- Review of press releases related to trading updates, half yearly and annual financial results reporting
- Consideration of budget forecasts and related investment strategy
- Review of management accounts and related activity reports
- Consideration of key risks related to the Group's strategic and operational risks and updating of the risk register
- Oversight over the governance of information technology
- Consideration of the adequacy and effectiveness of internal controls
- Compliance with the BSE Code of Best Practice on Corporate Governance, specifically about the adoption of King III and King IV requirements
- Compliance with regulatory issues relating to the Botswana Securities Exchange, the Companies Act, EIA regulations and the Income Tax Act.

The focus areas for FY2026 are the same as for FY2025:

## Reporting to the Board

The committee also meets at least once a year with the external and internal auditors, without members of executive management being present.

Meeting reports prepared by the committee, excluding those documenting private sessions with external and internal auditors, are distributed to all Directors. The committee chairman also provides an update at each Board meeting.

Matters requiring action or improvement are identified and appropriate recommendations are made to the Board. The chairman of the committee attends all statutory shareholder meetings to answer any questions on the committee's activities.

Reporting to the Board covers all key issues and recommendations needing approval, such as external audit feedback, non-audit work clearance, auditor fee approvals, internal controls, corporate governance progress, IT governance, strategic and operational risks, budgets in relation to investment strategy, annual report adoption, proposed press releases, solvency test application, and distributions to linked unitholders including capitalisation, along with other relevant matters for Board discussion.

## Chief financial officer and finance function

The committee confirms that acting CEO Shinu Joy and Finance Manager Afifa Patel have the required expertise and experience for their roles. The committee also finds the finance team's resources sufficient and appropriately skilled.

## Conclusion

Given the above, the committee is of the view that it has appropriately addressed its key responsibilities in respect of the Company's internal controls, risk management and statutory and regulatory requirements.

**Ranjith Priyalal De Silva**  
Audit, Risk and Compliance Committee Chairman

9 September 2025

# King IV compliance checklist

The various principles of King IV are embodied in the different sections of the integrated report. The listings requirements of the BSE require a full disclosure as an annexure in the annual report and for that reason the below has been prepared for inclusion in the integrated report.

## Governance outcome one: Ethical culture

<p><b>1. The Board should lead ethically and effectively.</b></p>	<p>In terms of the Board charter, the Board demonstrates ethical and effective leadership, integrity and judgement, based on fairness, accountability, responsibility and transparency. The Board ensures that procedures are in place to monitor and evaluate the implementation of its strategies, policies, business plans, senior management performance criteria and corporate governance processes.</p>	<p><i>The Board is of the opinion that the principle was applied satisfactorily.</i></p>
<p><b>2. The Board should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.</b></p>	<p>In terms of the Board charter, the Board ensures that the Company complies with all relevant laws, regulations and codes of best business practice, and that it communicates with its shareholders and relevant stakeholders (internal and external) openly and promptly, with substance prevailing over form. The Board supported by management ensures:</p> <ul style="list-style-type: none"> <li>• the Company's ethics are managed effectively;</li> <li>• leadership demonstrates support for ethics throughout the Company;</li> <li>• ethical standards are articulated in a code of ethics and supporting ethics policies;</li> <li>• structures, systems and processes are in place to ensure that the various Boards, employees and supply chains are familiar with and adhere to the Company's ethical standards; and</li> <li>• ethics are embedded in the corporate culture of the Company.</li> </ul>	<p><i>The Board is of the opinion that the principle was applied satisfactorily.</i></p>
<p><b>3. The Board should ensure that the organisation is and is seen to be a responsible corporate citizen.</b></p>	<p>The Board is the custodian of the values and ethics of the Group and ensures that it is seen as a responsible corporate citizen.</p> <p>The Board approves the strategy and priorities of the business as set out in its integrated annual report. Through stakeholder engagement and collaboration, FPC is committed to understanding and being responsive to the interests and expectations of stakeholders and to collaborating with them in finding lasting solutions to sustainability challenges.</p> <p>The Board, with the support of the Audit, Risk and Compliance Committee and the management team, oversees and monitors how the operations and activities of the Company affect its status as a responsible corporate citizen and reports annually on the Group's sustainability activities.</p>	<p><i>The Board is of the opinion that the principle was applied satisfactorily.</i></p>

## Governance outcome two: Performance and value operations

<p><b>4. The Board should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.</b></p>	<p>In accordance with the Board charter, the Board is responsible for approving the Company's strategy and aligning strategic objectives, purpose, vision and values with risk and performance. The Audit, Risk and Compliance Committee reports to the Board, which retains ultimate responsibility for the control and management of risk. The strategy is kept under review and is considered at each quarterly Board meeting.</p>	<p><i>The Board is of the opinion that the principle was applied satisfactorily.</i></p>
<p><b>5. The Board should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short, medium and long-term prospects.</b></p>	<p>The group understands that transparent and constructive engagement with all stakeholders is critical to the sustainability of the business. The Audit, Risk and Compliance Committee is responsible for recommending controls to enable it to verify and safeguard the integrity of the Company's integrated annual report and annual financial statements.</p>	<p><i>The Board is of the opinion that the principle was applied satisfactorily.</i></p>

## Governance outcome three: Adequate and effective control

<p><b>6. The Board should serve as the focal point and custodian of corporate governance in the organisation.</b></p>	<p>The Board has an approved charter, which it reviews annually. The charter sets out its governance responsibilities, including its role, responsibilities, membership requirements and procedural conduct.</p> <p>The Audit, Risk and Compliance Committee ensures that the required attention is given by management to successfully accomplish compliance with King IV™, ensure continued compliance with required legislation and the BSE Listings Requirements; and ensure that the Audit, Risk and Compliance Committee reports on compliance to the Board at least biannually.</p>	<p><i>The Board is of the opinion that the principle was applied satisfactorily.</i></p>
<p><b>7. The Board should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.</b></p>	<p>The composition of the Board complies with the recommendations of Companies Act requirements, King IV™ and the BSE Listings Requirements. The Directors represent diversity in expertise, skills and experience to effectively contribute to the requirements of the Board and its committees.</p> <p>The Board currently has one Executive Director, Vidya Sanooj.</p> <p>For details of Directors' full names, their dates of appointment and other listed directorships as well as a brief curriculum vitae, refer to pages 48 and 49 of the integrated report.</p> <p>The succession plan of Directors is reviewed on an ongoing basis.</p>	<p><i>The Board is of the opinion that the principle was applied satisfactorily.</i></p>

# King IV compliance checklist continued

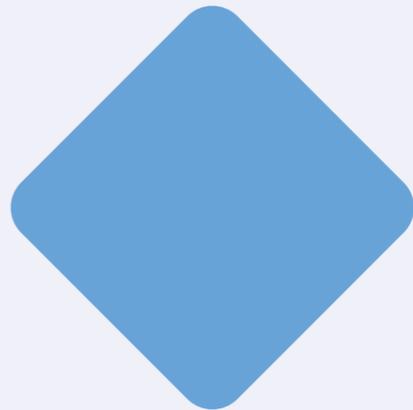
Governance outcome three: Adequate and effective control

<p><b>8. The Board should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with balance of power and the effective discharge of its duties.</b></p>	<p><b>Board committees</b> Committees have been established to assist the Board in discharging its responsibilities. The committees of the Board comprise of the following:</p> <ul style="list-style-type: none"> <li>• Audit, Risk and Compliance Committee</li> <li>• Governance and Nomination Committee</li> </ul> <p>A delegation by the Board of its responsibilities to a committee does not constitute a discharge of the Board's responsibilities or accountability. The Board applies its collective mind to consider the information, opinions, recommendations, reports and statements presented by the committees.</p> <p>Each of these committees has a formal charter approved by the Board and reviewed annually.</p>	<p><i>The Board is of the opinion that the principle was applied satisfactorily.</i></p>
<p><b>9. The Board should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness.</b></p>	<p>The effectiveness of the performance of the Board, its committees, individual Directors and the chairman is assessed every second year.</p> <p>Priority recommendations for the year ahead are reported in the integrated report.</p> <p>The Board is satisfied that evaluation processes improve its performance and effectiveness.</p> <p>The role and responsibilities of the Board, its committees, the chairman and the Directors are outlined in the Board charter, available on the FPC website.</p>	<p><i>The Board is of the opinion that the principle was applied satisfactorily.</i></p>
<p><b>10. The Board should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities.</b></p>	<p>In terms of the Board charter, the Board's responsibilities include the appointment of members of Group management and ensuring that succession plans are in place.</p>	<p><i>The Board is of the opinion that the principle was applied satisfactorily.</i></p>
<p><b>11. The Board should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.</b></p>	<p>The Audit, Risk and Compliance Committee is responsible for overseeing the Group's risk management policy and programme. The committee reports to the Board, which retains ultimate responsibility for the control and management of risk. The committee ensures that the risk management disclosure is comprehensive, timely and relevant and that an effective policy and plan is in place to achieve strategic objectives. The risk management policy is widely distributed throughout the company. The risk matrix on page 52 of the integrated annual report is monitored by the Board. At least once a year, the committee reviews the implementation of the risk management policy and programme.</p>	<p><i>The Board is of the opinion that the principle was applied satisfactorily.</i></p>

Governance outcome three: Adequate and effective control

<p><b>12. The Board should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.</b></p>	<p>The Board assumes responsibility for the governance of technology and information, and it is supported in this role by the Audit, Risk and Compliance Committee. It sets the direction of how technology and information should be approached. The Board recognises the importance as it is interrelated to the strategy, performance and sustainability of the Group.</p>	<p><i>The Board is of the opinion that the principle was applied satisfactorily.</i></p>
<p><b>13. The Board should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.</b></p>	<p>The Board charter demands that the Board complies with applicable laws and considers adherence to non-binding rules and standards, with the assistance of Audit, Risk and Compliance Committee together with the Company Secretary. The Board monitors the Company's compliance with applicable laws, rules, codes and standards.</p>	<p><i>The Board is of the opinion that the principle was applied satisfactorily.</i></p>
<p><b>14. The Board should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.</b></p>	<p>The Board charter places the responsibility for ensuring an appropriate remuneration strategy with the Governance and Nomination Committee. The committee makes recommendations to the Board for final approval, ensuring that the Group remunerates Non-executive Directors and executives fairly and responsibly. The committee ensures that the disclosure of Directors' remuneration is accurate, complete and transparent. The Company's remuneration policy is put to shareholders for approval annually by way of a non-binding advisory vote. The remuneration implementation report will also be put to shareholders for approval by way of a non-binding advisory vote at the annual general meeting of the Company shareholders to be held on 12 December 2025. In addition, fees for Non-executive Directors are approved annually, in advance, at the annual general meeting.</p>	<p><i>The Board is of the opinion that the principle was applied satisfactorily.</i></p>
<p><b>15. The Board should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.</b></p>	<p>An effective and independent Audit, Risk and Compliance Committee is in place and meets as often as is necessary to fulfil its functions (but no less than twice a year). The committee ensures that combined assurance is achieved without management and meets with internal and external auditors at least once a year.</p>	<p><i>The Board is of the opinion that the principle was applied satisfactorily.</i></p>
<p><b>16. In the execution of its governance role and responsibilities, the Board should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.</b></p>	<p>The Group understands that fully functional interaction with all relevant/legitimate stakeholders is critical to the sustainability of the business. Regular engagements are held with all stakeholders as outlined on page 26 of the integrated annual report.</p>	<p><i>The Board is of the opinion that the principle was applied satisfactorily.</i></p>

# Annual financial statements



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## Directors' responsibilities and approval

The Directors are required in terms of the Companies Act (Cap 42:01) to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate annual financial statements fairly present the state of affairs of the Group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the consolidated and separate annual financial statements.

The consolidated and separate annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the Directors to meet these responsibilities, the Directors set 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 above 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 Directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and separate annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Directors have reviewed the Group's cash flow forecast for the year to 30 June 2025 and, in light of this review and the current financial position, they are satisfied that the Group has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the Group's consolidated and separate annual financial statements. The consolidated and separate annual financial statements have been examined by the Group's external auditors and their report is presented on pages 71 to 74.

The consolidated and separate annual financial statements set out on pages 75 to 127, which have been prepared on the going concern basis, were approved by the Directors on 9 September 2025 and were signed on their behalf by:

Approval of financial statements

**Ranjith Priyalal De Silva**  
Director

**Vidya Sanooj**  
Director

9 September 2025

## Declaration by the Company Secretary

We declare that to the best of our knowledge, the Company has lodged with the Companies and Intellectual Property Authority, all such returns as are required of a public company in terms of the Companies Act and that all returns are true, correct and up to date.

**BP Consulting Services (Pty) Limited**  
Company Secretaries

9 September 2025

# Directors' report

for the year ended 30 June 2025

The directors have pleasure in presenting their report and the Group and Company annual financial statements of The FaR Property Company Limited for the year ended 30 June 2025.

## General information

The Company was incorporated on 29 June 2010 under registration number UIN BW 00000942235 and remains domiciled in the Republic of Botswana. It was listed on the Botswana Stock Exchange (BSE) on 4 May 2016 as a variable rate loan stock company with 474 million issued linked units.

## Nature of business

The primary business of the Group is property owning, management and development, currently active in Botswana, South Africa, Namibia and Zambia. It has investments in commercial, industrial, retail and residential properties.

## Financial position and results

The financial position and results for the year are reflected in the financial statements set out on pages 75 to 127.

## Stated capital

In total, 483 million weighted average linked units, comprising ordinary shares that are indivisibly linked to variable rate debentures.

## Distribution

Distribution number 10, amounting to 12.65 thebe, comprising 12.54 thebe interest and 0.11 thebe dividend, per linked unit for year ended 30 June 2025. This distribution was declared as payable on 11 November 2025.

To support the Company's continued growth, the Board has offered unitholders the option of receiving linked units *in lieu* of a cash distribution.

## Events after reporting date

The Directors are not aware of any matters or circumstances arising since the close of the financial year to the date of this report, not already dealt with in the annual financial statements, which would have a material effect on the financial results, position or operations of the Group and Company.

## Directors

The Directors at 30 June 2025 are Rajeshkumar Jayrajh (Chair); Ramachandran Ottapathu; Ranjith Priyalal De Silva; Faizel Ismail, Vidya Sanooj and Gobusamang Dempsey Keebine. Details of Directors are shown on pages 48 and 49.

# Independent auditor's report



## Chartered Accountants

### Grant Thornton

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[twitter.com/GrantThorntonBW](https://twitter.com/GrantThorntonBW)

## To the shareholders of The FaR Property Company Limited

### Opinion

We have audited the consolidated and separate annual financial statements of The FaR Property Company Limited set out on pages 75 to 127, which comprise the consolidated and separate statement of Financial Position as at 30 June 2025, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the consolidated and separate annual financial Statements give a true and fair view of the consolidated and separate financial position of The FaR Property Company Limited as at 30 June 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Annual Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts 1, 3 and 4A) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Botswana. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Botswana. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Botswana Accountancy Oversight Authority registration number: FAP005 2024  
(Audit Firm of Public Interest Entity) Botswana Institute of Chartered Accountants  
membership number: MeFBW411013 (Non-Audit)

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### Partners

Kalyanaraman Vijay (Managing), Aswin Vaidyanathan\*, Madhavan Venkatachary, Anthony Quashie, Sunny K. Mulakulam\*, Aparna Vijay\* (\*Indian)

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# Independent auditor's report continued

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate annual financial Statements of the current period. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, and the report below is not intended to constitute separate opinions on those key audit matters.

### Key audit matter

#### Valuation of the investment property

The holding company and subsidiaries owns a portfolio of retail, industrial, commercial and residential property valued at BWP 1 520 301 613 for the holding company and BWP 244 586 101 for the subsidiaries as disclosed under note 3 of the annual financial statements.

The valuation of the property portfolio is a significant judgment area and is underpinned by assumptions including estimated future rental and yields. The group uses professionally qualified external valuers to perform the fair value of the properties.

Disclosures on the investment properties are under note 3 to the financials.

### How the matter was addressed in our audit

We met with the external valuers to discuss the valuation process, performance of the portfolio and evaluate significant assumptions and critical judgement areas, including estimated rental values, yields, future net operating income and capitalization rates.

We assessed the competence, independence and integrity of the external valuers.

We performed audit procedures to assess the integrity of information provided to the external valuers including rental schedules on a sample basis to underlying lease agreement. We also compared the capitalization rates utilized in the valuation to rates in historical valuations and general market factors (such as comparable property capitalization rates and rental rates). These inputs were found to be within a reasonable range.

As per group instructions provided, the component auditors assessed the integrity of the information provided to the external valuers and through audit procedures evaluated the assumptions used in the valuations.

## Other information

The directors are responsible for the other information. The other information comprises the Directors' report, which we obtained prior to the date of this report and the annual report which is expected to be made available to us after that date. Other information does not include the annual financial statements and our auditor's report thereon.

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

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information we have obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the directors for the Consolidated and Separate Annual Financial Statements

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

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

Those charged with governance are responsible for overseeing the company's financial reporting process.

## Auditor's responsibilities for the audit of the Consolidated and Separate Annual Financial Statements

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

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

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



## Independent auditor's report continued

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the subsidiaries or business activities within the group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current year 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.

