SAFARI INVESTMENTS RSA LTD

INTEGRATED ANNUAL FOR THE REPORT 31 MARCH

2023

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THIS INTEGRATED ANNUAL REPORT PRESENTS THE FINANCIAL, OPERATIONAL, SOCIAL AND ENVIRONMENTAL PERFORMANCE OF SAFARI INVESTMENTS RSA LIMITED AND ITS SUBSIDIARY SAFARI INVESTMENTS NAMIBIA PROPRIETARY LIMITED (HEREINAFTER REFERRED TO AS "SAFARI" OR "THE GROUP") TO STAKEHOLDERS FOR THE PERIOD 1 APRIL 2022 TO 31 MARCH 2023.

In order to provide a concise overview of the business, business model and strategy, the report includes a range of financial and non-financial disclosures, performance measures and reviews over the year. This will allow stakeholders to make an impartial evaluation of the Group's capacity to generate and sustain value.

The Integrated Annual Report provides information on the Group and highlights the Group's corporate governance principles, growth strategy and financial performance, including the social, environmental and economic sphere in which the Group operates. The Group has continued to build on its commitment to provide stakeholders with information to maintain their trust and confidence in Safari.

The content is intended to enhance your understanding and appraisal of the Group and its prospects and we remain committed to improving our reporting to our stakeholders. Any feedback to improve reporting in future will be welcomed. Comments can be sent to \$\bigs\text{info}\square\$ info\$\square\$ safari-investments.com.

FRAMEWORK APPLIED

The framework is in accordance with best practice and applies the principles of the:

- King IV Report on Corporate Governance for South Africa, 2016[™]
 ("King IV™");
- JSE Limited ("JSE") Listings Requirements;
- Companies Act 71 of 2008, as amended ("Companies Act"); and
- Integrated Reporting Framework ("<IR> Framework") of the IFRS Foundation.

The financial information provided in the annual financial statements commencing on page 88 has been prepared in accordance with International Financial Reporting Standards ("IFRS"), the JSE Listings Requirements, Financial Pronouncements as issued by the Financial Reporting Council and the Companies Act. Detailed statements on how Safari has applied the principles contained in King IV™ can be viewed on our website at www.safari-investments.com.

Report published: 29 June 2023.

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ASSURANCE AND BOARD RESPONSIBILITY STATEMENT

Safari is committed to upholding high standards of transparency and accountability and has implemented a combined assurance model to instil confidence in the information that is disclosed. The Group strives to achieve excellence in all disclosures and management reviews, and the annual financial statements have been independently audited by BDO South Africa Incorporated. The Board, supported by the Audit and Risk Committee, has approved this Integrated Annual Report.

The Safari Board is aware of its responsibility to ensure the integrity of this Integrated Annual Report for the 2023 financial year and has exercised its judgement to ensure that this report provides a comprehensive view of the performance of Safari and its impacts. In the Board's opinion, this Integrated Annual Report addresses all material matters and offers a holistic view of the Group and its performance.

The Board authorised the publication of the Integrated Annual Report on 29 June 2023.

SB Herring Non-executive Chairperson	DC Engelbrecht	WL Venter	Dr MT Matshoba-Ramuedzisi
	Chief Executive Officer	Chief Financial Officer	Lead Independent
	("CEO")	("CFO")	Non-executive
GJ Heron	MH Muller	Dr PA Pienaar	
Independent	Independent	Independent	
Non-executive	Non-executive	Non-executive	

We have removed all signatures from this document to protect the security and privacy of all our signatories.

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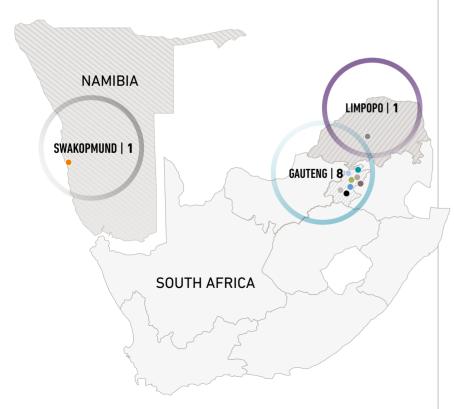
AT SAFARI. WE STRIVE TO MAXIMISE VALUE FOR OUR INVESTORS BY APPLYING RESPONSIBLE ASSET MANAGEMENT PRACTICES AND PURSUING DEVELOPMENT OR REDEVELOPMENT OPPORTUNITIES THAT ALIGN WITH OUR INVESTMENT STRATEGY AND RISK TOLERANCE.

Safari Investments RSA Limited is a Real Estate Investment Trust ("REIT") that specialises in property investment and is listed on the JSE. Our strategic investments focus on convenience and small regional shopping centres which allow us to generate value for our stakeholders while promoting sustainable growth and earnings.

Safari is an accessible investment option for individuals looking to benefit from real estate investments. REITs like Safari are an effective way to revitalise neighbourhoods, give access to community essential goods and services, and build the infrastructure of tomorrow – all this while creating job opportunities and economic activity along the way.

OUR VISION

To be a leading retail-focused REIT on the JSE through strategic property investments that drive sustainable growth and deliver returns to our shareholders that outperform the market average.



OUR MISSION

Building a property portfolio which offers:

To our investors

Investments that deliver long-term income and capital growth

To our communities

Social and environmental sustainability

 To our tenants and their clients Highly sought-after spaces

To our employees

Secure and sustainable careers

OUR VALUES

Quality

Unlocking and delivering high-quality assets

Innovation

Finding opportunities in the market through creative thinking

Improvement

Making a difference for the better of our stakeholders

Integrity

Acting honestly and ethically in all we do

> ATLYN | Atteridgeville (cnr Phudufufu and Khoza Streets)

> DENLYN | Mamelodi (cnr Stormvoël and Maphalla Roads)

> MNANDI | Atteridgeville (Maunde Street)

> THABONG | Sebokeng (Moshoeshoe Street)

> VICTORIAN VILLAGE | Heidelberg (cnr Voortrekker and Jordaan Streets)

> PLATZ AM MEER | Swakopmund, Namibia (cnr Albatros and Tsavorite Streets)

> SOWETO DAY HOSPITAL | Soweto (R558, Protea Glen)

> NKOMO VILLAGE | Atteridgeville (49 Tlou Street)

> THORNHILL | Polokwane (cnr Veldspaat Street and Munnik Avenue)

> LYNNWOOD | Pretoria (cnr Lynnwood Road and Rodericks)

NATIONAL TENANTS (RENTABLE AREA) (2022: 87%)

MARKET CAPITALISATION **AS AT 31 MARCH**

(2022: R1,71 billion)

GROWTH IN PROPERTY REVENUE

(2022: 14%)

TOTAL RENTAL AREA M²

(2022: 175 512m²)

(2022: R245 million)

OF PORTFOLIO

VACANCY RATE

VALUATION OF PROPERTY PORTFOLIO

(2022: R3,54 billion)

OPERATING PROFIT

RENTAL REVERSION

(2022: +1,15%)

DIVIDEND PER SHARE

(2022: 57 cents)

WEIGHTED AVERAGE TRADING DENSITY FOR THE PORTFOLIO*

(2022: R36 243/m²)

SA REIT NET ASSET VALUE PER SHARE

(2022: R8,55)

COLLECTION RATE

(of total billed for FY2023) (2022: 98,1%)

AVERAGE ANNUALISED PROPERTY YIELD

(2022: 8,21%)

GROUP **TOTAL ASSETS**

VALUE OF SHARES TRADED

(2022: R352,5 million)

MONTHLY WEIGHTED **AVERAGE GROSS RENTAL/M2***

(2022: R151/m²)

SA REIT LOAN-TO-VALUE ("LTV")

TENANT RETENTION

(2022: 62%)

OUR BUSINESS MODEL



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intellectual RESOURCES

- The portfolio benefits from in-house asset management and facilities management expertise, eliminating the need for outsourcing to brokers
- Financial reporting is streamlined using MDA Property Systems software, a leading property and facilities management software program in the market. The software provides a single integrated property and financial software management system, simplifying the flow of information for management reporting, data collection, analysis, invoicing and decision-making
- To monitor broad-based black economic empowerment ("BBBEE") and transformation, the Company uses Mpowered B-BBEE Compliance Management software internally
- Internet fibre infrastructure is installed at most centres, running on a three-tier system that provides tenants and shoppers with simplified internet connectivity and service availability
- Shoppers can access free Wi-Fi at centres, providing convenience and valuable customer behaviour data, such as preferences, demographics and dwell time
- Intelligent video analytics are utilised through on-site cameras to assist with foot count and shopper behaviour data
- The Company conducts market research through specialist studies including spatial planning and property market analysis to better understand local and surrounding market dynamics



manufactured RESOURCES

- Eight income-producing investment properties held
- Potential ancillary assets like fuel stations can be incorporated to enhance overall value
- Renovation of properties occurs at appropriate time intervals
- Development of bulk reserve at appropriate time intervals
- Asset acquisitions that fit our strategy and investment criteria
- Infrastructure upgrades implemented that add value such as installing solar power systems or establishing borehole water supply. These additions contribute to the long-term improvement of assets and enhance overall asset value.



human RESOURCES

- Internalised property management team, not outsourced
- Internalised leasing team, not outsourced to brokers
- Internalised and hands-on Company Secretary function
- Staff and on-site centre managers oversee daily operations at all retail properties
- Security services are hands-on in a joint venture entity
- Board of seven members comprising a healthy spread of professionals in the property and business industry
- Five Board Subcommittees
- Continuous investment in training, employee development and internship appointments



natural RESOURCES

- Environmental impact considered with new acquisitions, expansions and refurbishments
- Careful consideration of alternative water and electricity sources
- Sustainable water models being phased in
- Solar power systems in place at retail centres and adding or expanding solar systems to optimal capacity where feasible
- Recycling of waste material and professional waste sorting
- Green building initiatives considered and incorporated where feasible
- Natural light and ventilation maximised inside buildings



social RESOURCES

- Strong geographical concentration of assets in the local emerging sector
- Transformation manager overseeing BBBEE
- Internship and learnership programmes in place
- Involved in and initiating a large number of social and philanthropic projects within the communities residing around our centres
- Retail centres linked directly to public transport networks
- Health, safety and security measures in place at all sites
- Consumer experience enhanced through the development of holistic business nodes in line with market demand and preferences
- Balanced and combined service offerings serve communities well
- Relationships and engagement with surrounding communities are prioritised



financial RESOURCES

- Capital growth and dividend income to shareholders
- Disciplined cost management
- Tax contributions to authorities
- Credit rating strength and access to funding
- Assets have an economic impact offering business and employment opportunities

INVESTMENT PROPOSITION

INVESTORS LOOKING FOR EXPOSURE TO THE SOUTH AFRICAN PROPERTY MARKET AND SEEKING STABLE, LONG-TERM RETURNS WILL FIND SAFARI ATTRACTIVE. EIGHT RETAIL PROPERTIES ARE OWNED IN PRIME LOCATIONS AND THE FOCUS IS ON CONVENIENCE RETAIL, WHICH PROVIDES A STABLE SOURCE OF RENTAL INCOME. THE BALANCED AND CAREFULLY SELECTED TENANT MIX, WITH A HIGH PERCENTAGE OF NATIONAL TENANTS, REDUCES THE RISK OF TENANT DEFAULTS AND VACANCY RATES. THE SIMPLE CORPORATE STRUCTURE AND EXPERIENCED MANAGEMENT TEAM PROVIDE COMFORT TO INVESTORS WHO ARE LOOKING FOR WELL-MANAGED AND TRANSPARENT INVESTMENTS.

ACTIVITIES

The aim is to create value for all our stakeholders through selective income-generating assets and by optimising these assets to their full potential.

OUR ACTIVITIES INCLUDE A COMBINATION OF:

Acquisition

Actively seek out new investment properties for acquisition

Development

Invest in vacant land or property with untapped development potential

Optimisation

Strive to increase the value and performance of assets

- Delivering responsible buildings and doing business in line with environmental, social and governance ("ESG") principles
- Generating economic growth, employment opportunities and employee satisfaction

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- Fostering a Safari environment known for mentorship, internship, learning and development of skills
- Building strong community cohesion, fostering relationships and trust that lead to loyal support of centres
- Increasing economic prosperity and investor interest in communities
- Maintaining strong cash flow and a healthy gearing ratio
- Reaching strategic goals through engaged and competent employees and leadership

OUR STRATEGY

AT A GLANCE



GROWTH

Strategically grow a specialised portfolio of premium retail assets through investing in convenience or small regional shopping centres and potential ancillary or valueadding assets, either through new developments and acquisitions or expansion of existing assets within South Africa



Maintain a consistent and reliable income stream by focusing on long-term sustainability through effective property management and enhancing the dominance of our assets in our target market



Strengthen the Safari brand by promoting high standards of environmental protection and healthy social relations under good corporate governance in line with ESG principles

STRATEGIC GROWTH WITH SPECIALISED FOCUS...

OBJECTIVE

Increase the asset value of Safari and unlock funding opportunities for developments and acquisitions, leading to higher income distribution and share liquidity.

APPROACH

Intentionally unlock value through yield-enhancing acquisitions, prudent asset management and development opportunities. The investment strategy is based on the risk appetite and Company culture, supported by shareholders.

PROGRESS

- Focus remained on quality assets in the South African retail sector with a narrow focus on convenience and small regional retail assets
- Strategy in place for disposal of non-core assets
- Defined parameters and criteria for new assets to deliver solid and yield-accretive growth
- Efficient management of capital structures and debt
- Considered development and acquisition opportunities in line with investment guidelines

FUTURE DIRECTION

- Consider yield-accretive new developments, acquisitions and redevelopments
- Stay competitive in terms of Safari's offering
- Explore opportunities to expand existing assets where bulk reserve is available for optimisation
- Explore potential ancillary assets such as filling stations



OBJECTIVE

Optimise efficiencies in our core business to strengthen distributable income streams, positively impact our share liquidity and unlock faster growth.

APPROACH

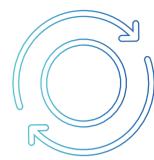
Focus on efficiencies on an operational level with a view to achieving dominance in our target market.

PROGRESS

- Followed a focused leasing strategy that achieved low vacancies, positive reversion, tenant retention and a balanced tenant mix
- Maintained healthy tenant occupancy rates
- Managed net operating expenses effectively
- Efficient management of capital structures and debt
- Implemented solar power systems and borehole water systems for significant utility cost savings

FUTURE DIRECTION

- Use tenant lease expiries as opportunities to improve tenant mix
- Dispose of non-core assets
- Utilise sources of non-gross lettable area ("GLA") for revenue
- Continue to proactively maintain and refurbish assets to retain dominance and appeal
- Offer value-added services crucial to emerging markets
- Install backup water and borehole systems according to the timeline target



INCLUSIVITY, TRANSFORMATION AND GOVERNANCE

OBJECTIVE

Ensure that the Safari brand remains an attractive investment in a highly competitive environment while promoting high standards of environmental protection, ethics, healthy social relations and good corporate governance.

APPROACH

Prioritise non-financial factors that have a positive impact on the environment, society and governance.

PROGRESS

- Improved reporting on the non-financial factors of ESG that are central in measuring the societal impact of a business
- Gold and Silver awards at the annual South African Council of Shopping Centres ("SACSC") Footprint Marketing Awards, November 2022
- Continued support for various social projects in our communities that have a far-reaching impact on loyalty to the Safari brand
- SETA-accredited learnership courses are ongoing
- Internship appointments successfully learning skills on site
- Detailed investor relations programme with regular interaction and communication with stakeholders

FUTURE DIRECTION

- Continue to cultivate learning, mentorship and training within the workplace
- Give increased attention to the environmental impact of our affairs, ensuring sustainable initiatives with a positive impact on the environment
- Continue to pursue sustainable and worthy corporate social investment ("CSI") projects
- Continue building strong relations with our surrounding communities
- Refine marketing campaigns for the Safari brand to reach a wider network of businesses and potential investors

STRATEGIC OVERVIEW

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CHAIRPERSON'S DEDOOT

"THERE IS A SHIFT IN FOCUS TOWARDS CORE ASSETS" It is with pleasure that I present this Integrated Annual Report, which details yet another successful year at Safari in terms of performance and progress. I am also eagerly anticipating the opportunities that the coming year holds for Safari.

The Group has decided to place greater emphasis on its six larger core assets while shifting away from non-core properties. Plans to dispose of three smaller assets are already underway. By doing so we can more effectively direct our resources towards the areas that will generate the greatest value and growth for the business. Additionally, we will be developing the Lynwood land, and the team will focus on exploring further development opportunities as they arise.

Heriot REIT Limited now holds a majority of the Safari shares, and we hope that synergies between the two companies will benefit all shareholders.

The increase in costs over the past year is a reality for all businesses. We are currently reviewing all costs and seeking ways to minimise waste.

We recognise the significant cost implications of maintaining our status as a listed entity while the trading volume of Safari shares remains minimal. We are exploring the possibility of delisting Safari and passing on the savings to our shareholders in the form of increased dividends. We will keep our shareholders updated on any developments in this process.

Another significant contributor to cost escalation is the surge in interest rates. We aim to reduce our cost of debt by decreasing banking margins by 50 to 75 basis points, which will help mitigate the impact.

Safari continues to be well managed by a young and dynamic team, and I would like to thank the executives and the team for another successful year. Our service providers continue to offer a high level of service, and we are grateful for the unwavering support of our tenants and their customers in our pursuit of generating sustainable cash flow and returns.

Guidance of the highest standard continues from the Non-executive Directors, and there is good focus and direction on the way forward. We remain committed to aligning our interests with those of our shareholders and will continue to focus on this aspect.

SB Herring

Chairperson

29 June 2023



YIELD-ACCRETIVE EXPANSIONS, REDEVELOPMENT OPPORTUNITIES AND NEW DEVELOPMENTS.

DEVELOPMENTS

VICTORIAN VILLAGE REFURBISHMENT PHASE 3

In the final stages of completion

Heidelberg | (cnr Voortrekker and Jordaan Streets)

Project value (phases 2 and 3)

R56 million

With a new name and look, the newly revamped 25-year-old Victorian Village is well perceived by local and new customers. The refurbishment focused on convenience and the addition of many new national tenants. Dis-Chem doubled its space in the centre and opens for trade in June 2023 while upgrades at the upper restaurant level are near completion.





NKOMO VILLAGE EXPANSION AND WATER PROJECT

Completed; new drive-through now underway

Atteridgeville | (49 Tlou Street)

Project value R63,3 million The expansion of Nkomo Village was completed in December 2022, and new tenants, Shoprite, Burger King Drive Thru, Roman's Pizza, Pep Home, Mr Price and The Bedmart, were added. Absa will shortly commence trading from their new branch near Shoprite. The remaining ATMs situated in the walkway will be relocated in the next couple of months, and these cubicles will be demolished to open the rest of the walkways for improved flow. There is keen interest from a few national fast-food restaurants to take up the remaining drive-through opportunity and we are awaiting final Board approval before construction commences.



In the process of completion

Mamelodi | (cnr Stormvoël and Maphalla Roads)

Project value R43,9 million

The revamp of 21-year-old Denlyn commenced in September 2022 and is now well underway with a project completion date of June 2023. All bathrooms are being upgraded and exciting kids' recreation is planned in the form of a hopscotch section and a selfie wall. Better flow of foot traffic has been accomplished by opening the walkway from SuperSpar to Shoprite. This also allowed for new shops to be added to the tenant mix. A new drive-through is also planned.





THABONG: NEW SHOPRITE

Opening soon

Sebokeng | (Moshoeshoe Street)

Project value R20,8 million SuperSpar did not reopen post the July 2021 unrest. Their 4 000m² premises is currently being subdivided to accommodate a new Shoprite and Shoprite Liquor to commence trading in September 2023. A new drivethrough is also underway to open towards the end of 2023. Subject to our application at Eskom being successful, the installation of a solar power system at a cost of R21,5 million will also commence.



NEW DEVELOPMENTS continued



Plans for upgrades and tenant mix

Atteridgeville | (cnr Phudufufu and Khoza Streets)

Notable upgrades to Atlyn's existing structure are planned. Some reconfiguration will take place to create a banking court, and changes to the food court will make it more inviting to customers. A second food anchor tenant will be accommodated and there will be general tenant mix improvement. A new drive-through will enhance the variety of food options.





LYNNWOOD MIXED-USE **DEVELOPMENT**

Construction planned for 2024

Lynnwood | (cnr Lynnwood and Rodericks Streets)

A new mixed-use development for the popular Lynnwood precinct in the east of Pretoria is in the planning phase. Safari owns this $13\ 000 \text{m}^2$ property on Lynnwood Road and will, at an attractive yield, develop a 6 000m² convenience retail centre, a section of pre-let office space as well as a small residential component in accordance with market demand. There is very strong interest from major national tenants for this node. Letters of Intent were received from all the large anchor food tenants.



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PROPERTY PORTFOLIO

THE SAFARI PORTFOLIO PRIMARILY COMPRISES
DOMINANT WELL-LOCATED CONVENIENCE RETAIL
CENTRES, LARGELY UNDERPINNED BY NATIONAL
TENANTS ON LONG-TERM CONTRACTUAL LEASES.



TRADING SINCE	2006
NUMBER OF SHOPS	93
TOTAL RENTABLE AREA	31 238m²
INVESTMENT VALUE	R696 000 000
TRADING DENSITY	R34 474/m² per annum
NATIONAL TENANTS	87%
ANCHOR TENANT	Shoprite
VACANT SQUARE METRES	-
OCCUPANCY LEVEL	100,00%
WEIGHTED AVERAGE	
GROSS RENT	R169/m ²
VACANCY LEVEL	-





DENLYN Mamelodi I (cnr Stormvoël and Maphalla Roads)

TRADING SINCE	2003
NUMBER OF SHOPS	112
TOTAL RENTABLE AREA	34 869m²
INVESTMENT VALUE	R960 000 000
TRADING DENSITY	R39 215/m² per annum
NATIONAL TENANTS	91%
ANCHOR TENANTS	Shoprite, SuperSpar, Boxer
VACANT SQUARE METRES	46
OCCUPANCY LEVEL	99,87%
WEIGHTED AVERAGE	
GROSS RENT	R206/m ²
VACANCY LEVEL	0,13%



TRADING SINCE	2015
NUMBER OF SHOPS	30
TOTAL RENTABLE AREA	8 717m ²
INVESTMENT VALUE	R166 000 000
TRADING DENSITY	R24 582/m² per annum
NATIONAL TENANTS	82%
ANCHOR TENANT	Pick n Pay
VACANT SQUARE METRES	1 108
OCCUPANCY LEVEL	87,29%
WEIGHTED AVERAGE	
GROSS RENT	R148/m ²
VACANCY LEVEL	12,71%





THABONG Sebokeng I (Moshoeshoe Street)

TRADING SINCE	2007
NUMBER OF SHOPS	104
TOTAL RENTABLE AREA	34 661m²
INVESTMENT VALUE	R651 800 000*
TRADING DENSITY	R41 576/m² per annum
NATIONAL TENANTS	86%
ANCHOR TENANTS	Pick n Pay, Boxer
VACANT SQUARE METRES	362
OCCUPANCY LEVEL	98,96%
WEIGHTED AVERAGE	
GROSS RENT	R149/m ²
VACANCY LEVEL	1,04%

* Including additional bulk.

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PROPERTY PORTFOLIO continued

VICTORIAN VILLAGE Heidelberg I (cnr Voortrekker and Jordaan Streets)

TRADING SINCE	1997
NUMBER OF SHOPS	33
TOTAL RENTABLE AREA	11 967m²
INVESTMENT VALUE	R215 000 000
TRADING DENSITY	R53 960/m² per annum
NATIONAL TENANTS	98%
ANCHOR TENANT	Pick n Pay
VACANT SQUARE METRES	482
OCCUPANCY LEVEL	95,97%
WEIGHTED AVERAGE	
GROSS RENT	R129/m ²
VACANCY LEVEL	4,03%





PLATZ AM MEER Swakopmund, Namibia | (cnr Albatros and Tsavorite Streets)

03m² 2 000 000*
7 000 000*
493/m² per annum
kers
7
7%
)/m²
3%

^{*} Including additional bulk.



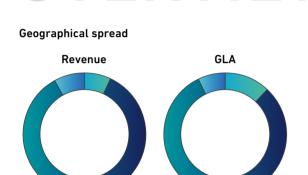
TRADING SINCE	2009
NUMBER OF SHOPS	32
TOTAL RENTABLE AREA	12 390m²
INVESTMENT VALUE	R238 000 000
TRADING DENSITY	R36 852/m² per annum
NATIONAL TENANTS	95%
ANCHOR TENANT	SuperSpar
VACANT SQUARE METRES	121
OCCUPANCY LEVEL	99,02%
WEIGHTED AVERAGE	
GROSS RENT	R146/m²
VACANCY LEVEL	0,98%





NKOMO VILLAGE Atteridgeville | (49 Tlou Street)

	1
TRADING SINCE	2018
NUMBER OF SHOPS	68
TOTAL RENTABLE AREA	23 114m²
INVESTMENT VALUE	R492 000 000
TRADING DENSITY	R43 500/m² per annum
NATIONAL TENANTS	90%
ANCHOR TENANTS	Shoprite, Pick n Pay, Boxer
VACANT SQUARE METRES	103
OCCUPANCY LEVEL	99,55%
WEIGHTED AVERAGE	
GROSS RENT	R154/m ²
VACANCY LEVEL	0,45%



85% 81%

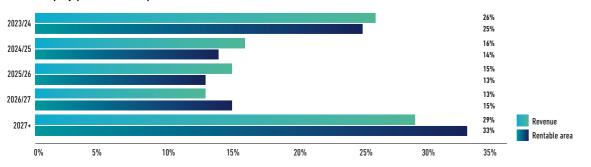
8% 7%

- Swakopmund Namibia
- Gauteng South Africa Limpopo – South Africa

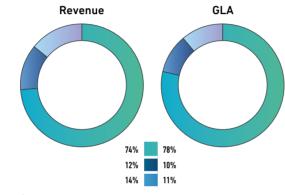
Contracted versus uncontracted



Lease expiry profile of the portfolio

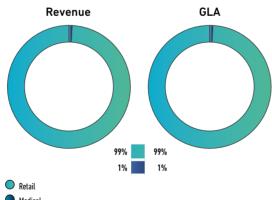


Total tenant mix



- Tenants of national listed companies and other nationals
- Tenants of national franchises and medium to large professional firms O Local traders

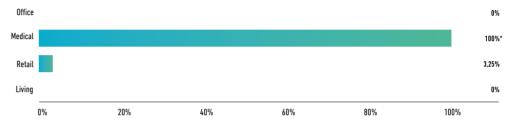
Sectoral spread





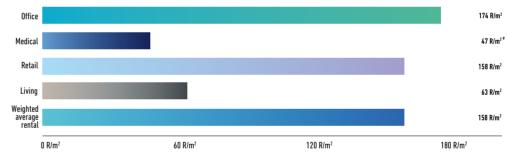
Medical

Vacancy profile by sector by rentable area - as at 31 March 2023

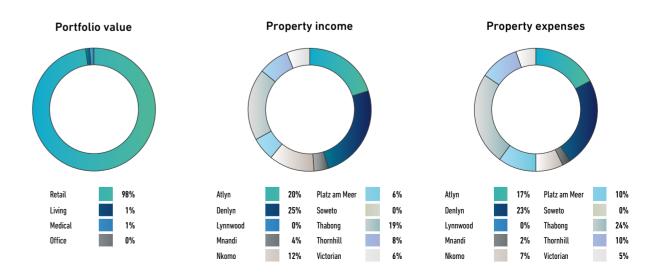


* Subsequent to year-end, a lease was secured for the medical space.

Average rental for the portfolio by rentable area*



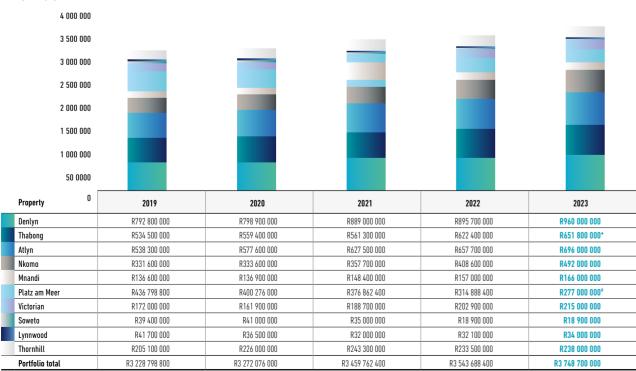
- * The calculation excludes municipal recoveries contained in rental and is inclusive of vacant space at Rnil rental.
- * Vacant for the majority of the year, classified as property held for sale, lease secured subsequent to year-end.



	2023 R	2022 R	2021 R	2020 R	2019 R
	K				
Property revenue	392 562 316	365 478 373	320 898 551	320 786 920	275 978 654
Property revenue year-on-year	7%	14%	0%	16%	15%
Operating expenses	154 619 545	157 790 434	116 993 085	114 830 672	104 321 828
Operating expenses year-on-year	(2%)	35%	2%	10%	47%
Property expenses as % of property revenue	27%	26%	27%	24%	26%
Investment property	3 429 996 105	3 212 686 459	3 245 809 596	3 058 198 009	3 009 003 845
Investment property year-on-year	7%	(1%)	6%	2%	14%
Total asset value	3 807 198 000	3 646 553 000	3 554 149 000	3 372 719 000	3 320 511 000
Total asset value year-on-year	4%	3%	5%	2%	13%
Inventory*	29 869 128	60 026 000	106 000 000	122 684 400	153 438 300
Inventory year-on-year	(50%)	(43%)	(14%)	(20%)	(10%)
Vacancy	3,25%	1,9%	2,4%	3,3%	2,6%
Total rentable area (m²)	178 460	175 512	175 123	175 135	174 583
Rentable area year-on-year	1,68%	0,22%	(0,01%)	0,3%	29%

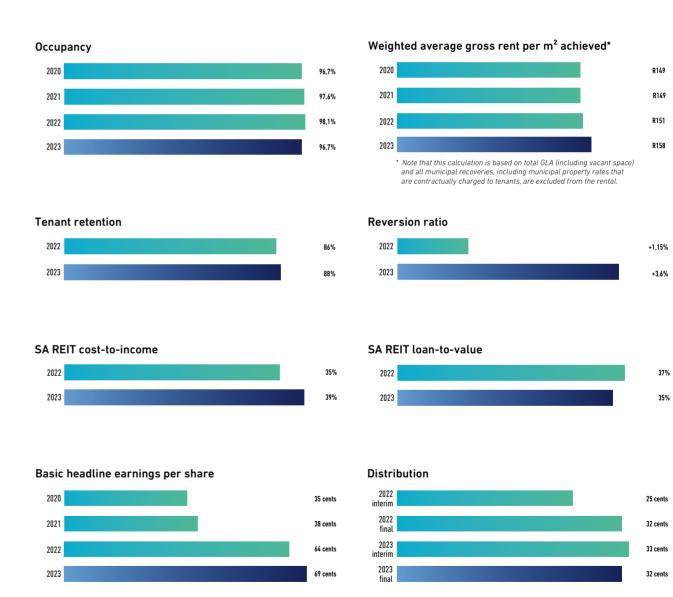
^{*} Note that inventory units are sold off over time thus value should be decreasing.

Property portfolio value - R3,75 billion



^{*} Including additional bulk.

OUR PROGRESS IS MEASURED AGAINST OUR STRATEGIC OBJECTIVES USING FINANCIAL AND NON-FINANCIAL INDICATORS.



[#] Including additional bulk and unsold apartments.

CHEFEXECUTIVE OF SEASON OF THE ANNIHAL DESIJITS OF SAFAR

I AM PLEASED TO SHARE THE ANNUAL RESULTS OF SAFARI AND THE GROUP'S JOURNEY THROUGH THE 2023 FINANCIAL YEAR. SAFARI SUCCESSFULLY NAVIGATED ANOTHER UNIQUE YEAR AND SEIZED ITS OPPORTUNITIES IN A TURBULENT MARKET. OUR ASSETS ONCE AGAIN PROVED RESILIENT, OUR TEAM CONTINUED WITH DEDICATION TO UNLOCK SHAREHOLDER VALUE AND THE GROUP DELIVERED STRONG RESULTS.

We remained dedicated to our strategy of establishing a specialised fund focused on retail. In this financial year, prudent management of our core business was key. Non-core assets were also enhanced to extract maximum value when disposing of them.

Our dedication to maintaining attractive investment properties was demonstrated by the following accomplishments in the financial year. We have:

- Diversified our lender pool by successfully refinancing R503 million through Standard Bank of South Africa:
- Extended Nkomo Village Shopping Centre in Atteridgeville by approximately 4 000m² GLA to accommodate new stores for Shoprite, Shoprite Liquor, Absa, Mr Price, Ackermans Woman and Burger King. These new stores opened in November 2022 and outperformed trading expectations;
- Commenced with a full refurbishment of Denlyn Shopping Centre in Mamelodi; and
- Invested in new CSI projects in Atteridgeville, Sebokeng and Mamelodi, and we are proud of the work and change effected in these areas.

OPERATIONAL REVIEW

Operations across the portfolio remained robust in a tough economic climate. I believe years of strong community connections and deep tenant relationships are culminating in the constant success of Safari's local assets. Turnovers of tenants, on average, continued to grow at well above the inflation rate. Nearly all our anchor tenants are seeing good growth in trading figures.

Anchors: +9% Fashion: +10,5% Restaurants: +17,3%

While rent-to-turnover ratios remain under pressure because of load shedding and the general economic climate, our leasing team managed to achieve positive rent reversions. GLA of $53\,350\text{m}^2$ came up for renewal during the year, of which 96% was successfully renewed or relet. We concluded 88% of renewals and achieved a net rental rate of R146/m² during the year. On average new leases and renewals were concluded at an average rate of R173/m².

Reversion: +3,6% Retention: 88%

We continued to focus on the quality of our income stream through proactive tenant and asset management. The drive is to continuously improve the tenant

mix in line with our long-term investment outlook while still achieving positive reversions. While the in-force weighted escalation is at a healthy 6% for the portfolio, we do see the pressure our tenants are under when renewing leases due to the cost of load shedding and other external pressures. Rental levels remain at affordable levels when compared to rent-to-sales ratios, and the approach of our leasing team is

always based on an upward trajectory of rentals.

The Group vacancy rate increased to 3,2%, with one reason being the current conversion of the SuperSpar at Thabong to Shoprite and Shoprite Liquor stores. The new Shoprite will commence trade in October 2023 and then restore the occupancy of this 4 000m² store. The occupancy level at Platz am Meer Shopping Centre in Namibia is a specific and urgent focus area, and significant progress has been made in recent months towards securing national tenants within the coming months. We project a significant improvement in occupancy at Platz am Meer through the next financial year.

FINANCIAL POSITION

Despite a tough economic environment, Safari exceeded its distribution forecast for the year under review. The Group delivered 65 cents per share, which is a 14% increase year-on-year. The settlement received from our insurers for the remaining claims related to COVID-19 and riots contributed to the improved dividend per share for the 2023 financial year.

The Board maintains caution when it comes to the valuation of the portfolio and made the decision to adopt a policy of rotating independent valuers. Quadrant Valuers was appointed to conduct the 2023 financial period valuations. The property portfolio value excluding apartments classified as inventory, increased by 6,7% and Safari is well positioned to take

advantage of new acquisitions or development opportunities.

At year-end, total debt of R1,3 billion represents a Group SA REIT LTV ratio of 35%, down from 37% in the prior year. We continue to be hedged at 30% of total debt. With the latest facilities now in place the overall weighted cost of debt margin improved by 16 basis points.

CORPORATE SOCIAL RESPONSIBILITY

We continued our strong effort in running social initiatives that have a lasting impact on our communities. We believe in responsible business practices and strive to contribute to the social and economic development of the communities surrounding us. During the year, we launched various new initiatives including the Education is our Future campaign and a partnership with Ladies in Business Network. These initiatives reflect our dedication to sustainability, partnerships with local communities and stakeholder engagement.

OUTLOOK

Maximising the value of the existing portfolio, identifying new growth prospects, filling vacant space, selling non-core assets and maintaining a disciplined approach to new investments will continue to be focus areas for the year ahead. Some of the targets that we are working on include:

- maintaining a continuous trend of positive reversions;
- reducing vacancies;
- implementing a more efficient insurance structure;
- building a strong development pipeline;
- disposing of non-core assets;
- improving the cost of debt margin; and
- reducing the cost-to-income ratio.

We recognise the ongoing challenges posed by the dynamic economic environment and market conditions. We do remain concerned about the excessive increase in municipal rates and taxes within our tenants' occupation costs and the continued decline in infrastructure and poor service delivery by most local municipalities.

We are, however, confident in the property industry's ability to adapt and capitalise on emerging opportunities. We remain optimistic knowing that we have a strong platform for growth and a focused investment approach at Board level. We will continue to maintain a 100% payout ratio but are aware that the severe load shedding and significant increases in interest rates will have a negative impact on earnings in the 2024 financial year.

APPRECIATION

In addition to our financial achievements and goals, I take great pride in our corporate culture and the dedication of an exceptional team of staff at Safari. Your unwavering effort in active management, tenant relationships and efficient operations are building Safari's reputation as a trusted and preferred landlord.

A personal thank you to our service providers, financiers and every tenant. I am truly optimistic about what we can achieve together.

I would also like to express my gratitude to the Safari Board members for the guidance and steadfast support extended to my team and me throughout the year.

To our shareholders, you are our valued partners on this journey. Thank you for your continued trust and support to see us succeed. Safari will continue to keep your best interests at the forefront of our actions.

DC Engelbrecht

Chief Executive Officer

29 June 2023

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RISK MANAGEMENT

OVER THE PAST TWO YEARS, CHALLENGES
SUCH AS THE CIVIL UNREST IN JULY 2021,
LOAD SHEDDING AND INTEREST RATE HIKES
HAVE HAD A PRODIGIOUS IMPACT ON THE
RETAIL INDUSTRY. THESE EVENTS HAVE ONCE
AGAIN HIGHLIGHTED THE IMPORTANCE OF
AN ADEQUATE RISK MANAGEMENT SYSTEM.
SAFARI HAS IMPLEMENTED A COMPREHENSIVE
RISK REGISTER, REINFORCED BY A POLICY
AND PROCEDURES THAT ARE REGULARLY
REVIEWED BY THE BOARD, TO ADDRESS THIS
MATTER EFFECTIVELY.

The Audit and Risk Committee has been entrusted by the Board with the duty of devising, executing and supervising a risk management plan, and of appropriately identifying, assessing and addressing risks (as referenced on page 84 of the Audit and Risk Committee report). The Committee provides suggestions to management regarding the management of new risks and notifies the Board accordingly. Additionally, Dr PA Pienaar has been appointed as the Chief Risk Officer to ensure compliance with mitigating controls and implementation measures.

Our risk management methodology encompasses the following:

- Incorporating the six capitals (financial, natural, social and relationship, intellectual, human and manufactured) as defined by the <IR> Framework when making disclosures;
- Aligning risk tolerance with the Group's strategy to intensify the vigilant tracking of risks, with a particular emphasis on governance and accountability;
- Strengthening risk response determinations by proactively managing recognised risks;
- Minimising operational losses by acquiring better capabilities to identify potential risk events and establish appropriate responses; and
- Identifying and controlling multiple cross-enterprise risks.

During the year ended 31 March 2023, the Board, together with the applicable Board Committees, carried out regular assessments of the risks facing the Group, including those that present potential threats to our business model, future performance and solvency and liquidity position. Safari is a member of The Global Platform and utilises its REIT Risk Instrument to manage the risk process on a continuous basis. The necessary controls are in place to mitigate risks.

The Board has established Safari's risk appetite and risk tolerance levels and is committed to reporting on instances where risks fall outside these limits.

The Board is satisfied with the effectiveness of its Risk Management Policy and procedures that are in place.

No material deviations from the risk tolerance limits have occurred during the reporting period. Furthermore, the Board is not aware of any current, imminent or envisaged risk that may threaten Safari's long-term sustainability.

KEY RISKS	DESCRIPTION	BUSINESS IMPACT	MITIGATING CONTROLS
1 Energy cost risk	The risk of sharp and/or sustained energy price increases	Further economic pressures on energy-dependent industries.	Monitor utilities per building with auto-flagging mechanisms in place. Undertake energy-saving initiatives through solar projects.
			Regularly service generators at all the centres.
2 Significant increases	The unpredictable and significant increases in utility rates	Negative impact on the cost of occupancy for tenants which makes renewal negotiations difficult.	Safari supports property forum groups that may oppose unreasonable rates applied by municipalities.
in municipal rates and taxes and substandard	and substandard service delivery	Substandard infrastructure and maintenance and minimal new capital projects.	Maximised investment in solar to ensure minimal reliance on municipal power.
service delivery		,	Boreholes and backup water systems are in use at most of our centres,
Property utility supply risk	The risk of disruption and failure to supply utility services and administrative management	Disruption to trading hours, impacting tenant turnovers. Providing backup power and water facilities increases operating costs to supply essential utilities.	Safari provides necessary backup power and water at its centres. Solar systems and borehole water are operational at most centres.
		Load shedding and water interruptions are a regular occurrence. Poor service delivery or utility service interruptions give rise to community unrest and protest action.	
Decline in the national economy and increased unemployment	The risk of poor economic growth, even negative growth, resulting in an increase in unemployment, especially in the lower-income communities being serviced by Safari's shopping centres	Poor economic growth and a decrease in employment will lead to a reduction in income in the catchment area of Safari's centres, and as a result, a reduction in purchasing power.	Safari's tenants are predominantly suppliers of basic goods and groceries for which demand is stable. Safari strives to have strong relationships with the local community via our marketing and centre management staff, leading to a sense of ownership and loyalty from the communities. Safari's centres are also stimuli for business and employment opportunities.
Expense-to-income ratio	The risk of costs consistently rising at a higher rate than income	Decreasing net profit of the business.	Cost per square metre is compared throughout the portfolio to ensure that expenses are in line per centre. All leases which are up for renewal are reviewed in detail and budgeted for taking into account trading density, cost of occupancy, location, etc. Lease agreements which are due for renewal are considered six months in advance to enable management to negotiate optimum rental and escalations. Centre-specific budgets are compiled and the Chief Operating Officer ("COO") and CFO conduct quarterly evaluations to adjust the forecast if need be.

ANNUAL PERFORMANCE REVIEW

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RISK MANAGEMENT continued

KEY RISKS	DESCRIPTION	BUSINESS IMPACT	MITIGATING CONTROLS
6 Inflation risk	The risk of an unmanageable increase in the general price level of goods and services	Erosion of income and reduced property value.	Forms part of annual contract negotiations with suppliers/service providers. The aim is to limit cost increases to the rental escalations we can achieve.
Political unrest and riots risk	The risk of violent protests and/or riots, and looting of shopping centres	Disruption of political or social stability, negatively impacting the population, economic activity and operation of our shopping centres.	Safari has dedicated centre managers at all our centres who liaise with the internalised security function and the South African Police Service on a regular basis to assess risks. As an additional measure, appropriate insurance cover is in place. Emergency evacuation plans for tenants and employees have been implemented, and an effective business continuity management programme has been applied.
8 Interest rate risk	The risk of a rise in interest rates	Reduced yields and distributable earnings limiting additional funding possibilities.	A hedging policy is in place; approximately 30% of interest-bearing debt is hedged by way of interest rate swaps. The hedging strategy is monitored closely.
9 Credit risk	The risk of liquidation or default by tenants	Failure to recover amounts owing. Negative impact of potential business rescue proceedings.	National tenants at centres are in excess of 80%. Authorised background/credit checks are performed on new tenants before contracts are signed. Daily monitoring of debtors lists is undertaken. Lease administrator follow-ups in the case of default are carried out on a daily basis and necessary action is taken accordingly.
Tenant retention risk	The risk of failure to achieve a high tenant retention rate	Erosion of rental income and distributable earnings. Negative reputational impact on tenant relationships.	Maintain strong relationships with tenants, especially national tenants, to understand their needs. Timing of renewal discussions is crucial; we use three-month like-for-like turnovers on a year-on-year comparison to consider tenant actual performance. Optimising our tenant mix remains a priority.



A sustainable business

recognises that economic

prosperity, social

responsibility and

environmental protection

are interconnected and must

be driven by good corporate

governance.

Integrating these nonfinancial aspects into our

business is fundamental to

the long term.

CRITICAL TO SAFARI'S APPROACH TO REAL ESTATE INVESTMENT IS THE

ADVANCEMENT OF SUSTAINABILITY IN ALL ITS FACETS INCLUDING ENVIRONMENTAL STEWARDSHIP. SOCIAL RESPONSIBILITY AND GOOD GOVERNANCE. THIS REPORT PRESENTS AN OVERVIEW OF HOW ESG PRACTICES AND COMMITMENTS WERE INTEGRATED INTO THE GROUP'S BUSINESS AND CULTURE IN THE CONTEXT OF THE FINANCIAL YEAR UNDER REVIEW.

ENVIRONMENT

Energy efficiency

Water efficiency

Waste reduction and recycling

Green building design

Greener in general

SOCIAL

Our people

Transformation

Our communities

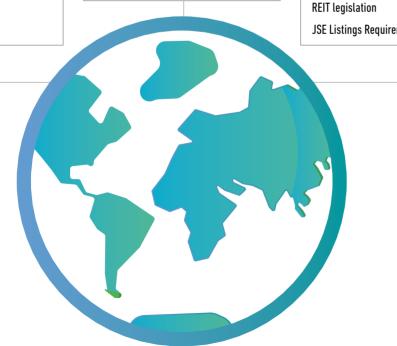
Board Charter

King IV™

GOVERNANCE

Board Committees

JSE Listings Requirements



GUIDED BY: THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS AND THE TEN PRINCIPLES OF THE UN GLOBAL COMPACT

The 17 SDGs, adopted by United Nations members as part of the 2030 Agenda for Sustainable Development, call for global partnerships to build thriving economies and peaceful societies, reduce inequality, protect the planet and natural resources, and help end poverty and hunger. On both international and local platforms, it is expected that governments and organisations align their ESG efforts to this global framework. Safari acknowledges these goals as guidance for the adoption and implementation of its own ESG practices.