Grant Thornton  
Firm of Certified Auditors

Practicing Member: Aswin Vaidyanathan (CAP 0016 2025)

10 SEPT 2025  
Gaborone

## Consolidated and separate statement of financial position

as at 30 June 2025

Figures in Pula	Note(s)	GROUP		COMPANY	
		2025	2024	2025	2024
<b>Assets</b>					
<b>Non-current assets</b>					
Investment property	3	1 764 887 714	1 622 580 876	1 520 301 613	1 385 823 099
Operating lease asset	3	47 605 910	45 120 251	46 027 407	43 292 857
Property, plant and equipment	4	9 085 564	5 303 800	9 018 547	5 204 815
Investments in subsidiaries	5	–	–	25 416 708	25 416 533
Deferred income tax assets	6	12 712 407	11 267 857	2 947 137	1 512 955
Trade and other receivables	7	3 117 263	3 279 255	–	–
		<b>1 837 408 858</b>	1 687 552 039	<b>1 603 711 412</b>	1 461 250 259
<b>Current assets</b>					
Operating lease asset	3	6 108 896	4 509 145	5 895 980	4 256 496
Trade and other receivables	7	26 482 465	16 964 756	11 680 174	9 874 378
Related party receivables	8	9 343 049	3 692 089	188 614 851	141 714 514
Advance towards asset purchase	9	70 339 302	29 802 191	25 498 439	29 718 059
Cash and cash equivalents	10	19 303 351	19 825 432	6 250 495	16 507 590
		<b>131 577 063</b>	74 793 613	<b>237 939 939</b>	202 071 037
Non-current assets held for sale and assets of disposal groups	38	5 240 936	–	–	–
<b>Total assets</b>		<b>1 974 226 857</b>	1 762 345 652	<b>1 841 651 351</b>	1 663 321 296
<b>Equity and liabilities</b>					
<b>Equity</b>					
Stated capital	12	597 135 720	570 145 818	597 135 720	570 145 818
Reserves		(37 013 021)	(33 700 349)	–	–
Retained income		781 394 906	703 381 981	700 625 665	626 809 729
		<b>1 341 517 605</b>	1 239 827 450	<b>1 297 761 385</b>	1 196 955 547
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Borrowings	13	390 007 897	308 021 532	341 005 785	287 074 498
Lease liabilities	14	12 106 610	5 572 069	11 310 329	4 911 285
Deferred income tax liabilities	6	77 652 237	69 732 789	55 697 575	50 008 391
		<b>479 766 744</b>	383 326 390	<b>408 013 689</b>	341 994 174
<b>Current liabilities</b>					
Trade and other payables	15	35 127 909	35 208 513	26 124 725	28 771 856
Related party payables	16	–	–	544 964	445 413
Distribution payable	17	61 870 883	58 788 834	61 870 883	58 788 834
Current tax payable	18	7 452 770	791 933	7 359 959	764 365
Borrowings	13	34 973 422	44 282 332	26 458 222	35 538 970
Lease liabilities	14	182 100	120 200	182 100	62 137
Bank overdraft	10	13 335 424	–	13 335 424	–
		<b>152 942 508</b>	139 191 812	<b>135 876 277</b>	124 371 575
<b>Total liabilities</b>		<b>632 709 252</b>	522 518 202	<b>543 889 966</b>	466 365 749
<b>Total equity and liabilities</b>		<b>1 974 226 857</b>	1 762 345 652	<b>1 841 651 351</b>	1 663 321 296

# Statement of profit or loss and other comprehensive income

for the year ended 30 June 2025

Figures in Pula	Note(s)	GROUP		COMPANY	
		2025	2024	2025	2024
<b>Continuing operations</b>					
<b>Revenue</b>	20	<b>174 266 974</b>	168 591 560	<b>153 094 272</b>	145 594 540
Other operating income	21	<b>26 120 934</b>	21 459 426	<b>19 642 145</b>	14 952 773
Other operating expenses	25	<b>(38 932 863)</b>	(38 668 476)	<b>(29 578 404)</b>	(29 147 048)
<b>Operating profit</b>		<b>161 455 045</b>	151 382 510	<b>143 158 013</b>	131 400 265
Finance income	22	<b>1 590 326</b>	1 476 350	<b>15 469 493</b>	13 085 789
Finance costs	23	<b>(36 181 034)</b>	(29 971 953)	<b>(30 259 165)</b>	(26 303 288)
Foreign exchange gain/(loss)		<b>6 471 696</b>	3 731 530	<b>549 481</b>	110 585
Fair value adjustments	24	<b>22 831 215</b>	47 001 496	<b>20 979 762</b>	47 630 454
<b>Profit before taxation</b>		<b>156 167 248</b>	173 619 933	<b>149 897 584</b>	165 923 805
Taxation	26	<b>(16 711 255)</b>	(14 182 917)	<b>(14 210 765)</b>	(13 237 400)
<b>Profit from continuing operations</b>		<b>139 455 993</b>	159 437 016	<b>135 686 819</b>	152 686 405
<b>Discontinued operations</b>	38	<b>427 815</b>	–	<b>–</b>	–
Profit from discontinued operations					
<b>Profit for the year</b>		<b>139 883 808</b>	159 437 016	<b>135 686 819</b>	152 686 405
<b>Other comprehensive income: Items that may be reclassified to profit or loss:</b>					
Exchange differences on translating foreign operations		<b>(3 312 672)</b>	(3 822 462)	<b>–</b>	–
<b>Other comprehensive income for the year net of taxation</b>	39	<b>(3 312 672)</b>	(3 822 462)	<b>–</b>	–
<b>Total comprehensive income for the year</b>		<b>136 571 136</b>	155 614 554	<b>135 686 819</b>	152 686 405
<b>Profit attributable to: Owners of the parent:</b>					
From continuing operations		<b>139 455 993</b>	159 437 016	<b>135 686 819</b>	152 686 405
From discontinued operations		<b>427 815</b>	–	<b>–</b>	–
		<b>139 883 808</b>	159 437 016	<b>135 686 819</b>	152 686 405
<b>Earnings per share</b>					
Weighted average linked units in issue at the end of the year		<b>483 552 023</b>	474 103 503	<b>483 552 023</b>	474 103 503
Basic earnings per linked unit attributable to linked unitholders (thebe)		<b>28.93</b>	33.63	<b>28.06</b>	32.21
Headline earnings per linked unit attributable to linked unitholders (thebe)		<b>28.98</b>	33.73	<b>28.08</b>	32.22
Distribution per linked unit (thebe)		<b>12.80</b>	12.40	<b>12.65</b>	12.40

# Consolidated and separate statement of changes in equity

for the year ended 30 June 2025

Figures in Pula	Stated capital	Foreign currency translation reserve	Retained income	Total equity
<b>GROUP</b>				
<b>Balance at 1 July 2023</b>	570 145 818	(29 877 887)	602 733 799	1 143 001 730
Profit for the year	–	–	159 437 016	159 437 016
Other comprehensive income	–	(3 822 462)	–	(3 822 462)
<b>Total comprehensive income for the year</b>	–	(3 822 462)	159 437 016	155 614 554
Dividends	–	–	(58 788 834)	(58 788 834)
<b>Total contributions by and distributions to owners of company recognised directly in equity</b>	–	–	(58 788 834)	(58 788 834)
<b>Balance at 1 July 2024</b>	570 145 818	(33 700 349)	703 381 981	1 239 827 450
Profit for the year	–	–	<b>139 883 808</b>	<b>139 883 808</b>
Other comprehensive income	–	<b>(3 312 672)</b>	–	<b>(3 312 672)</b>
<b>Total comprehensive income for the year</b>	–	<b>(3 312 672)</b>	<b>139 883 808</b>	<b>136 571 136</b>
Issue of shares	<b>26 989 902</b>	–	–	–
Dividends	–	–	<b>(61 870 883)</b>	<b>(61 870 883)</b>
<b>Total contributions by and distributions to owners of company recognised directly in equity</b>	<b>26 989 902</b>	–	<b>(61 870 883)</b>	<b>(34 880 981)</b>
<b>Balance at 30 June 2025</b>	<b>597 135 720</b>	<b>(37 013 021)</b>	<b>781 394 906</b>	<b>1 341 517 605</b>
Note(s)	12	39	39	
<b>COMPANY</b>				
<b>Balance at 1 July 2023</b>	570 145 818	–	532 912 158	1 103 057 976
Profit for the year	–	–	152 686 405	152 686 405
<b>Total comprehensive income for the year</b>	–	–	152 686 405	152 686 405
Dividends	–	–	(58 788 834)	(58 788 834)
<b>Total contributions by and distributions to owners of company recognised directly in equity</b>	–	–	(58 788 834)	(58 788 834)
<b>Balance at 1 July 2024</b>	570 145 818	–	626 809 729	1 196 955 547
Profit for the year	–	–	<b>135 686 819</b>	<b>135 686 819</b>
<b>Total comprehensive income for the year</b>	–	–	<b>135 686 819</b>	<b>135 686 819</b>
Issue of shares	<b>26 989 902</b>	–	–	<b>26 989 902</b>
Dividends	–	–	<b>(61 870 883)</b>	<b>(61 870 883)</b>
<b>Total contributions by and distributions to owners of company recognised directly in equity</b>	<b>26 989 902</b>	–	<b>(61 870 883)</b>	<b>(34 880 981)</b>
<b>Balance at 30 June 2025</b>	<b>597 135 720</b>	–	<b>700 625 665</b>	<b>1 297 761 385</b>
Note(s)	12	39	39	

# Statement of cash flows

for the year ended 30 June 2025

Figures in Pula	Note(s)	GROUP		COMPANY	
		2025	2024	2025	2024
<b>Cash flows from operating activities</b>					
Cash generated from operations	27	102 213 129	129 614 069	92 302 752	99 135 147
Tax paid	28	(3 706 896)	(12 746 131)	(3 360 171)	(12 385 471)
Cash flows of discontinued operations		427 815	–	–	–
<b>Net cash from operating activities</b>		<b>98 934 048</b>	116 867 938	<b>88 942 581</b>	86 749 676
<b>Cash flows from investing activities</b>					
Purchase of property, plant and equipment	4	(4 525 596)	(321 597)	(4 525 596)	(321 597)
Proceeds from sale of property, plant and equipment	4	159 000	–	159 000	–
Purchases of investment property	3	(116 256 897)	(101 984 780)	(106 924 744)	(84 940 349)
Investment in subsidiaries		–	–	(175)	–
Interest income	22	1 590 326	1 476 350	15 469 493	13 085 789
<b>Net cash from investing activities</b>		<b>(119 033 167)</b>	(100 830 027)	<b>(95 822 022)</b>	(72 176 157)
<b>Cash flows from financing activities</b>					
Repayments of borrowings	13	109 281 606	(33 497 065)	74 515 927	(29 368 091)
Proceeds on borrowings	13	(36 253 673)	100 000 000	(29 665 388)	100 000 000
Cash repayments on lease liabilities		(44 669)	(241 105)	(55 001)	(259 836)
Finance costs on lease liabilities		–	(406 024)	–	–
Finance costs	23	(36 181 034)	(29 565 929)	(30 259 165)	(25 969 722)
Dividends paid	17	(31 798 932)	(55 944 213)	(31 798 932)	(55 944 213)
<b>Net cash from financing activities</b>		<b>5 003 298</b>	(19 654 336)	<b>(17 262 559)</b>	(11 541 862)
<b>Total cash movement for the year</b>					
Cash and cash equivalents at the beginning of the year		19 825 432	22 528 701	16 507 590	13 365 348
Effects of translating foreign entities		(109 391)	(1 107 922)	549 481	–
Effects of exchange rate on foreign exchange on cash and cash equivalents		1 347 707	2 021 078	–	110 585
<b>Cash and cash equivalents at the end of the year</b>	10	<b>5 967 927</b>	19 825 432	<b>(7 084 929)</b>	16 507 590

# Accounting policies

for the year ended 30 June 2025

## General information

The FaR Property Company Limited ("the Company") engages in the business of property rental and asset management. The Company is a limited liability company incorporated and domiciled in Botswana. The physical address of the Company's registered office is Plot 28892, Twin Towers, West Wing First Floor, Gaborone, Botswana.

The financial statements set have been approved by the Board of Directors on 09 September 2025.

## 1. Material accounting policies

Management has considered the principles of materiality in IFRS Practice Statement 2 Making Materiality Judgements and only those accounting policies which are considered material have been presented in these consolidated and separate annual financial statements.

### 1.1 Consolidation

#### Basis of consolidation

The consolidated and separate annual financial statements incorporate the consolidated and separate annual financial statements of the Company and all subsidiaries. Subsidiaries are entities which are controlled by the Group. All subsidiaries have a reporting date of 30 June. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The accounting policies of all subsidiaries are the same as those of the parent.

All inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Non-controlling interests in the net assets of subsidiaries are identified and recognised separately from the Group's interest therein and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

#### 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.

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 fair value of contingent consideration that is deemed to be an asset or liability is recognised in either profit or loss or in other comprehensive income, in accordance with relevant IFRSs. Contingent consideration that is classified as equity is not remeasured.

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

The excess of the cost of acquisition over the fair value of the Group's share of identifiable net assets acquired is recognised as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in profit or loss. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. The carrying amount of goodwill is assessed annually for impairment. An impairment loss recognised on goodwill is not reversed in a subsequent period.

# Accounting policies continued

for the year ended 30 June 2025

## 1. Material accounting policies continued

### 1.1 Consolidation (continued)

#### Common control transactions

Business combinations which result from transactions between the holding company and its subsidiaries or between subsidiaries of the Company are defined as common control transactions and are accounted for using the predecessor method of accounting.

Under the predecessor method of accounting, the results of the entities or business under common control are presented as if the business combination had been affected from the effective date. The assets and liabilities combined are accounted for prospectively, based on the carrying amounts applying the Company's accounting policies at the date of transfer. On consolidation, the cost of the business combination is cancelled with the values of the net assets received. Any resulting differences are classified as equity.

### 1.2 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the person or Board that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined that its chief operating decision-maker is the Board of Directors of the Company.

### 1.3 Significant judgements and sources of estimation uncertainty

In preparing consolidated and separate annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the consolidated and separate annual financial statements and related disclosures. Use of available information and the application of judgement are inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the consolidated and separate annual financial statements. Significant judgements include:

#### Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Group and Company recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Company to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realise the net deferred tax assets recorded at the balance-sheet date could be impacted.

#### Fair value estimation

In calculating the fair value, valuers have adopted various valuation techniques generally used by independent valuers. The key assumptions underlying the valuation techniques are based on unobservable inputs and accordingly result in the valuations being classed as level 3 in terms of the fair value hierarchy. Sensitivity of fair value measurements using significant unobservable inputs are disclosed in note 3.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

#### Useful lives of property, plant and equipment

The Group and Company review the estimated useful lives and residual values of property plant and equipment at the end of each annual reporting period.

## 1. Material accounting policies continued

### 1.4 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 enterprise and the cost of the investment property can be measured reliably.

Investment property is a property held to earn rentals and/or for capital appreciation and are accounted for using the fair value model.

Any gain or loss resulting from either a change in the fair value or the sale of investment property is immediately recognised in profit or loss, net of rental straight-line adjustment, within change in the fair value of the investment property.

Rental income and operating expenses from investment property are reported within revenue and other expenses respectively and are recognised in the statement of comprehensive income.

Subsequent to initial measurement, investment property is measured at fair value, with changes in fair value recognised in profit or loss in the period in which it arises.

If the fair value of investment property under construction is not determinable, it is measured at cost until the earlier of the date it becomes determinable or construction is complete.

### 1.5 Property, plant and equipment

Property, plant and equipment is initially measured at cost.

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

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and impairment losses except for land which is not depreciated.

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

Item	Depreciation method	Average useful life
Plant and machinery	Straight line	6 – 7 years
Furniture and fixtures	Straight line	10 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	10 years
IT equipment	Straight line	3 years
Solar panels (included in plant and machinery)	Straight line	25 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. No material changes were made.

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset. The gain or loss arising from the de-recognition 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 de-recognition 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.

There were no indicators of impairment for property, plant and equipment and no impairment tests were performed.

### 1.6 Investments in subsidiaries

Investments in subsidiaries are carried at cost less any accumulated impairment losses. This excludes investments which are held for sale and are consequently accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

# Accounting policies continued

for the year ended 30 June 2025

## 1. Material accounting policies continued

### 1.7 Financial instruments

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

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

The material accounting policies for each type of financial instrument held by the Group are presented below:

#### Trade and other receivables

Trade and other receivables, excluding, when applicable, VAT and prepayments, are measured, subsequent to initial recognition, 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.

The accounting policy for impairment of trade and other receivables is set out in the loss allowances and write-offs accounting policy.

#### Impairment – Expected credit losses and write-offs

The Group recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT 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 which do not contain a significant financing component at an amount equal to lifetime expected credit losses ("lifetime ECL"), when there has been a significant increase in credit risk.

A provision matrix is used as a practical expedient when determining expected credit losses. 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 conditions.

The measurement of expected credit losses incorporates the probability of default, loss given default and the exposure at default, taking the time value of money, historical data and forward-looking information into consideration.

The movement in credit loss allowance is recognised in profit or loss with a corresponding adjustment to the carrying amount of the instrument through a loss allowance account.

The Group writes off an instrument when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Instruments written-off may still be subject to enforcement activities under the Group's recovery procedures. Any recoveries made are recognised in profit or loss.

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, a 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 a 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 at evidence of a loan being credit impaired at the reporting date or of an actual default occurring.

## 1. Material accounting policies continued

### 1.7 Financial instruments continued

#### Significant increase in credit risk

In assessing whether the credit risk on a loan has increased significantly since initial recognition, the Group compares the risk of a default occurring on the loan as at the reporting date with the risk of a default occurring as at the date of initial recognition.

The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the counterparties operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information.

Irrespective of the outcome of the above assessment, the credit risk on a loan is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

#### Definition of default

For purposes of internal credit risk management purposes, the Group consider that a default event has occurred if there is either a breach of financial covenants by the counterparty, or if internal or external information indicates that the counterparty is unlikely to pay its creditors in full (without taking collateral into account).

Irrespective of the above analysis, the Group considers that default has occurred when a loan instalment is more than 90 days past due unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

#### Borrowings and loans from related parties

Loans from group companies, loans from shareholders and borrowings are classified as financial liabilities subsequently measured at amortised cost.

Interest expense on borrowings is calculated on the effective interest method and is included in profit or loss.

Borrowings include loans denominated in foreign currency. Foreign exchange gains or losses arising on these loans are recognised in profit or loss.

#### Trade and other payables

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

Trade and other payables include amounts which have been denominated in foreign currency. Foreign exchange gains or losses are recognised in profit or loss.

#### Cash and cash equivalents

Cash and cash equivalents are recognised at fair value and subsequently at measured at amortised cost.

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

#### Bank overdrafts

Bank overdrafts are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

# Accounting policies continued

for the year ended 30 June 2025

## 1. Material accounting policies continued

### 1.7 Financial instruments continued

#### Derecognition

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 derecognises financial liabilities when its 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.

#### Reclassification

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.

### 1.8 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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax base used for taxation purposes.

A deferred tax liability is recognised for all taxable temporary differences.

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 recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which they 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 by the end of the reporting period.

The deferred tax rate applied to assets is determined by the expected manner of recovery. Where the expected recovery of the asset is through sale, the capital gains tax rate is applied. The normal tax rate is applied when the expected recovery is through use. A combination of these rates is applied if the recovery is expected to be partly through use and sale.

Deferred tax assets are reviewed at each reporting date and are reduced if it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves. The review by management has not resulted in the reduction of the deferred tax assets.

#### Tax expenses

The income tax expense consists of current and deferred tax and is recognised in profit or loss.

## 1. Material accounting policies continued

### 1.9 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 determines 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 judgements and sources of estimation uncertainty section of these accounting policies.

#### 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 25) 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.

#### 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.

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
- 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.

The lease liability is presented as a separate line item on the consolidated and separate 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 23).

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; and
- 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.

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.

# Accounting policies continued

for the year ended 30 June 2025

## 1. Material accounting policies continued

### 1.9 Leases continued

#### Right-of-use assets

Right-of-use assets are presented within Investment properties on the consolidated and separate statement of financial position.

Right-of-use assets are subsequently measured at fair value and revalued annually with the resulting gains or losses recognised in the profit and loss account.

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.

#### Operating leases

Lease payments from operating leases are recognised on a straight-line basis over the term of the relevant lease, or on another systematic basis if that basis is more representative of the pattern in which the benefits from the use of the underlying asset are diminished. Operating lease income is included in revenue (note 20).

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and are expensed over the lease term on the same basis as the lease income.

Modifications made to operating leases are accounted for as a new lease from the effective date of the modification. Any prepaid or accrued lease payments relating to the original lease are treated as part of the lease payments of the new lease.

### 1.10 Impairment of non-financial assets

Management assesses, at the end of each reporting period, whether there is any indication that an asset may be impaired. If any such indication exists, then the recoverable amount of the asset is determined.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. If the recoverable amount cannot be determined for an individual asset, then it is determined for the cash-generating unit to which the asset belongs.

Impairment losses are recognised immediately in profit or loss.

### 1.11 Stated capital and equity

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

- Translation reserve – comprises foreign currency translation differences arising from the translation of financial statements of the Group's foreign entities into Pula (see note 1.15 Investment in subsidiaries).

Retained earnings includes all current and prior period retained profits.

## 1. Material accounting policies continued

### 1.12 Employee benefits

#### Short-term employee benefits

Short-term employee benefits, which consist of paid annual leave and sick leave, bonuses and medical aid 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.

#### Defined contribution plans

The Group contributes to Alexander Forbes Financial Services Botswana Proprietary Limited which is a defined contribution pension plan.

Payments are charged as an expense as they fall due.

### 1.13 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Rental income from the investment property and recoveries as per the terms of contract are earned from letting out properties in the normal course of business. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Interest is recognised, in profit or loss, using the effective interest rate method. Services and recoveries are recognised in the accounting period in which services are rendered.

Dividend income is recognised when the shareholders' right to receive payment has been established and is measured gross of withholding tax.

Revenue also includes fuel rebates received from tenants based on the lease agreement.

#### Other operating income

Operating income includes operating cost recoveries from rental properties. Operating costs recoveries include providing utilities, maintenance and other services charges are considered separate performance obligations. The transactions price is determined based on the amount the landlord expects to receive in exchange for providing the services. These include fixed and variable considerations. Fixed operating recoveries from operating leases are recognised in profit or loss overtime as the services are provided to the tenant on a straight-line basis over the lease term. Variable operating cost recoveries are recognised in the period in which the services are rendered based on individual lease terms.