SUSTAINABLE GOALS























While it is crucial to generate positive returns for shareholders, we must also uphold our broader obligations to society and the environment.

Source: @ www.un.org/sustainabledevelopment/sustainable-development-goals

We are especially seeing principles 4, 8, 11 and 13 incorporated in tangible ways in our everyday business and culture.









TEN PRINCIPLES OF THE UN GLOBAL COMPACT

Corporate sustainability starts with a company's value system and a principles-based approach to doing business. This means operating in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, the environment and anti-corruption. Responsible businesses know that good practices in one area should not offset harm in another. Safari also supports the Ten Principles of the UN Global Compact.



FNVIRONMFNTAL STFWARDSHIP



OUR ENVIRONMENTAL OBJECTIVES

Energy efficiency	Water efficiency	Waste reduction and recycling	Green building design	Greener in general
Safari strives to rely increasingly on renewable energy sources and less on the grid to decrease its carbon footprint	Safari strives to consider its water resources in order to reduce operational costs, improve resilience against water shortages and supply risks and improve water quality	Safari strives to reduce waste and its carbon footprint through monitoring waste output, promoting recycling initiatives and working towards reducing the amount of waste sent to landfills	Safari strives to make use of environmentally friendly technologies in the design, maintenance and renovation of its properties	Safari aspires to adopt a more environmentally conscious approach to its business at every level, recognising that even minor actions can have a significant impact

OUR INITIATIVES AND TARGETS

Energy efficiency

- Solar photovoltaic ("PV") systems installed and fitted to maximum capacity are functional at all centres except Thabong Shopping Centre.
- Target FY2024: Implementation of a solar PV system at Thabong Shopping Centre. The application for the installation is in process at Eskom; awaiting clearance.
- Solar PV and battery energy management solutions lower our diesel expenses and maintenance costs and reduce the carbon and noise pollution caused by our generators.
- Target FY2024: Consider the feasibility and financial viability of incorporating batteries for energy management to potentially assist during load shedding, and to reduce the reliance on diesel.
- The solar PV installations across the portfolio produced a total of 7 972 870kWh for the 2023 financial year. This equates to a saving of 4,3 tonnes of coal burned, saving 14 351 kilolitres of water and the avoidance of 9 tonnes of carbon dioxide emissions. Target FY2024: Obtain Energy Performance Certificates for all centres. Government granted an extension for this requirement but it will be mandatory by December 2025.
- All new and replacement light fittings are energy efficient.
- Safari centres typically follow a design shape that allows natural ventilation of light and air throughout the building. This reduces reliance on artificial lighting and air-conditioning systems, saving significant energy in terms of heating and cooling.

Water efficiency

- Safari partnered with AQUAffection to establish sustainable water-use practices for its portfolio. The target is to systematically roll out these practices across the portfolio according to the suitability of sites and viability.
- All sites are being considered for a borehole water system or, alternatively, a municipal water backup system. Although boreholes are an effective means of accessing water resources, they can also have negative impacts on the natural environment. These impacts are managed through strict compliance with our water-use licence and regular yield tests which determine the optimal pumping duration to avoid overuse.
- Timeline and targets for borehole installations at sites:
- Thabong Shopping Centre: Borehole system active in 2022
- Nkomo Shopping Centre: Borehole system active in 2023
- Victorian Village Shopping Centre: Borehole viability study completed in 2023
- Denlyn Shopping Centre: Borehole system planned to be active in Q1 2024
- Atlyn Shopping Centre and Mnandi Shopping Centre: Boreholes are not viable; municipal water backup systems are being
- Thornhill Shopping Centre: Borehole system to be considered

Target: Consider installation of water storage systems at sites if a minimum of two days storage capacity is possible.

Target: Consider rainwater harvesting at sites that prove to be suitable for this purpose.

 Monitoring of water use and leak detection procedures are in place at all centres. Main-meter loggers are monitored weekly by centre managers to detect leaks early and to monitor usage.

Waste reduction and recycling

- Waste management performance at centres is tracked by DON'T WASTE to better understand and manage waste output, reduce waste and increase recycling. Their management system provides intelligent reporting enabling the review of waste statistics on a monthly basis for comparison and to point out inefficiencies or abnormalities for follow-up.
- Target: Determine the percentage of tenants per centre who follow their own recycling regimes whose data is not reflected in our own waste data. This figure may indicate an enhanced waste reduction figure in totality for the centre
- Office employees are encouraged to reduce and eliminate the use of paper by using only electronic documents where possible.



recycle. save. comply. educate

Environmental achievements through the implementation of waste hierarchy options

2023



Carbon dioxide saved 962 169m×CO₂ | 12 224 182ℓ



Trees saved 7 952 trees

Energy

4 165 007kWh

2022



Carbon dioxide 862 274m^xCO.



Water

saved

10 928 7538



7 109 trees

Energy 3 786 609kWh

Waste output at a glance

2023

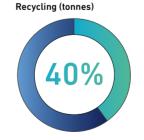
Recycling (tonnes)



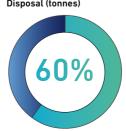




2022



Disposal (tonnes)



Green building design

- Green building initiatives are considered during the design and renovation phases of properties.
- During the design phase, insulation considerations remain key in terms of the heating and cooling of our buildings as insulation has a large impact on energy consumption.
- Centres are designed with adequate space and infrastructure for public transport zones. At Denlyn Shopping Centre, tuk-tuks were incorporated as an alternative mode of public transport.
- At Safari's head office in Lynnwood, the culture of green building efficiencies is further extended with the following green design elements in place:
- The building has motion sensor lighting in all low-traffic common areas such as the basement, hathrooms and storerooms:
- Windows do not open to ensure the most efficient use of the HVAC system and, along with this, all windows have glazing to assist with heat control;
- HVAC systems automatically switch on and off at set times to ensure no unnecessary usage;
- An outsourced collection company sorts collected rubble offsite and attends to adequate recycling of waste: and
- It is a cold-water building and urinals and taps work off a sensor system which prevents wastage.

Greener in general

- Safari centres support non-motorised transport. Target: Safari's Utilities Manager to assess the quality of paved sidewalks at our centres so that these are pedestrian and wheelchair-friendly as far as possible.
- Management engaged with GridCars on the potential of positioning electric vehicle charging points at Victorian Village and Thornhill Shopping Centres in the future.
- Target: Host electrical vehicle charging points at our centres when the time is opportune.
- Safari's pest control supplier, NEW ERA, provides treatments with a reduced impact on the environment compared to more conventional methods and makes use of sustainable control methods
- Safari selects water-wise plants when planning for landscaping and at new building developments. Succulents and plants that naturally occur in the area will be planted, while invasive and water-hungry plant species should be removed.
- Safari follows a repairs and maintenance approach where conventional light fittings are always replaced by new technology energy-saving alternatives.
- It must become evident to tenants and shoppers that Safari centres can adapt to changing consumer habits and retail expectations and that they are continuously recalibrated for sustainability.

SOCIAL RESPONSIBILITY

OUR EMPLOYEES ARE CRITICAL TO THE VALUE OF OUR BUSINESS AND WE ARE DEDICATED TO MAKING CONTINUOUS INVESTMENTS IN OUR HUMAN CAPITAL. **IN A WORLD THAT IS CONSTANTLY** CHANGING, WE ACKNOWLEDGE THE NECESSITY FOR OUR PEOPLE AND **CULTURE TO ADJUST AND GROW IN**

ORDER TO SUCCEED.

TO ACHIEVE THIS. WE HAVE PRIORITISED THE DEVELOPMENT OF A MORE **EMPOWERED HUMAN CAPITAL CULTURE** BY EMBRACING DIVERSITY, INCLUSIVITY AND NON-DISCRIMINATION THROUGH OUR EMPLOYMENT EQUITY. BBBEE AND TRANSFORMATION COMMITTEES.

Our progress and achievements

- Employee diversity: 58% of the workforce consists of previously disadvantaged
- Employee gender diversity: 54% of the workforce is female
- Invested in training, conducted both within the organisation as well as by third-party providers outside the organisation. More than 30 hours' training per full-time employee was provided during the reporting period
- Two full-time employment equity appointments were made – the students are now participating in learnership and internship programmes
- Implementation of a wellness programme for employees focusing on physical, emotional, financial and health aspects



We provide our staff with a range of rewards, promising development opportunities, safe working spaces and continuous support. We believe in nurturing a positive working environment that encourages growth and development, both personally and professionally, and we strive to make Safari a place where our employees feel valued and empowered.

Wellness programme: At Safari, we prioritise the well-being of our employees and offer several initiatives to support their overall wellness. Our Social Committee coordinates regular social functions, providing opportunities for employees to interact with one another in a fun and informal setting. This fosters a culture of acceptance, togetherness and openness, which ultimately improves relationships and communication among staff. In addition to social events, our wellness programme also focuses on personal upskilling of our employees. We offer sessions on social, financial and ethical topics to empower our staff to be responsible corporate citizens. Each year, we conduct skills assessments and identify training needs to enhance the knowledge and skills base of our employees. This ensures that our people are fully equipped to excel in their roles.

Open door policy engagement: We also maintain open lines of communication with our personnel through various channels, such as property meetings, WhatsApp groups and biannual newsletters. We ensure that staff are well informed about the financial performance of the Company through direct engagement with our CEO, who regularly communicates with the team. Overall, our wellness programme aims to create a supportive and empowering working environment, where employees feel valued, engaged and prepared to excel in their roles

Health and safety: At Safari, we take the health and safety of our employees and stakeholders seriously. We comply with the Occupational Health and Safety Act and all relevant national health and safety regulations and requirements.

To ensure that our staff are adequately prepared to handle any potential incidents, our centre managers undergo mandatory first aid and firefighting training. While we aim for a zero rate of workplace-related incidents, we recognise the importance of having robust policies and procedures in place in case any incidents occur. These have been clearly communicated to all our employees, ensuring that they are well prepared and equipped to respond appropriately in the event of an emergency.

Overall, our corporate approach to health and safety is grounded in our commitment to protecting the well-being of our employees and stakeholders. Through ongoing training and preparation, we aim to foster a culture of safety and responsibility where everyone plays an active role in creating a safe and secure working environment

HIV/AIDS policy: Safari undertakes to support all personnel who suffer from HIV/AIDS by committing to confidentiality and non-discrimination for all employees. We comply with employment legislation and are committed to protecting human rights. We also endeavour to assist and provide support as far as possible.

Compensation: At Safari, we place strong emphasis on providing fair and reasonable remuneration to our employees. To ensure that our salaries remain competitive and up to date, we benchmark biannually against industry standards.

We also believe in fostering open and constructive dialogue with our employees. which is why we conduct regular performance appraisals and 360° evaluations. These help us identify areas for improvement, provide professional development opportunities and support performance-based awards for exceptional employees.

In addition to our regular compensation packages, we have also implemented a Long-term Incentive Plan ("LTIP") in line with other plans applied in the market since 2021. We annually review the targets set, considering the Company's goals and general market conditions, to ensure that our employees are motivated and incentivised to achieve outstanding results.

Overall, our corporate approach to employee remuneration is designed to attract and retain top talent, promote professional growth and development and reward exceptional performance. We believe that by investing in our employees in this way, we can create a dynamic and high-performing working environment that benefits everyone.

Employee value proposition: Safari employees take part in the following rewards and development opportunities:

- Competitive compensation:
- Share awards in terms of the LTIP:
- Opportunities for career growth;
- Working within a talented and supportive team;
- A culture of innovation and collaboration;
- Safari wellness programme benefits;
- Retirement benefits;
- Fair leave benefits;
- Group risk cover; and
- Accidental death cover.

TRANSFORMATION

SAFARI'S STRATEGY FOR TRANSFORMATION HAS PROVEN TO BE EFFECTIVE AND WE REMAIN COMMITTED TO MEETING OUR TARGETS. SAFARI IS MEASURED AGAINST THE PROPERTY SECTOR CHARTER SCORECARD FOR REITS.

The scorecard is independently verified by Honeycomb BEE Ratings. Safari successfully improved its rating to a Level 5 BBBEE score in 2022 (2021: Level 7 BBBEE score).

Safari's Employment Equity Committee monitors all appointments and promotions in terms of an employment equity plan. The plan takes into consideration business growth, staff turnover, projected retirements and availability of skills. A limited number of new appointments occurred in the year under review due to low staff turnover but focus was placed on the upskilling of staff from previously disadvantaged groups. The challenge remains at management level due to minimal employee turnover over the past four years.

Learnership and internship programmes are now well-established, allowing learners and interns to attend accredited training courses and gain hands-on practical experience under the guidance of our centre managers and head office staff. Two participants in our learner programmes have to date been employed on a full-time basis within the Safari Group.

Our progress and achievements

- We reached a Level 5 BBBEE score
- Skills developed: achieved 60% of the total available score
- The supplier and enterprise development as well as the procurement categories achieved 90% of the total achievable score with a focus on advancing local black entrepreneurs and suppliers
- The social development category achieved 100% of the total achievable score
- The target set for 2023 is a Level 7 BBBEE score, due to changes in Safari's ownership structure

Employment equity report

Occupational			African ale				African nale			eign onals	
level	Α	С	- 1	W	Α	С	ı	W	М	F	Total
Top management*				3							3
Senior management	1		1	1				1			4
Professional	3				1			7			11
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents					1			2		1	4
Semi-skilled and discretionary decision-making	1				1			1			3
Unskilled and defined decision-making	4					1					5
Total permanent	9	0	1	4	3	1	0	11	0	1	30
Temporary employees	1				1						2
Grand total	10	0	1	4	4	1	0	11	0	1	32

- A African; C Coloured; I Indian; W White; M Male; F Female
- * Top management excludes Non-executive Directors.

AT SAFARI, WE ARE COMMITTED TO CREATING POSITIVE CHANGE IN OUR LOCAL COMMUNITIES. WE FIRMLY BELIEVE THAT THE LOCAL PROPERTY INDUSTRY PROVIDES A WEALTH OF OPPORTUNITIES FOR LANDLORDS TO HAVE A MEANINGFUL IMPACT. NO MATTER HOW SMALL OR LARGE OUR ACTIONS MAY BE, WE WANT TO PLAY OUR PART IN OPENING DOORS, BRIDGING GAPS, PUSHING BOUNDARIES AND BRINGING ABOUT POSITIVE CHANGE FOR THE BETTERMENT OF OUR COMMUNITIES AND SOCIETY AT LARGE.

ONE OF THE CORE VALUES AT SAFARI IS "IMPROVEMENT", AND WE TAKE GREAT PRIDE IN EMBODYING THIS VALUE THROUGH OUR CSI CONTRIBUTIONS AND INITIATIVES IN THE COMMUNITIES DIRECTLY LOCATED AROUND OUR PROPERTIES.

SAFARI ENTERED TWO OF ITS CSI PROJECTS IN THE COMMUNITY RELATIONS CATEGORY OF THE ANNUAL SACSC FOOTPRINT MARKETING AWARDS IN 2022. SAFARI WAS HONOURED WITH A GOLD AWARD AND A SILVER AWARD AMONG ONLY 17 GOLD AND 33 SILVER AWARDS GIVEN ON THE DAY FROM A TOTAL OF 184 ENTRIES. OUR ENTRIES COMPETED AGAINST THE PROJECTS OF MANY LARGER REGIONAL MALLS SUCH AS SANDTON CITY, CANAL WALK, GATEWAY AND MALL OF AFRICA. OPPOSED TO MOST OF THE ENTRANTS WHO APPOINT EXTERNAL MARKETING CONSULTANTS TO DRIVE THEIR PROJECTS AND CAMPAIGNS, OUR PROJECTS ARE RUN INTERNALLY BY SAFARI'S OWN STAFF AND CENTRE MANAGERS.



OUR CONTRIBUTIONS IN NUMBERS

Total CSI expenditure – direct and indirect value: R 1 564 300

EDUCATION

R196 400

COMMUNITY CARE

DONATIONS

ENTREPRENEURIAL

TOTAL ACTUAL EXPENDITURE

RENTAL SUBSIDIES – INDIRECT VALUE OF FREE SPACE

VALUE OF HOURS SPENT ON PROJECTS - INDIRECT VALUE 505 HOURS =

OUTREACH PROGRAMMES - IMPACT IN NUMBERS

Mamelodi

Schools

- Pre-school visits per month: average 100 learners
- = 1 200 learners reached
- School visits to Denlyn: average 30 learners per month x 12 = 360 learners reached
- Denlyn programme at 11 schools x 8 learners per school = 88 learners reached
- Library project: Umthombo Primary = 397 learners reached
- School clothes project: 30 learners sponsored

- Supplier development workshop Denlyn: 49 attendees
- Work readiness session Denlyn: 116 attendees
- Creative thinking workshops Umthombo: 14 teachers

Atteridgeville

Skills and development

- Supplier development: average 20 attendees per session over three months = 60 persons reached
- Work readiness: average 60 attendees per session over three months = 180 persons reached
- Public speaking: average 25 attendees per month over two months = 50 persons reached
- Art workshops: 60 attendees

Creative thinking workshops

- Pheliridge: eight attendees
- Umthombo: 11 attendees

Ladies in Business Network

- Markets: 60 entrepreneurs
- Workshops: 120 entrepreneurs

Schools

- Flavius Mareka matriculants: 30 medals and 30 trophies
- Mandela Day at Halaletsang: 48 learners plus 28 girls and boys educational movement students who received training
- Mandela Day at Leagometswe: 52 learners reached

Intervention programme at Bud Mbelle

- Library project: 962 learners reached
- Support programme awards: 30 learners reached
- Holiday programme winners: 40 learners reached
- Remember September: four groups from schools participated x 20 per school = 80 learners reached
- Girls and boys educational movement learners: 50 participants

Street Soccer

- Pheliridge: 80 participants, excluding spectators
- Ponelopelo: 48 participants

Sebokena

- Entrepreneur training and exhibition: 15 attendees
- School students' stationery: benefit to 230 learners
- Tshepong Mandela Day and Christmas: 26 children reached

Heidelbera

Stationery packs

- Laer Volkskool: benefit to 130 learners
- Laerskool AG Visser: benefit to 85 learners
- Heidelberg public school: benefit to 120 learners
- Prefect badges and blazers: 28 pins and four blazers

Swakopmund

24 Santa shoeboxes filled

Polokwane

Care packages provided: 24

OUR COMMUNITY INITIATIVES

OUR COMMUNITY INITIATIVES ARE PRIMARILY FOCUSED ON EDUCATION. COMMUNITY CARE AND EMPOWERMENT OF YOUNG ENTREPRENEURS.





Education is our Future

Safari partnered with Education is our Future, an organisation dedicated to improving literacy in rural schools. As part of this collaboration, mathematics and English literacy intervention programmes have been implemented at **Umthombo Primary** School in Mamelodi and **Bud Mbelle Primary** School in Atteridgeville. Safari provides ongoing support to these schools and arranges regular visits by our friendly mascots to award readers and achievers.

Education is our Future also launched Kibooks Online, an after-school reading programme for learners. This programme requires internet data to connect but the application is free of charge. Kibooks reports have shown that more students are reading at home than at school, which aligns perfectly with our objective of fostering a love for reading and the written word.



Creative thinking workshops for teachers

Safari partnered with Maria Day Collaboration to provide empowering workshops for educators and management staff at two local non-profit organisations ("NPOs"). The teachers at Umthombo Primary School and Bud Mbelle Primary School attended these workshops, which focused on the vital role of empathy in education as well as creativity training. During the workshops, teachers were tasked with developing mathematical games that incorporated creative thinking, writing and music. This exercise encouraged them to think outside the box and cultivate innovative approaches to teaching, which they can now apply to their classrooms.







Educational trips and tours

Educational trips offer students a unique opportunity to integrate new perspectives with informal environments. By providing practical education skills and real-life experiences, these trips encourage students to think outside the box and foster a love for lifelong learning. Our team from Denlyn visits creches and day care centres at least twice a month to tell stories, interact with the children and promote personal hygiene. Additionally, the team invites children from nearby day care centres and primary schools to organised educational tours of Denlyn. During these tours, the children are entertained, listen to stories and have the chance to explore the retail environment.

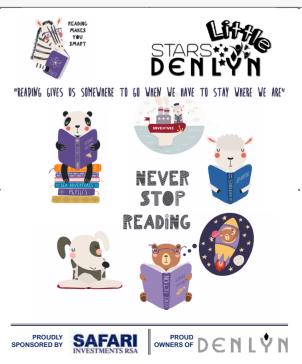






Never stop reading

Denlyn regularly hosts reading sessions as well as holiday reading clubs in association with Siyakha where teachers and parents in the Mamelodi community are equipped with skills to assist children with reading. Children are encouraged to read and improve their English. This initiative is supported by Capital Live FM who provide opportunities for children to read on-air. This enables them to showcase their reading skills and engage formally with a wider audience through radio.



EDUCATION continued

Never stop reading continued



















Supporting local schools

Safari provided support in various ways at the following schools in our communities: Siviwe Primary School, Halaletsang Safety Home, Tshepong Care Centre, Laerskool Volkskool, AG Visser Primary School, A Million Moons in Polokwane, Shirinda Primary, Sikhanyisele, MM Moeketsi Primary and Saulsridge High School. Nkomo Village sponsored trophies for the highest achievers in each subject at Flavius Mareka High School and hosted a motivational session for the learners. The school experienced a significant improvement in their pass rate by the end of 2022.

Work readiness workshops

Business development and work readiness workshops are run weekly at Nkomo Village in partnership with Pheli Village Hub and the Pheliridge NPO in collaboration with the South African Revenue Service, FNB, the Department of Employment and Labour and Ejoobi. Art classes, public speaking classes and other tutoring are presented. At Denlyn Shopping Centre, similar workshops are hosted in collaboration with SA Youth/Tshepo-1-Million, TK Magodielo, Maria Day Collective and the Department of Employment and Labour.

Art competition and exhibition

An annual art workshop was hosted with 24 art competition finalists. A local artist presented the workshop and an art therapy session. Five of the produced artworks are proudly displayed at Safari's head office.

The exhibition was set up in the central court of Nkomo Village and was displayed until February 2023.











COMMUNITY CARE

Health and awareness campaigns

Safari's Denlyn, Atlyn and Nkomo teams partnered with the South African Police Service, the National Prosecuting Authority, health clinics, Gender-based Violence Brigades and various NPOs to create awareness for mental health illness, suicide prevention, gender-based violence prevention and the "Give Children a Voice" campaign. Events were hosted at various Safari shopping centres.









COMMUNITY CARE continued

Patch-Up Winter Drive

Patch-Up South Africa is an NPO aimed at providing young disadvantaged and homeless people of South Africa with sustainable programmes that include daily feeding, documentation, employment, education and entrepreneurship. The Denlyn staff team and tenants supported their Winter Drive and walked the extra mile to contribute food, blankets and clothing. These items were distributed in our Eersterust and Mamelodi communities.







Campaigns with a difference

Our Nkomo Village marketing campaign included support and donations to the NPO Ponelopelo Community Development. Shoppers were encouraged to donate non-perishable food, hygiene products and school uniforms. Trophies and soccer equipment were also donated to support the popular Ponelopelo and Safari Against Substance Abuse Soccer Tournament hosted in Atteridgeville.









Mabogwane Child Care Centre

This safety home serves as a shelter for children removed from abusive environments. Denlyn donated furniture, toys and educational equipment to assist in making this shelter a home.

Leamogetswe Safety Home

The Mandela Day 2022 vision encompassed educating and encouraging our youth to partake and gain knowledge in tending their own vegetable gardens at home. Safari not only donated tools, compost and vegetable plants to Leamogetswe Safety Home but also involved the Girls and Boys Education Movement to assist with planting trees and vegetables.

Halaletsang Safety Home and Kingdom of Life

Our Atlyn, Nkomo and Mnandi teams assisted Halaletsang Safety Home during the year by coordinating regular food and cleaning supplies as well as gas heaters. Safari also donated gardening tools, trees and vegetable seeds to Kingdom of Life.

Tshepong Care Centre

The Thabong team coordinates and donates food and cleaning supplies on a regular basis to Tshepong Care Centre. They also celebrated Mandela Day with the children and Santa's gifts were once again a special treat and added a special touch to the festive season.

A Million Moons

Thornhill partnered with Frogfoot and A Million Moons to host a clothing drive on consecutive Saturdays before Mandela Day. Thornhill also granted them space to sell and distribute care packages.

Santa Shoebox Project

Platz am Meer in Swakopmund contributed to the Santa Shoebox Project and filled 24 shoeboxes for the Swakopmund community.

Baking a Difference

Head office staff members joined the national Baking a Difference, Flip Flop Day and Slipper Day campaigns. In collaboration with the Ladies in Business Network, they participated in the Cupcakes of Hope project for children with cancer. At the Atlyn Family Market, 60 businesswomen from Atteridgeville encouraged all participants to wear pink to create awareness for cancer.



















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COMMUNITY CARE continued **Baking a Difference** continued







SUPPORT TO LOCAL ENTREPRENEURS

MANY YOUNG ENTREPRENEURS AND SMALL BUSINESSES BENEFIT FROM THE POSITIONING OF SAFARI'S COMMERCIAL PROPERTY IN THEIR COMMUNITIES.

Community radio stations

Safari partnered with three community-based radio stations; Pheli FM from Atteridgeville, Plugonline from Sebokeng and Capital Live FM from Mamelodi. These community radio stations now broadcast rent-free directly from the Atlyn and Denlyn Shopping Centres. Capital Live FM alone serves a listener base of almost 600 000.

Ladies in Business Network

Safari receives daily requests for donations, jobs via the intake of CVs and many other unemployment-related needs. Requests from local entrepreneurs to exhibit at our centres made us realise that most entrepreneurs cannot afford an exhibition fee. We also became aware of a vast number of competent female entrepreneurs who reside in Atteridgeville and create and manufacture goods in their backyards. These women do not have a proper marketplace for their goods. A quarterly market for the entrepreneurs of Atteridgeville was the solution and was launched in May 2022. It was decided to strengthen the mission by partnering with the Ladies in Business Network, an organisation founded by Mahlogonolo Lediga in 2016. A collaboration between the Ladies in Business Network, KasiRadar and Safari was formed in January 2023 and, collectively, we successfully created an online platform together with a local collection and drop-off depot for goods in Atteridgeville for our women entrepreneurs.







Ingenious Minds at Nkomo Village

A local marketing agency from Atteridgeville, Ingenious Minds, is based at Nkomo Village with Safari providing office space and furniture. We are proud to have a small business such as Ingenious Minds based at our centre. They represent our immediate community and make their voice heard in the marketplace through local marketing and events.

Pheli Village Hub

Safari partnered with Pheli Village Hub which manages various workshops and community projects at Nkomo Village on a weekly basis. Pheli Village Hub also assists with managing the popular street-style soccer event at Nkomo Village.

Shape Café success

Shape Café uses its profit, skills and resources to invest in township-based businesses and runs programmes for aspiring entrepreneurs from townships and rural areas. Safari embarked on a venture with Itumeleng Hlapane from Shape Café granting him space in Thabong Shopping Centre for free. His business is thriving today. Shape Café also assists Safari with several of our entrepreneurial programmes in and around Thabong Shopping Centre.

Sebokeng entrepreneurs

Thabong Shopping Centre hosted vibrant pop-up exhibitions and entrepreneurial seminars. The centre also supported a local business renovation on Mandela Day with Bakgosing Eatery being the winner of a store make-over as well as a month's worth of advertising on Hope FM. Thabong also supported local female entrepreneurs and ordered branded bags as prizes for the beauty pageants hosted at the centre.







Granting space for good

Mural art by locals

Together with the Department of Arts, Culture and Sport, Safari hosted a mural exhibition especially aimed at local upcoming Atteridgeville artists. They were responsible for the design and installation of mural artworks at Mnandi Shopping Centre in Atteridgeville as well as murals in Shoshonguye. These local artists had the opportunity to work alongside some of the best mural artists in South Africa.





Venue for street-style soccer

Nkomo Village, in partnership with Pheliridge, acts as a venue for the community's popular street-style soccer, and regular play-offs take place here.

Venue offered to Unjani Clinic and the South African National Blood Service

Unjani Clinic is a health facility operating rent-free at our Denlyn and Thabong Shopping Centres. Multiple blood donation drives are also hosted at Safari centres where space is provided.



Executive Directors



ENVIRONMENTAL. SOCIAL AND GOVERNANCE REVIEW

STEVEN BERNARD HERRING ("Steven") (52)

Non-executive Chairperson

Steven, who has a degree in marketing and a MBA, started Heriot Properties in South Africa in 1998 where he led investments into industrial property with blue-chip covenants that ensured sustainable long-term cash flows. In 2003, Steven put a team of professionals together and started constructing retail shopping centres, focusing on CBDs, rural and township areas. These mass-market areas were underserviced and over 20 malls were developed. Today, Heriot is listed as a REIT on the JSE and owns a portfolio of assets, primarily in the industrial and retail sectors, valued in excess of R5 billion. On 23 September 2021, Steven was appointed as the Non-executive Chairperson of the Board.

Investment (Chairnerson)



DR MANDISA TUMEKA MATSHOBA-RAMUEDZISI

"Tumeka") (42)

ead Independent Non-executive Director

umeka is a qualified chartered accountant and a registered auditor. Along with a Doctor of Philosophy (with a specialisation in leadership) from the University of Pretoria, she also holds a Bachelor of Business Science (Finance Honours) from the University of Cape Town, a Higher Diploma in Accounting from the University of the Witwatersrand, a Master of Commerce (Computer Auditing) from the University of Johannesburg and an Advanced Certificate in Company Law from the niversity of the Witwatersrand. She currently serves on a number of boards in listed, public and private companies. On 14 September 2020, umeka was appointed as the Lead Independent Non-executive Director.

Audit and Risk (Chairperson); Social and Ethics



GREGORY JAMES HERON ("Greg") (57)

ndependent Non-executive Director

Greg is a qualified chartered accountant with more than 25 years' experience in corporate, structured and property finance and has had significant operational exposure to a variety of businesses. Greg is currently CEO of Infinitus Holdings Proprietary Limited, an investment company with a portfolio primarily invested in the fast-moving consumer goods and retail sectors. Prior to that, he was head of Leaf Property Fund, a significant unlisted property fund focused on the office and commercial sectors of the property market. During his time at Leaf Property Fund, he led the repositioning of the fund which included the disposal of a large portfolio of assets as part of this process. On 17 July 2020, Greg was appointed as an Independent Non-executive Director, On 14 September 2020, Greg was appointed as the Independent Non-executive Chairperson whereafter Steven Herring was ppointed as Chairperson on 23 September 2021.

ination and Remuneration; Investment



MARIUS HOFF MULLER "Marius") (53)

dependent Non-executive Director

Marius is currently the Managing Director and co-founder of SoHo Properties. He currently serves as an Independent Non-executive Director of Oryx roperties which is a Namibian-listed property company. He has been in the property industry since 1992 and has held various high-profile roles at ISE-listed companies. These have included being the Managing Director of iFour Properties and the CEO of Texton Property Fund. Other roles have included firectorships at Resilient REIT, Pangbourne Properties, Diversified Property Fund and Monyetla Properties. He also headed up Pareto Limited which is an unlisted egional shopping centre investment vehicle. Marius has served on the boards of various property sector bodies such as the South African Property Owners ssociation ("SAPOA"), the SACSC and the Green Building Council of South Africa. He currently holds BSc (QS) and MBA degrees and is a Fellow of the loyal Institution of Chartered Surveyors and a hartered Director of the Institute of Directors outh Africa. On 14 September 2020, Marius was ppointed as an Independent Non-executive Director.

Iomination and Remuneration (Chairperson); Audit and Risk: Investment



DR PETRUS ARNOLDUS PIENAAR ("Pine") (65)

ndependent Non-executive Director

Pine has a doctorate in engineering, is a registered professional engineer and has over 40 years of experience in the consulting engineering field. Pine's initial exposure was in construction. This was followed by a period of specialisation in the roads and transportation field. In recent years, Pine headed a multidisciplinary team responsible for the planning, design and construction supervision of various industrial buildings. He also had exposure to public-private partnership projects. Pine is a founding member of Nyeleti Consulting, a multidisciplinary firm of consulting engineers. Pine was a Director of Safari Investments from November 2013 to August 2015. Pine has a keen nterest in the property market and has over the years invested in property, as well as the REIT sector on the stock exchange. On 17 July 2020, Pine was appointed as an Independent Von-executive Director.

Social and Ethics (Chairperson); Audit and Risk; Nomination and Remuneration



DIRK CORNELIUS ENGELBRECHT ("Dirk") (37)

Chief Executive Officer

Dirk obtained his BCom Law and LLB degrees from the University of Pretoria and subsequently completed his articles at Weavind & Weavind Incorporated where he remained as practising attorney focusing on general litigation until 2011. During 2011, he was appointed by G4S Secure Solutions as the national legal adviser tasked with the general legal and statutory duties and governance of one of the largest security firms in South Africa. Dirk joined Safari in January 2014 as the Group Company Secretary and legal adviser and was appointed as an Executive Director in February 2018. On 7 November 2018, Dirk was appointed as CFO.

nvestment; Management (Chairperson)



WILLEM LINSTRÖM VENTER ("Willem") (39)

Chief Financial Officer

Willem obtained a BCom Accounting and Honours degree at the University of Pretoria in 2006 and ompleted his articles at Deloitte Pretoria. He qualified as a chartered accountant in 2009. In 2010, Willem joined Safari to oversee the bookkeeping and operational functions and was appointed as the CFO for the Safari Group with effect from 1 April 2017.

Social and Ethics; Management

SAFARI BOARD

SAFARI BOARD continued

AT SAFARI, A GROUP OF BUSINESS PROFESSIONALS WITH A STRONG DRIVE FOR EXCELLENCE AND A HANDS-ON MANAGEMENT STYLE LEAD THE WAY. THEY ARE COMMITTED TO UPHOLDING ETHICAL AND EFFECTIVE LEADERSHIP, WHICH IS DEMONSTRATED THROUGH THEIR INTEGRITY, COMPETENCE, RESPONSIBILITY, ACCOUNTABILITY, FAIRNESS AND TRANSPARENCY, AS OUTLINED IN THE KING IV™ PRINCIPLES.

The Board consists of seven Directors: two Executive Directors, four Independent Non-executives and one Non-executive Chairperson.

Name, age and nationality*	Qualifications	Capacity	Directors' aggregate indirect and direct shareholding in Safari 31 March 2023	Directors' aggregate indirect and direct shareholding in Safari 31 March 2022
Steven Bernard Herring (52)#	Marketing degree, MBA	Non-executive Chairperson	131 411 002	102 851 903
Dirk Cornelius Engelbrecht (37)	BCom Law, LLB	Chief Executive Officer	56 462	56 462
Willem Linström Venter (39)	CA(SA)	Chief Financial Officer	4 096	4 096
Dr Mandisa Tumeka Matshoba-				
Ramuedzisi (42)	CA(SA), MCom, PhD	Lead Independent Non-executive Director	_	_
Gregory James Heron (57)	CA(SA)	Independent Non-executive Director	_	_
Marius Hoff Muller (53)	BSc(QS), MBA, CD(SA)	Independent Non-executive Director	_	_
Dr Petrus Arnoldus Pienaar (65) ²	Pr Eng, PhD	Independent Non-executive Director	2 732 370	2 571 614
Marthinus Cornelius Basson (36)	BCom	Chief Operating Officer (Non-Director)	250	250

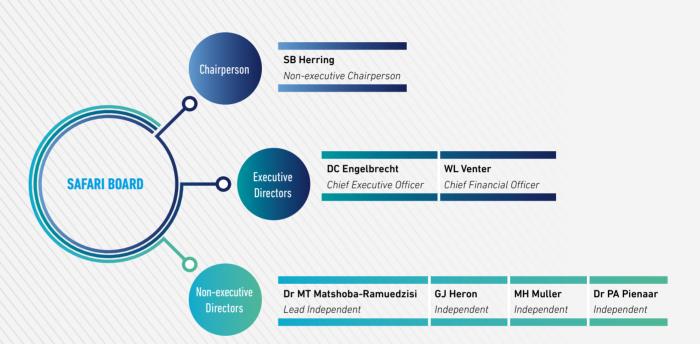
^{*} All of the Directors are South African citizens.

The interests of the Directors and Prescribed Officer, as stated in the table above, have remained unchanged from 31 March 2023 up to the date of publication of this report. All the interests held by the Directors (as at 31 March 2023) are indirect, save for Dr PA Pienaar, Mr WL Venter and Mr DC Engelbrecht holding interests in their personal capacity. In this regard, Dr PA Pienaar's direct holding is 87 000 shares, and his indirect holding is 2 645 370 shares.

SAFARI INVESTMENTS RSA LIMITED

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BOARD CHARTER



CORPORATE GOVERNANCE STATEMENT

Safari is committed in applying corporate governance as per the recommendations contained in King IV™, as well as the requirements of the Companies Act, the Financial Markets Act and the JSE Listings Requirements. Full details of the Group's application of the principles of corporate governance can be found at

www.safari-investments.com/the-company/corporate-governance.

Safari operates as a public company and was listed on the JSE in April 2014 under the REIT section. The Board strives to maintain the utmost standard of corporate governance, implementing the recommended practices set out in King IV™. A comprehensive outline of the application of the King IV™ principles is provided on pages 70 to 74. To uphold its dedication to corporate governance and best practices, the Board has developed appropriate policies and measures suited to the Group's operations to ensure the implementation of King IV™ principles. The Board carries out regular assessments of these policies and measures.

[#] Includes indirect beneficial interests held through a related party.

BOARD CHARTER continued

Summary of the Board Charter

The primary responsibilities of the Board, outlined in the Board Charter, are:

- being the focal point for and custodian of good corporate governance by managing the Board's relationship with management, the shareholders and other stakeholders of Safari;
- furnishing strategic guidance and direction that aligns with the Group's value system through evaluating and authorising budgets, plans and strategies for Safari.
 The Board monitors the execution of such strategic plans and approves funding for them;
- ensuring that Safari's business is conducted ethically and monitoring the ethical performance of Safari;
- approving business plans, budgets and strategies that are aimed at achieving Safari's long-term strategy and vision;
- annually reviewing the Board's work plan;
- ensuring the sustainability of Safari's business;
- determining, implementing and monitoring policies, procedures, practices and systems to ensure the integrity of risk management and internal controls in order to protect Safari's assets and reputation;
- identifying and monitoring key performance indicators of Safari's business and evaluating the integrity of the systems used to determine and monitor such performance;
- monitoring and ensuring application of the Group's policies, codes of best business practice, the recommendations of King IV™ and all applicable laws and regulations;
- ensuring that the competency and other attributes of the Directors are suitable for their appointment as Directors and the roles that they are intended to perform on the Board, and that they are not disqualified in any way from being appointed as Directors:
- ensuring that appointments to the Board are formal and transparent and comply with all prescribed procedures;
- ensuring that a succession plan for the Executive Directors and senior management is implemented;
- ensuring the appointment and removal of the Group Company Secretary;
- reviewing the competence, qualifications and experience of the Group Company Secretary annually;
- selecting and appointing suitable candidates as members of committees of the Board and the Chairpersons of such committees;
- considering, through the Audit and Risk Committee, specific limits for the levels of risk tolerance;
- defining levels of materiality, thereby reserving certain powers for itself and delegating other matters to management of the Group;
- ensuring that the annual financial statements of the Group and Company are prepared and are laid before a duly convened Annual General Meeting of the Company;
- considering recommendations made to the Board by the Nomination and Remuneration Committee with regard to the nomination of new Directors and the reappointment of retiring Directors; and
- determining the Group's purpose and values, identifying its stakeholders and developing strategies in relation thereto.

Composition of the Board

The Board comprises seven Directors: two Executive Directors, four Independent Non-executives and one Non-executive Chairperson.

Chairperson

The roles of the Chairperson and CEO are separate. On 23 September 2021, Mr SB Herring was appointed as Non-executive Chairperson. As per King IVTM, Dr MT Matshoba-Ramuedzisi was appointed as the Lead Independent Non-executive Director to strengthen the independence of the Board.

Chief Executive Officer

The Board has instituted a structure for delegating authority and has formalised the role and responsibilities of the CEO. The Board evaluates the CEO's performance annually, based on predetermined criteria. On 7 November 2018, Mr DC Engelbrecht was appointed as the CEO of Safari.

Balance of power

The Group's Executive Directors engage in the Group's daily business operations and are accountable for executing the Board's decisions in line with the mandates given to them. The Board ensures that there is a suitable balance of power and authority among its members, preventing any individual or group from monopolising the decision-making process. The Non-executive Directors have the requisite expertise and experience to provide impartial perspectives on strategic matters, performance, resources, conduct standards and performance assessments.

Code of ethics

The Board holds the mandate of charting the strategic course of the Group. The Board establishes the Group's guiding principles and enforces a code of ethics that is periodically scrutinised and enforced across the Group.

The current Board's diversity of professional expertise and demographics makes it highly effective with regard to Safari's current strategies. The Board is committed to ensuring that, in appointing successive Board members, the Board as a whole will continue to reflect, whenever possible, a diverse set of relevant professional and personal backgrounds.

Information and other professional advice

The Directors have unimpeded access to all the Group's information, records, documents and assets to facilitate their effective execution of duties. The Group consistently supervises key risk and performance areas, as well as financial and non-financial aspects pertinent to Safari. In this regard, the Directors are regularly informed about key performance indicators, variance reports and industry developments.

The Board established, through the Group Company Secretary, a formal induction programme to familiarise incoming Directors with the Group's operations, senior management and its business environment, and to induct them in their fiduciary duties and responsibilities. The Directors receive further briefings from time to time on relevant new laws and regulations, as well as on changing economic risks.

The Directors ensure that they possess a practical comprehension of relevant legislation. The Board confirms that the Group is in compliance with the Companies Act and the Memorandum of Incorporation and assesses the adherence to non-binding industry regulations, codes and standards. The Board takes into account suitable ethical and legal considerations when deciding whether or not to comply with non-binding regulations. New Directors with limited or no previous board experience undergo suitable training that enlightens them on their responsibilities, obligations, powers and prospective liabilities. The Board has established a process for Directors to obtain autonomous professional guidance, if necessary, at the Group's cost, in furtherance of their duties. All Directors have access to the advice and services provided by the Group Company Secretary.

Board evaluation

The Board discloses details in its Directors' report on how it has discharged its responsibilities to establish an effective compliance framework and process. The Board, as a whole, as well as the individual Directors, were assessed on their overall performance in order to identify areas for improvement in the discharge of functions of individual Directors and the Board. This review was undertaken by the Nomination and Remuneration Committee and Group Company Secretary.

Board meetings

During the financial year, the Board held four formal Board meetings, at which an attendance record of 100% was achieved (refer to the table below).

Director	22 Jun 2022	22 Sep 2022	15 Nov 2022	15 Mar 2023
SB Herring	1	√	√	1
Dr MT Matshoba-Ramuedzisi	√	√	√	√
DC Engelbrecht	√	√	√	√
GJ Heron	√	√	√	√
MH Muller	√	√	√	√
Dr PA Pienaar	√	√	√	√
WL Venter	√	√	√	√
Attendance	100%	100%	100%	100%

√ Attended

The Board set the strategic objectives of the Group and determined investment and performance criteria. Furthermore, the Board effectively managed the sustainability, property management, control, compliance and ethical behaviour of the businesses under its direction. The Board has established a number of committees in order to give detailed attention to certain of its responsibilities. These committees operate within defined, written terms of reference.

Directors' declarations and conflicts of interest

Safari has implemented a policy that outlines the procedure for quantifying a Director's potential interest in a transaction and how their involvement in the decision-making process should be handled in such a scenario.

Dealing in securities

Directors and Prescribed Officers are prohibited from dealing in Safari securities during certain prescribed restricted periods. Safari has a policy to ensure Directors' and Prescribed Officers' compliance with the JSE Listings Requirements and insider trading legislation in terms of the Financial Markets Act.

Procedures for Board appointments

The Board has established clear procedures for appointing new members to the Board, with a focus on transparency and formality. The appointment process is the responsibility of the entire Board, with support from the Nomination and Remuneration Committee, as required.

BOARD CHARTER continued

Rotation of Directors

No Director shall be appointed for life or for an indefinite period. Directors shall rotate in accordance with the following provisions:

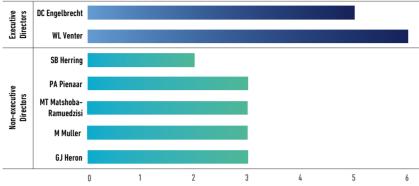
- At each Annual General Meeting, one-third of the Non-executive Directors for the time being shall retire from office, by rotation, provided only that if a Director is an Executive or the CEO, or an employee of the Group in any other capacity, he/she shall not, while he/she continues to hold that position or office, be subject to retirement by rotation, and he/she shall not, in such case, be taken into account in determining the rotation or retirement of Directors; and
- The appointment of Executive Directors shall be terminable in terms of Board resolutions.

Group Company Secretary

The Group has a competent and qualified Company Secretary as part of its team. The Company Secretary is empowered to fulfil his duties in assisting the Board, and his name, business address and qualifications can be found in the "corporate information" section.

The Group Company Secretary assists the Nomination and Remuneration Committee in the appointment, induction and training of Directors. He provides guidance to the Safari Board with reference to their duties and good governance. The Group Company Secretary prepares and circulates board papers and assists with obtaining responses, input and feedback for Board and Board Committee meetings.

Directors' tenure as at 31 March 2023



Assistance is also provided with regard to the preparation and finalisation of Board and Board Committee agendas based on annual work plan requirements.