### 1.14 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.

# Accounting policies continued

for the year ended 30 June 2025

## 1. Material accounting policies continued

### 1.15 Translation of foreign currencies

#### Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Pula, 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 consolidated annual financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Pula by applying to the foreign currency amount the exchange rate between the Pula and the foreign currency at the date of the cash flow.

#### Investments in subsidiaries

The results and financial position of a foreign operation are translated into the functional currency using the following procedures:

- Assets and liabilities for each consolidated and separate statement of financial position presented are translated at the closing rate at the date of that consolidated and separate statement of financial position
- Income and expenses for each item of profit or loss are translated at exchange rates at the dates of the transactions
- All resulting exchange differences are recognised to other comprehensive income and accumulated as a separate component of equity.

Exchange differences arising on a monetary item that forms part of a net investment in a foreign operation are recognised initially to other comprehensive income and accumulated in the translation reserve. They are recognised in profit or loss as a reclassification adjustment through to other comprehensive income on disposal of net investment.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation are treated as assets and liabilities of the foreign operation.

The cash flows of a foreign subsidiary are translated at the exchange rates between the functional currency and the foreign currency at the dates of the cash flows.

### 1.16 Related party

Related parties are defined as those parties:

- directly, or indirectly through one or more intermediaries, if the party:
  - controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
  - has an interest in the entity that gives it significant influence over the entity; or
- that are members of the key management personnel of the entity, including close members of the family.

## 2. New standards and interpretations

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

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 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 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 1 January 2024.

The Group has adopted the amendment for the first time in the 2025 consolidated and separate 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 12 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 financial statements to understand the risk that the liabilities could become repayable within 12 months after the reporting period.

The effective date of the amendment is for years beginning on or after 1 January 2024.

The Group has adopted the amendment for the first time in the 2025 consolidated and separate annual financial statements. The impact of the amendment is not material.

#### Lease liability in a sale and leaseback

The amendment requires that a seller-lessee in a sale and leaseback transaction, shall determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

The effective date of the amendment is for years beginning on or after 1 January 2024.

The Group has adopted the amendment for the first time in the 2025 consolidated and separate annual financial statements. The impact of the amendment is not material.

### 2.2 Standards and interpretations not yet effective

The Group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Group's accounting periods beginning on or after 1 July 2025 or later periods:

#### Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

If a parent loses control of a subsidiary which does not contain a business, as a result of a transaction with an associate or joint venture, then the gain or loss on the loss of control is recognised in the parents' profit or loss only to the extent of the unrelated investors' interest in the associate or joint venture. The remaining gain or loss is eliminated against the carrying amount of the investment in the associate or joint venture. The same treatment is followed for the measurement to fair value of any remaining investment which is itself an associate or joint venture. If the remaining investment is accounted for in terms of IFRS 9, then the measurement to fair value of that interest is recognised in full in the parents' profit or loss.

The effective date of the amendment is to be determined by the IASB.

It is unlikely that the amendment will have a material impact on the Group's consolidated and separate annual financial statements.

# Accounting policies continued

for the year ended 30 June 2025

## 2. New standards and interpretations continued

### 2.2 Standards and interpretations not yet effective 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 financial statements, provided that the ultimate or any intermediate parent produces consolidated 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 1 January 2027.

The Group expects to adopt the amendment for the first time in the 2028 consolidated and separate annual financial statements.

It is unlikely that the amendment will have a material impact on the Group's consolidated and separate annual financial statements.

#### IFRS 18 Presentation and Disclosure in Financial Statements

This is a new standard which replaces IAS 1 *Presentation of Financial Statements* and introduces several new presentation requirements. The first relates to categories and subtotals in the statement of financial performance. Income and expenses will be categorised into operating, investing, financing, income taxes and discontinued operations categories, with two new sub-totals, namely "operating profit" and "profit before financing and income taxes" also being required. These categories and sub-totals are defined in IFRS 18 for comparability and consistency across entities. The next set of changes requires disclosures about management-defined performance measures in a single note to the financial statements. These include reconciliations of the performance measures to the IFRS defined sub-totals, as well as a description of how they are calculated, their purpose and any changes. The third set of requirements enhance the guidance on grouping of information (aggregation and disaggregation) to prevent the obscuring of information.

The effective date of the amendment is for years beginning on or after 1 January 2027.

The Group expects to adopt the amendment for the first time in the 2028 consolidated and separate annual financial statements.

It is unlikely that the amendment will have a material impact on the Group's consolidated and separate 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 1 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 consolidated and separate annual financial statements.

It is unlikely that the amendment will have a material impact on the Group's consolidated and separate annual financial statements.

#### 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 1 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 consolidated and separate annual financial statements.

It is unlikely that the amendment will have a material impact on the Group's consolidated and separate annual financial statements.

## 2. New standards and interpretations continued

### 2.2 Standards and interpretations not yet effective continued

#### Amendments to IFRS 9 Financial Instruments

Annual Improvements to IFRS Accounting Standards – Volume 11 – Transaction price. The amendment clarifies that trade receivables must be measured initially, in accordance with IFRS 9, at the amount determined by applying IFRS 15 Revenue from Contracts with Customers.

The effective date of the amendment is for years beginning on or after 1 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 consolidated and separate annual financial statements.

It is unlikely that the amendment will have a material impact on the Group's consolidated and separate annual 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 1 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 consolidated and separate annual financial statements.

It is unlikely that the amendment will have a material impact on the Group's consolidated and separate annual financial statements.

#### Amendments to IAS 7 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 1 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 consolidated and separate annual financial statements.

It is unlikely that the amendment will have a material impact on the Group's consolidated and separate annual 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 1 January 2026.

The Group expects to adopt the amendment for the first time in the 2027 consolidated and separate annual financial statements.

It is unlikely that the amendment will have a material impact on the Group's consolidated and separate annual financial statements.

#### Lack of exchangeability – amendments to IAS 21

The amendments apply to currencies which are not exchangeable. The definition of exchangeable is provided as being when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. The amendments require an entity to estimate the spot exchange rate at measurement date when a currency is not exchangeable into another currency. Additional disclosures are also required to enable users of financial statements to understand the impact of the non-exchangeability on financial performance, financial position and cash flow.

The effective date of the amendment is for years beginning on or after 1 January 2025.

The Group expects to adopt the amendment for the first time in the 2026 consolidated and separate annual financial statements.

It is unlikely that the amendment will have a material impact on the Group's consolidated and separate annual financial statements.

# Notes to the consolidated and separate annual financial statements

for the year ended 30 June 2025

## 3. Investment property

	2025		2024	
	Valuation	Carrying value	Valuation	Carrying value
<b>GROUP</b>				
Investment property	<b>1 764 887 714</b>	<b>1 764 887 714</b>	1 622 580 876	1 622 580 876
<b>Total</b>	<b>1 764 887 714</b>	<b>1 764 887 714</b>	1 622 580 876	1 622 580 876
<b>COMPANY</b>				
Investment property	<b>1 520 301 613</b>	<b>1 520 301 613</b>	1 385 823 099	1 385 823 099

### Reconciliation of investment property – Group – 2025

	Opening balance	Additions	Foreign exchange movements	Classified as held for sale	Fair value adjustments	Total
Investment property	<b>1 617 534 529</b>	<b>116 415 898</b>	<b>1 581 476</b>	<b>(5 240 936)</b>	<b>26 481 549</b>	<b>1 756 772 516</b>
Right-of-use asset	<b>5 046 347</b>	<b>6 574 007</b>	<b>145 178</b>	<b>–</b>	<b>(3 650 334)</b>	<b>8 115 198</b>
	<b>1 622 580 876</b>	<b>122 989 905</b>	<b>1 726 654</b>	<b>(5 240 936)</b>	<b>22 831 215</b>	<b>1 764 887 714</b>

### Reconciliation of investment property – Group – 2024

Investment property	1 467 611 397	101 984 780	1 309 715		46 628 637	1 617 534 529
Right-of-use asset	6 356 440	–	(1 682 952)		372 859	5 046 347
	1 473 967 837	101 984 780	(373 237)		47 001 496	1 622 580 876

The addition to the investment property includes direct acquisitions amounting to P32 977 183 (2024: P42 668 973) and subsequent developments to the properties amounting to P83 438 715 (2024: P59 315 807).

### Reconciliation of investment property – Company – 2025

	Opening balance	Additions	Fair value adjustments	Total
Investment property	<b>1 384 793 099</b>	<b>106 924 743</b>	<b>25 043 771</b>	<b>1 516 761 613</b>
Right-of-use asset	<b>1 030 000</b>	<b>6 574 008</b>	<b>(4 064 008)</b>	<b>3 540 000</b>
	<b>1 385 823 099</b>	<b>113 498 751</b>	<b>20 979 763</b>	<b>1 520 301 613</b>

### Reconciliation of investment property – Company – 2024

	Opening balance	Additions	Fair value adjustments	Total
Investment property	1 252 172 296	84 940 349	47 680 454	1 384 793 099
Right-of-use asset	1 080 000	–	(50 000)	1 030 000
	1 253 252 296	84 940 349	47 630 454	1 385 823 099

# Notes to the consolidated and separate annual financial statements continued

for the year ended 30 June 2025

### 3. Investment property continued

The addition to the investment property includes direct acquisitions amounting to P32 832 283 (2024: P42 434 639) and subsequent developments to the properties amounting to P74 092 462 (2024: P42 505 710).

The Group has leases for six properties, included above as right-of-use assets. The remaining terms of these leases range from 10 to 40 years.

#### Pledged as security

The investment property of the Group has been pledged as security, towards various facilities availed by the Group. The Company's and Group's carrying value of the properties pledged as at year end are P988 million and P1 117 million respectively.

#### Borrowing costs capitalised

The borrowing cost capitalised into the investment property during the year was P1 455 403 (2024: P730 406). P50 million funds received from Bank Gaborone carries interest at prime plus 3%. Capitalisation is based on the percentage of funds used towards construction projects. 40% of funds being used towards ongoing constructions, therefore capitalising 40% of the monthly interest charge until completion date.

#### Carrying values of the properties of which the titles have not been transferred

The following properties have been taken under the investment property, but the title deeds have not been transferred to the Group. However, the Group has occupancy and has been maintaining the properties for the full period of ownership, with no disputes or claims being raised on this.

Name of the property	Type of property	2025 Carrying value (P)	2024 Carrying value (P)
6384 Lobatse	Land for development	1 800 000	1 800 000

#### Details of valuation

In view of the fact that the fair value of the investment property was arrived at taking into account the present value of future revenue, the fair value gain was reduced by the operating lease asset amount in order to avoid over valuation.

The properties were valued in accordance with guidance notes prepared by RICS and International Valuation Standards for open market basis using sales comparable, depreciable replacement cost, discounted cash flow and income capitalisation approaches. The effective date of revaluation is 30 June 2025.

Valuers have assumed that the properties have been maintained at a reasonable state of repair and condition as noted on their inspection notes. None of the accredited valuers is connected to the company. They have adequate experience in location and category of the investment property being valued.

The Group has engaged independent professional valuers in determining the fair value of investments properties of the group. Independent professional valuers perform comprehensive valuation for one third of the properties on a rotation basis.

#### Investment property portfolio in Botswana

The independent valuation was performed by Mr Eranse Mooki of Knight Frank Botswana Proprietary Limited ("Knight Frank"). He holds recognised relevant professional qualifications and he is a member of the Real Estate Institute of Botswana (MREIB) and Royal Institute of Chartered Surveyors UK ("RICS"). The valuer has relevant experience for the investment property valued.

The Botswana Property Portfolio was valued by Knight Frank based on information supplied by the Company in June 2025 for P1 484 293. Included in this amount is P2 480 000 from the subsidiary, Eminent Proprietary Limited and fair value of the right-of-use assets at P3 540 000.

#### Investment property portfolio in South Africa

Properties owned by the subsidiary Q-Tique 79 Proprietary Limited in South Africa was valued by Ms Susan Turner of Knight Frank Western Cape Proprietary Limited ("Knight Frank WC"). She holds recognised relevant professional qualifications and she is a member of the Council for Valuers Profession in South Africa and Institute of Valuers in South Africa. The valuer has relevant experience for the investment property valued. These properties were valued by Knight Frank WC for P197 997 889 at 30 June 2025.

#### Investment property portfolio in Zambia

Property owned by the subsidiary, The FaR Property Company Zambia Proprietary Limited in Zambia was valued by Mr Jonas Chilonga of Classic Property Consultant Limited for P50 140 029 at 30 June 2025.

### 3. Investment property continued

Amounts recognised in profit and loss for the year

Figures in Pula	GROUP		COMPANY	
	2025	2024	2025	2024
Rental income from investment property	174 266 974	168 591 560	153 094 272	145 594 540
Recoveries	22 976 210	20 872 692	15 566 476	13 956 386
Cleaning	(950 229)	(797 306)	(774 067)	(620 608)
Insurance	(1 678 032)	(1 597 359)	(1 139 103)	(1 146 873)
Repairs and maintenance	(2 728 439)	(2 628 501)	(2 550 455)	(2 538 635)
Security	(2 796 228)	(2 119 055)	(1 705 538)	(1 322 952)
Utilities	(13 801 463)	(2 473 972)	(9 555 024)	(1 514 320)

#### Adjusted valuations

The following valuations were adjusted for consolidated and separate annual financial statements purposes to avoid double counting:

Valuation as per financial statements	2025	2024	2025	2024
Valuation obtained	1 732 431 518	1 614 091 385	1 481 813 600	1 392 903 600
Held for sale	(5 240 936)	–	–	–
Recognised lease smoothening adjustment	(53 714 806)	(49 629 396)	(51 923 387)	(47 549 353)
Work-in-progress valued at cost	91 411 938	58 118 887	90 411 400	40 468 852
	1 764 887 714	1 622 580 876	1 520 301 613	1 385 823 099
<b>Operating lease asset</b>				
Current asset	6 108 896	4 509 145	5 895 980	4 256 496
Non-current asset	47 605 910	45 120 251	46 027 407	43 292 857
	53 714 806	49 629 396	51 923 387	47 549 353

#### Information about fair value measurements using significant unobservable inputs (Level 3) for 2025 – Group

Valuation technique	Valuation	Input	Estimate	Impact lower	Impact higher
Sales comparison	351 463 017	Sales price per square metre of the property	Market value per square metre 10%	(35 146 302)	35 146 302
Depreciated replacement cost	42 263 600	Construction cost per square metre	Build rate per square metre 10%	(4 226 360)	4 226 360
Income capitalisation	1 338 704 901	Capitalisation rate	Capitalisation rate 1%	(125 731 151)	152 505 249
	1 732 431 518				

#### Information about fair value measurements using significant unobservable inputs (Level 3) for 2025 – Company

Valuation technique	Valuation	Input	Estimate	Impact lower	Impact higher
Sales comparison	294 210 000	Sales price per square metre of the property	Market value per square metre 10%	(29 421 000)	29 421 000
Depreciated replacement cost	42 263 600	Construction cost per square metre	Build rate per square metre 10%	(4 266 360)	4 266 360
Income capitalisation	1 145 340 000	Capitalisation rate	Capitalisation rate 1%	(106 974 756)	129 881 556
	1 481 813 600				

# Notes to the consolidated and separate annual financial statements continued

for the year ended 30 June 2025

## 3. Investment property continued

### Information about fair value measurements using significant unobservable inputs (Level 3) for 2024 – Group

Valuation technique	Valuation	Input	Estimate	Impact lower	Impact higher
Sales comparison	296 141 483	Sales price per square metre of the property	Market value per square metre 10%	(29 614 148)	29 614 148
Depreciated replacement cost	65 133 600	Construction cost per square metre	Build rate per square metre 10%	(6 513 360)	6 513 360
Income capitalisation	1 252 816 302	Capitalisation rate	Capitalisation rate 1%	(121 195 167)	146 251 493
	1 614 091 385				

### Information about fair value measurements using significant unobservable inputs (Level 3) for 2024 – Company

Valuation technique	Valuation	Input	Estimate	Impact lower	Impact higher
Sales comparison	261 450 000	Sales price per square metre of the property	Market value per square metre 10%	(26 145 000)	26 145 000
Depreciated replacement cost	65 133 600	Construction cost per square metre	Build rate per square metre 10%	(6 513 360)	6 513 360
Income capitalisation	1 066 320 000	Capitalisation rate	Capitalisation rate 1%	(102 899 880)	124 226 280
	1 392 903 600				

### Valuation techniques underlying estimation of fair value

For all properties in Botswana, South Africa and Zambia with a total carrying amount of P1 764 887 714 (2024: P1 621 646 266), the valuation was determined using depreciated replacement cost ("DRC"), sales comparison and income capitalisation based on significant unobservable inputs.

### Key unobservable inputs

<b>Future rental cash inflows</b>	Based on the actual location, type and quality of the properties and supported by the terms of any existing lease, other contracts or external evidence such as current market rents for similar properties
<b>Capitalisation rates</b>	Based on actual location, size and quality of the properties and taking into account market data at the valuation date
<b>Direct comparable sales</b>	Based on the data on recently transacted properties duly adjusted to reflect the subject asset's uniqueness
<b>Build rate</b>	The current market cost of reproduction or replacement of an asset specific to the nature of the property, components and structure of the property
<b>Rent escalation rates</b>	Based on the actual rent escalations as to the location, type and quality of the properties and supported by the terms of any existing lease, other contracts or external evidence such as current market rent escalation for similar properties

## 4. Property, plant and equipment

	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
<b>GROUP</b>						
Plant and machinery	9 260 313	(1 413 334)	7 846 979	5 871 492	(945 137)	4 926 355
Furniture and fixtures	438 955	(434 792)	4 163	437 249	(434 287)	2 962
Motor vehicles	1 662 922	(478 717)	1 184 205	895 371	(570 077)	325 294
Office equipment	371 076	(356 057)	15 019	361 368	(350 463)	10 905
IT equipment	540 418	(505 220)	35 198	547 720	(509 436)	38 284
<b>Total</b>	<b>12 273 684</b>	<b>(3 188 120)</b>	<b>9 085 564</b>	<b>8 113 200</b>	<b>(2 809 400)</b>	<b>5 303 800</b>
<b>COMPANY</b>						
Plant and machinery	9 260 313	(1 413 334)	7 846 979	5 871 492	(945 137)	4 926 355
Furniture and fixtures	438 955	(434 792)	4 163	437 249	(434 287)	2 962
Motor vehicles	1 338 217	(221 029)	1 117 188	571 388	(345 079)	226 309
Office equipment	371 076	(356 057)	15 019	361 368	(350 463)	10 905
IT equipment	540 418	(505 220)	35 198	547 720	(509 436)	38 284
<b>Total</b>	<b>11 948 979</b>	<b>(2 930 432)</b>	<b>9 018 547</b>	<b>7 789 217</b>	<b>(2 584 402)</b>	<b>5 204 815</b>

### Reconciliation of property, plant and equipment – Group – 2025

	Opening balance	Additions	Foreign exchange movements	Depreciation	Total
Plant and machinery	4 926 355	3 466 428	–	(545 804)	7 846 979
Furniture and fixtures	2 962	1 706	–	(505)	4 163
Motor vehicles	325 294	1 028 894	1 917	(171 900)	1 184 205
Office equipment	10 905	9 709	–	(5 595)	15 019
IT equipment	38 284	18 859	–	(21 945)	35 198
	<b>5 303 800</b>	<b>4 525 596</b>	<b>1 917</b>	<b>(745 749)</b>	<b>9 085 564</b>

### Reconciliation of property, plant and equipment – Group – 2024

	Opening balance	Additions	Foreign exchange movements	Depreciation	Total
Plant and machinery	5 251 737	64 255	–	(389 637)	4 926 355
Furniture and fixtures	2 436	800	–	(274)	2 962
Motor vehicles	170 898	213 433	8 642	(67 679)	325 294
Office equipment	13 340	1 150	–	(3 585)	10 905
IT equipment	10 161	41 959	–	(13 836)	38 284
	<b>5 448 572</b>	<b>321 597</b>	<b>8 642</b>	<b>(475 011)</b>	<b>5 303 800</b>

# Notes to the consolidated and separate annual financial statements continued

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## 4. Property, plant and equipment continued

### Reconciliation of property, plant and equipment – Company – 2025

	Opening balance	Additions	Depreciation	Total
Plant and machinery	4 926 355	3 466 429	(545 805)	7 846 979
Furniture and fixtures	2 962	1 706	(505)	4 163
Motor vehicles	226 309	1 028 894	(138 015)	1 117 188
Office equipment	10 905	9 708	(5 594)	15 019
IT equipment	38 284	18 859	(21 945)	35 198
	<b>5 204 815</b>	<b>4 525 596</b>	<b>(711 864)</b>	<b>9 018 547</b>

### Reconciliation of property, plant and equipment – Company – 2024

	Opening balance	Additions	Depreciation	Total
Plant and machinery	5 251 737	64 255	(389 637)	4 926 355
Furniture and fixtures	2 436	800	(274)	2 962
Motor vehicles	47 712	213 433	(34 836)	226 309
Office equipment	13 340	1 150	(3 585)	10 905
IT equipment	10 161	41 959	(13 836)	38 284
	<b>5 325 386</b>	<b>321 597</b>	<b>(442 168)</b>	<b>5 204 815</b>

## 5. Investment in subsidiaries

### COMPANY

Name of company	Incorporation country	GROUP		COMPANY	
		2025 Holding	2024 Holding	2025 Carrying amount	2024 Carrying amount
Q-Tique 79 Proprietary Limited	South Africa	100%	100%	93	93
Eminent Proprietary Limited	Botswana	100%	100%	2 400 000	2 400 000
The FaR Property Company Zambia Limited	Zambia	100%	100%	23 016 440	23 016 440
The FaR Property Namibia Proprietary Limited	Namibia	100%	–	75	–
Project Link Proprietary Limited	Botswana	100%	–	100	–
				<b>25 416 708</b>	<b>25 416 533</b>

The carrying amounts of subsidiaries are shown net of impairment losses, if any.