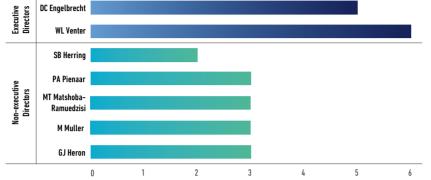
The Group Company Secretary ensures that the minutes of Board meetings and Board Committee meetings are prepared and circulated and also assists with the annual evaluations of the Board, Board Committees and individual Directors. The Group Company Secretary reports directly to the Chairperson. The Safari Board considered and satisfied itself on the competence, qualifications and experience of the Group Company Secretary. The Group Company Secretary effectively enhances his abilities as the gatekeeper of good corporate governance through regularly attending skills development programmes.

Pieter Wynand Le Roux van Niekerk, LLB (UP)

Pieter obtained his LLB degree from the University of Pretoria and subsequently completed his articles at Le Roux van Niekerk Attorneys where he remained as practising attorney focusing on general litigation, property law and conveyancing. He is admitted as a conveyancer and notary of the High Court. Pieter joined Safari during May 2017 as legal adviser and Property Development Manager assisting with the legal aspects and requirements of greenfield projects, from implementation through to fruition. On 14 November 2018, Pieter was appointed as the Group Company Secretary and legal counsel of Safari dealing with all statutory compliance and corporate governance aspects for the Group.

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pieter@safari-investments.com



CHAIRED BY MR DC ENGELBRECHT,	Member
THE CEO, CONSISTS OF THE CFO,	DC Enge
COO AND SENIOR MANAGEMENT	MC Bass
MEMBERS. THE COMMITTEE MEETS	U Briel
REGULARLY TO ENSURE THE	C Modis
SUCCESSFUL EXECUTION OF THE	T Pothra
GROUP'S STRATEGY THROUGH THE	T Smith
IMPLEMENTATION OF BUSINESS	PWL var
PLANS, POLICIES AND PROCEDURES	WL Vent
AND THE SOURCING OF NEW	Attenda
BUSINESS OPPORTUNITIES AND	√ Attended
BUDGETS, AS DELEGATED BY THE	The Com
BOARD. THE MANAGEMENT	that all I
COMMITTEE REPORTS TO THE	success
COMMITTEE VELOKIO TO THE	investm

SAFARI'S MANAGEMENT COMMITTEE.

BOARD SUBCOMMITTEES ON

SAFARI'S DAY-TO-DAY

OPERATIONS.

MANAGEMENT COMMITTEE REPORT

6 Apr 2022	25 Jul 2022	28 Sep 2022	30 Nov 2022	1 Feb 2023
1	√	√	√	1
1	√	√	√	√
1	√	√	√	√
√	√	X	√	√
_	_	√	√	√
1	X	√	√	√
√	√	√	√	√
1	√	√	√	√
100%	88%	88%	100%	100%
	2022	2022 2022	2022 2022 2022	2022 2022 2022 2022

ed X Absent – Not a member

mmittee has ensured that Safari's operations maintain high integrity standards and business resources are optimally utilised. Over the past few years, Safari has sfully executed its Group strategy and is content with the improved quality of its investment portfolio, as evidenced by above-market average trading densities in most centres.

THE COMMITTEE'S RESPONSIBILITIES ENCOMPASS:

- managing the authorised day-to-day operational budget in accordance with the delegated authority;
- monitoring both operational and financial performance;
- prioritising and allocating investment resources as per its mandate; and
- sourcing, evaluating and presenting formal proposals to the Investment Committee and the Board regarding new business development projects.

The Committee conducted five meetings and maintained 95% attendance by the Committee members.

On behalf of the Management Committee

DC Engelbrecht

Chairperson: Management Committee

Pretoria

Non-executive **Directors**

BOARD SIZE

Executive **Directors** **GENDER**

RACE

Coloured

AVERAGE AGE

30 – 40 years 51 – 60 years 41- 50 years 61 – 70 years

AVERAGE TENURE

29 June 2023

NOMINATION AND REMUNERATION COMMITTEE REPORT

THE NOMINATION AND REMUNERATION COMMITTEE CURRENTLY COMPRISES MR MH MULLER AS CHAIRPERSON OF THE COMMITTEE TOGETHER WITH TWO ADDITIONAL BOARD MEMBERS, ALL OF WHOM ARE INDEPENDENT NON-EXECUTIVE DIRECTORS. THE CEO AND OTHER MEMBERS OF THE BOARD MAY ATTEND MEETINGS OF THE COMMITTEE BY INVITATION BUT DO NOT PARTICIPATE IN DISCUSSIONS REGARDING THEIR OWN REMUNERATION AND BENEFITS.

DUTIES OF THE NOMINATION AND REMUNERATION COMMITTEE

The Committee:

- reviews proposals from management regarding the fees of the Chairperson and Non-executive Directors and after consultation with the Board, the Committee determines the final proposals to be presented to shareholders for approval;
- develops, reviews, recommends and implements the remuneration philosophy and policy on a regular basis. It ensures that these reflect stakeholders' interests and align with the industry's general remuneration environment;
- establishes remuneration parameters for Executive Directors and agrees on principles for senior management increases and incentives to be recommended to the Board for final approval; and
- ensures that Safari conducts independent benchmarking surveys regularly, comparing its remuneration strategy to similar-sized companies in the industry. The Committee takes into account variables such as experience, knowledge and skills to determine the remuneration of Executive and Nonexecutive Directors, as well as certain senior management roles.

During the financial year, the Committee conducted four meetings with 100% attendance by members.

Members	24 May 2022	7 Sep 2022	1 Nov 2022	28 Feb 2023
MH Muller	1	√	√	√
GJ Heron	√	√	√	√
Dr PA Pienaar	✓	√	√	1
Attendance	100%	100%	100%	100%

√ Attended

REPORT BY THE NOMINATION AND REMUNERATION COMMITTEE

The Committee plays a crucial role in identifying and nominating potential Directors for the Board's approval. It also reviews and approves the classification of Directors as independent non-executives. Additionally, the Committee oversees the induction and training of Directors to ensure that they are fully equipped to perform their roles effectively. Together with the Group Company Secretary, the Committee conducts annual performance reviews of the Board and various Board Committees.

The Committee, with the assistance of the Group Company Secretary and under the direction of the Chairperson of the Committee, conducted the annual Board and Directors' assessments. The assessments were reviewed and processed, and formal feedback was conveyed to the Board.

Safari's remuneration philosophy is to structure packages in such a way that short- and long-term incentives are aimed at achieving business objectives and the delivery of shareholder value. Safari always strives to remunerate fairly, responsibly and transparently.

Both Safari's Remuneration Policy and its Implementation Report will be presented to shareholders for separate non-binding advisory votes thereon at the Annual General Meeting to be held on 24 October 2023. In the event that 25% or more of shareholders vote against either the Remuneration Policy or the Implementation Report at the meeting, Safari will engage with shareholders through dialogue, requesting written submissions or otherwise, in order to address shareholder concerns.

On behalf of the Nomination and Remuneration Committee

MH Muller

 ${\it Chairperson: Nomination \ and \ Remuneration \ Committee}$

Pretoria 29 June 2023

REMUNERATION POLICY

BACKGROUND STATEMENT

SAFARI'S REMUNERATION POLICY
("THE POLICY") IS DESIGNED IN
ACCORDANCE WITH THE GROUP'S
STRATEGIC OBJECTIVES AND
SERVES AS A POWERFUL TOOL FOR
COMMUNICATING THE DESIRED
BEHAVIOUR AND OUTCOMES THAT THE
ORGANISATION INTENDS TO REWARD.
THE POLICY IS A KEY MOTIVATOR FOR
EMPLOYEES TO WORK ACTIVELY AND
DILIGENTLY TOWARDS ACHIEVING
SAFARI'S BUSINESS TARGETS.

The Group regularly interacts with its shareholders to address any concerns regarding the Policy during the Annual General Meeting. While the Policy has been improved over time, Safari continuously reviews and refines it in order to effectively meet the needs of all stakeholders.

The Policy is underpinned by key principles that aim to attract and retain high-quality employees. These principles include:

- remuneration and rewards that foster high performance, continuous improvement and a culture of adding value;
- competitive remuneration packages that are realistic and in line with the industry and market standards applicable to the Group;
- employee conduct that aligns with Safari's values and code of ethics:
- key performance deliverables ("KPDs") based on economic/financial, social and environmental targets;
- managing the total cost to company ("TCTC") for each employee, including the guaranteed salary:
- offering incentive packages that reward both Group and individual/team/project performance:
- referencing external sources to compare remuneration levels within the industry;
 and
- regularly reviewing the Policy to ensure alignment with the constantly changing market.

OVERVIEW OF THE POLICY

Safari's competitive Policy enables the Group to attract and retain highly skilled talent. This approach, along with fostering a culture of collaboration and recognising exceptional contributions, promotes synergy among different business units. The Group's core values serve as a foundation, and the recruitment process focuses on hiring competent individuals who share and embody these values and principles. This approach results in consistency and predictability, even in uncertain and rapidly changing economic conditions.

The Nomination and Remuneration Committee (the "Committee") reviews and evaluates matters related to remuneration and rewards. The Committee presents recommendations to the Board for final approval, and implementation is subject to non-binding advisory shareholder approval at the Annual General Meeting. Non-executive Directors receive board fees based on the approved Non-executive Director fee schedule, which is reviewed biennially by shareholders. Executives receive a basic salary and may be eligible for a short-term incentive ("STI") and/or a long-term incentive ("LTI") based on the Group's and their individual performance during the previous financial year. STIs are accounted for on a cash-paid basis in the year following the financial year in which the employee's performance was measured.

BOARD RESPONSIBILITY

The Board carries the ultimate responsibility for the Policy. The Committee operates in accordance with a Board-approved mandate and terms of reference. The Board will, when required, refer matters to shareholders for approval.

REMUNERATION STRUCTURE

Full-time employed staff (including executives)

Executives, the Group Company Secretary and other full-time employees receive a guaranteed annual base salary, which includes contributions to their pension funds and life insurance. Remuneration is subject to annual review, and adjustments become effective on 1 March each year, coinciding with the commencement of the new tax year.

Increases to base salaries are determined by reference to the South African inflation rate and other widely accepted benchmarks, always with consideration to market-comparable remuneration. The grading of roles considers factors such as the role's responsibilities, qualifications, tenure and complexity. When proposing any adjustments, the salary ranges are also compared to industry norms.

Components of remuneration are:

- A TCTC package incorporating basic pay, pension fund and life insurance contributions.
- STI (performance-based) STIs are awarded on Group and individual performance for the previous financial year and are accounted for on a cash-paid basis in the following financial year. This aligns individual and Group performance with the short-term objectives of the Group and keeps employees focused on achieving their targets in their critical performance areas.
- LTIs for executives and senior management to motivate management to achieve the long-term objectives and strategic goals of the Group. The LTI principally consists of Safari shares being awarded and vesting on a three-year rolling period. LTI awards are based on KPDs measuring the achievement of financial, strategic and operational targets of the employee and the Group and the employee remaining in the Group's employ.

Notice periods applicable to the resignation of Directors range from 60 to 90 days.

REMUNERATION POLICY continued

STI component

All staff participate in the STI. The level of participation is dependent on the classification of staff and their ability to influence the outcome of the success of the business. The weighting split between Group and personal performance conditions is dependent on the seniority of the employee with more weighting towards Group performance at more senior levels. Targets are set annually and are approved by the Board. The Board ensures that targets are realistic considering market conditions.

Executives' KPDs for STI measures are:

Strategic measures

From a strategic standpoint, a range of key performance indicators has been established to ensure that management is aligned with the goal of enhancing shareholder value. These include but are not limited to growth in funds from the operations, total share return, risk and governance metrics which include various BBBEE and ESG targets, executing a disposal strategy of non-core assets and pursuing new yield-enhancing capital projects.

Financial measures

Financial performance is measured with specific reference to the Group's debt capital structure where management aims to achieve an improvement on the average cost of debt margin. Proper guidance and effective execution of the Group's hedging strategy are critical. Moreover, there is a focus on efficiently managing insurance claims and implementing the most optimal insurance policies. Other measures include but are not limited to net operating income growth and cash flow management.

Operational measures

The Board has set various operational measures for management including but not limited to reversion ratios, efficiencies in terms of expenditure, execution of leasing strategies to lower vacancies and improving the in-force escalation rates. Other indicators include the improvement of arrears, bad debt, net operating income and trading density figures. Key operational performance measures are benchmarked against market norms and prevailing conditions: this includes but is not limited. to SAPOA and other market research institutions

LTI component (Conditional Share Plan ("CSP"))

The CSP/LTI is aligned with industry best practice and good corporate governance principles. The LTI has been implemented to:

- facilitate the ability of the Group to attract and recruit employees with the necessary skills and experience to add value to the Group:
- act as an incentive to employees to align themselves with the objectives of the Group:
- act as a mechanism to facilitate the retention of employees and to encourage a longer-term horizon for decisionmaking: and
- encourage the ownership of equity in the Group by employees.

The CSP was approved by shareholders. and the annual allocation of conditional awards (appropriately aligned to market levels) is made in terms of the approved CSP.

LTI deliverables are developed in line with the strategic plan of the business. Senior staff and executives are eligible for participation in the CSP. The focus of participation is on senior leadership of the Group. The CSP provides for the annual award of performance and retention shares to participants.

These shares vest after three years

- specific performance conditions being met at Group level;
- the participant remaining employed by the Group for the duration of the vesting period;
- only staff who leave the Group as a result of retirement, retrenchment or termination due to ill health ("good" leavers) will receive LTI benefits. They will be prorated in line with their service during the vesting period;
- staff who are dismissed, resign or opt for early retirement will be deemed "bad" leavers and will forfeit their entire award: and
- good leaver principles will be applied in the event of a change in control of the Group.

The total limit of shares that are allocated as part of the CSP will not exceed 5% of the total issued share capital. The calculation of the number of shares issued is a function of TCTC. The value of shares as a percentage of TCTC at vesting could be substantially different from the percentage on award as a result of changes in the share price and the achievement of other performance conditions. The levels of allocation vary from 10% to 25% of TCTC depending on seniority levels.

The specific factors that detail the allocation of shares are defined in the CSP rules. The performance conditions that must be met are determined annually.

KPDs for LTI measures are at the discretion of the Committee and can include the following, but are not limited to:

- absolute total return:
- relative total return:
- relative total shareholder return; and
- a reference to the average personal score on key deliverables over a period.

Minimum shareholding requirement for executives

The Group strives to encourage senior executives to build up a shareholding in Safari to align their interests with those of shareholders. Accordingly, a minimum shareholding condition has been implemented at a level which is appropriate for each senior executive. Executives are required to build up a personal shareholding in the Group over a five-year period from shares vested through the Group's LTI Plan to the extent that this can be achieved from the holding of 50% of post-tax vested share awards. The minimum shareholding target for the CEO is 150% of TCTC and the target for the CFO and the COO is 100% of TCTC. The measurement of these holdings will be based on the TCTC of the executives and the market value of their holdings at the end of the fifth anniversary after adoption of the LTI Plan, on the basis of the 20-trading day volume-weighted average price ("VWAP") of their holdings. Unvested share awards are not included in the holdings to be measured.

Benchmarking

Benchmarking is performed on a regular basis with reference to companies comparable in size, industry, business complexity and the level of responsibility that the individual assumes to ensure that remuneration is market-related. These surveys provide insight to the Group on remuneration levels as a function of company structure, size and diversity of assets being managed.

Non-executive Directors

The remuneration of Non-executive Directors is based on an independently benchmarked survey done on a regular basis by the Committee, from where a formal proposal is submitted to the Board for approval. Non-executive Directors sign service contracts with the Group upon appointment.

Non-executive Directors' remuneration is approved by way of a special resolution by shareholders at the Annual General Meeting, Non-executive Directors' remuneration is paid quarterly.

Non-binding advisory votes

The Remuneration Policy and Implementation Report are presented and approved by way of a non-binding advisory resolution at the AGM. In the event that 25% or more of shareholders vote against either the Remuneration Policy or the Implementation Report at the meeting, Safari will engage with shareholders through dialogue, requesting written submissions or otherwise, in order to address shareholder concerns. The effect of the ordinary resolutions is to endorse the Remuneration Policy and Implementation Report and failure to pass these resolutions will not have any legal consequences relating to existing remuneration agreements. However, the Board will take the outcome of the vote into consideration when considering amendments to the Group's remuneration framework.

Ad hoc hours policy

The Board may, on occasion, decide to establish an ad hoc committee or task an individual member with a specific instruction. However, it is preferable that committees are formed for special or ad hoc work instead of members attending to such tasks individually. If the Board mandates such a committee or member. it must first receive approval for special terms of reference and consider a proposed budget for the ad hoc work. Any fees for individual members performing ad hoc work will be limited to the quarterly member retainer fees. If the expected fees exceed this limit, prior approval must be sought from the

Chairpersons of the Board and the Committee. They may refer the matter to the Board for further discussion before any additional work is performed.

Group Company Secretary

The Committee reviewed and assessed the Group Company Secretary's competence, qualification and experience. The Committee assesses the Group Company Secretary on a continual basis in order to ensure that he is qualified and competent to act as the Group Company Secretary. A formal written assessment and performance review is done on an annual basis and submitted to the Board in order to discharge its duties in terms of JSE Listings Requirement 3.84(h).

Mandate and authority

The CEO of the Group, as well as the Committee, shall take into account any other relevant documents including the Committee's terms of reference when considering remuneration-related matters.

The Committee has full discretion in determining appropriate remuneration policies and practices for the Group including, but not limited to, annual remuneration increases, STI awards and share incentives in terms of the LTI Plan. The CEO has full discretion to implement and manage the remuneration principles and policies of the Group regarding any full-time employee. The Committee shall, as deemed necessary, report significant deviations from the principles set forth in the Policy to the Board.

SAFARI INVESTMENTS RSA LIMITED 2023 INTEGRATED ANNUAL REPORT

IMPLEMENTATION REPORT

THE COMMITTEE REVIEWED THE IMPLEMENTATION OF THE GROUP'S REMUNERATION POLICY DURING THIS FINANCIAL PERIOD TO ENSURE FAIR REMUNERATION TO EMPLOYEES BALANCED WITH SHAREHOLDER INTEREST ALIGNMENT. THE **COMMITTEE ALSO ASSESSED SALARY** ADJUSTMENTS AND APPROVED THE TOTAL SALARY EXPENSE ESCALATION FOR THE NEW CALENDAR YEAR. **EXCEPT FOR THE EXECUTIVES.** ALL BOARD MEMBERS RECEIVE **BOARD FEES.**

NON-EXECUTIVE DIRECTORS' REMUNERATION

Board fees, as approved by shareholders at the Annual General Meeting held on 17 August 2022 for the period 1 April 2022 until 31 March 2024, are as follows:

	1 April 2022 – 31 March 2024
Board retainer fee (quarterly)	
Board Chairperson	R47 000
Member	R27 500
Board meeting (per attendance)	
Board Chairperson	R47 000
Member	R27 500
Audit and Risk Committee meeting (per attendance)	
Committee Chairperson	R26 500
Member	R21 000
Nomination and Remuneration Committee meeting (per attendance)	
Committee Chairperson	R16 500
Member	R15 000
Social and Ethics Committee meeting (per attendance)	
Committee Chairperson	R16 500
Member	R10 500
Investment Committee meeting (per attendance)	
Committee Chairperson	R21 000
Member	R16 000
Ad hoc committee meeting (per attendance)	
Committee Chairperson	R16 500
Member	R10 500
Ad hoc/hour	R2 500

The Non-executive Directors' remuneration for the year ended 31 March 2023 was as follows:

	Directors' fees R	Committee fees R	Total R
2023			
SB Herring	376 000	84 000	460 000
Dr MT Matshoba-Ramuedzisi	220 000	230 500	450 500
GJ Heron	220 000	176 500	396 500
MH Muller	220 000	266 500	486 500
Dr PA Pienaar	220 000	210 000	430 000
Total	1 256 000	967 500	2 223 500
2022			
SB Herring	235 000	40 000	275 000
Dr MT Matshoba-Ramuedzisi	282 500	155 000	437 500
GJ Heron	421 250	106 700	527 950
MH Muller	308 750	208 000	516 750
Dr PA Pienaar	308 750	203 950	512 700
Total	1 556 250	713 650	2 269 900

Non-executive Directors do not receive benefits such as pension or medical benefits.

EXECUTIVES' REMUNERATION

Total Guaranteed Package

The executives and other full-time employees earn guaranteed annual pay on a total cost-to-company basis. Remuneration is subject to annual review and adjustments are effective on 1 March of each year.

Base salary increases are determined with reference to the South African inflation rate and other generally accepted benchmarks, with due regard for market-comparable remuneration. Role, responsibilities, qualifications, tenure, complexity and ambiguity are among the factors that are considered in the grading of roles. Salary ranges are also compared to industry norms and considered when any adjustments are proposed. The increases applied for the 2022/23 year were in line with industry benchmarks.

STIs (performance-based) are awarded based on the achievement of KPDs for the Group and individual performance for the previous financial year and are accounted for on a cash-paid basis in the current financial year. The weighting split, between Group and personal performance conditions, is dependent on the seniority of the employee with more weighting towards Group performance at more senior levels. Furthermore, employee benefits are awarded which include life and disability cover, funeral cover and retirement savings.

IMPLEMENTATION REPORT continued

Executives' remuneration for the year ended 31 March 2023 was as follows:

	Base pay R	STI R	Benefits*	Total R
2023				
DC Engelbrecht	3 096 224	694 582	92 887	3 883 693
WL Venter	2 722 517	621 600	81 676	3 425 793
MC Basson	1 673 940	265 226	50 218	1 989 384
Total	7 492 681	1 581 408	224 781	9 298 870
2022				
DC Engelbrecht	2 890 078	349 888	86 702	3 326 668
WL Venter	2 586 408	337 861	77 592	3 001 861
MC Basson*	1 358 249	133 178	40 747	1 532 174
Total	6 834 735	820 927	205 041	7 860 703

^{*} Benefits include retirement savings contributions, life insurance, disability and funeral cover in terms of a Group pension fund scheme.

Short-term Incentive

The table below reflects the weightings attached to KPDs used in the assessment of the performance of executives in the context of personal deliverables. Performance against KPDs is measured to ensure that executives are aligned with the Group's strategic priorities and deliver value for stakeholders. KPD targets for the 2023 financial year were approved by the Committee. Scores against targets, relating to the 2023 financial year, will be used to determine 2023 STIs. KPD targets are monitored, assessed and set relative to peer group performance.

Key performance		Weighting				
deliverable	Scoring based on pre-set targets in line with the short-term corporate strategy	CEO	CF0	C00		
Growth in funds from operations	Cash flow generated by the Group's operations.	15%	15%	15%		
Increase in share total return	Refers to the overall financial performance of an investment, considering both the income generated (such as rental income) and any capital appreciation or depreciation of the property.	10%	10%	10%		
Operational metrics	Includes various operational measurements such as reversion ratio, total costs versus total income, occupancy, arrears, trading density growth, etc. and benchmarked against peer group and market norms.	10%	5%	20%		
Debt capital strategy	Measuring the improvement of the Group's average cost of debt margin, execution of the hedging strategy and overall improvement in efficiency in terms of the debt structure of the Group.	5%	15%	0%		
Risk and governance	The management of all risks, the enhancement of the Group's corporate governance practices and the execution of the Group strategy relating to ESG, BBBEE and ethical management.	5%	10%	5%		
Disposal strategy	The execution of the Group's disposal strategy to deploy and recycle capital into the core investment focus of the Group.	15%	10%	10%		
Stakeholder management	To effectively engage and interact with various stakeholders such as investors, tenants, employees, local communities and regulatory bodies.	10%	5%	5%		
Leasing strategy	To effectively attract and retain tenants to maximise occupancy rates and rental income.	5%	5%	15%		
Capital projects	To execute capital projects within the approved budget and timeframe at the approved or improved yields.	10%	10%	10%		
Growth opportunities	To pursue new growth opportunities through a strong development pipeline with a focus on developments, renovations and expansions.	5%	5%	5%		
Corporate actions	Assess and manage any corporate actions which may occur.	5%	5%	0%		
Insurance claims	Proactively manage and resolve all insurance claims.	5%	5%	5%		

The executive team's performance has been assessed in line with the aforementioned performance criteria and has been scored as follows:

Weighted total	CEO	CF0	C00
85,5%	86,1%	85,8%	85,4%

The maximum STI based on 100% performance is three months' salary.

Long-term Incentive

The LTI Plan was approved at the General Meeting held on 30 June 2021. The objective of the LTI is to, inter alia, provide eligible employees with the opportunity to share in the success of the Group and to be incentivised to deliver the business strategy over the long term. A copy of the LTI Plan is available

at
https://www.safari-investments.com/corporate-governance.

Any LTI award is based on 50% attributed to performance shares and 50% to retention shares. Performance shares vest on the anniversary of the award date on a rolling basis over a three-year period, subject to the fulfilment of the performance conditions (as set out below). The retention shares vest on the anniversary of the award date on a rolling basis over a three-year period, subject to the fulfilment of the employment condition which requires that the staff member remains in the continued employment of the Group throughout the period in which shares are vesting.

The performance shares awarded are subject to the fulfilment of the following performance conditions:

Key performance measure	Measure	Weight	Threshold 30% vesting	Target 60% vesting	Stretch 100% vesting
Financial	Absolute total return	30%	Risk-free rate* plus 3%	Risk-free rate* plus 4%	Risk-free rate* plus 5%
	Relative total return	30%	40th percentile	60th percentile	75th percentile
	Relative total shareholder return	30%	40th percentile	60th percentile	75th percentile
Non-financial	Average personal score over three-year vesting period	10%	3	3,5	4
Total		100%			

 $^{^{}st}$ The risk-free rate is the annual average 10-year bond yield.

Definitions

Waighting

Absolute total return: ((Closing SA REIT net asset value ("NAV") per share – Opening SA REIT NAV per share) + dividend per share for the period) ÷ Opening SA REIT NAV per share.

Relative total return: Total return versus peer group!

 $Relative\ total\ shareholder\ return:\ ((Closing\ 90\ -day\ VWAP\ -\ Opening\ 90\ -day\ VWAP\)+\ dividend\ per\ share\ for\ the\ period)\ \div\ Opening\ 90\ -day\ VWAP\ measured\ against\ the\ peer\ group^*$

* The peer group will be determined by the Nomination and Remuneration Committee from time to time to ensure that REITs are included, which have a similar focus to that of the Company in terms of investment strategy, size of portfolio, are South African and retail-focused.

The Group may in its discretion elect to make a payment equivalent to any distribution paid by the Group in cash in respect of an award, subject to vesting and the provisions of the LTI Plan. Such payment will be paid as soon as reasonably practicable following the vesting date, having regard to the payroll cut-off date of the Group.

All awards will immediately lapse if employment with the Group terminates prior to the vesting date for any reason other than death, retrenchment, normal retirement, material ill-health or disability, or transfer of employment, all as further detailed in the LTI Plan. Vesting of a number of unvested awards shall be accelerated in the event of death or permanent disability and shall be adjusted taking account of such acceleration as set out in the LTI Plan.

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[#] MC Basson holds an executive position as Chief Operating Officer, this is, however, not a Board position.

IMPLEMENTATION REPORT continued

The maximum LTI award is calculated based on the following participation quota:

Executive	25% of Total Guaranteed Package
Senior management	10% to 15% of Total Guaranteed Package

The following table details the awards made during the prior financial period as well as the awards made during the 2023 financial year in respect of the 2022 financial year:

Name	Title	LTI shares awarded during 2022 FY*	Value of shares at award date	Vesting date [#]	Vested during 2023 FY	Value of shares vested during 2023 FY	Total unvested	Total vested
2023								
DC Engelbrecht	CEO	154 585	R831 667,00	1 July 2025	-	-	349 400	-
WL Venter	CF0	139 492	R750 465,25	1 July 2025	-	_	313 838	-
MC Basson	C00	56 958	R306 434,80	1 July 2025	_	_	106 591	-
Total [®]		351 035	R1 888 567,05		-	-	769 829	-
2022								
DC Engelbrecht	CEO	194 405	R734 849,50	1 July 2024	_	-	194 815	-
WL Venter	CF0	188 206	R711 420,00	1 July 2024	-	-	174 346	-
MC Basson	C00	45 113	R170 527,50	1 July 2024	-	-	49 633	-
Total [®]		427 724	R1 616 797,00		_	_	418 794	-

- * Award to be adjusted prior to the vesting date in accordance with performance conditions and weighting as described above.
- * Commencement of the rolling three-year period as per the approved LTI Plan post adjustment according to * above.

The Group may decide at any time during the period from settlement or payment until the fifth anniversary of the award date that an employee may be subject to clawback if the Group is of the view that certain circumstances arise which warrant such a course of action. The Group may withhold any amounts or make such arrangements as are necessary or considered appropriate to meet any liability for taxation or other liabilities in respect of any award or the vesting, accrual or settlement thereof.

Statement regarding compliance with, and any deviations from, the Remuneration Policy

The Committee is satisfied that there was compliance with the Remuneration Policy during the year and that there were no deviations from the Remuneration Policy during the year.

INVESTMENT COMMITTEE REPORT

THE INVESTMENT COMMITTEE IS
CHAIRED BY SAFARI'S CHAIRPERSON,
MR SB HERRING, AND COMPRISES ONE
EXECUTIVE DIRECTOR AND THREE
NON-EXECUTIVE DIRECTORS. OTHER
BOARD MEMBERS AND MEMBERS OF
SENIOR MANAGEMENT ATTEND
MEETINGS BY INVITATION. THE
COMMITTEE MEETS WHEN DECISIONS
ARE REQUIRED TO ACQUIRE, DISPOSE
OF OR SIGNIFICANTLY REDEVELOP
PROPERTY ASSETS.

The Group's investment strategy is under the purview of the Committee, with a specific focus on convenience and small regional retail shopping centres in peri-urban and rural areas. The strategy aims to achieve growth through yield-accretive acquisitions, redevelopment or development opportunities, as well as expansion or value-accretive additions to existing assets. Throughout the year, the Investment Committee held four meetings with 100% attendance by members.

The duties of the Investment Committee include, but are not limited to:

- making recommendations to the Board for transactions and capital expenditure that fall outside its approval mandate;
- the prioritisation and allocation of capital resources in accordance with the Group's strategy;
- monitoring the operational and financial performance of the Group, as reported by the Management Committee;
- considering recommendations from management related to acquisitions, capital expenditure or disposals;
- overseeing the development and implementation of business plans, policies, procedures and strategy for growth by the Management Committee;

Members	23 May 2022	5 Sep 2022	31 Oct 2022	27 Feb 2023
SB Herring	J	√	√	√
DC Engelbrecht	J	√	√	√
GJ Heron	J	√	√	√
MH Muller	J	√	√	√
Attendance	100%	100%	100%	100%

./ Attended

- the development and implementation of Safari's investment policy and, more specifically:
- presenting Safari's investment policy and corporate strategy to the Board, annually, for approval;
- considering economic and business conditions affecting Safari, and reviewing and adapting the policy accordingly; and
- approving internal processes relating to investment transactions, including all documentation required to be completed and maintenance of records.

INVESTMENT STRATEGY

In 2023/24, the Group's primary objectives are to enhance the size and quality of its properties by introducing refurbishments, additional solar investments and ancillary services. Recent successful projects include the refurbishment of Victorian Village in Heidelberg and the expansion of Nkomo Village Shopping Centre in Atteridgeville. During the coming financial year, Safari anticipates finalising the development of a filling station at Mnandi Shopping Centre as well as the refurbishment of Denlyn Shopping Centre. The Group is also currently in the advanced planning stage of a mixed-use precinct development at Safari's Lynnwood property.

In alignment with the Group's strategic focus on dominant regional assets in peri-urban and township areas, Safari intends to dispose of three non-core assets, namely the Soweto Day Hospital and the Platz am Meer and Mnandi Shopping Centres. Engagement with potential buyers is currently underway on the Mnandi Shopping Centre, while Safari has entered into a five-year lease agreement with Elements Africa on the Soweto Day Hospital, which has an option to purchase the building subject to the approval of a day hospital licence to be issued by the Department of Health. While the management team is working hard to execute a leasing strategy to upgrade and strengthen the tenant mix at Platz am Meer Shopping Centre, early discussions are taking place with potential investors interested in buying Platz am Meer both in Namibia and South Africa. The sale of these assets will enable the Group to optimise capital allocation and concentrate on higher-yielding retail opportunities, as directed by the Board.

Offers to purchase were received and signed for the last remaining residential apartments that form part of the Platz am Meer mixed-use development. The units are still carried as inventory, at year-end, while transfer is pending. The balance sheet will be clear of them once transfer is registered. The vacant stand adjacent to the Platz am Meer Shopping Centre was also sold during the year under review. These efforts are all part of Safari's new strategic focus on the core business and the disposal of non-core assets. Safari intends to withdraw from Namibia and redirect exclusive focus towards the South African retail landscape.

[®] The total amount only refers to the executives participating in the LTI Plan. Other participating employees are excluded.

INVESTMENT COMMITTEE REPORT continued

INVESTMENT ACTIVITY

Victorian Village Shopping Centre (redevelopment)

The newly revamped 25-year-old Victorian Village centre is still well perceived by all local and new customers, and with the addition of the new national tenants, the convenience factor was emphasised even more. A bigger and better Dis-Chem (which doubled in size) opened for trade in June 2023. Upgrades at the upper restaurant level are almost complete, and we are in the final stage of discussions with a well-known franchise offering to take up the last vacant space next to the recently revamped Spur.

Project value: R63 552 970
Forward yield achieved: 9,59%
Approved: September 2020
Construction commenced: May 2021
Completion date: June 2023

Denlyn Shopping Centre (refurbishment and tenant mix upgrade)

The revamp of the 21-year-old centre commenced in September 2022 and is well underway, with the project completion date being towards the middle of 2023. All of the bathrooms will also be upgraded. Exciting kids' recreation is also planned in the form of a hopscotch section and a selfie wall. Better-flow foot traffic has been accomplished by opening up the walkway from SuperSpar to Shoprite, which also

allowed for a few new shops to be added to the tenant mix. A new drive-through is planned, with quite a few national retailers interested in taking up the exciting opportunity. Borehole and backup water tanks were added to the centre.

Project value: R34 056 054 Approved: June 2022

Construction commenced: September 2022

Viva filling station at Mnandi Shopping Centre

Mnandi Shopping Centre is conveniently located on the very busy main carriageway, Maunde Road, into Atteridgeville. The Committee reviewed various offers received from oil companies and has approved a capital project for the development of a Viva filling station to the value of R13 million.

The process of obtaining a site licence, plan approval from council and construction of the filling station is anticipated to be completed in Q2 2024.

Project value: R13 million Forward yield: 15% expected Approved: June 2021

Construction to commence: Q4 2023

Nkomo Village Shopping Centre (expansion)

The expansion of the centre was completed in December 2022 and the following new tenants were added: Shoprite, Burger King, Roman's Pizza, Pep Home, Mr Price and The Bedmart. Absa will shortly commence trading with the fit-out of the new branch near Shoprite. The remaining ATMs situated in the walkway will be relocated in the next couple of months, and these cubicles will be demolished to open up the rest of the walkways. There is keen interest from a few national fast-food restaurants to take up the remaining drive-through opportunity, and we are awaiting final Board approval before construction commences. Borehole and backup water tanks were added to the centre, which is an essential value-add with the ongoing deterioration of local infrastructure.

Project value: R63 344 187
Forward yield achieved: 11,9%
Approved: November 2021
Construction commenced: April 2022

Bulk reserve or stands available for future investments

Name	Location	Cost at acquisition R'000	Market value R'000	Size m²	Ownership
Sebokeng Erf 77666	Moshoeshoe Street, Sebokeng	4 050	1 800	2 200	Freehold
Lynnwood Erven 582, 1064, 585 and remaining extent of Erf 586	Cnr Lynnwood and Rodericks Streets, Lynnwood, Pretoria	40 795	34 000	13 133	Freehold
Swakopmund	Cnr Albatros and Tsavorite Streets, Swakopmund, Namibia	_	18 000	5 013	Freehold

Thabong Shopping Centre (tenant mix upgrade)

SuperSpar did not reopen post the July 2021 unrest. This 4 000m² premises is currently being subdivided to accommodate a new Shoprite and Shoprite Liquor. The proposed new Shoprite will commence trading in September 2023. Borehole and backup water tanks were added to the centre as well; this was a critical value-add to this centre which struggles on a regular basis with low or no water pressure.

Project value: R20,8 million Approved: March 2023

Construction commenced: March 2023

Lynnwood development (mixed-use)

A new mixed-use development for the popular Lynnwood precinct in the east of Pretoria is in the planning phase. Safari owns this 13 000m² property on Lynnwood Road and will, at an attractive yield, develop a 6 000m² convenience retail centre, a section of pre-let office space as well as a small residential component in accordance with market demand. There is very strong interest from major national tenants for this node.

Safari remains well positioned to take advantage of growth opportunities in the local market and will continue to seek efficiencies across the business. It will also ensure that all of its assets are maintained at a high standard and that smaller refurbishments of its existing assets such as Atlyn, Denlyn and Thabong are done on a continual basis to maintain their dominance in the market and ensure sustainable income for shareholders.

The Committee is satisfied that Safari has continued to operate within the Group's strategy and investment mandate.

On behalf of the Investment Committee

SB Herring

Chairperson: Investment Committee

Pretoria 29 June 2023



Shopping the way you like it.

2023 INTEGRATED ANNUAL REPORT

SAFARI INVESTMENTS RSA LIMITED

SOCIAL AND ETHICS COMMITTEE REPORT

THE SOCIAL AND ETHICS COMMITTEE CURRENTLY COMPRISES DR PA PIENAAR AS CHAIRPERSON OF THE COMMITTEE, TOGETHER WITH DR MT MATSHOBA-RAMUEDZISI AND MR WL VENTER. DURING THE FINANCIAL YEAR, THE COMMITTEE CONDUCTED FOUR MEETINGS WITH 92% ATTENDANCE BY THE MEMBERS.

The Committee is responsible for overseeing Safari's ethical and socially responsible business practices, as well as reporting to the Board on matters such as organisational ethics, responsible corporate citizenship, sustainable development and stakeholder relationships. To fulfil its statutory obligations under Sections 72(4) and (5) of the Companies Act, in conjunction with Regulation 43 of the Companies Regulations, the Committee ensures that these duties are carried out effectively.

The policy on race, gender, culture, age, field of knowledge, skills and diversification for the Board and staff is reviewed annually and formal recommendations or amendments are made if necessary. The Group is mindful of transformation targets and the Social and Ethics Committee is responsible for the monitoring of progress in the Company's BBBEE strategy. Furthermore, the Employment Equity and BBBEE Committees are in place and report to the Social and Ethics Committee on a regular basis. Regarding the BBBEE scorecard and progress made, refer to the environmental, social and governance review on page 33.

Members	25 May 2022	6 Sep 2022	2 Nov 2022	2 Mar 2023
Dr PA Pienaar	1	√	√	- √
Dr MT Matshoba-Ramuedzisi	J	√	√	√
WL Venter	J	√	X	√
Attendance	100%	100%	67%	100%

√ Attended X Absent

In its pursuit of being a responsible corporate citizen, Safari is dedicated to improving the well-being of the communities where it operates. To achieve this objective, the Board has formulated a strategy that centres on promoting social upliftment, particularly through sustainable programmes aimed at enhancing the education of the youth. Safari's primary goal is to establish strong partnerships with local educational authorities which view the shopping centres operated by Safari as crucial components of their societies. For more information and highlights on these projects and educational programmes, please refer to the environmental, social and governance review on page 34.

Safari places great emphasis on maintaining an ethical working environment and adhering to a code of conduct as well as a whistle-blowing policy adopted by the Board. The policy undergoes annual reviews to ensure that it remains relevant and in compliance with regulatory standards.

The Committee is fully committed to ensuring that Safari's business activities not only improve the quality of life of individuals residing within the catchment area of its shopping centres by providing easy access to an exceptional shopping experience, but also by creating employment opportunities for the local population and contributing to the upskilling of the community.

The Committee confirms that it has fulfilled its mandate and there are no instances of material non-compliance to disclose.

Dr PA Pienaar

Chairperson: Social and Ethics Committee

Pretoria 29 June 2023

SAFARI VIEWS STAKEHOLDER ENGAGEMENT AS A CRUCIAL PROCESS FOR FOSTERING TRANSPARENT COMMUNICATION, STRENGTHENING RELATION

FOSTERING TRANSPARENT COMMUNICATION, STRENGTHENING RELATIONSHIPS, PROMOTING BETTER UNDERSTANDING AND ACHIEVING DESIRABLE OUTCOMES. A POSITIVE STAKEHOLDER EXPERIENCE IS A DIRECT RESULT OF SUCCESSFUL ENGAGEMENT WITH RELEVANT PARTIES. CONSEQUENTLY, SAFARI HAS ESTABLISHED A STAKEHOLDER ENGAGEMENT POLICY TO ENSURE THAT EFFECTIVE AND TRANSPARENT ENGAGEMENT IS ACHIEVED THROUGHOUT THE ORGANISATION.

The steps in defining the Stakeholder Engagement Policy are:

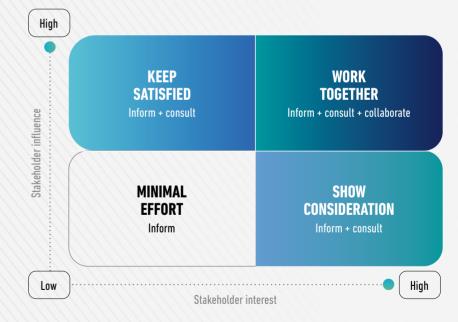
- identifying the categories of stakeholders and their influence on Safari;
- defining methods of engagement; and
- defining stakeholder engagement at the different category levels incorporating objectives, methods and measurements, where possible.

CATEGORIES OF STAKEHOLDERS

Within the Safari business, there are multiple stakeholders who are engaged at various levels, by different departments, and at different intervals. The establishment of guidelines for engaging with these stakeholders facilitates the development of strong relationships and promotes honesty and integrity in all interactions. To facilitate effective stakeholder engagement, the following stakeholder categories have been identified:

- Shareholders
- Employees
- Financiers
- Tenants and shoppers
- Suppliers
- Government/local authorities
- Property partners
- Communities.

The stakeholders identified have varying levels of interest and influence, which will impact the method and manner in which they are engaged. To address this, stakeholders have been analysed and allocated to specific categories based on their level of influence. The categories are outlined below.



STAKEHOLDER ENGAGEMENT POLICY continued

METHODS OF ENGAGEMENT

Stakeholder engagement is defined as all the interactions with the stakeholders identified previously. Interactions refer to direct, personal as well as indirect interactions on a formal or informal basis. The methods include:



verbal engagement – in-person meetings or by telephone;



written engagement (via letters and email);



legal engagements (contracts and service level agreements);



social media via various platforms; and



online meetings.

Overall principles that apply are:

- Directors and personnel must clearly state that they represent Safari and should act within the framework of their mandate;
- All email correspondence must include correct contact details and disclaimers and the prescribed letterhead with the Safari logo must be used for letters.
 These guidelines should be regularly updated to ensure accuracy;
- All legal documents should include Safari's correct details and be signed by an authorised person acting within his/her mandate;
- The Safari website and Stock Exchange News Service ("SENS") announcements are appropriate ways to engage stakeholders, and the website should be frequently updated with content authorised by relevant personnel;
- Other social media platforms should be used in accordance with Safari's policies and with limited engagement; and
- Compliance with the Protection of Personal Information Act ("POPIA") is a continuous priority for Safari. Appropriate security safeguards and training are implemented, and support is obtained from the Executive Committee to achieve set goals.

ENGAGEMENT GUIDELINES

Guidelines for the engagement with each stakeholder are as follows:

Shareholders

Objectives

- To ensure that Safari is aware of general trends in the property and REIT market, benchmarking against other role players and its peers, to ensure a knowledgeable Safari team
- To ensure that Safari engages on a regular basis with its shareholders in order to keep them informed of key elements of the business, and to obtain their input.
- To ensure that Safari is actively promoted in the property and REIT market to build relationships and trust with existing and potential investors.

Method

- The Investor Relationship Manager should compile a detailed annual investor plan that is presented to the management team for approval. The plan should list all engagement costs to ensure accurate budgeting.
- The plan should prioritise regular meetings with key investors, the investment community and shareholders, with high-quality presentations incorporating correct and up-to-date information.
- The investor and shareholder database should be up to date and securely stored, with professional and accurate invitations sent to potential investors and shareholders
- All communication via SENS or email must accurately reflect the views and objectives of Safari, with executive team or Board sign-off, as applicable, to verify correctness.
- Safari's website should have a dedicated investor relations section to publish all communication, including a dedicated email address for correspondence with the Investor Relationship Manager. Additionally, peer group SENS announcements should be monitored and summarised to understand market and property trends in the REIT sector.

Employees

Objective

To become a high-performing company in the property sector by attracting and retaining talented, engaged employees. We strive to create an organisational culture that encourages collaboration among team members and unlocks each individual's full potential.

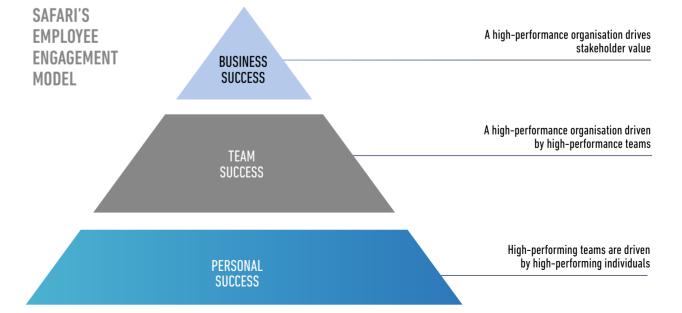
Method

Safari's employee engagement model is based on a three-tier approach:

- Personal success is developed through annual one-on-one engagements where line management has conversations with each employee on their role contribution, performance and development needs. Line engagement forms an essential part of supporting and empowering employees to do their work effectively. We believe in building a strong, personal leadership culture with employees being personally accountable for managing their lives and executing their individual career development plans.
- Effective meeting structures and alignment of goals are essential to ensure that the top layer of business success that drives stakeholder value is achieved.
- Safari has an Ubuntu family culture of "I am because you are". There is a strong awareness that we need each other as team members to be successful, we are willing to walk the extra mile for each other and through synergy we can achieve the impossible. An open-door policy exists which makes it possible for employees to communicate with management whenever there is a need for it.