### Restrictions relating to subsidiaries

There are no restrictions on subsidiaries declaring dividends or repaying loans to the Company, as these subsidiaries are incorporated in countries without exchange controls that prohibit foreign currency transactions.

## 6. Deferred income tax assets

Figures in Pula

	GROUP		COMPANY	
	2025	2024	2025	2024
<b>Deferred tax liability</b>				
Accelerated capital allowances for tax purposes	(61 264 792)	(55 196 647)	(43 484 628)	(39 309 934)
Operating lease adjustment	(11 830 392)	(10 924 043)	(11 423 145)	(10 460 857)
Prepaid expenses	(13 389)	(7 816)	–	–
Unrealised foreign exchange losses	(3 753 863)	(3 366 683)	–	–
Right-of-use assets	(789 801)	(237 600)	(789 802)	(237 600)
<b>Total deferred tax liability</b>	<b>(77 652 237)</b>	<b>(69 732 789)</b>	<b>(55 697 575)</b>	<b>(50 008 391)</b>
<b>Deferred tax asset</b>				
Unrealised foreign exchange gains	609	601	–	–
Allowance for doubtful accounts	636 576	645 519	418 803	418 802
Tax losses available for set-off against future tax liabilities	9 546 887	9 527 584	–	–
Lease liabilities	2 528 335	1 094 153	2 528 334	1 094 153
<b>Total net deferred tax asset</b>	<b>12 712 407</b>	<b>11 267 857</b>	<b>2 947 137</b>	<b>1 512 955</b>
Deferred tax liability	(77 652 237)	(69 732 789)	(55 697 575)	(50 008 391)
Deferred tax asset	12 712 407	11 267 857	2 947 137	1 512 955
<b>Total net deferred tax liability</b>	<b>(64 939 830)</b>	<b>(58 464 932)</b>	<b>(52 750 438)</b>	<b>(48 495 436)</b>
<b>Reconciliation of deferred tax asset/(liability)</b>				
At beginning of year	(58 464 932)	(50 508 026)	(48 495 436)	(41 336 236)
Originating temporary difference on carried forward losses	(113 566)	729 456	–	–
Origination of deferred tax on foreign exchange differences	(344 560)	(1 050 694)	–	–
Originating temporary difference on operating lease	(900 484)	(1 883 052)	(962 287)	(1 510 654)
Originating temporary difference on capital allowance	(5 854 659)	(5 727 872)	(4 174 693)	(5 689 538)
Originating temporary difference on allowance for doubtful debt	(11 772)	96 558	–	24 771
Originating temporary difference on prepaid expenses	(5 473)	306	–	–
Originating and temporary difference on right-of-use assets	(552 202)	–	(552 202)	–
Effect of translation of foreign subsidiary deferred tax	(126 362)	(137 829)	–	–
Originating and temporary difference on lease liabilities	1 434 180	16 221	1 434 180	16 221
	<b>(64 939 830)</b>	<b>(58 464 932)</b>	<b>(52 750 438)</b>	<b>(48 495 436)</b>

# Notes to the consolidated and separate annual financial statements continued

for the year ended 30 June 2025

Figures in Pula	GROUP		COMPANY	
	2025	2024	2025	2024
<b>7. Trade and other receivables</b>				
<b>Financial instruments:</b>				
Trade receivables	10 137 750	11 108 840	6 978 268	7 543 568
Loss allowance	(6 422 583)	(5 961 238)	(4 637 827)	(4 303 963)
Trade receivables at amortised cost	3 715 167	5 147 602	2 340 441	3 239 605
Deposits	881 376	591 661	541 473	253 473
Other receivables	16 715 737	10 918 119	6 105 133	5 637 745
<b>Non-financial instruments:</b>				
Refundable taxes	4 982 890	2 501 116	–	148 407
Prepayments	3 304 558	1 085 513	2 693 127	595 148
<b>Total trade and other receivables</b>	<b>29 599 728</b>	<b>20 244 011</b>	<b>11 680 174</b>	<b>9 874 378</b>
<b>Split between non-current and current portions</b>				
Non-current assets	3 117 263	3 279 255	–	–
Current assets	26 482 465	16 964 756	11 680 174	9 874 378
	<b>29 599 728</b>	<b>20 244 011</b>	<b>11 680 174</b>	<b>9 874 378</b>
Other receivables include an amount of P162 827 (2024: P109 622) relating to the amount receivable on sale of ERF 264 Farm Vaalkop. The Group has entered into an agreement of the sale of property on instalments. R1 000 000 has been paid by the purchaser. The balance of purchase price R4 800 000 together with interest (prime plus 2%) will be paid by the purchaser in monthly instalments of R65 000.				
Non-current portion of Farm Vaalkop receivable	3 117 263	3 279 255	–	–
Current portion of Farm Vaalkop receivable	162 827	109 622	–	–
<b>Total amounts included other receivable from Farm</b>	<b>3 280 090</b>	<b>3 388 877</b>	<b>–</b>	<b>–</b>

## Trade and other receivables pledged as security

Trade and other receivables were pledged as security for loan facilities of the Group as disclosed under note 13.

## Exposure to credit risk

The Group's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without desegregating into further risk profiles. The loss allowance provision is determined as follows:

	2025	2025	2024	2024
	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance
<b>GROUP</b>				
<b>Expected credit loss rate:</b>				
Less than 30 days	2 720 043	(81 825)	3 948 307	(90 805)
Between 31 and 60 days	700 375	(88 450)	602 847	(61 288)
Between 61 and 90 days	421 868	(98 271)	461 172	(107 856)
Between 91 and 120 days	357 326	(99 958)	444 081	(165 328)
More than 120 days	5 938 138	(6 054 079)	5 652 433	(5 535 961)
<b>Total</b>	<b>10 137 750</b>	<b>(6 422 583)</b>	<b>11 108 840</b>	<b>(5 961 238)</b>

## 7. Trade and other receivables continued

	2025	2025	2024	2024
	Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance
<b>COMPANY</b>				
<b>Expected credit loss rate:</b>				
Less than 30 days	1 153 740	(31 134)	2 136 531	(30 600)
Between 31 and 60 days	464 862	(42 101)	410 126	(32 441)
Between 61 and 90 days	311 486	(53 070)	205 256	(36 341)
Between 91 and 120 days	269 922	(57 787)	166 988	(43 006)
More than 120 days	4 778 258	(4 453 735)	4 624 667	(4 161 575)
<b>Total</b>	<b>6 978 268</b>	<b>(4 637 827)</b>	<b>7 543 568</b>	<b>(4 303 963)</b>

## Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterpart default rates.

## Movement in loss allowances

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

Balance at beginning of year	(5 961 238)	(5 450 165)	(4 303 963)	(4 216 600)
Net movement for the year	(461 345)	(511 073)	(333 864)	(87 363)
<b>Closing balance</b>	<b>(6 422 583)</b>	<b>(5 961 238)</b>	<b>(4 637 827)</b>	<b>(4 303 963)</b>

## Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

Figures in Pula	GROUP		COMPANY	
	2025	2024	2025	2024
<b>8. Related-party receivables</b>				
Q-Tique 79 Proprietary Limited	–	–	132 892 404	126 973 194
The FaR Property Company Zambia Limited	–	–	21 938 087	11 049 231
Exelligent Proprietary Limited	1 801 653	1 630 586	1 801 653	1 630 586
Strides of Success Proprietary Limited	6 758 567	1 461 065	6 758 567	1 461 065
Rootlet Proprietary Limited	355 065	600 438	355 065	600 438
Binary Agencies	427 764	–	427 764	–
The FaR Property Namibia Proprietary Limited	–	–	24 441 311	–
	<b>9 343 049</b>	<b>3 692 089</b>	<b>188 614 851</b>	<b>141 714 514</b>

The loans to group companies do not carry any specific terms. These balances are repayable on demand and are not secured. The loan to Q-Tique79 Proprietary Limited and the FaR Property Company Zambia Limited carries interest at market interest rate of 10% (June 2024: 10%) per annum. The FaR Property Namibia Proprietary Limited carries interest at market interest rate of 6%.

The short-term advances to/from related parties are provided during normal course of business and do not carry any specific terms. These balances are repayable on demand, not secured and do not carry any interest.

The Group has assessed the recoverability of these balances and noted that these companies either have sufficient cash to settle the balances if demanded or recovery of these balances could be possible by realising the properties within a shorter period. Therefore, there is no impairment on these balances.

# Notes to the consolidated and separate annual financial statements continued

for the year ended 30 June 2025

Figures in Pula	GROUP		COMPANY	
	2025	2024	2025	2024
<b>9. Advance towards asset purchase</b>				
Advance towards asset purchase	70 339 302	29 802 191	25 498 439	29 718 059
Advance towards asset purchase relates to advance given towards purchase of properties in Botswana (Mmathubudukwane, Sese, Pandamatenga, Gumare, Mochudi, Mmadinare, Sikwane and Tsabong), Namibia and Zambia. Included in the above is also advance payments towards purchase of solar equipment.				
<b>10. Cash and cash equivalents</b>				
Cash and cash equivalents consist of:				
Bank balances	19 294 752	19 815 850	6 244 896	16 501 235
Cash in hand	8 599	9 582	5 599	6 355
	19 303 351	19 825 432	6 250 495	16 507 590
For the purpose of the statement of cash flows, cash, cash equivalents and bank overdrafts include total cash assets less short-term borrowings.				
Cash and bank balances	19 303 351	19 825 432	6 250 495	16 507 590
Bank overdraft	(13 335 424)	–	(13 335 424)	–
	5 967 927	19 825 432	(7 084 929)	16 507 590

The overdraft is secured as follows

- i. First and second continuing mortgage bond over Lot 9 Nata and Plot 2728 Gaborone. The Company has obtained a bank overdraft facility from First Capital Bank. Interest is prime plus 3.5%.

#### Credit quality of cash at bank and short-term deposits, excluding cash on hand

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates. Credit risk of the Group's cash and cash equivalents is minimised by investing cash resources only with reputable financial institutions.

Figures in Pula	GROUP		COMPANY	
	2025	2024	2025	2024
<b>Cash at bank</b>				
First Capital Bank Botswana Limited	10 942 495	12 053 888	2 455 719	12 053 888
Standard Bank South Africa Limited	3 367 209	2 803 382	–	–
Absa Bank Zambia Limited	882 258	511 233	–	–
First National Bank of Botswana Limited	490 424	655 370	490 424	655 370
Absa Bank Botswana Limited	589 011	1 517 357	589 011	1 517 357
Bank Gaborone Limited	2 709 742	2 274 620	2 709 742	2 274 620
First National Bank of Namibia	310 062	–	–	–
Bank Windhoek	3 551	–	–	–
	19 294 752	19 815 850	6 244 896	16 501 235

There are no credit ratings available in Botswana for financial institutions. The above banks are reputed banks and have reported sound financial results and continued compliance with minimum capital adequacy requirements. These banks are also subsidiaries of reputable financial institutions situated in South Africa.

Standard Bank South Africa Limited is listed on the Johannesburg Stock Exchange and has a credit rating of BB– (Fitch rating).

Figures in Pula	GROUP		COMPANY	
	2025	2024	2025	2024
<b>11. Financial assets by category</b>				
<b>Financial assets at amortised cost</b>				
Related-party receivables	9 343 049	3 692 089	188 614 851	141 714 514
Trade and other receivables	21 312 280	16 657 382	8 987 047	9 130 823
Cash and cash equivalents	19 303 351	19 825 435	6 250 495	16 501 235
	49 958 680	40 174 906	203 852 393	167 346 572
<b>12. Stated capital</b>				
<b>Linked units – issued and fully paid</b>				
Linked units	489 097 893	474 103 503	489 097 893	474 103 503
<b>Reconciliation of number of shares issued:</b>				
Reported as at 1 July	474 103 503	474 103 503	474 103 503	474 103 503
Issued during the year	14 994 390	–	14 994 390	–
	489 097 893	474 103 503	489 097 893	474 103 503
<b>Movement in stated capital</b>				
Balance at beginning of year	570 145 818	570 145 818	570 145 818	570 145 818
Issued during the year	26 989 902	–	26 989 902	–
	597 135 720	570 145 818	597 135 720	570 145 818
The shares have no par value.				
<b>13. Borrowings</b>				
<b>Held at amortised cost</b>				
<b>First National Bank Botswana Limited</b>	–	516 750	–	516 750
The Company has a loan facility to the value of P50 million. This loan is repayable in 120 monthly instalments. The interest rates are equal to bank's prime lending rate plus 1%. The loan was fully repaid on 31 July 2024.				
<b>Investec Bank Limited</b>	25 571 039	29 690 396	–	–
The Group has acquired a loan facility to the value of R82 million. This loan is repayable in 75 monthly instalments commencing from 30 September 2014. Instalments representing interest and capital to be paid monthly in arrears, amortising to a 75% residual amount of R61.5 million, payable on expiry of the facility. The interest rate is equal to 0.35% below Investec's prime rate. The loan was restructured in 2023.				

# Notes to the consolidated and separate annual financial statements continued

for the year ended 30 June 2025

Figures in Pula	GROUP		COMPANY	
	2025	2024	2025	2024
<b>13. Borrowings continued</b>				
<b>Absa Bank Botswana Limited</b>	<b>239 272 101</b>	169 840 702	<b>239 272 101</b>	169 840 702
The Company has restructured its previous loan facility of P189 million with Absa Bank Botswana to the value of P240 million. This loan is repayable at maturity date, 30 December 2026. Interest is serviced monthly. The interest rate is equal to prime lending rate plus 1.75%.				
<b>Bank Gaborone Limited</b>	<b>13 249 771</b>	19 980 455	<b>13 249 771</b>	19 980 455
The Company has a loan facility with Bank Gaborone to the value of P33 million. The loan is repayable in 60 monthly instalments. The interest is prime lending rate plus 2.5%.				
<b>Absa Bank Botswana Limited</b>	<b>40 000 000</b>	40 000 000	<b>40 000 000</b>	40 000 000
The Company has a loan facility with Absa Bank Botswana to the value of P40 million. This loan is repayable in 60 months with accrued interest payable monthly. The interest rate is equal to prime plus 2.34%. Interest shall be serviced monthly with effect from the date of falling one month after first drawdown (30 November 2022) of the facility. The facility shall be repaid in full on the maturity date.				
<b>Bank Gaborone Limited</b>	<b>38 963 796</b>	47 491 920	<b>38 963 796</b>	47 491 920
The Company has loan facility with Bank Gaborone to the value of P50 million. The loan is repayable in 60 monthly instalments. The interest is prime lending rate plus 3%.				
<b>Bank Gaborone Limited</b>	<b>35 978 339</b>	44 783 641	<b>35 978 339</b>	44 783 641
The Company has a loan facility with Bank Gaborone to the value of P50 million. The loan is repayable in 60 monthly instalments. The interest is prime lending rate plus 3%.				
<b>ResponsAbility Access to Clean Power Fund</b>	<b>31 946 273</b>	–	–	–
The Company has entered into a loan facility with ResponsAbility. The loan is denominated in US Dollar and is repayable half-yearly at a repayment rate of 10%. The interest rate is 5% plus the applicable six-month term SOFR.				
	<b>424 981 319</b>	352 303 864	<b>367 464 007</b>	322 613 468

## 13. Borrowings continued

The loan from Investec Bank Limited is secured as follows:

- Covering mortgage bond over ERF 934 Koster, ERF 676 Rodeon, ERF 2282 Rustenburg Ext 9, ERF 2289 Rustenburg Ext 9, ERF 41 Magaliesburg, Portion 12 Leeuwkopje, ERF 16914 Boitekong, ERF 2293 Nylstroom and ERF 2913 Odendaalsrus.
- A first covering mortgage bond by Finder Properties Proprietary Limited over notarial deed of lease over Erf 6162 Mafikeng for an amount of R38 million.

The loan from Absa Bank Botswana Limited is secured as follows:

- A first cover mortgage bond over Portion 196 of the Farm Forest Hill No. 9 KO, Lot 296 and 297 Lobatse, Lot 1246 Gaborone, Tribal Lot 213 Maun, Lot 471 Lobatse, Tribal Lot 292 and 16825 Maun, Lot 5690 Pitsane, Lot 4 and 9 Ghanzi, Plot 43517 Francistown, Plot 17981 Gaborone.
- First mortgage bond over Plot 1275 Gaborone, Tribal Lot 1760 Pitsane, Portion 888 a portion of Portion 3 (KO GICP Gaborone), Plot 212 GICP Gaborone, Plot 20602 Gaborone, Portion 46-No.9 KO GICP Gaborone, Tribal Lot 5481 and 5482 Mogoditshane, Portion 880 of Farm Forest Hill 9 KO GICP Gaborone.
- Security cession of leases and rentals, proceeds in respect of a sale or transfer of the property, including, without limitations any sales proceeds, bank accounts in which rentals are paid, revenues and proceeds in respect of insurance claims
- Subordination of all shareholder loans accounts in the borrower in favour of the bank and any other documents designated as a security document by the bank and borrower.

The loan from Bank Gaborone Limited was secured as follows:

- A first cover mortgage bond over Tribal Lot 51 Pandamatenga, Tribal Lot 4774 Metsimothabe, Tribal Lot 135 Modipane, tribal Lot 6978 Kopong, Lot 70661 Boradhurst, Lot 103 Tlokeng.
- Registered cession of fire policy for the properties noted in (i).

The loan from Absa Bank Botswana Limited is secured as follows:

- First mortgage bond over Plot 30 and 31 Ghanzi, Plot 42796 Phakalane, Plot 1381 Pitsane, Plot 2676 Selebi Phikwe, Plot 2177 Thamaga, Plot 53836 Naledi, Plot 7588 Lobatse, Plot 7589 Lobatse, Tribal Lot 1571 Nata, Plot 5461,2,3 Gaborone, Plot 36142 (5017) Block 8 Gaborone, Plot 350 Lobatse, Plot 1366 Mogoditshane, Tribal Lot 7598 Tsabong, Plot 2085 Serowe, 196 GICP and an additional amount to secure interest and costs, charges and disbursements due to the bank if it exercises any right under the mortgage bond (limited to 20% of the aforesaid amount).

The loan from Bank Gaborone Limited is secured as follows:

- First continuing covering mortgage bond over Lot 1301 Kazungula and Lot 903 Francistown.
- Registered cession of fire policy for the properties noted in (i).

The loan from ResponsAbility Access to Clean Power Fund is secured as follows:

- The solar panel installation assets.

# Notes to the consolidated and separate annual financial statements continued

for the year ended 30 June 2025

Figures in Pula	GROUP		COMPANY	
	2025	2024	2025	2024
<b>13. Borrowings continued</b>				
<b>Split between non-current and current portions</b>				
Non-current liabilities	390 007 897	308 021 532	341 005 785	287 074 498
Current liabilities	34 973 422	44 282 332	26 458 222	35 538 970
	<b>424 981 319</b>	<b>352 303 864</b>	<b>367 464 007</b>	<b>322 613 468</b>
<b>14. Lease liabilities</b>				
<b>Minimum lease payments due</b>				
– within one year	866 949	334 127	802 197	276 064
– in second to fifth year inclusive	1 619 825	1 531 984	1 276 111	1 287 885
– later than five years	31 295 342	11 627 302	28 337 037	8 792 072
	<b>33 782 116</b>	<b>13 493 413</b>	<b>30 415 345</b>	<b>10 356 021</b>
Less: Future finance charges	(21 493 406)	(7 801 144)	(18 922 916)	(5 382 599)
<b>Present value of minimum lease payments</b>	<b>12 288 710</b>	<b>5 692 269</b>	<b>11 492 429</b>	<b>4 973 422</b>
<b>Non-current liabilities</b>				
At amortised cost	12 106 610	5 572 069	11 310 329	4 911 285
<b>Current liabilities</b>				
At amortised cost	182 100	120 200	182 100	62 137
	<b>12 288 710</b>	<b>5 692 269</b>	<b>11 492 429</b>	<b>4 973 422</b>
The total future minimum sublease payment expected to be received under non-cancellable sublease	–	(647 129)	616 860	(259 835)

The Group entered into six lease agreements to sublet land. The lease agreement details are summarised below:

- The lease terms between 10 to 40 years
- There is an option to renew leases for further five years
- Rentals escalate between 5% to 7%.

During the year, the Company earned an amount of P4 366 167 (2024: P3 319 651) from subletting its right-of-use assets.

Interest on lease liability recognised in the income statement for the year ended 30 June 2025 was P616 860 (2024: P406 024) and P683 239 (2024: P333 566) for Group and Company, respectively.

#### Lease commitments

The lease commitment for the year ended, 30 June 2025 were as follows; amount due within one year is P182 100 (2024: P120 000) and amount due after one year is P12 106 610 (2024: P5 572 070 )

Figures in Pula	GROUP		COMPANY	
	2025	2024	2025	2024
<b>15. Trade and other payables</b>				
Trade payables	11 394 850	6 956 551	7 019 366	5 077 866
Other payables	9 821 558	16 004 255	7 552 798	14 001 459
<b>Non-financial instruments:</b>				
Retention payable	5 848 067	3 679 101	4 667 016	2 849 508
Value added tax	119 676	687 182	57 012	368 785
Security deposits received	7 943 758	7 881 424	6 828 533	6 474 238
	<b>35 127 909</b>	<b>35 208 513</b>	<b>26 124 725</b>	<b>28 771 856</b>
The fair value of trade and other payables closely approximates the carrying value.				
<b>16. Related-party payables</b>				
<b>Subsidiaries</b>				
Eminent Proprietary Limited	–	–	544 964	445 413
The loan does not carry any specific terms. It is repayable on demand does not carry any interest.				
<b>17. Distribution payable</b>				
Balance at beginning of year	58 788 834	55 944 213	58 788 834	55 944 213
Amount declared during year	61 870 883	58 788 834	61 870 883	58 788 834
Amount paid during year	(31 798 932)	(55 944 213)	(31 798 932)	(55 944 213)
Scrip in lieu of distribution on linked units	(26 989 902)	–	(26 989 902)	–
	<b>61 870 883</b>	<b>58 788 834</b>	<b>61 870 883</b>	<b>58 788 834</b>
Linked unit distribution per linked unit in Thebe – declared	<b>12.80</b>	12.40	<b>12.65</b>	12.40
<b>18. Current tax payable (receivable)</b>				
Normal tax	(7 452 770)	(791 933)	(7 359 959)	(764 365)
<b>Net current tax receivable (payable)</b>				
Current liabilities	(7 452 770)	(791 933)	(7 359 959)	(764 365)
<b>19. Financial liabilities by category</b>				
<b>Financial liabilities at amortised cost</b>				
Borrowings	424 981 319	352 303 864	367 464 007	322 613 468
Related-party payables	–	–	544 964	445 413
Trade and other payables	21 216 408	22 960 806	14 572 164	19 079 325
	<b>446 197 727</b>	<b>375 264 670</b>	<b>382 581 135</b>	<b>342 138 206</b>

# Notes to the consolidated and separate annual financial statements continued

for the year ended 30 June 2025

Figures in Pula	GROUP		COMPANY	
	2025	2024	2025	2024
<b>20. Revenue</b>				
Rental income	163 632 927	154 267 500	142 146 861	132 720 833
Fuel rebates	6 573 377	6 007 096	6 573 377	6 007 096
Deferred lease adjustment	4 060 670	8 316 964	4 374 034	6 866 611
	<b>174 266 974</b>	<b>168 591 560</b>	<b>153 094 272</b>	<b>145 594 540</b>
<b>Disaggregation of revenue from contracts with customers</b>				
The Group disaggregates revenue from customers as follows:				
<b>Timing of revenue recognition</b>				
<b>At a point in time</b>				
Rental income	163 632 927	154 267 500	142 146 861	132 720 833
Fuel rebates	6 573 377	6 007 096	6 573 377	6 007 096
Deferred lease adjustment	4 060 670	8 316 964	4 374 034	6 866 611
	<b>174 266 974</b>	<b>168 591 560</b>	<b>153 094 272</b>	<b>145 594 540</b>
<b>21. Other operating income</b>				
Recoveries from tenants	22 976 210	20 872 692	15 566 476	13 956 386
Management fee	–	–	938 376	936 960
Sundry income	2 985 724	586 734	2 978 293	59 427
Gains on disposal of property, plant and equipment	159 000	–	159 000	–
	<b>26 120 934</b>	<b>21 459 426</b>	<b>19 642 145</b>	<b>14 952 773</b>
<b>22. Finance income</b>				
<b>Interest income</b>				
<b>Investments in financial assets:</b>				
Interest income – Banks	1 590 326	1 476 350	1 364 723	865 350
Interest income – Subsidiaries	–	–	14 104 770	12 220 439
<b>Total interest income</b>	<b>1 590 326</b>	<b>1 476 350</b>	<b>15 469 493</b>	<b>13 085 789</b>
<b>23. Finance costs</b>				
Bank borrowings	35 497 795	29 565 929	29 642 305	25 969 722
Lease liabilities	683 239	406 024	616 860	333 566
<b>Total finance costs</b>	<b>36 181 034</b>	<b>29 971 953</b>	<b>30 259 165</b>	<b>26 303 288</b>
<b>24. Fair value adjustments</b>				
Fair value gains (losses)				
Investment property	22 831 215	47 001 496	20 979 762	47 630 454

Figures in Pula	GROUP		COMPANY	
	2025	2024	2025	2024
<b>25. Operating profit</b>				
Operating profit for the year is stated after charging (crediting) the following, among others:				
Legal expenses	514 442	1 221 845	448 902	1 134 716
Utilities	13 801 463	14 255 528	9 555 024	9 986 803
Depreciation on property, plant and equipment	745 749	475 011	711 864	442 168
<b>Auditor's remuneration</b>				
Charge for the year	1 101 556	1 062 907	702 712	680 264
Director's remuneration	1 264 951	1 348 039	1 264 951	1 348 039
<b>26. Taxation</b>				
<b>Major components of the tax expense</b>				
<b>Current</b>				
Local income tax – current period	10 207 043	6 377 598	9 795 075	6 078 201
Local income tax – prior period (over)/under-provision	160 690	–	160 690	–
	<b>10 367 733</b>	<b>6 377 598</b>	<b>9 955 765</b>	<b>6 078 201</b>
<b>Deferred</b>				
Originating and reversing temporary differences	6 343 522	7 805 319	4 255 000	7 159 199
	<b>16 711 255</b>	<b>14 182 917</b>	<b>14 210 765</b>	<b>13 237 400</b>
<b>Reconciliation of the tax expense</b>				
Reconciliation between accounting profit and tax expense.				
Accounting profit	156 167 248	173 619 933	149 897 584	165 923 805
Tax at the applicable tax rate of 22% (2024: 22%)	34 356 795	37 990 026	32 977 468	36 342 548
<b>Tax effect of adjustments on taxable income</b>				
Charitable donations income	(286 807)	(11 826 781)	(286 807)	(10 478 700)
Deferred tax effect income	160 690	192 363	160 690	192 363
Other income	(17 519 423)	(12 172 691)	(18 640 586)	(12 818 811)
	<b>16 711 255</b>	<b>14 182 917</b>	<b>14 210 765</b>	<b>13 237 400</b>

# Notes to the consolidated and separate annual financial statements continued

for the year ended 30 June 2025

Figures in Pula	GROUP		COMPANY	
	2025	2024	2025	2024
<b>27. Cash generated from operations</b>				
Profit before taxation	156 167 248	173 619 933	149 897 584	165 923 805
<b>Adjustments for non-cash items:</b>				
Depreciation	745 749	475 011	711 864	442 168
Gains on sale of assets and liabilities	(159 000)	–	(159 000)	–
Gains on exchange differences	(6 471 696)	(3 731 530)	(549 481)	(110 585)
Fair value gains	(22 831 215)	(47 001 496)	(20 979 762)	(47 630 454)
Changes in operating lease assets	(4 085 410)	(8 156 140)	(4 374 034)	(6 866 611)
Gains on exchange differences – unrealised	205 122	–	–	–
<b>Adjust for items which are presented separately:</b>				
Interest income	(1 590 326)	(1 476 350)	(15 469 493)	(13 085 789)
Finance costs	36 181 034	29 971 953	30 259 165	26 303 288
<b>Changes in working capital:</b>				
Related-party receivable	(5 650 960)	5 066 270	(46 900 337)	(8 730 890)
Trade and other receivables	(9 517 709)	(8 163 089)	(1 805 796)	(3 270 658)
Advance towards asset purchase	(40 537 111)	(24 518 826)	4 219 620	(24 868 625)
Related-party payable	–	–	99 551	113 445
Trade and other payables	(80 605)	13 528 333	(2 647 129)	10 916 053
Non-current trade receivables	(161 992)	–	–	–
	<b>102 213 129</b>	<b>129 614 069</b>	<b>92 302 752</b>	<b>99 135 147</b>
<b>28. Tax paid</b>				
Balance at beginning of the year	(791 933)	(7 160 466)	(764 365)	(7 071 635)
Current tax recognised in profit or loss	(10 367 733)	(6 377 598)	(9 955 765)	(6 078 201)
Balance at end of the year	7 452 770	791 933	7 359 959	764 365
	<b>(3 706 896)</b>	<b>(12 746 131)</b>	<b>(3 360 171)</b>	<b>(12 385 471)</b>
<b>29. Commitments</b>				
<b>Authorised capital expenditure</b>				
Investment property – contracted and not provided for	42 460 620	42 963 819	40 075 995	37 251 245
This committed expenditure relates to investment properties and will be financed by available bank facilities or available cash resources.				
<b>Operating leases – as lessor (income)</b>				
<b>Minimum lease payments due</b>				
– first year	163 567 015	148 568 736	141 979 463	128 954 667
– second year	140 364 128	135 024 870	121 554 119	118 039 828
– third year	113 388 065	112 933 814	96 167 122	97 880 350
– fourth year	83 493 411	89 856 984	75 576 208	76 133 531
– fifth year	71 569 850	60 842 914	58 145 555	59 617 249
– sixth year and onwards	209 669 325	203 361 250	174 808 236	203 361 250
	<b>782 051 794</b>	<b>750 588 568</b>	<b>668 230 703</b>	<b>683 986 875</b>

The Group's investment property is held to generate rental income. Lease agreements are as per the terms and conditions of the lease and have terms from two to 20 years. There are no contingent rents receivable.

## 30. Changes in liabilities arising from financing activities

### Reconciliation of liabilities arising from financing activities – Group – 2025

	Opening balance	Additional borrowings	Foreign exchange movements	Total repayments including interest	Closing balance
Borrowings	352 303 864	109 281 606	(350 478)	(36 253 673)	424 981 319
Finance lease liabilities	5 692 269	6 173 401	67 102	355 938	12 288 710
<b>Total liabilities from financing activities</b>	<b>357 996 133</b>	<b>115 455 007</b>	<b>(283 376)</b>	<b>(35 897 735)</b>	<b>437 270 029</b>

### Reconciliation of liabilities arising from financing activities – Group – 2024

	Opening balance	Additional borrowings	Foreign exchange movements	Total repayments including interest	Closing balance
Borrowings	285 313 023	100 000 000	487 906	(33 497 065)	352 303 864
Finance lease liabilities	5 933 374	–	–	(241 105)	5 692 269
<b>Total liabilities from financing activities</b>	<b>291 246 397</b>	<b>100 000 000</b>	<b>487 906</b>	<b>(33 738 170)</b>	<b>357 996 133</b>

### Reconciliation of liabilities arising from financing activities – Company – 2025

	Opening balance	Additional borrowings	Total repayments including interest	Closing balance
Borrowings	322 613 468	74 515 927	(29 665 388)	367 464 007
Finance lease liabilities	4 973 422	6 173 401	345 606	11 492 429
	<b>327 586 890</b>	<b>80 689 328</b>	<b>(29 319 782)</b>	<b>378 956 436</b>
<b>Total liabilities from financing activities</b>	<b>327 586 890</b>	<b>80 689 328</b>	<b>(29 319 782)</b>	<b>378 956 436</b>

### Reconciliation of liabilities arising from financing activities – Company – 2024

	Opening balance	Additional borrowings	Total repayments including interest	Closing balance
Borrowings	251 981 559	100 000 000	(29 368 091)	322 613 468
Finance lease liabilities	4 899 692	–	73 730	4 973 422
	256 881 251	100 000 000	(29 294 361)	327 586 890
<b>Total liabilities from financing activities</b>	<b>256 881 251</b>	<b>100 000 000</b>	<b>(29 294 361)</b>	<b>327 586 890</b>

## 31. Related parties

Mr Ottapathu Ramachandran and Mr Farouk Ismail were Directors and shareholders of the companies in the Group.

Related parties comprise entities sharing common shareholders and Directors with the company. Mr Ottapathu Ramachandran is a Director and a shareholder of the following companies. The following transactions were carried out with the related parties:

### Related-party balances

Investment in subsidiaries – Terms and conditions (refer note 5)

Related-party receivables – Terms and conditions (refer note 8)

Related-party payables – Terms and conditions (refer note 16)

# Notes to the consolidated and separate annual financial statements continued

for the year ended 30 June 2025

Figures in Pula	GROUP		COMPANY	
	2025	2024	2025	2024
<b>31. Related parties continued</b>				
<b>Amount due to related parties included in trade payables</b>				
Balanced Fortune Proprietary Limited	369	–	369	–
Choppies Distribution Centre Proprietary Limited	24 466	20 743	24 466	20 743
Electrometric Enterprises Proprietary Limited	9 152	8 924	9 152	8 924
Feasible investment Proprietary Limited	4 038	13 570	4 038	13 570
Cottonvale Proprietary Limited	–	7 299	–	7 299
Pennywise Investments Proprietary Limited	25 486	–	25 486	–
Shaysons Investments Proprietary Limited	42 369	2 209	42 369	2 209
	<b>105 880</b>	<b>52 745</b>	<b>105 880</b>	<b>52 745</b>
<b>Amount due from related parties included in trade receivables</b>				
Aleris Proprietary Limited	–	27 234	–	27 234
Auto World Proprietary Limited	800	5 813	800	5 813
Choppies Enterprises Limited	27 360	861 844	27 360	861 844
Strides of Success Proprietary Limited	141 170	–	141 170	–
ILO Industries	–	165 393	–	165 393
Lubsoga Proprietary Limited	125 862	8 003	125 862	8 003
Prosperous People Proprietary Limited	–	52 260	–	52 260
JB Sports Proprietary Limited	9 894	14 692	9 894	14 692
Pennywise Investments Proprietary Limited	–	106 030	–	106 030
ZCX Investments Proprietary Limited	–	39 183	–	39 183
	<b>305 086</b>	<b>1 280 452</b>	<b>305 086</b>	<b>1 280 452</b>
<b>Related-party transactions</b>				
<b>Interest received from related parties</b>				
Q-Tique 79 Proprietary Limited	–	–	12 415 716	11 974 398
The FaR Property Company Zambia Limited	–	–	1 689 054	246 041
The FaR Property Namibia Proprietary Limited	–	–	246 388	–
	–	–	<b>14 351 158</b>	<b>12 220 439</b>
<b>Goods and services purchased from related parties</b>				
Alpha Direct Insurance Company Proprietary Limited	1 034 034	1 191 980	1 034 034	1 191 980
Balanced Fortune Proprietary Limited	125 297	183 897	125 297	183 897
Choppies Distribution Centre Proprietary Limited	232 695	247 568	232 695	247 568
Cottonvale Proprietary Limited	–	55 069	–	55 069
Electrometric Enterprises Proprietary Limited	108 986	110 386	108 986	110 386
Feasible Investment Proprietary Limited	180 168	96 232	180 168	96 232
Pennywise Proprietary Limited	583 608	1 627 816	583 608	1 627 816
	<b>2 264 788</b>	<b>3 512 948</b>	<b>2 264 788</b>	<b>3 512 948</b>
<b>Management fees received from related parties</b>				
Q-Tique 79 Proprietary Limited	–	–	(938 376)	936 960
<b>Loans given to/(repaid by) related parties</b>				
Q-Tique 79 Proprietary Limited	–	–	(6 183 309)	(10 681 258)
The FaR Property Company Zambia Limited	–	–	9 368 376	–
The FaR Property Namibia Proprietary Limited	–	–	24 219 562	–
	–	–	<b>27 404 629</b>	<b>(10 681 258)</b>