This is achieved through:

- Annual team performance discussions, supported by individual performance conversations, which ensure accountability, engagement and collaboration at every level in the organisation;
- Safari's remuneration philosophy is to structure packages in such a way that short- and long-term incentives are aimed at achieving business objectives and the delivery of shareholder value:
- Safari has a clearly defined code of ethics that all employees must follow – this code is distributed to employees on a regular basis;
- All personal communication with an employee setting out employment conditions, changes to his/her employment contract and duties is recorded formally and signed by all parties;
- All transgressions are also handled according to Safari's disciplinary procedures and are at all times recorded;
- A whistle-blowing mechanism is in place; and
- Regular newsletters are circulated communicating events, new business ventures and introducing new personnel to all employees.



STAKEHOLDER ENGAGEMENT POLICY continued

Financiers

Objectives

- To clearly communicate and understand the special purpose vehicle security structure and to ensure that banks understand the structure.
- To maintain regular contact with financiers and build trusted relationships.
- To have an open relationship with the various banks to enable price checking.
- To ensure all ratios, covenants and reports required in terms of the loan agreements are timeously forwarded to the banks.
- To ensure that bank representatives and management are part of the Safari communication lists.

Method

- Develop a checklist of required reporting to be provided to the banks and prepare standard reporting formats to be completed and forwarded at scheduled reporting dates.
- Schedule regular meetings with identified banks to discuss the Safari business and our needs.
- Subscribe to various bank newsletters, attend bank functions and provide presentations as required.
- Invite bankers/financiers to roadshows and site visits.
- Proactively engage with financiers when potential events of default or other reportable events are anticipated.
- Ensure that all financial documents are reviewed by a legal representative, signed by all relevant parties and that Safari has copies of the final documents on file.

Tenants and shoppers

Objectives

- Regular updates on vacant space internally and to the Board.
- Accurate and legally binding contracts between Safari and its tenants.
- Regular two-way conversations between tenants and Safari, aimed at addressing operational matters experienced at a specific shopping centre, problems experienced by a tenant, opportunities to improve operations, ad hoc events being planned, etc.
- All amendments are to be recorded in a legal manner.
- All negotiations are to be recorded by email, letter and/or contract amendments.
- All feedback to tenants on queries raised to be timeous and correct.
- Leasing team to have mandates to secure leases, to ensure timeous completion of lease agreements and to ensure proper communication with tenants.
- All tenants are to receive accurate invoices on a timeous basis.
- Arrear tenants are to be communicated with in the correct legal manner, incorporating legal advice where necessary.
- Clean and secure spaces for shoppers.

Method

- Monthly property meetings attended by the executive team, leasing team and centre managers, whereby all tenant and leasing matters are discussed and decided.
- Weekly leasing meetings to be attended by the leasing team and COO.
- Leasing team to maintain a database of retailers and send updates of space available to the retailer database.
- Lease administrators to ensure that invoices are correctly raised and sent to tenants timeously. They must also ensure that any queries are addressed immediately.
- Lease administrators to follow up on outstanding accounts according to Group policy – always confirming per email to ensure a written trail of communication.
- The Safari website to show accurate detail of vacant space and new developments and the correct contact details of the leasing team.
- Leasing team and executives to attend the Annual Shopping Centre Conference to engage with relevant tenants.
- Customer satisfaction and shopper surveys.
- Free Wi-Fi at centres.
- Regular communication through print, web, social media and events.

Suppliers

Objectives

- All supplier services must be documented in service level agreements, which should be signed by a person authorised in accordance with Safari's Preferential Procurement Policy.
- Suppliers should be classified and managed according to their importance to the business. Key suppliers require more frequent engagement to ensure good relationships.
- All interactions with suppliers should adhere to the terms set out in the service level agreement, with the main aim of maximising value.
- Any discrepancies in the level of services required/agreed to should be communicated promptly.

Method

- Regularly engage on a personal basis with key suppliers to ensure that a healthy relationship is maintained.
- Ensure all service level agreements are recorded in a contract and that the terms of the agreement have been accurately recorded.
- Ensure timeous payments of accounts and confirm payments in writing.
- Engage with suppliers personally at the end of a contract or when a variation to the contract is required. All such communication is to be recorded in writing.
- Fair procurement and tender processes followed.
- Communication via on-site centre managers.

Government and local authorities

Objectives

- Safari seeks to comply with all applicable laws and regulations.
- Safari to submit all required returns and payments timeously.
- Safari wants to develop a compliance culture within the Group.

Method

- Safari to develop policies and procedures to aid and promote compliance.
- Available legal expertise, both internally and externally, to ensure that Safari stays informed of all legislation and changes to it.
- Meetings with government representatives and authorities to discuss concerns.
- Open and regular contact with relevant regulators and local authorities.

Property partners

Objectives

- To identify property partners that Safari can forge long-term relationships with.
- To actively engage with property partners and meet with them on a regular basis to share information and market trends.

Method

- Arrange meetings with property partners and discuss property trends and results. Share general information with each other.
- Attend conferences to meet up with new possible property partners such as the SA REIT conference.

Communities

Objectives

- Establish and maintain positive relationships with the communities by engaging with them regularly.
- Raise awareness of the activities taking place at each centre within the communities and ensure that promises made to the communities are delivered.
- Market these interactions appropriately.
- Create a safe and regulated platform for community members to communicate with the management of a shopping centre and the executive team of Safari.

Method

- Document a clear marketing and engagement plan which takes into account the specific community and its needs.
- Arrange meetings on a regular basis with community leaders and hear first-hand about the challenges and needs of the community. Ensure that the marketing plan and other engagements cover the aspects identified by those leaders.
- Use social media platforms to promote the centre and communicate the contributions made by Safari to the community. Ensure that the community is aware of the contributions made by Safari.

APPLICATION OF THE KING IV REPORT

ON CORPORATE GOVERNANCE FOR SOUTH AFRICATM

THE GROUP, BEING LISTED ON THE JSE, ABIDES BY THE PRINCIPLES OF KING IV™
AND THE MANDATORY CORPORATE GOVERNANCE REQUIREMENTS OF THE JSE
LISTINGS REQUIREMENTS. THE BOARD TAKES A STAKEHOLDER-INCLUSIVE
APPROACH IN FULFILLING ITS GOVERNANCE ROLE AND RESPONSIBILITIES AND
IS COMMITTED TO THE PRINCIPLES OF KING IV™ TO ENSURE BEST PRACTICES
ARE FOLLOWED.

As per the Companies Act, directors have specific duties to fulfil and are required to exercise the necessary care, skill and diligence. The Board adheres to the best practices as outlined in King IV^{TM} to ensure that these duties are fulfilled effectively.

According to paragraph 8.63(a)(i) of the JSE Listings Requirements, issuers must disclose the implementation of King IVTM through the King IVTM disclosure and application regime. For the period ended 31 March 2023, Safari adhered to all the principles of King IVTM, as outlined below, or provided explanations in instances where recommendations were not followed.

King IVTM adopts an outcome-based approach and defines corporate governance as the ethical and effective leadership exercise to achieve four governance outcomes, each consisting of several principles (a total of 17 principles). The desired outcomes are listed below, along with the practice implemented and the progress made towards achieving the 17 principles.

GOVERNANCE OUTCOME ONE: ETHICAL CULTURE

Principle 1

Leadership: The Board should lead ethically and effectively

The Safari Board serves as the governing body and is committed to upholding the principles of good corporate governance as outlined in King IV^{TM} . The Board is guided by Safari's values of quality, integrity, improvement and innovation when fulfilling its duties and responsibilities.

The Directors are accountable to one another when making decisions. They have a legal obligation to prevent conflicts of interest with the Group and must fully disclose any areas of conflict before discussing or considering such matters at a Board meeting. Directors must also recuse themselves from voting on such matters. To support this, the Board has a conflict of interest policy in place. The Chairperson oversees this responsibility and the Nomination and Remuneration Committee manages the annual Board assessment on behalf of the Chairperson. The Board conducts ongoing assessments to ensure that the Directors continue to exhibit ethical behaviour.

To ensure the effective appointment of Board members, committee members and executives, the Nomination and Remuneration Committee proposes candidates with an appropriate mix of skills and independent thinking. New Board members receive detailed and suitable induction into the Group's business and affairs.

Principle 2

Organisational ethics: The Board should govern the ethics of the organisation in a way that supports the establishment of an ethical culture

The Board is responsible for establishing and promoting Safari's values and upholding its obligations as a responsible corporate citizen. As part of its fiduciary duty, the Board must act in good faith, with due care and diligence, and in the best interests of all stakeholders. Although the management team is responsible for the day-to-day operations, the Board retains complete and effective control over the Group. The Social and Ethics Committee is responsible for monitoring the overall performance of the organisation's responsible corporate citizenship, which is delegated by the Board.

A whistle-blowing policy is in place where stakeholders can report any unethical practice or fraud anonymously and free from victimisation. The whistle-blowing policy and reviewed code of ethics are part of a variety of initiatives that are in place to create awareness of ethical conduct requirements.

Safari's code of ethics ("the code"), as adopted by the Board, guides the ethical behaviour of all Safari employees and Directors to ensure that Safari maintains the highest level of integrity and ethical conduct. The code deals with duties of care and skill as well as those of good faith, including honesty, integrity and the need to always act in the best interest of the Group. The code is published on the Group's website and incorporated as an addendum in employee contracts, as well as in employee induction and training programmes.

Principle 3

Responsible corporate citizenship: The Board should ensure that the organisation is, and is seen to be, a responsible citizen

Business strategy and priorities are assessed, reviewed, formalised and approved in accordance with the Board's role of overseeing the Group's conduct as a good corporate citizen. It is imperative for the Safari Board to ensure that the consequences of the Group's activities do not adversely affect its status as a responsible corporate citizen in the geographical areas within which it operates, with due regard to social and environmental issues.

The Board, with the support of the executive team, oversees and monitors how the operations and activities of the Group affect its status as a responsible corporate citizen. This is measured against agreed performance targets that are in support of Safari's strategic imperatives.

The performance targets contain financial and non-financial measures. Non-financial measures encompass the areas of workplace, economy, society and the environment so that the Group's core purpose and values, strategy and conduct are congruent with it being a responsible corporate citizen.

The Group holistically considers its responsibilities in the areas of workplace, society in general and the environment, all being key inter-related factors in ensuring the sustainability of the Group's business.

GOVERNANCE OUTCOME TWO: PERFORMANCE AND VALUE CREATION Dringing (

Principle 4

Strategy and performance: 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 The Board's primary responsibility is to generate value for its shareholders while considering the interests and expectations of its stakeholders. The Directors work individually and collectively to assist the Group in achieving its strategic objectives, managing risks and opportunities that may affect the Group's ability to provide sustainable long-term growth, improving efficiencies within the Group's businesses and supporting business customers.

Safari's ability to create sustainable value can be found on pages 28 to 43 of the environmental, social and governance review. Safari aligns its strategic objectives with its risks and opportunities. The Board continuously evaluates both the positive and negative outcomes resulting from its business model and responds accordingly.

Principle 5

Reporting: 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

The Board ensures that communication is done effectively in a transparent, clear, balanced and truthful manner with the highest regard for integrity and ethical standards.

Safari circulates and publishes its Interim and Integrated Annual Reports both online and in printed form. The reports connect the more detailed information at a high level and in a complete, concise way with respect to matters that could significantly affect or improve the Group's ability to create sustainable value. The reports also include the consolidated financial statements and comply with legal requirements and required disclosures.

Information is also made available to stakeholders via investor presentations, roadshows and on the Group's website at **www.safari-investments.com**.

GOVERNANCE OUTCOME THREE: ADEQUATE AND EFFECTIVE CONTROL

Principle 6

Primary role and responsibilities of the Board: The Board should serve as the focal point and custodian of corporate governance in the organisation

The Board Charter outlines the Board's role, responsibilities and procedural conduct to facilitate effective functioning. As the focal point and custodian of corporate governance at Safari, the Board meets quarterly to address general matters and additional meetings may be held if necessary.

Prior to each meeting, information on the Group's performance for the year to date and any other matters for discussion are circulated well in advance. At Board meetings, financial, non-financial and qualitative information that may affect stakeholders is reviewed. Please refer to pages 49, 51, 52, 61, 64 and 83 for further information on Board and Board Subcommittee meetings.

To ensure compliance with industryaccepted governance standards, an appropriate governance framework, as well as necessary policies and processes, are in place for the Group and its subsidiaries.

Principle 7

Composition of the Board: 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

On 23 September 2021, Mr SB Herring was appointed as Chairperson.

The Board, with the assistance of the Nomination and Remuneration Committee, considers, on an annual basis, its composition in terms of balance of skills, experience, diversity, independence and knowledge, and whether this enables it to effectively discharge its role and responsibilities. The Board is satisfied that

APPLICATION OF THE KING IV REPORT ON CORPORATE GOVERNANCE FOR SOUTH AFRICATM continued

there is a balance of skills, experience, diversity, independence and knowledge needed to perform its role and responsibilities. The Board also has a succession plan in place in the event of an unforeseen event.

Safari has a Board of seven members and, in accordance with King IV™, the majority of the Directors are Non-executive Directors of which the majority are independent. The Board comprises two executive members, four Independent Non-executive members and one Non-executive Chairperson. As per King IV™, Dr MT Matshoba-Ramuedzisi was appointed as the Lead Independent Non-executive Director to strengthen the independence of the Board. The roles of the Chairperson and CEO are separate. All Board members are suitably qualified to act in the best interest of stakeholders.

The independence of Directors is reviewed on an annual basis against criteria stipulated in King IVTM, and arrangements for the periodic, staggered rotation of Board members are contained within the Group's Memorandum of Incorporation and are duly

Refer to pages 44 and 45 for the skills and experience of the individual Board members.

Principle 8

Committees of the Board: 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 duties

The Board has established five Board Subcommittees to assist the Directors in fulfilling their duties and responsibilities. Each committee has formal terms of reference and reports to the Board at regular intervals. The terms of reference set out the objectives, authority, composition and responsibilities of each committee and have been approved by the Board. All committees are free to take independent external professional advice as and when required at the Group's expense

Membership of the committees is as recommended by King IV™.

The composition of the committees of the Board as well as the distribution of authority between the Chairnerson and the rest of the Directors is balanced

The Audit and Risk Committee is satisfied that the auditor is independent, and the auditing firm was appointed with the designated partner having oversight of the audit. The CFO is the head of the finance function and he has one senior Financial Manager reporting to him. Internal audit is fully outsourced and the CFO is responsible for overseeing and coordinating the effective functioning of the outsourcing arrangement. An assessment of the effectiveness of the CFO function is performed annually by the Audit and Risk Committee.

The Board also has a Social and Ethics Committee which operates in line with King IV™ and the Companies Act as well as a Management Committee which reports directly to the Board and other Board Subcommittees on the day-to-day management of the Group.

In addition to the above, ad hoc committees are formed from time to time to assist the Board in discharging its duties.

Refer to pages 51 to 64 and 83 and 84 for reports by each committee.

Principle 9

Evaluations of the performance of the Board: The Board should ensure that evaluation of its own performance and that of its committees, its Chair and its individual members, support continued improvement in performance and effectiveness

A performance evaluation of the individual Board members, the Board, its committees, the Chairperson and the Group Company Secretary was conducted formally and, although not externally facilitated, it was done in accordance with the methodology approved by the Board. The overview of the evaluation results is that there were no issues raised and contribution, value and

participation were considered satisfactory and positive. Items identified for improvement are discussed and followed up to ensure recommended actions. The skills represented on the Board were also assessed as well balanced.

Each committee undertakes an annual committee self-evaluation in order to assess whether the committee has the required skills within its membership and is effective in performing in line with its objectives and is discharging its responsibilities as delegated by the Board.

The Group Company Secretary's performance is also evaluated to ensure that there is an arm's-length relationship between the Board and the Group Company Secretary in that the objectivity and independence of the Group Company Secretary are not unduly influenced. Safari's Group Company Secretary was appointed in November 2018, and the Board is confident that his objectivity and independence are in no way compromised. The Group Company Secretary's performance is assessed annually and no major issues or concerns have been identified. The Board is satisfied that the Group Company Secretary is performing well in executing the functions that he oversees.

Principle 10

Appointment and delegation to management: The Board should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities

The Board has established a Management Committee, chaired by the CEO, which includes various members of senior management, the CFO and COO. The Management Committee meets regularly to manage the day-to-day operations of Safari and reports to various committees, including the Investment Committee. The Board's responsibilities, as set out in the Board Charter, include appointing the CEO, approving the corporate strategy, managing risk and corporate governance.

The Board reviews and approves the business plan and monitors the financial performance of the Group and the implementation of strategies. Directors have full access to management and Group information and may meet separately with members of the management team without executives present.

A delegation of authority policy outlines matters reserved for the Board and those delegated to management. The Board is satisfied that delegation to management contributes to an effective arrangement for exercising authority and responsibilities. Preapproved materiality levels and terms of reference apply where delegation has taken place to management or committees. The CEO has no work commitments outside the Safari Group or associated business partners. Succession planning is in place to provide continuity of executive leadership, and it is regularly reviewed to provide for succession in both emergency situations and over the longer term.

Principle 11

Risk governance: The Board should govern risk in a way that supports the organisation in setting and achieving its strategic objectives

The Audit and Risk Committee supports the Board in its governance of risk by establishing the framework for addressing risk throughout the Group, with the aim of achieving its strategic objectives. The Board acknowledges the significance of risk management in ensuring the success, performance and sustainability of Safari.

The Audit and Risk Committee implements a process whereby risks to the sustainability of the Group's business are identified, monitored and managed within acceptable parameters. The Audit and Risk Committee delegates to management the task to continuously identify, assess, mitigate and manage risks within the existing but stable risk profile of Safari's operating environment. Mitigating controls are formulated to address the risks and the Board is kept up to date on the status of the risk management plan. Further oversight of risk exercises includes the receipt and

review of internal audit reports, due diligence processes to evaluate and understand risks and opportunities that acquisitions may contain and an annual review and assessment of the Group's insurance portfolio.

Responsibility for effective risk management is spread across the Group's workforce and management.

Refer to pages 24 to 26 for an overview of Safari's risk management.

Principle 12

Technology and information governance: The Board should govern technology and information in a way that supports the organisation in setting and achieving its strategic obiectives

The Board is aware of the importance of technology and information as it is inter-related to the strategy, performance and sustainability of Safari. The Group Company Secretary and information technology service providers are consulted on a regular basis with reference to applicable legislation and the protection and management of technology and information principles, respectively. Regarding POPIA, the Group Company Secretary is appointed as the Information Officer to ensure continual POPIA compliance.

Principle 13

Compliance governance: 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

Responsibility for the implementation and execution of effective compliance management is delegated by the Board to management. The Group Company Secretary ensures compliance with all applicable laws, rules, codes and standards at the highest ethical standards. The Board, however, retains ultimate responsibility for compliance in this regard.

During the review period, there were no material or repeated regulatory penalties, sanctions or fines for contraventions of, or non-compliance with, statutory obligations imposed on the Group, members of the Board or officers. There were no findings of non-compliance with environmental laws or criminal sanctions and prosecutions for non-compliance.

Principle 14

Remuneration governance: 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

The Board is accountable for overseeing remuneration governance and establishing policies across the Group. The Nomination and Remuneration Committee conducts annual assessments and has the freedom to seek independent external expert advice on equitable and market-related remuneration. The Committee conducts regular benchmarking to guarantee that employees and executives receive fair and ethical remuneration. For comprehensive disclosure of Directors' remuneration, refer to **pages 56** to **60**. Safari's Board promotes sustainable value creation by compensating employees and executives fairly, responsibly and transparently.

Principle 15

Assurance: 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

The Board sets the direction for assurance services and functions, but the responsibility for overseeing such arrangements is delegated to the Audit and Risk Committee which is charged with supporting the integrity of information for internal decision-making purposes and external reports.

APPLICATION OF THE KING IV REPORT ON CORPORATE GOVERNANCE FOR SOUTH AFRICATM continued

A combined assurance model has been developed and formally implemented across Safari to effectively cover significant risks and material matters. The model includes, but is not limited to, the Group's established outsourced internal audit functions, the external auditor, the risk management and compliance functions and regulatory inspectors, together with such other external assurance providers as may be appropriate or deemed necessary from time to time. The Group Company Secretary provides assurance on aspects of corporate governance and the JSE sponsor advises on the JSE Listings Requirements. Safari is satisfied that assurance results in an adequate and effective control environment and integrity of reports for better decision-making.

GOVERNANCE OUTCOME FOUR: TRUST, GOOD REPUTATION AND LEGITIMACY

Principle 16

Stakeholders: In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interest of the organisation over time

The Board assumes responsibility for the direction of stakeholder relationships and delegates to management the responsibility for the implementation and execution thereof. Stakeholders are kept apprised of the Group's performance by the publication of the interim results and Integrated Annual Report. Safari has identified its stakeholder groups and is active in balancing their legitimate and reasonable needs, interests and expectations. Refer to pages 65 to 69 for Safari's stakeholder engagement.

Principle 17

Responsible investment: The Board ensures that responsible investment is practised to promote good governance and the creation of value by the companies in which it invests Safari is not an institutional investor and this principle is therefore not applicable.



REIT AND REIT TAXATION LEGISLATION

REIT LEGISLATION IN SOUTH AFRICA CAME INTO EFFECT ON 1 APRIL 2013. SAFARI CONFIRMS THAT IT CONTINUES TO HOLD REIT STATUS RECOGNISED BY THE JSE AND MEETS THE QUALIFICATION REQUIREMENTS AS STIPULATED BY THE JSE AND APPLICABLE LEGISLATION.

SA REIT ASSOCIATION – BEST PRACTICE RECOMMENDATIONS ("BPR")

The SA REIT Association issued a second edition BPR, which deals with best practice reporting for South African REITs. The second edition BPR is effective for financial years commencing on or after 1 January 2020. Refer to Annexure 1 on page 140.