Figures in Pula	GROUP		COMPANY	
	2025	2024	2025	2024
<b>31. Related parties continued</b>				
<b>Rental income received from related parties</b>				
Aleris Proprietary Limited	568 419	586 119	568 419	586 119
Afriroc Mining and Infrastructure Machinery Proprietary Limited	251 303	239 325	251 303	239 325
Arcee Proprietary Limited	111 157	201 391	111 157	201 391
Auto World Proprietary Limited	3 424 682	3 162 693	3 424 682	3 162 693
Bagpiper Proprietary Limited	1 466 174	1 544 508	1 466 174	1 544 508
Balanced Fortune Proprietary Limited	89 238	132 707	89 238	132 707
Choppies Distribution Centre Proprietary Limited	57 770 470	53 520 683	57 770 470	53 520 683
Choppies Supermarkets Limited (Zambia)	2 007 564	1 582 416	–	–
Cottonvale Proprietary Limited	60 169	56 232	60 169	56 232
Distron Botswana Proprietary Limited	128 455	159 611	128 455	159 611
Electrometric Enterprises Proprietary Limited	197 115	183 363	197 115	183 363
Exelligent Proprietary Limited	131 353	35 975	131 353	35 975
Feasible Investments Proprietary Limited	352 994	294 057	352 994	294 057
Holario Investments Proprietary Limited	660 000	660 000	660 000	660 000
Honey Guide Proprietary Limited	1 351 302	1 248 572	1 351 302	1 248 572
ILO Industries Proprietary Limited	2 068 294	1 999 971	2 068 294	1 999 971
Industrial Filling station Proprietary Limited	3 085 614	2 563 712	3 085 614	2 563 712
JB Sports Proprietary Limited	951 220	1 437 740	951 220	1 437 740
Lubsoga Proprietary Limited	1 881 719	1 617 027	1 881 719	1 617 027
Mackinnon Holdings Proprietary Limited	1 210 987	830 397	1 210 987	830 397
Marvelous Hope Proprietary Limited	144 900	12 000	144 900	12 000
Ovais Investments Proprietary Limited	4 136 532	2 661 227	4 136 532	2 661 227
Peacock Blue Proprietary Limited	1 399 166	1 295 524	1 399 166	1 295 524
Pennywise Investments Proprietary Limited	500 823	517 589	500 823	517 589
Prosperous People Proprietary Limited	1 319 876	1 148 895	1 319 876	1 148 895
RBV Consultants Proprietary Limited	63 018	47 250	63 018	47 250
Real Plastic Proprietary Limited	44 205	80 919	44 205	80 919
Reddy's Group Proprietary Limited	60 125	83 981	60 125	83 981
Shaysons Investments Proprietary Limited	3 841 744	3 643 066	3 841 744	3 643 066
Strides of Success Proprietary Limited	405 738	346 843	405 738	346 843
Tim Tam Proprietary Limited	320 567	305 302	320 567	305 302
Vet Agric Suppliers Proprietary Limited	517 599	448 081	517 599	448 081
Waterman Tiles Proprietary Limited	–	359 286	–	359 286
Weal Proprietary Limited	324 000	300 000	324 000	300 000
Yarona Energy Proprietary Limited	100 000	217 241	100 000	217 241
ZCX Investments Proprietary Limited	602 722	1 089 196	602 722	1 089 196
<b>Totals*</b>	<b>91 549 244</b>	<b>84 612 899</b>	<b>89 541 680</b>	<b>83 030 483</b>
<b>Key management compensation</b>				
Key management includes Directors (executive and non-executive) and members of the Executive Committee. The Resident Directors are paid P33 333 (2024: P33 333) and Non-resident Directors are paid P29 412 (2024: P29 412) gross fees, per sitting. The compensation paid or payable to key management for employee services is shown below:				
Directors' fee	1 264 951	1 348 039	1 264 951	1 348 039
Salaries and short-term employee benefits	2 289 108	1 801 809	2 289 108	1 801 809
Other long-term benefits	342 308	266 583	342 308	266 583
	<b>3 896 367</b>	<b>3 416 431</b>	<b>3 896 367</b>	<b>3 416 431</b>

# Notes to the consolidated and separate annual financial statements continued

for the year ended 30 June 2025

## 32. Financial instruments and risk management

### 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 disclosed in notes 13 and related-party payable 8, cash and cash equivalents disclosed in note 10 and equity as disclosed in the consolidated statement of financial position.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to unitholders, return capital to unitholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio.

This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as "equity" as shown in the statement of financial position plus net debt.

The capital structure and gearing ratio of the Group at the reporting date was as follows:

Figures in Pula	Note(s)	GROUP		COMPANY	
		2025	2024	2025	2024
Related-party payable	31	–	–	544 964	445 413
Borrowings	13	424 981 319	352 303 864	367 464 007	322 613 468
<b>Total debt</b>		<b>424 981 319</b>	<b>352 303 864</b>	<b>368 008 971</b>	<b>323 058 881</b>
Bank overdraft (cash and cash equivalents)	10	5 967 927	(19 825 432)	(7 084 929)	(16 507 590)
<b>Net debt</b>		<b>430 949 246</b>	<b>332 478 432</b>	<b>360 924 042</b>	<b>306 551 291</b>
Equity		1 341 517 605	1 239 827 450	1 297 761 385	1 196 955 547
Total capital		1 772 466 851	1 572 305 882	1 658 685 427	1 503 506 838
Gearing ratio		24%	21%	22%	20%

### Financial risk management

#### Overview

The Group is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk (currency risk, interest rate risk and price risk).

The Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Audit and Risk Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports quarterly to the Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

## 32. Financial instruments and risk management continued

### Credit risk

Credit risk is the risk that a counterparty may cause financial loss to the Group by failing to discharge an obligation.

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The Company only deposits cash with major banks with high quality credit standing and limits exposure to any one counterparty.

Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored.

No credit limits were exceeded during the reporting period and management does not expect any losses from non-performance by these counterparties.

Financial assets exposed to credit risk at year-end were as follows:

Figures in Pula	Note(s)	GROUP		COMPANY	
		2025	2024	2025	2024
<b>Financial instruments</b>					
Related-party receivables	8	9 343 049	3 692 089	188 614 851	141 714 514
Trade and other receivables	7	21 312 280	16 657 382	8 987 047	9 130 823
Cash and cash equivalents	10	19 303 351	19 825 435	6 250 495	16 501 235
		<b>49 958 680</b>	<b>40 174 906</b>	<b>203 852 393</b>	<b>167 346 572</b>

Credit risk with respect to trade receivables is minimised by the diverse tenant base. Credit checks are performed prior to concluding leases and arrears rentals are actively managed.

Credit risk attached to the Group's cash and cash equivalents is minimised by only investing cash resources with reputable financial institutions.

Credit quality of financial assets are disclosed in notes 7 and 10.

### Liquidity risk

The Group 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.

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period, the Group held cash and cash equivalents of P19 303 351 (2024: P19 825 432) that are expected to readily generate cash inflows for managing liquidity risk. The Group maintains flexibility in funding by maintaining availability under committed credit lines. As at 30 June 2025, the Group's current liabilities exceed its current assets by P13 255 039. The liquidity gap is managed with the cash flow generated from the contractual rental income.

Management monitors rolling forecasts of the Group's liquidity reserve comprising the undrawn borrowing facilities and cash and cash equivalents (note 10) on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Group in accordance with practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The table on the following page analyses the Group's and Company's financial liabilities into relevant maturity groupings based on the remaining period at the consolidated statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual discounted cash flows.

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

# Notes to the consolidated and separate annual financial statements continued

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## 32. Financial instruments and risk management continued

Note(s)	Less than 1 year	2 to 5 years	Over 5 years	Contractual amount	Carrying amount
<b>GROUP – 2025</b>					
<b>Non-current liabilities</b>					
Borrowings	13	–	390 007 897	–	390 007 897
Lease liabilities	14	–	1 619 825	31 295 342	32 915 167
<b>Current liabilities</b>					
Trade and other payables	15	21 216 410	–	–	21 216 410
Borrowings	13	34 973 422	–	–	34 973 422
Lease liabilities	14	866 949	–	–	866 949
Distribution payable	19	61 870 883	–	–	61 870 883
		<b>118 927 664</b>	<b>391 627 722</b>	<b>31 295 342</b>	<b>541 850 728</b>
					<b>520 357 322</b>

### GROUP – 2024

<b>Non-current liabilities</b>					
Borrowings	13	–	171 984 896	115 089 602	287 074 498
Lease liabilities	14	–	1 561 117	11 627 303	13 188 420
<b>Current liabilities</b>					
Trade and other payables	14	22 960 806	–	–	22 960 806
Borrowings	13	44 282 332	–	–	44 282 332
Lease liabilities	14	120 200	–	–	120 200
Distribution payable	19	58 788 834	–	–	58 788 834
Bank overdraft	10	13 335 424	–	–	13 335 424
		<b>139 487 596</b>	<b>173 546 013</b>	<b>126 716 905</b>	<b>439 750 514</b>
					<b>453 081 197</b>

Note(s)	Less than 1 year	2 to 5 years	Over 5 years	Contractual amount	Carrying amount
<b>COMPANY – 2025</b>					
<b>Non-current liabilities</b>					
Borrowings	13	–	341 005 785	–	341 005 785
Lease liabilities	14	–	1 276 111	28 337 037	29 613 148
<b>Current liabilities</b>					
Trade and other payables	15	14 572 164	–	–	14 572 164
Borrowings	13	26 458 222	–	–	26 458 222
Lease liabilities	14	802 197	–	–	802 197
Distribution payable	19	61 870 883	–	–	61 870 883
Bank overdraft	10	13 335 424	–	–	13 335 424
		<b>117 038 890</b>	<b>342 281 896</b>	<b>28 337 037</b>	<b>487 657 823</b>
					<b>468 734 907</b>

### COMPANY – 2024

<b>Non-current liabilities</b>					
Borrowings	13	–	171 984 896	115 089 602	287 074 498
Lease liabilities	14	–	1 287 885	8 792 072	10 079 957
<b>Current liabilities</b>					
Trade and other payables	15	19 079 325	–	–	19 079 325
Borrowings	13	35 538 970	–	–	35 538 970
Lease liabilities	14	62 137	–	–	62 137
Distribution payable	19	58 788 834	–	–	58 788 834
Related-party payables		445 413	–	–	445 413
		<b>113 914 679</b>	<b>173 272 781</b>	<b>123 881 674</b>	<b>411 069 134</b>
					<b>405 900 462</b>

## 32. Financial instruments and risk management continued

### Foreign currency risk

Foreign exchange rate risk is the current or prospective risk to earnings and capital arising from adverse movements in currency exchange rates. The potential for loss arises from the process of revaluing foreign currency positions on account of monetary assets and liabilities being denominated in a currency that is not the functional currency.

The Group owns subsidiaries which hold investment properties in South Africa and Zambia. The Group is accordingly exposed to foreign exchange risk in respect of financial assets and liabilities that are not in the Group's functional currency which is the Botswana Pula.

To manage the Group's exposure to foreign exchange risk, management tries to balance the exposure between the assets and liabilities from the subsidiaries with similar currencies.

### Exposure in Pula

The net carrying amounts, in Pula, of the various exposures, are denominated in the following currencies. The amounts have been presented in Pula by converting the foreign currency amounts at the closing rate at the reporting date:

Figures in Pula	Note(s)	GROUP		COMPANY	
		2025	2024	2025	2024
<b>US Dollar exposure:</b>					
<b>Current assets:</b>					
Cash and cash equivalents	10	8 339 545	455 616	141 942	–
<b>Rand exposure:</b>					
<b>Current assets:</b>					
Cash and cash equivalents	10	313 258	287 468	313 258	287 468
<b>Net exposure to foreign currency in Pula</b>					
		<b>8 652 803</b>	<b>743 084</b>	<b>455 200</b>	<b>287 468</b>

### Exposure in foreign currency amounts

The net carrying amounts, in foreign currency of the above exposure was as follows:

Figures in Pula	Note(s)	GROUP		COMPANY	
		2025	2024	2025	2024
<b>US Dollar exposure:</b>					
<b>Current assets:</b>					
Cash and cash equivalents	10	639 511	33 573	10 877	–
<b>Rand exposure:</b>					
<b>Current assets:</b>					
Cash and cash equivalents	10	427 365	394 170	427 365	394 170

### Foreign currency sensitivity analysis

As at 30 June 2025, if the South African Rand that the Group is exposed to had weakened or strengthened by 5% against the respective functional currencies with all other variables held constant, Group profit for the year would have been P14,917 (2024: P76 342) higher/lower and the Company profit for the year would have been P14 917 (2024: P76 342) higher/lower, mainly as a result of foreign exchange gains and losses on translation of foreign currency denominated assets and liabilities.

As at 30 June 2025, if the US Dollar that the Group is exposed to had weakened or strengthened by 5% against the respective functional currencies with all other variables held constant, Group profit for the year would have been P312 029 (2024: P103 395) higher/lower and the Company profit for the year would have been P6 759 (2024: P0) higher/lower, mainly as a result of foreign exchange gains and losses on translation of foreign currency denominated assets and liabilities.

# Notes to the consolidated and separate annual financial statements continued

for the year ended 30 June 2025

## 32. Financial instruments and risk management continued

### Interest rate risk

The Group's interest rate risk arises from long-term borrowings. 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 at variable rate were denominated in Pula and Rand. The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift.

The scenarios are run only for liabilities that represent the major interest-bearing positions. The simulations done do not have an impact on the current period's reported figures due to the relatively short duration. The simulation is done on a quarterly basis to verify that the maximum loss potential is within the limit given by management. If interest rates on Pula denominated and Rand denominated borrowings had been 1% higher/lower with all other variables held constant, the impact on profit before tax for the year was as follows:

### Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

	Impact lower		Impact higher	
<b>GROUP</b>				
Pula-denominated borrowings	5 152 810	3 890 448	(1 052 564)	(2 238 832)
South African Rand-denominated borrowings	316 258	355 739	(226 380)	(275 883)
US Dollar-denominated borrowings	545 549	–	(272 774)	–
<b>COMPANY</b>				
Pula-denominated borrowings	5 152 810	3 890 448	(1 052 564)	2 238 832

## 33. Financial instruments – fair value hierarchy

This analysis categorises the financial instruments carried at fair value into different levels based on the level of subjectivity applied in determining the inputs used in the determination of fair value. This assessment is determined based on the lowest level of input that is significant to the fair value measurement in its entirety. Assessing the significance of a particular input into the fair value measurement in its entirety requires judgement, considering the factors specific to the asset or liability. If a fair value uses observable inputs that require significant adjustment based on unobservable inputs or any other significant unobservable inputs, that measurement is a level 3 measurement.

The fair value hierarchy is measured as follows:

**Level 1:** quoted prices (unadjusted) in active markets for identical assets and liabilities.

**Level 2:** inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** inputs for the asset or liability that are not based on observable market data, that is unobservable inputs.

The Group's financial assets and liabilities carried at fair value as at the year-end were classified as follows:

	GROUP			COMPANY		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>2025</b>						
Cash and cash equivalents	19 303 351	–	–	6 250 495	–	–
Bank overdraft	(13 335 424)	–	–	(13 335 424)	–	–
<b>2024</b>						
Cash and cash equivalents	19 825 432	–	–	16 507 590	–	–

There have been no transfers between any of the hierarchy levels during the year (2024: nil).

Level 1 financial assets include only cash and cash equivalents and bank overdrafts that are based on actual values invested at the relevant financial institutions.

## 33. Financial instruments – fair value hierarchy continued

While not carried at fair value, the fair value of the following financial instruments were disclosed and the analysis below reflects the fair value hierarchy relative to these instruments:

2025	GROUP			COMPANY		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Assets</b>						
Related-party receivables	–	–	9 343 049	–	–	188 614 851
Trade and other receivables	–	–	21 312 280	–	–	8 987 047
<b>Liabilities</b>						
Borrowings	–	–	424 981 319	–	–	367 464 007
Related-party payables	–	–	–	–	–	544 964
Trade and other payables	–	–	35 008 233	–	–	26 067 713
<b>2024</b>						
<b>Assets</b>						
Related-party receivables	–	–	3 692 089	–	–	141 714 514
Trade and other receivables	–	–	17 154 640	–	–	91 308 124
<b>Liabilities</b>						
Borrowings	–	–	352 303 864	–	–	322 613 468
Related-party payables	–	–	–	–	–	445 413
Trade and other payables	–	–	22 960 806	–	–	19 079 325

## 34. Non-financial instruments – fair value hierarchy

This analysis categorises the non-financial instruments carried at fair value into different levels based on the level of subjectivity applied in determining the inputs used in the determination of fair value. This assessment is determined based on the lowest level of input that is significant to the fair value measurement in its entirety. Assessing the significance of a particular input into the fair value measurement in its entirety requires judgement, considering the factors specific to the asset or liability. If a fair value uses observable inputs that require significant adjustment based on unobservable inputs or any other significant unobservable inputs, that measurement is a level 3 measurement.

The fair value hierarchy is measured as follows:

**Level 1:** quoted prices (unadjusted) in active markets for identical assets and liabilities.

**Level 2:** inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** inputs for the asset or liability that are not based on observable market data, that is unobservable inputs.

The Group's financial assets and liabilities carried at fair value as at the year-end were classified as follows:

2025	GROUP			COMPANY		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investment property	–	–	1 764 887 714	–	–	1 520 301 613
<b>2024</b>						
Investment property	–	–	1 622 580 876	–	–	1 385 823 099

There have been no transfers between any of the hierarchy levels during the year (2024: nil).

No non-financial assets carried at fair value are classified as level 1 or 2.

Level 3 financials assets comprise the investment property portfolio more fully described in note 3. The significant inputs used in determining this value are set out in note 1.2 and note 3.

# Notes to the consolidated and separate annual financial statements continued

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## 35. Earnings per linked unit

Basic earnings per linked unit is calculated by dividing the net profit attributable to linked unitholders by the weighted average number of linked units outstanding during the year.

Figures in Pula	GROUP		COMPANY	
	2025	2024	2025	2024
Net profit for the year from continuing operations attributable to linked unitholders	<b>139 455 993</b>	159 437 016	<b>135 686 819</b>	152 686 405
Net profit from discontinuing operations	<b>427 815</b>	–	–	–
Weighted average number of linked units in issue	<b>483 552 023</b>	474 103 503	<b>483 552 023</b>	474 103 503
Basic earnings per linked unit (thebe)	<b>28.93</b>	33.63	<b>28.06</b>	32.21
Basic headline earnings per linked unit (thebe)	<b>28.98</b>	33.73	<b>28.08</b>	32.22

The Company has no dilutive potential linked units, the diluted earnings per linked unit are the same as the basic earnings per linked unit.

### Reconciliation between earnings and headline earnings

Figures in Pula	GROUP		COMPANY	
	2025	2024	2025	2024
Net profit for the year from continuing operations attributable to linked unitholders	<b>139 455 993</b>	159 437 016	<b>135 686 819</b>	152 686 405
Net profit from discontinuing operations	<b>427 815</b>	–	–	–
<b>Re-measurement:</b>				
Loss on disposal of investment property	–	229 674	–	–
Loss on disposal of property, plant and equipment	–	26 797	–	–
Gain on disposal of property, plant and equipment	<b>(159 000)</b>	–	<b>(159 000)</b>	–
Impairment losses	<b>529 306</b>	604 393	<b>342 745</b>	114 965
(Profit)/loss on disposal of plant and equipment	–	(15 402)	–	11 395
Tax effect on re-measurement	<b>(117 503)</b>	(140 871)	<b>(75 404)</b>	(25 292)
	<b>140 136 611</b>	160 141 607	<b>135 795 160</b>	152 787 473

## 36. Events after the reporting period

The Directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

## 37. Operating segments

The Company and the Group adopted IFRS 8, "Operating Segments". This has resulted in a number of reportable segments presented. In addition, segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision-maker. The Company and Group's business activities are concentrated in the segment of property rentals and are carried out within the geographical region of Botswana, South Africa, Zambia and Namibia.

The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined that its chief decision-maker is the Board of Directors of the Group.

### Information about major customers

The revenue of the following customer amounts to more than 10% of the Company's total revenue for the year ended 30 June 2024. This customer belongs to the "industrial properties" operating segment.

	2025	2024
Choppies Distribution Centre Proprietary Limited	<b>57 770 470</b>	53 520 683

### Reportable segments

Management has determined the operating segments based on the reports reviewed by the Board in making strategic decisions and the Board considers the business on the following decisions:

- "Residential properties" – Properties occupied for the residential purposes
- "Commercial properties" – Properties occupied for the commercial purposes
- "Industrial properties" – Properties occupied for the industrial purposes
- "Other" – Includes other activities not included in other segments

# Notes to the consolidated and separate annual financial statements continued

for the year ended 30 June 2025

## 37. Operating segments continued

The segment information provided to the Board for the reportable segments for the year ended 30 June 2025 is as follows:

COMPANY	Residential	Commercial	Industrial	Others	Total
Revenue	12 713 633	72 907 610	63 098 995	4 374 034	153 094 272
Other income	1 029 678	8 039 537	9 535 724	1 037 206	19 642 145
Operating expenses	(1 918 411)	(8 580 862)	(6 434 560)	(12 644 571)	(29 578 404)
Finance income	–	–	–	15 469 493	15 469 493
Finance cost	–	–	–	(30 259 165)	(30 259 165)
Foreign exchange gain/(loss)	–	–	–	549 481	549 481
Investment property fair value adjustment	485 039	18 081 102	2 413 621	–	20 979 762
Income tax	–	–	–	(14 210 765)	(14 210 765)
	12 309 939	90 447 387	68 613 780	(35 684 287)	135 686 819
<b>Segment assets</b>	<b>161 192 360</b>	<b>775 420 626</b>	<b>661 110 453</b>	<b>243 927 912</b>	<b>1 841 651 351</b>

### Reconciliation to total assets as reported in the statement of financial position

	Residential	Commercial	Industrial	Others	Total
Property, plant and equipment	–	–	–	9 018 547	9 018 547
Investment property	160 749 332	722 336 067	637 216 214	–	1 520 301 613
Investments in subsidiaries	–	–	–	25 416 708	25 416 708
Related-party receivables	–	–	–	188 614 851	188 614 851
Operating lease asset	443 028	33 609 185	17 871 174	–	51 923 387
Trade and other receivables	–	–	–	11 680 174	11 680 174
Advance towards asset purchase	–	19 475 374	6 023 065	–	25 498 439
Cash and cash equivalents	–	–	–	6 250 495	6 250 495
Deferred income tax assets	–	–	–	2 947 137	2 947 137
<b>Total assets as reported in the statement of financial position</b>	<b>161 192 360</b>	<b>775 420 626</b>	<b>661 110 453</b>	<b>243 927 912</b>	<b>1 841 651 351</b>
<b>Total liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>543 889 966</b>	<b>543 889 966</b>

## 37. Operating segments continued

The segment information provided to the Board for the reportable segments for the year ended 30 June 2024 is as follows:

COMPANY	Residential	Commercial	Industrial	Others	Total
Revenue	11 622 176	67 588 086	59 517 667	6 866 611	145 594 540
Other income	1 053 986	7 746 946	5 204 227	947 614	14 952 773
Operating expenses	(2 117 560)	(9 500 330)	(5 482 252)	(12 046 906)	(29 147 048)
Finance income	–	–	–	13 085 789	13 085 789
Finance cost	–	–	–	(26 303 288)	(26 303 288)
Foreign exchange gain/(loss)	–	–	–	110 585	110 585
Investment property fair value adjustment	9 791 169	15 341 623	22 497 662	–	47 630 454
Income tax	–	–	–	(13 237 400)	(13 237 400)
	20 349 771	81 176 325	81 737 304	(30 576 995)	152 686 405
<b>Segment assets</b>	<b>160 670 000</b>	<b>710 165 984</b>	<b>592 254 527</b>	<b>200 230 785</b>	<b>1 663 321 296</b>

### Reconciliation to total assets as reported in the statement of financial position

	Residential	Commercial	Industrial	Others	Total
Property, plant and equipment	–	–	–	5 204 815	5 204 815
Investment property	160 264 293	654 898 432	570 660 374	–	1 385 823 099
Investments in subsidiaries	–	–	–	25 416 533	25 416 533
Related-party receivables	–	–	–	141 714 514	141 714 514
Operating lease asset	405 707	30 777 942	16 365 704	–	47 549 353
Trade and other receivables	–	–	–	9 874 378	9 874 378
Advance towards asset purchase	–	24 489 610	5 228 449	–	29 718 059
Cash and cash equivalents	–	–	–	16 507 590	16 507 590
Deferred income tax assets	–	–	–	1 512 955	1 512 955
<b>Total assets as reported in the statement of financial position</b>	<b>160 670 000</b>	<b>710 165 984</b>	<b>592 254 527</b>	<b>200 230 785</b>	<b>1 663 321 296</b>
<b>Total liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>466 365 749</b>	<b>466 365 749</b>

# Notes to the consolidated and separate annual financial statements continued

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## 37. Operating segments continued

The segment information provided to the Board for the reportable segments for the year ended 30 June 2025 is as follows:

GROUP	Botswana				South Africa		South Africa			Zambia	Namibia		Total	
	Residential	Commercial	Industrial	Other	Residential	Commercial	Industrial	Other	Commercial	Industrial	Other			
Revenue	12 841 838	72 907 610	63 098 995	4 374 034	117 685	13 738 321	4 371 154	(228 350)	2 831 283	299 418	(85 014)	–	–	174 266 974
Other income	1 029 678	8 039 537	9 535 724	1 037 206	–	6 478 670	933 139	(938 376)	5 356	–	–	–	–	26 120 934
Operating expenses	(1 937 127)	(8 580 862)	(6 434 560)	(12 667 371)	(48 362)	(4 838 446)	(1 742 305)	(1 706 413)	(945 436)	–	–	(31 981)	–	(38 932 863)
Finance income	–	–	–	15 469 493	–	–	–	(12 190 113)	–	–	(1 689 054)	–	–	1 590 326
Finance cost	–	–	–	(32 998 026)	–	–	–	(3 116 629)	–	–	(66 379)	–	–	(36 181 034)
Foreign exchange gain/(loss)	–	–	–	814 505	–	–	–	1 555 327	–	–	2 830 106	–	1 271 758	6 471 696
Investment property fair value adjustment	595 039	18 081 102	2 413 621	–	(341 161)	3 502 080	2 892 050	–	153 201	(4 464 717)	–	–	–	22 831 215
Income tax	–	–	–	(14 210 765)	–	–	–	(2 088 522)	–	–	(411 968)	–	–	(16 711 255)
	12 529 428	90 447 387	68 613 780	(38 180 924)	(271 838)	18 880 625	6 454 038	(18 713 076)	2 044 404	(4 165 299)	577 691	(31 981)	1 271 758	139 455 993
<b>Segment assets</b>	<b>163 672 360</b>	<b>775 420 626</b>	<b>679 945 215</b>	<b>47 817 510</b>	<b>1 351 649</b>	<b>120 414 437</b>	<b>76 231 803</b>	<b>26 865 872</b>	<b>32 096 073</b>	<b>25 664 434</b>	<b>884 577</b>	<b>23 548 687</b>	<b>313 614</b>	<b>1 974 226 857</b>
Property, plant and equipment	–	–	–	9 018 547	–	–	–	67 017	–	–	–	–	–	9 085 564
Investment property	163 229 332	722 336 067	637 216 214	–	1 021 799	119 045 250	71 248 017	–	25 126 601	25 664 434	–	–	–	1 764 887 714
Related-party receivables	–	–	–	9 343 049	–	–	–	–	–	–	–	–	–	9 343 049
Operating lease asset	443 028	33 609 185	17 871 174	–	–	1 369 187	72 699	–	349 533	–	–	–	–	53 714 806
Trade and other receivables	–	–	–	11 771 504	–	–	–	13 665 700	4 162 525	–	–	–	–	29 599 729
Advance towards asset purchase	–	19 475 374	6 023 065	18 834 762	–	–	–	–	2 457 414	–	–	23 548 687	–	70 339 302
Cash and cash equivalents	–	–	–	14 737 271	–	–	–	3 367 889	–	–	884 577	–	313 614	19 303 351
Assets included in disposal group classified as held for sale	–	–	–	–	329 849	–	4 911 087	–	–	–	–	–	–	5 240 936
Deferred income tax assets	–	–	–	2 947 137	–	–	–	9 765 270	–	–	–	–	–	12 712 407
<b>Total assets as reported in the statement of financial position</b>	<b>163 672 360</b>	<b>775 420 626</b>	<b>661 110 453</b>	<b>92 658 371</b>	<b>1 351 648</b>	<b>120 414 437</b>	<b>76 231 803</b>	<b>26 865 876</b>	<b>32 096 073</b>	<b>25 664 434</b>	<b>884 577</b>	<b>23 548 687</b>	<b>313 614</b>	<b>1 974 226 857</b>
<b>Total liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>543 889 968</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>87 230 878</b>	<b>–</b>	<b>–</b>	<b>1 588 406</b>	<b>–</b>	<b>–</b>	<b>632 709 252</b>

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## 37. Operating segments continued

The segment information provided to the Board for the reportable segments for the year ended 30 June 2024 is as follows:

GROUP	Botswana				South Africa				Zambia		Total
	Residential	Commercial	Industrial	Other	Residential	Commercial	Industrial	Other	Commercial	Other	
Revenue	11 741 436	67 588 086	59 517 667	6 866 611	105 284	14 197 554	4 436 356	1 350 498	2 688 213	99 855	168 591 560
Other income	1 053 986	7 746 946	5 204 227	947 614	–	5 923 671	1 514 018	(936 960)	5 925	–	21 459 427
Operating expenses	(2 124 068)	(9 500 330)	(5 482 252)	(12 046 906)	(82 064)	(5 113 386)	(1 372 991)	(2 461 857)	(207 300)	(277 323)	(38 668 477)
Finance income	–	–	–	13 085 789	–	–	–	(11 363 398)	–	(246 041)	1 476 350
Finance cost	–	–	–	(26 303 288)	–	–	–	(3 596 207)	–	(72 458)	(29 971 953)
Foreign exchange gain/(loss)	–	–	–	110 585	–	–	–	1 710 452	–	1 910 493	3 731 530
Investment property fair value adjustment	9 951 169	15 341 623	22 497 662	–	(81 554)	1 019 258	(3 361 626)	–	1 634 964	–	47 001 496
Income tax	–	–	–	(13 237 400)	–	–	–	(646 120)	–	(299 397)	(14 182 917)
	20 622 523	81 176 325	81 737 304	(30 576 995)	(58 334)	16 027 097	1 215 757	(15 943 592)	4 121 802	1 115 129	159 437 016
<b>Segment assets</b>	163 040 000	710 165 984	592 254 527	36 873 221	1 670 094	116 663 749	73 090 330	20 192 882	48 394 865	–	1 762 345 652
Property, plant and equipment	–	–	–	5 204 815	–	–	–	98 985	–	–	5 303 800
Investment property	162 634 293	654 898 432	570 660 374	–	1 670 094	115 094 737	73 007 021	–	44 615 925	–	1 622 580 876
Related-party receivables	–	–	–	3 692 089	–	–	–	–	–	–	3 692 089
Operating lease asset	405 707	30 777 942	16 365 704	–	1 569 013	194 340	83 309	–	427 722	–	49 823 737
Trade and other receivables	–	–	–	9 955 772	–	–	–	2 804 059	2 753 303	–	15 513 134
Cash and cash equivalents	–	–	–	16 507 590	–	–	–	9 754 902	84 132	–	26 346 624
Advance towards asset purchase	–	24 489 610	5 228 449	–	–	–	–	–	513 783	–	30 231 842
Deferred income tax assets	–	–	–	1 512 955	–	–	–	8 833 530	–	–	10 346 485
<b>Total assets as reported in the statement of financial position</b>	163 040 000	710 165 984	592 254 527	36 873 221	3 239 107	115 289 077	73 090 330	21 491 476	48 394 865	–	1 763 838 587
<b>Total liabilities excluding disposal group</b>	–	–	–	466 365 749	–	–	–	55 084 555	–	1 067 898	522 518 202

## 38. Discontinued operations and disposal groups classified as held for sale

The Group had entered into an agreement for sale of asset with Zafsons Investments Proprietary Limited on 29 January 2025 with respect to ERF 823 and 824 Westonaria and Ewald van der Merwe on 25 March 2025 with respect to Section 9 Elsiehora, Mountain View. This is part of strengthening the investment portfolio efficiency by reallocating resources to more income earning assets. Related income, expense, assets and liabilities apportioned to the said properties are classified as held for sale and presented separately.

There is no expected cash flow from the property as the agreement is concluded before the end of the financial year and the transfer of property is yet to be effected as at the end of the reporting period.

The net cash flow from the discontinued operation is presented separately in the cash flow statement.

The carrying amounts of assets and liabilities and net result of operation in this disposal group are summarised as follows:

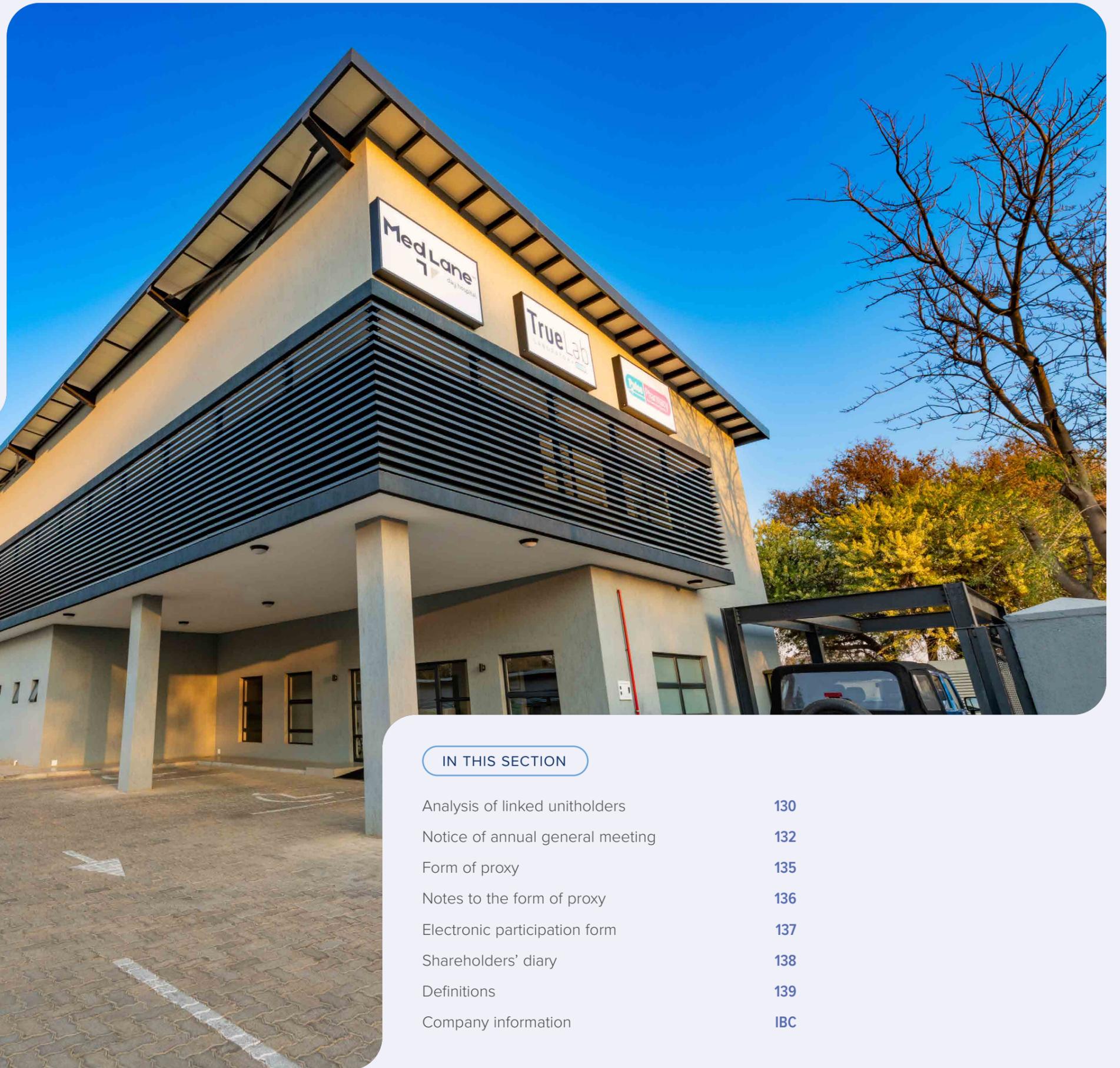
Figures in Pula	GROUP		COMPANY	
	2025	2024	2025	2024
<b>Profit and loss</b>				
Revenue	642 054	–	–	–
Expenses	(214 239)	–	–	–
	427 815	–	–	–
<b>Assets and liabilities</b>				
Assets of disposal groups				
Investment property	5 240 936	–	–	–

## 39. Other comprehensive income

### Components of other comprehensive income – Group – 2025

	Gross	Tax	Net
<b>Items that may be reclassified to profit/(loss)</b>			
<b>Exchange differences on translating foreign operations</b>			
Exchange differences arising during the year	(3 312 672)	–	(3 312 672)

# Corporate information



## IN THIS SECTION

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# Analysis of linked unitholders

## Shareholder analysis 2025

	Number of shareholders 2025	Number of shares held 2025	Number of shareholders 2024	Number of shares held 2024
1 – 1 000	351	98 825	372	119 042
1 001 – 10 000	147	445 286	130	488 874
10 001 – 100 000	60	2 006 713	52	1 939 009
100 001 – 1000 000	21	6 461 840	22	7 629 960
1000 001 and above	11	480 085 229	10	463 926 618
<b>Total</b>	<b>590</b>	<b>489 097 893</b>	<b>586</b>	<b>474 103 503</b>

## Top five shareholders

Name of top five shareholders	Number of shares held 2025	Percentage of holdings 2025	Number of shares held 2024	Percentage of holdings 2024
Ramachandran Ottapathu	146 377 549	29.93	141 970 876	29.95
Farouk Ismail	141 552 920	28.94	137 296 722	28.96
Platinum Compass (Proprietary) Limited	107 270 838	21.93	104 045 430	21.95
Botswana Public Officers Pension Fund	62 250 614	12.73	53 209 774	11.22
Botswana Insurance Fund Management	13 869 877	2.84	27 314 729	5.76
<b>Total</b>	<b>471 321 798</b>	<b>96.37</b>	<b>463 837 531</b>	<b>97.83</b>

## List of shareholders holding above 5% – 2025

Names of shareholders	Number of shares held 2025	Percentage of holdings 2025	Number of shares held 2024	Percentage of holdings 2024
Ramachandran Ottapathu	146 377 549	29.93	141 970 876	29.95
Farouk Ismail	141 552 920	28.94	137 296 722	28.96
Platinum Compass (Proprietary) Limited	107 270 838	21.93	104 045 430	21.95
Botswana Public Officers Pension Fund	62 250 614	12.73	53 209 774	11.22
<b>Total</b>	<b>457 451 921</b>	<b>93.53</b>	<b>436 522 802</b>	<b>92.08</b>

Details	Number of shareholders 2025	Number of shares held 2025	Percentage of holdings 2025	Number of shareholders 2024	Number of shares held 2024	Percentage of holdings 2024
Public	584	200 814 632	41.00	580	194 488 312	41.02
Non-public	3	288 283 261	59.00	3	279 615 191	58.98
<b>Total</b>	<b>587</b>	<b>489 097 893</b>	<b>100</b>	<b>583</b>	<b>474 103 503</b>	<b>100</b>

## Shareholders' classifications

Details	Number of shareholders 2025	Number of shares held 2025	Number of shareholders 2024	Number of shares held 2024
Individual	545	3 838 939	541	3 707 946
Companies	11	107 996 100	9	104 641 679
Institutional investors	28	88 979 593	30	86 138 687
Directors	3	288 283 261	3	279 615 191
<b>Total</b>	<b>587</b>	<b>489 097 893</b>	<b>583</b>	<b>474 103 503</b>

## Directors' holdings

	Number of shares held 2025	Percentage of holdings 2024	Number of shares held 2024	Percentage of holdings 2024
Ramachandran Ottapathu	146 377 549	29.93	142 004 525	29.95
Vidya Sanooj	352 792	0.07	313 944	0.07
Faizel Ismail (through his family)	141 552 920	28.94	137 296 722	28.96
Ranjith Priyalal De Silva	–	–	–	–
Gobusamang Dempsey Keebine	–	–	–	–
Rajeshkumar Jayrajh	–	–	–	–
<b>Total</b>	<b>288 283 261</b>	<b>58.94</b>	<b>279 615 191</b>	<b>58.98</b>

# Notice of annual general meeting

## The FaR Property Company Limited

Notice is hereby given that the 2025 Annual General Meeting of unitholders of The FaR Property Company Limited will be held by electronic means by Zoom on Friday, 12 December 2025 at 09:30 AM for the purpose of transacting the following business and considering and if thought fit to adopt with or without amendment the resolutions proposed:

### Agenda

1. To read the notice convening the meeting.
2. To receive, consider and adopt the audited annual financial statements for the year ended 30 June 2025 together with the Directors' and auditor's reports thereon.
3. To confirm distribution of 12.65 thebe to unitholders, comprising 12.54 thebe interest and 0.11 thebe dividend for the year ended 30 June 2025 as recommended by the Board of Directors. It should be noted that an additional 9 127 750 linked units were issued to unitholders, who elected to capitalise distribution number 10 in terms of the notice to unitholders dated 27 September 2025.
4. To re-elect Mr Rajeshkumar Jayrajh as a Director of the Company, who retires by rotation in accordance with clause 20.9.1 of the constitution and, being eligible, offers himself for re-election. A brief CV of Mr Jayrajh is included in the integrated annual report. The Board recommends the re-election of Mr Jayrajh as a Director of the Company.
5. To re-elect Mr Gobusamang Dempsey Keebine as a Director of the Company, who retires by rotation in accordance with clause 20.9.1 of the constitution and, being eligible, offers himself for re-election. A brief CV of Mr Keebine is included in the integrated annual report. The Board recommends the re-election of Mr Keebine as a Director of the Company.
6. To consider and ratify the remuneration paid to Independent Directors for the year ended 30 June 2025 as set out on page 59 of the integrated annual report.
7. To approve the remuneration paid to the auditor Grant Thornton, for the year ended 30 June 2025.
8. To re-appoint Grant Thornton as the auditor for the ensuing financial year and authorise Directors to fix their remuneration.
9. To approve the remuneration policy of the Company as set out on page 58 of the integrated annual report.
10. To consider and if deemed fit, pass the following resolution as a special resolution: To place linked units equal to an aggregate of 15% of the number of linked units in issue at any time under the control of the Directors for allotment and issue for cash or for the acquisition of immovable property until the next annual general meeting, subject to limitations in terms of BSE Listings Requirements.
11. To take and respond to questions put by unitholders in respect of the affairs and the business of the Company.
12. To close the meeting.

A member entitled to attend and vote may appoint a proxy to attend and vote for him/her on his/her behalf and such a proxy need not also be a member of the Company. The instrument appointing such a proxy must be deposited at the office of the Company Secretaries, BP Consulting Services Proprietary Limited, Plot 28892 Twin Towers, West Wing First Floor Fairground, Gaborone, Botswana not less than 24 hours before the meeting.

By order of the Board

### Company Secretaries

Plot 28892 Twin Towers  
West Wing First Floor Fairground  
Gaborone Botswana

13 November 2025

## Proxies

### Important information regarding attendance, participation and voting at the AGM

Persons who are registered as shareholders, in the registers of the Company at the Central Securities Depository Participant ("CSDP") or transfer secretaries, as of 12:00 on 10 December 2025, shall be entitled to attend, participate, and vote in person or by proxy, at the AGM.

### Participation

The AGM will be held through electronic communication being audio communication by which all shareholders participating in the meeting simultaneously hear each other throughout the meeting, as provided for in section 109 of the Companies Act and the first schedule to the Companies (Amendment) Act, 2025 – a constitution of a Public Company limited by shares, part A, section 17. The Company's constitution also permits such electronic communication at a meeting of shareholders.

Shareholders which choose not to attend in person but seek to appoint a proxy to attend the meeting, on their behalf can still submit their forms of proxy. Forms of proxy are to be delivered or sent by email to the Company Secretary, BP Consulting Services Proprietary Limited as provided for on the form of proxy. Where a shareholder has submitted a form of proxy, the person attending an AGM on the Shareholder's behalf shall be presumed to vote in accordance with the instructions of voting set out in the form of proxy.

Shareholders and the proxy of any shareholder who wish to participate in the AGM by electronic means, will be required to submit the relevant duly completed electronic participation form which is annexed to the Circular together with the relevant documents to BP Consulting Services, as provided for on the form. Shareholders are strongly encouraged to complete their verification well ahead of time.

Once the identity of a shareholder seeking to attend the meeting and the authority of any person representing such a shareholder (if the shareholder is not an individual) or the proxy appointed by a shareholder and the person seeking to attend an AGM has been verified by BP Consulting Services, the person seeking to attend the AGM will be provided with details on how to join the AGM web stream.

Shareholders who have not appointed a proxy, hence not set forth instructions of voting, and who intend to participate in the meeting, once the identity of the shareholder has been verified the shareholder will be provided with a voting form together with instructions on how to join the AGM web stream. Shareholders or proxies for shareholders attending a meeting are urged to send their duly completed voting forms to BP Consulting Services by delivery, or by email before the meeting.

Pursuant to article 13.3 of the constitution of the Company, the Chairman has regulated the procedure to be adopted at the meeting:

- voting will be by poll; and
- as a result, in terms of article 15.2 of the constitution, voting will be by way of submission of voting papers by shareholders or proxies attending the meeting before the meeting or during but before the end of the meeting.

The Company shall publish the results of each meeting within 48 hours of the conclusion of the meeting.

# Notice of annual general meeting continued

## Voting instruction

### Nominee accounts

Shareholders whose shares are held in a nominee account must not complete the attached form of proxy.

If shares are held in a nominee account, then the nominee, CSDP or stockbroker should contact the shareholder to ascertain how to cast votes at the AGM and thereafter cast the shareholder's vote in accordance with its instruction.

If you have shares in the Company held in a nominee account and have not been contacted it would be advisable for you to contact your nominee or CSDP or broker and furnish them with your instruction. If your nominee or CSDP or broker does not obtain instructions from you, they will be obliged to act in terms of your mandate furnished to them, if the mandate is silent in this regard, to abstain from voting.

Unless you advise your nominee, CSDP or broker timeously in terms of your agreement by the cut-off time advised by them that you wish to attend the AGM or send a proxy to represent you, your nominee, CSDP or broker will assume you do not wish to attend the AGM or send a proxy.

If a nominee, CSDP or broker is a company it may appoint a proxy provided that the form of proxy is accompanied by a resolution of the nominee, CSDP or broker empowering the person acting on behalf of the nominee, CSDP or broker to appoint the proxy. Alternatively, such nominee, CSDP or broker may appoint by resolution, a person to represent it at a meeting; in such event, the resolution should be delivered to BP Consulting Services 24 hours prior to the holding of the meeting. The proxy or representative appointed by the nominee, CSDP or broker should complete the electronic participation form and deliver that to BP Consulting Services.

If you wish to participate in the AGM, request the necessary letter of representation from your nominee or CSDP or broker and submit this letter together with the electronic participation form.

## Own name shareholders

"Own name" shareholders who wish to participate at the AGM themselves, should submit their duly completed electronic participation form together with an acceptable form of identification.

The electronic participation form together with an acceptable form of identification. Own name shareholder attending and participating the AGM in person shall be provided with a voting form upon registration at the meeting.

Own name shareholders may also appoint a proxy to represent them at the 2025 AGM by completing the attached form of proxy and returning it to BP Consulting Services at least 24 hours prior to the time and date of the meeting. If a shareholder appoints someone other than the Chairman of the meeting as their proxy and wants the proxy to participate in the AGM, the proxy must complete and submit an electronic participation form.

By order of the Board

### Company Secretaries

Plot 28892 Twin Towers  
West Wing First Floor Fairground  
Gaborone, Botswana

# Form of proxy

For completion by the holders of linked units

For use at the annual general meeting of unitholders of the Company to held by electronic means via Zoom on Friday, 12 December 2025 at 09:30 AM. Please read the notes overleaf before completing this form.

I/We

(Name/s in block letters)

of (address)

Hereby appoint:

1. \_\_\_\_\_ or failing him/her, appoint

2. \_\_\_\_\_ or failing him/her appoint

3. The chairman of the meeting as my /our proxy to act for me/us at the 2025 Annual General Meeting, to vote for or against the resolutions and/or abstain from voting in respect of the linked units registered in my/our name in accordance with the following instructions:

Number of linked units		For	Against	Abstain
Ordinary resolution 1	Agenda Item Number 2			
Ordinary resolution 2	Agenda Item Number 3			
Ordinary resolution 3	Agenda Item Number 4			
Ordinary resolution 4	Agenda Item Number 5			
Ordinary resolution 5	Agenda Item Number 6			
Ordinary resolution 6	Agenda Item Number 7			
Ordinary resolution 7	Agenda Item Number 8			
Ordinary resolution 8	Agenda Item Number 9			
Special resolution 1	Agenda Item Number 10			

Signed at:

Date:

Signature:

Assisted by (where applicable)

Each unitholder who is entitled to attend and vote at a general meeting is entitled to appoint one or more persons as proxy to attend, speak and vote in place of the unitholder at the annual general meeting and the proxy so appointed need not be a member of the Company.

Please read notes 1 to 9 on the reverse side hereof.

# Notes to the form of proxy

1. A unitholder must insert the names of two alternative proxies of the unitholder's choice in the space provided with or without deleting "Chairman of the General Meeting". The person whose name appears first on the form of proxy and whose name has not been deleted shall be entitled to act as proxy to the exclusion of those whose names follow.
2. If the unitholder does not have a proxy, the Chairman shall be deemed appointed the proxy. A unitholder must indicate the linked units/votes exercisable by the unitholder in the appropriate space provided.
3. A unitholder must indicate how the proxy is to vote on a resolution in the space provided. Failure to comply herewith will be deemed to authorise the proxy to vote at the general meeting as he/she deems fit in respect of the unitholder's votes exercisable thereat. A unitholder or his/her proxy is obliged to use all the votes exercisable by the unitholder or by his/her proxy.
4. The completion and lodging of this form will not preclude the relevant unitholder from attending the general meeting.
5. The Chairman of the annual general meeting may reject or accept any form of proxy not completed and/or received other than in accordance with these notes provided that he/she is satisfied as to the manner in which the unitholder concerned wishes to vote.
6. An instrument of proxy shall be valid for the annual general meeting as well as for any adjournment thereof, unless the contrary is stated thereon.
7. The authority of a person signing the form of proxy under power of attorney or on behalf of a company must be attached to the form of proxy.
8. Where linked units are held jointly, all unitholders must sign.
9. A minor must be assisted by his/her guardian, unless relevant documents establishing his/her legal capacity are produced or have been registered by the Company.

# Electronic participation form

## The FaR Property Company Limited

(Incorporated in the Republic of Botswana)  
 (Registration number: UIN BW00000942235)  
 (Share code: FPC)  
 (ISIN: BW0000001551)

Shareholders or their proxies who wish to participate in the annual general meeting to be held at 09:30 on 12 December 2025 ("the AGM" or "meeting") via electronic communication ("AGM participant") must notify the Company by delivering this form and supporting documents to the office of the Company Secretary BP Consulting Services Proprietary Limited, Plot 28892 (Portion of plot 50370), Twin Towers, West Wing First Floor Fairground, Gaborone, PO Box 1453, Gaborone, or by email to 'Kakale Chihwamba' <kakale@butlerphirieinc.com> as soon as possible but no later than 17:00 on 10 December 2025.

Shareholders are strongly encouraged to complete their verification well ahead of time.

Each AGM participant who has successfully been verified by BP Consulting Services Proprietary Limited will be provided with the details on how to join the AGM via Zoom. AGM participants who are a proxy for a shareholder will be provided with a voting form and be presumed to vote at the meeting in accordance with the instructions for voting set out on the form of proxy. AGM participants who are not proxies will be provided with a voting form. AGM participants who are not proxies are strongly encouraged to send their completed voting forms to BP Consulting Services Proprietary Limited before the meeting. AGM participants who have not sent completed voting forms to BP Consulting Services Proprietary Limited prior to the meeting will be able to complete the voting forms and submit the same to BP Consulting Services Proprietary Limited by email to ['Kakale Chihwamba' <kakale@butlerphirieinc.com>] during but no later than the close of the meeting.

Reference is made to the Notice of the AGM for important information regarding participation and voting at the AGM.

Name of registered shareholder

Omang/ID/Passport number/Registration number of registered shareholder

Name and contact details of CSDP or broker (if shares are held in dematerialised form)

Shareholder CSD account number/broker account number or own name account number or custodian account number

Number of ordinary shares held

Full name of AGM participant

Omang/ID/Passport number of AGM participant

Email address of AGM participant

Cellphone number of AGM participant

By signing this form, I/we agree and consent to the processing of my/our personal information above for the purposes of participation in the AGM and acknowledge the following:

1. The cost of joining the AGM is for the expense of the AGM participant and will be billed separately by the AGM participant's own internet service provider. The AGM participant is not permitted to share the link with a third party.
2. The Company, its agents and third-party service providers cannot be held accountable and will not be obliged to make alternative arrangements in the event of a loss or interruption of network activity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth, power outages or any other circumstances which prevents any AGM participant or proxy holder from participating in the AGM or voting.

Signed on this \_\_\_\_\_ day of \_\_\_\_\_ 2025

Signature of shareholder(s)

Assisted by me (where applicable)

# Shareholders' diary

Financial year-end	30 June
Integrated annual report posted	24 October 2025
2025 Annual General Meeting	12 December 2025
Next interim results announcement	31 March 2026
FY2026 annual results announcement	30 September 2026

# Definitions

<b>"Act" or "Companies Act"</b>	Companies Act 2003 (No 32 of 2004) of Botswana, as amended or replaced from time to time
<b>"AGM"</b>	Annual general meeting
<b>"the Board"</b>	Board of directors of FPC or FaR
<b>"BAOA"</b>	Botswana Accountancy Oversight Authority
<b>"BSE"</b>	Botswana Stock Exchange
<b>"BWP"</b>	Botswana Pula, the legal tender in Botswana
<b>"CEO"</b>	Chief executive officer of FaR Property Company Limited
<b>"CFO"</b>	Chief financial officer of FaR Property Company Limited
<b>"Choppies"</b>	Choppies Enterprises Limited, listed on the BSE and JSE
<b>"the Choppies Group"</b>	Choppies Enterprises Limited and its subsidiaries
<b>"Covid-19, the pandemic"</b>	Coronavirus disease 2019, an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)
<b>"Constitution"</b>	Constitution of FPC as registered by CIPA on 17 December 2015
<b>"Dividends per share (cents)"</b>	Total dividends paid to ordinary shareholders divided by the number of ordinary shares issued calculated in cents
<b>"EBITDA"</b>	Earnings before interest, tax depreciation and amortisation
<b>"FCMG"</b>	Fast moving consumer goods
<b>"FPC" or "FaR"</b>	The FaR Property Company Limited, listed on the BSE
<b>FY24</b>	Financial year ended 30 June 2024
<b>FY25</b>	Financial year ending 30 June 2025
<b>FY26</b>	Financial year ending 30 June 2026
<b>"GDP"</b>	Gross domestic product
<b>"GLA"</b>	Gross lettable area, measured in square metres
<b>"Headline earnings per share" ("HEPS") (cents)</b>	Headline earnings divided by the weighted number of ordinary shares calculated in cents
<b>"IFRS"</b>	International Financial Reporting Standards, as issued by the International Accounting Standards Board
<b>"IT"</b>	Information technology
<b>"JSE"</b>	The JSE Limited, a licensed securities exchange
<b>"King III Report"</b>	King Report on Corporate Governance for South Africa 2009
<b>"King IV Report"</b>	King Report on Corporate Governance for South Africa 2016
<b>"KPI"</b>	Key performance indicator
<b>"Last year"</b>	The year ended 30 June 2024
<b>"Linked unit"</b>	One ordinary share indivisibly linked to one debenture of the Company
<b>"Linked unitholders"</b>	Holders of linked units in FPC
<b>"Listing date"</b>	4 May 2016
<b>"Listing"</b>	The listing of FPC's linked units on the BSE
<b>"Listings Requirements"</b>	The BSE Listings Requirements

# Definitions continued

“NAV”	Net asset value
“Net asset value per share (cents)”	Equity attributable to equity holders of FAR property group divided by the total shares in issue, including treasury shares calculated in cents
“NOI”	Net operating income
“PAT/PBT”	Profit after tax/Profit before tax
“Pula Code”	Corporate governance code for Botswana
“Return on assets”	Return on assets refers to a financial ratio that indicates how profitable a company is in relation to its total assets
“Return on equity (%)”	Return on equity is the measure of a company’s annual return divided by the value of its total shareholder’s equity, expressed as a percentage.
“Return on investment (%)”	Return on investment (ROI) is a performance measure used to evaluate the efficiency or profitability of an investment or compare the efficiency of a number of different investments
The Board	The Board of Directors of FaR Property Company Limited
The Group	The FaR Property Company Limited and its subsidiaries
“This year”	The year ended 30 June 2025
“Q Tique”	Q Tique 79 (Proprietary) Limited, a company incorporated with limited liability according to the laws of South Africa under Company No 2006/012884/07, a wholly owned subsidiary of FPC
“Variable rate loan stock company”	A company where the share capital of a company is divided into “linked units” (which are listed on the BSE) each comprising an ordinary share that is indivisibly linked to a variable rate debenture
“ZAR”	South African Rand, the legal tender in South Africa

# Company information

for the year ended 30 June 2025

## Country of incorporation and domicile

Botswana

## Nature of business and principal activities

Property and asset management

## Directors

Rajeshkumar Jayrajh (Chairman)  
 Ranjith Priyalal De Silva  
 Gobusamang Dempsey Keebine  
 Ramachandran “Ram” Ottapathu  
 Faizel Ismail  
 Vidya Sanooj

## Registered office

Plot 28892  
 Twin Towers  
 West Wing First Floor  
 Gaborone, Botswana

## Business address

Plot 880  
 Gaborone International Commerce Park  
 East Gate Kgale View  
 Gaborone, Botswana

## Company Secretary

BP Consulting Services (Proprietary) Limited  
 Plot 28892 Twin Towers West Wing  
 First Floor Fairground, Gaborone  
 PO Box 1453  
 Gaborone, Botswana

## Independent auditor

Grant Thornton  
 Chartered Accountants  
 Gaborone, Botswana

## Postal address

PO Box AD65 AEG, Station  
 Gaborone, Botswana

## Bankers

Absa Bank Botswana Limited  
 Bank Gaborone Limited  
 First Capital Bank Botswana Limited  
 First National Bank of Botswana Limited  
 Investec Bank Limited  
 Standard Bank South Africa Limited  
 Absa Bank Zambia Limited

## Registration number

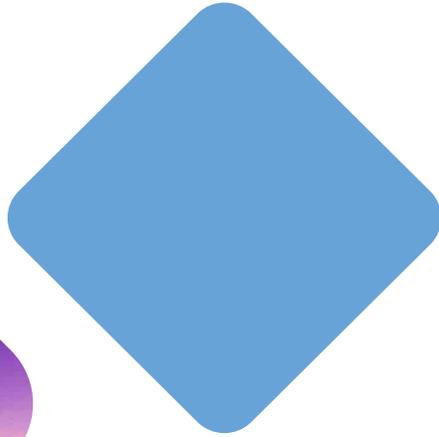
UIN BW 00000942235

## Functional currency

Botswana Pula “BWP”

## Corporate data

The FaR Property Company Limited  
 Company number: UIN BW00000942235  
 Incorporated in the Republic of Botswana on 29 June 2010  
  
 Listed on BSE: 4 May 2016  
  
 Share code: FPC-EQU  
 ISIN: BW0000001551  
 Linked units (30 at June 2025): 489 097 893



The FaR Property Company Limited  
Incorporated in the Republic of Botswana on 29 June 2010  
Listed on BSE: 4 May 2016  
Share code: FPC ISIN: BW0000001551  
Linked units (at June 2025): 489 097 893  
[www.farproperties.co.bw](http://www.farproperties.co.bw)