REIT LEGISLATION

The following achievements from a REIT point of view are noteworthy:

- The Group currently has gross assets of approximately R3,81 billion, as reflected in the annual financial statements for the period ended 31 March 2023;
- The Group is a property investment fund focusing mainly on retail centres and currently has four small regional shopping centres, of which three are located in underdeveloped urban areas in Gauteng, South Africa and one in Swakopmund, Namibia. Furthermore, Safari has four community shopping centres in Heidelberg, Polokwane and Atteridgeville. The property portfolio encompasses a combined retail rentable area of 178 460m²;
- The Group is currently deriving 98% of its revenue from rental income and rental related recoveries;
- The Group complies with the minimum income and shareholder spread requirements of the Main Board of the JSE and currently has 1 264 shareholders as at the financial year ended 31 March 2023;
- The Group will, to the best of the Directors' knowledge, qualify for a tax deduction of distributions under Section 25 BB(2) of the Income Tax Act for the current financial year;
- The Group's borrowing (loan-to-value) remained below the 60% requirement in terms of REIT legislation;
- The Audit and Risk Committee has confirmed to the JSE that, as part of its terms of reference, it has adopted the policy referred to in paragraph 13.46(h)(i) of the JSE Listings Requirements and that the Group complies with the following provisions set out in the JSE Listings Requirements:
- Adopting and implementing an appropriate Risk Management Policy, which policy as a minimum is in accordance with industry practice and specifically prohibits Safari from entering into any derivative transactions that are not in the normal course of Safari's business;
- Reporting in the Integrated Annual Report each year that the Audit and Risk Committee has monitored compliance with the policy and that Safari has, in all material respects, complied with the policy during the year concerned; and
- Reporting to the JSE, in the annual compliance declaration referred to in paragraph 13.49(d) of the JSE Listings Requirements, that the Audit and Risk Committee has monitored compliance with the policy and that Safari has, in all material respects, complied with the policy during the year concerned;

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REVIEW

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REIT AND REIT TAXATION LEGISLATION continued

- The Group will comply with the general continuing obligations as determined by the JSE and, more specifically, those set out in Section 13.49 of the JSE Listings Requirements, as amended from time to time; and
- The Board confirms that Safari has, during the past financial year, complied with, and will continue to comply with, the following provisions, as set out in Section 13.49 of the JSE Listings Requirements:
- Safari will distribute at least 75% of its total distributable profits as a distribution to the holders of its listed securities by no later than six months after its financial year-end, subject to the relevant solvency and liquidity test as defined in Sections 4 and 46 of the Companies Act. The next distribution of 32 cents per share was approved and will accordingly be paid out on Monday, 24 July 2023;
- If relevant, Safari will ensure that, subject to the solvency and liquidity test and the provisions of Section 46 of the Companies Act, the subsidiaries of Safari that are property entities incorporated in South Africa will distribute at least 75% of their total distributable profits as a distribution by no later than six months after their financial year-end; and
- Interim distributions may occur before the end of a financial year. The total distribution declared for the 2023 financial year was R167 586 910 (2022: R177 170 829). The distribution consisted of an interim cash dividend of 33 cents per share in December 2022 and the aforementioned final cash dividend of 32 cents per share approved at the Board meeting held on 21 June 2023, which will be paid out on Monday, 24 July 2023.

REIT taxation status

The Group's status as a REIT entails, among others, the following tax consequences:

- The Group will not pay capital gains tax on the disposal of immovable property, the disposal of shares in other REITs or the disposal of shares in property companies;
- The Group may claim a tax deduction for qualifying dividends to its shareholders;
- Dividends distributed by the Group to its resident shareholders are subject to normal tax (and exempt from dividends tax); and
- Dividends distributed to foreign shareholders are subject to dividends tax.



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DIRECTORS' RESPONSIBILITY AND APPROVAL

The Directors are required, in terms of the Companies Act 71 of 2008 ("Companies Act"), 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 ("IFRS"), the JSE Limited ("JSE") Listings Requirements, Financial Pronouncements as issued by the Financial Reporting Standards Council and the Companies Act. The external auditor is 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 IFRS, the JSE Listings Requirements, Financial Pronouncements as issued by the Financial Reporting Standards Council and the Companies Act 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 Board sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group, and management is 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 annual financial statements. Any system of internal financial control, however, 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 31 March 2024 and, in light of this review and the current financial position, they are satisfied that the Group has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is 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 auditor and their report is presented on pages 85 to 87.

The annual financial statements, which have been prepared on the going concern basis, were approved by the Board on 21 June 2023.

Signed on behalf of the Safari Board by:

DC Engelbrecht

Chief Executive Officer ("CEO")

WL Venter

Chief Financial Officer ("CFO")

Pretoria

CHIEF EXECUTIVE OFFICER'S AND CHIEF FINANCIAL OFFICER'S RESPONSIBILITY STATEMENT

The CEO and CEO hereby confirm that:

- the annual financial statements set out on pages 88 to 137 fairly present, in all material respects, the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries has been provided to effectively prepare the financial statements of the issuer;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having
 fulfilled our role and function as Executive Directors with primary responsibility for the implementation and execution of controls;
- where we are not satisfied, we have disclosed to the Audit and Risk Committee and the auditor any deficiencies in the design and
 operational effectiveness of the internal financial controls and have remediated the deficiencies; and
- we are not aware of any fraud involving Directors.

DC Engelbrecht

Chief Executive Officer

29 June 2023

WL Venter

Chief Financial Officer

CERTIFICATE BY THE GROUP COMPANY SECRETARY

The Group Company Secretary hereby certifies, in accordance with Section 88(2)(e) of the Companies Act, that the Group has lodged with the Commissioner of the Companies and Intellectual Property Commission all such returns as are required for a listed company and that all such returns are true, correct and up to date in respect of the financial year reported.

PWL van Niekerk

Group Company Secretary

Pretoria 29 June 2023

DIRECTORS' REPORT

for the year ended 31 March 2023

The Directors have pleasure in submitting their report on the consolidated and separate annual financial statements of the Group and Company for the year ended 31 March 2023.

NATURE OF THE BUSINESS

Safari invests in quality income-generating property with its focus on convenience centres in the retail sector. There was no material change in the nature of the business during the financial year.

EVENTS DURING AND SUBSEQUENT TO THE REPORTING PERIOD

Events during the reporting period

On 26 July 2022, Safari concluded and implemented a new facility agreement, in line with its growth and lender diversification strategy, for R200 million with Standard Bank of South Africa Limited. This new facility replaced a maturing R150 million Absa facility.

Salient terms of the new facility:

 Facility K: R200 000 000 – monthly repayments of interest at the prime interest rate, minus 1,5%, with the capital due on maturity in June 2025.
 As at 31 March 2023, R54 441 548 of this revolving credit facility has been utilised.

On 1 December 2022, Safari concluded and implemented another new facility agreement for R303 million with Standard Bank of South Africa Limited to replace a maturing R300 million Absa facility.

Salient terms of the new facility:

 Facility L: R303 000 000 – quarterly repayments of interest at the threemonth JIBAR rate plus a margin of 1,51% for the first 12 months and a margin of 1,65% thereafter with the capital due upon maturity in November 2026.

Shareholders are referred to announcements released on the Stock Exchange News Service ("SENS") during the reporting period in relation to Heriot REIT's offer to the holders of issued ordinary shares of Safari. Announcements in this regard were released on:
3, 6 and 7 June 2022; 1 and 29 July 2022;
12 August 2022; 2 and 30 September 2022; and 22 November 2022.

On 22 June 2022, the Board approved a final cash distribution for the 2022 financial year of 32 cents per Safari share. The dividend was paid to shareholders in July 2022.

Shareholders are referred to the SENS announcement published on 29 June 2022 relating to the condensed audited annual financial results for the 2022 financial year, the dividend distribution declaration, the release of the Integrated Annual Report and the notice of Annual General Meeting.

At the Annual General Meeting held on 17 August 2022, all resolutions were passed.

In accordance with the JSE Listings Requirements, the Company's latest Broad-based Black Economic Empowerment Certificate was published on 23 September 2022, confirming Safari's status as a Level 5 contributor.

Shareholders are referred to the announcements released on SENS on 22 February 2023 and 1 March 2023 in relation to the repurchase of the Southern Palace shares held by Maitlantic 1038 Proprietary Limited. At the General Meeting held on 31 March 2023, a special resolution was passed to repurchase the Southern Palace shares.

An outstanding COVID-19-related insurance cover payment of R14 million including value added tax ("VAT") (South African portfolio only) was received on 11 October 2022 when the legal process of the claim was concluded.

During the reporting period, the Board approved the following capital projects subject to certain conditions precedent:

- Refurbishment of Denlyn Shopping Centre at a cost of R44 million including the installation of a backup water system;
- Installation of a solar power system at Thabong Shopping Centre at a cost of R21,5 million, subject to the relevant application at Eskom being successful;
- Installation of a backup water system at Nkomo Village at a cost of approximately R10 million; and
- The addition of Shoprite and new line shops at Thabong Shopping Centre at a cost of R20.8 million.

On 15 November 2022, the Board approved an interim distribution for the 2023 financial year of 33 cents per Safari share. The interim dividend was paid to shareholders in December 2022.

The Directors are not aware of any other material reportable events that occurred during the reporting period.

Events subsequent to the reporting period

The Directors are not aware of any other events apart from those disclosed in note 36, which have occurred since the end of the financial year, and which have had a material impact on the results and disclosures in the annual financial statements.

ACCOUNTING POLICIES

The accounting policies have been applied consistently compared to those of the prior year. The consolidated and separate annual financial statements have been prepared in accordance with IFRS and its interpretations adopted by the Independent Accounting Standards Board, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the requirements of the Companies Act and the JSE Listings Requirements.

FINANCIAL RESULTS AND ACTIVITIES

The operating results and state of affairs of the Group are fully set out in the attached consolidated and separate annual financial statements.

The Group recorded an operating profit. before investment revenue, fair value adjustments and finance costs for the year ended 31 March 2023, of R282 847 000 (2022: R245 144 000). Note that in the 2023 financial year, the receipt of insurance claim funds related to the July 2021 riots. after deducting final expenses for riot repairs, as well as settlement for the COVID-19 business interruption claim. resulted in a boost of R24,7 million to operating profit. Without factoring in the impact of these insurance claims, operating profit would have still increased by 5%. The Group's revenue, excluding the sale of apartments and vacant land, increased by 7,8% to R441 170 000 compared to the previous year's R409 219 000.

The weighted average gross rental per square metre of the South African retail portfolio is R168/m² (2022: R158/m²). With the Namibian property included, the average for the Group retail portfolio reduces to R158/m² (2022: R151/m²). Note that this calculation is based on total gross lettable area (including vacant space) and all municipal recoveries, including municipal property rates that are contractually charged to tenants, are excluded from the rental. Property expenses as a percentage of property revenue are 27% (2022: 26%).

The Group's gearing (SA REIT LTV) ratio decreased from 37% to 35%.

The fair value of the Group's investment property increased by 7% to R3 535 800 000. Refer to note 4 to the consolidated and separate annual financial statements for detailed disclosure.

The income-generating properties were valued on the discounted cash flow method and are supported by Safari's low vacancy rate of 3,25%, the 87% national tenants' occupation level, a positive rental reversion ratio of +3,6% and a healthy lease expiry profile together with strategic tenant

placements. The Group has recorded a SA REIT net asset value ("NAV") per share of 915 cents (2022: 855 cents).

STATED CAPITAL

Details of the stated capital are disclosed in note 15 to the consolidated and separate annual financial statements.

CAPITAL COMMITMENTS

Refer to note 40 to the consolidated and separate annual financial statements for details of the capital commitments.

DIVIDENDS

In terms of Real Estate Investment Trust ("REIT") legislation, at least 75% of distributable earnings must be distributed in every financial year. During 2023, Safari declared a total distribution of R167 586 910, being the final distribution of the 2022 financial year of 32 cents per share and the interim distribution of the 2023 financial year of 33 cents per share.

GOING CONCERN

The Directors are of the opinion that the Group has adequate financial resources to continue its operations for the foreseeable future and, accordingly, the consolidated and separate annual financial statements have been prepared on the going concern basis.

The Group is in a sound financial position and has access to sufficient borrowing facilities to meet its foreseeable cash requirements for operational activities and capital commitments as disclosed in note 40

to the consolidated and separate annual financial statements. The Directors are not aware of any material changes that may have an adverse impact on the Group, nor of any material non-compliance with statutory or regulatory requirements nor of any pending changes to legislation which may affect the Group.

LITIGATION STATEMENT

In terms of Section 11.26 of the JSE Listings Requirements, the Directors are not aware of any legal or arbitration procedures that are pending or threatening that might have had, in the previous 12 months, a material effect on the Group's financial position.

AUDITOR

BDO South Africa Incorporated was reappointed as the external auditor for the Group for 2023 at the Annual General Meeting held on 17 August 2022. For the 2023 financial year, Mr Paul Badrick was the designated audit partner for the Group.

PERFORMANCE MEASURES

In compliance with Sections 3.4(b)(vi) and 3.4(b)(vii) of the JSE Listings Requirements, and owing to the nature of the business conducted by Safari, being that of a REIT, the Safari Board has decided to adopt the distribution per share and NAV per share measures for future trading statement purposes, as this is considered a more appropriate yardstick to measure Safari's performance than headline earnings per share and earnings per share.

DIRECTORS

The Directors in office at the date of this report are as follows:

SB Herring	
Dr MT Matshoba	-Ramuedzisi
DC Engelbrecht	
GJ Heron	
MH Muller	
Dr PA Pienaar	
WL Venter	

Designation

Non-executive Chairperson
Lead Independent Non-executive
Chief Executive Officer
Independent Non-executive
Independent Non-executive
Independent Non-executive
Chief Financial Officer

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DIRECTORS' REPORT continued

for the year ended 31 March 2023 $\,$

At least one-third of the Non-executive Directors stand for re-election at the Annual General Meeting on a rotation basis as stipulated in the Group's Memorandum of Incorporation.

No person holds any preferential rights other than normal shareholder rights relating to the appointment of any Director or number of Directors.

DISTRIBUTABLE EARNINGS

	GRO	UP
	Audited year ended 31 March 2023 R'000	Audited year ended 31 March 2022 R'000
Revenue (including recoveries and other income)*	441 170	409 219
Less: Lease smoothing effect	(15 601)	(9 160)
Less: Expenses	(154 620)	(157 790)
Less:: Net interest	(103 925)	(94 103)
Interest income	3 488	4 161
Interest expense	(107 413)	(98 264)
Distributable earnings	167 024	148 166
Less: Interim distribution paid	(85 083)	(64 457)
Interim distribution per share (cents)	33	25
Available for distribution at year-end	81 941	83 709
Number of shares	257 496 169	257 826 016
Final distributable income per share available (cents)	32	32
Percentage of distributable income distributed for the financial year	100%	100%
Final distribution per share declared (cents)	32	32

^{*} Excluding apartment sales.

When considering the guidance for the 2024 financial year, the Board acknowledges that the increased cost of debt, combined with the ongoing impact of load shedding, will have a negative effect on the distributable income. Additionally, it should be noted that the receipt of insurance claim funds in the 2023 financial year, pertaining to COVID-19 and the July 2021 riots, did contribute to an increase in distributable income for the 2023 financial year. Considering current forecasts and available information, we are confident that Safari will achieve a distribution per share ranging from 60 cents to 62 cents for the 2024 financial year, provided there is no further deterioration in the economic environment in which we operate. This forecast is the responsibility of the Safari Board and has not been reviewed or reported on by the auditor.

DIRECTORS' REMUNERATION

The Directors refer you to pages 56 to 60 where details of the Directors' remuneration can be found

The Group Company Secretary, Mr PWL van Niekerk, was appointed with effect from 14 November 2018.

Business address

The Corner Office, 410 Lynnwood Road Lynnwood, Pretoria 0081

RESOLUTIONS

The special resolution approving the Non-executive Directors' remuneration for the period 1 April 2022 to 31 March 2024 was approved at the Annual General Meeting held on 17 August 2022.

Special resolutions approving financial assistance in terms of Section 45 and Section 44 of the Companies Act: financial assistance and the general authority to repurchase shares were approved at the Annual General Meeting held on 17 August 2022.

AUDIT AND RISK COMMITTEE REPORT

All the members of the Committee are financially literate, and the Board will ensure that any future appointees are financially literate.

The members of the Audit and Risk Committee are Dr MT Matshoba-Ramuedzisi, the Lead Independent Non-executive Director who chairs this Committee, Dr PA Pienaar and Mr MH Muller all of whom are Independent Non-executive Directors. The external auditor, CEO and CFO attend meetings by invitation.

THE COMMITTEE'S REPORT ON AUDIT-RELATED MATTERS

The Committee is satisfied that the members thereof have the required knowledge and experience as set out in Section 94(5) of the Companies Act and Regulation 42 of the Companies Regulations, 2011.

The Committee has a responsibility to perform certain functions in accordance with Section 94(7) of the Companies Act. These functions entail nominating an independent auditor for the Group, determining the auditor's fees and terms of engagement, ensuring compliance with relevant legislation and provisions of the Companies Act with regard to the appointment of the auditor, and addressing any complaints related to the Group's accounting practices or annual financial statements.

In addition to these statutory functions, the Committee also plays a non-statutory role in assisting the Board in fulfilling its obligations. This involves reviewing the effectiveness of the Group's internal control systems, taking into account the findings of both the external and internal auditors. The Committee also reviews and recommends approval of the Group's annual financial statements, interim reports and other public financial communication of a financial nature. It addresses accounting issues, reviews audit recommendations and ensures that the Group adheres to applicable legislation and sound corporate governance principles. The members of this Committee are appointed every year at the Annual General Meeting.

Responsibilities of the Committee include:

- adopting and implementing an appropriate Financial Risk Management Policy that aligns with industry standards;
- reporting in the Integrated Annual Report that it has monitored compliance with the Risk Management Policy and that the Group has complied with the policy during the year in question in all material aspects;
- reporting to the JSE in the annual compliance declaration (as described in paragraph 13.49(d) of the JSE Listings Requirements), that it has monitored compliance with the policy and that the Group has, in all material respects, complied with the policy during the year in question; and
- at the time of listing, confirming to the JSE and disclosing in the prelisting statement that it
 has adopted the policy referred to in paragraph 13.46(h)(i) of the JSE Listings Requirements.

INTERNAL AUDITOR

Safari appointed an internal auditor as per the recommendation by the Audit and Risk Committee and in line with the King IV Report on Corporate Governance for South Africa, 2016^{TM} ("King IVTM"). The Committee satisfied itself through enquiry that the internal auditor is independent as defined by the Companies Act and as per the standards stipulated by the auditing profession.

The Committee, in consultation with executive management, agreed to the terms of the engagement. The fee for the internal audit has been considered and was approved by the Board. The Committee satisfied itself of the scope and quality of work performed by the internal auditor.

During the financial year, the Committee conducted four meetings with 100% attendance by the members (refer to the table below).

Members	15 Jun 2022	8 Sep 2022	11 Nov 2022	1 Mar 2023
Dr MT Matshoba-Ramuedzisi	1	√	√	√
MH Muller	J	√	√	√
Dr PA Pienaar	J	√	√	√
Attendance	100%	100%	100%	100%

√ Attended

EXTERNAL AUDITOR

The Committee ensured that the external auditor met the independence requirements set forth in the Companies Act and auditing profession standards. Additionally, the Committee reviewed the external auditor's performance and confirmed that the audit partner and firm complied with the suitability requirements of the JSE as detailed in paragraph 22.15(h) of the JSE Listings Requirements.

In collaboration with executive management, the Committee agreed to the terms of the engagement and approved the audit fee, taking into account the timing, extent and scope of the audit. For non-audit services, the Committee satisfied itself that the partner and team are independent in relation to that of the external audit. For such services, a separate engagement letter pertaining to the scope of work and fee is submitted and duly considered by the Committee and recommended to the Board for approval.

After reviewing the auditor's written reports and addressing key audit matters, the Committee confirmed that all significant issues had been satisfactorily resolved. The Committee is pleased to report that the 2023 audit was completed without any restrictions on its scope.

AUDIT AND RISK COMMITTEE REPORT continued

The Committee approved the appointment of BDO South Africa Incorporated as the external auditor for the 2023 financial year, along with Mr Paul Badrick as the designated lead auditor. This marks the fourth year of the firm's tenure as auditor for the Group and Company. The appointment was made with consideration of factors such as annual fee, independence, promotion of transformation with regard to race and gender, experience, track record of auditing REITs and availability of a Pretoria-based audit team.

ANNUAL FINANCIAL STATEMENTS AND REPORTS

Following the review of:

- the unaudited interim financial statements as at 30 September 2022;
 and
- the annual financial statements as at 31 March 2023,

the Audit and Risk Committee recommended Board approval of the annual financial statements listed above.

Accounting practices and internal control

The Audit and Risk Committee maintains a close watch on the Group's internal control systems and corporate governance. It ensures that the Group adheres to the Companies Act, the JSE Listings Requirements and King IV™. The Committee confirms that the appropriate financial reporting procedures are in place and operational for all the entities included in the consolidated IFRS financial statements. The Committee has access to all financial information necessary to enable Safari to prepare and report on the financial statements efficiently. During the year under review, there were no significant changes in accounting practices or internal control measures that required the attention of the Audit and Risk Committee.

Chief Financial Officer

The Committee reviewed the expertise, experience and performance of Safari's

CFO, Mr WL Venter, and was satisfied therewith. In addition, the Committee reviewed and reported on the expertise, resources and experience of the Group's finance functions.

JSE proactive monitoring process

The Audit and Risk Committee considers all the correspondence received from the JSE in terms of the proactive monitoring process and has taken the necessary action where applicable.

THE COMMITTEE'S REPORT ON RISK-RELATED MATTERS

The Audit and Risk Committee is responsible for identifying, reviewing and monitoring financial risks, as well as ensuring that executives and senior management assess all significant risks facing the organisation. To this end, Dr PA Pienaar has been appointed Chief Risk Officer to ensure that mitigating controls and implementation measures are followed. Safari's approach ensures that changes in risks and their impacts are identified and managed appropriately.

The Board has ultimate responsibility for risk governance throughout the Group and oversees the management and reporting of risks. For more information, please refer to the risk management section on pages 24 to 26.

The Audit and Risk and Investment Committees' reports to the Board to confirm that all potential and emerging risks have been identified and recorded and that appropriate measures have been taken to mitigate risks to acceptable levels.

Safari's Board recognises that risk management is integral to the Group's strategy for protecting and enhancing the value of the business and directing business growth. The Company is committed to continuously improving its risk strategy and management processes to ensure the business remains resilient to risks. Risk management provides a process and structure for managing and mitigating the potential consequences of identified risks.

THE AUDIT AND RISK COMMITTEE DIITIES IN 2022/23

The duties of the Committee include, but are not limited to:

- overseeing integrated reporting and signing off the Integrated Annual Report;
- reviewing the expertise, resources and experience of Safari's financial function to ensure that it is adequately equipped to perform its duties effectively;
- monitoring the effectiveness of Safari's internal controls and risk management systems to ensure that they are robust and appropriate for the Group's operations:
- reviewing and ensuring that appropriate arrangements are in place for employees to report concerns about possible wrongdoing in financial reporting or other matters, and that independent investigation and follow-up action can be taken;
- monitoring the integrity of Safari's financial statements, including the Integrated Annual Report and interim reports, and formal announcements relating to its financial performance, to ensure that they are accurate and complete;
- reviewing and reporting on risk-related matters, overseeing the development and review of a policy and plan for risk management and ensuring that risks are identified, assessed and managed appropriately;
- considering the appointment, reappointment and removal of Safari's external auditor and overseeing the relationship with the auditor to ensure that it remains independent and effective; and
- assessing annually whether the Group requires an internal audit function to provide independent assurance on the effectiveness of Safari's internal controls and risk management systems.

On behalf of the Audit and Risk Committee

Dr MT Matshoba-Ramuedzisi

Chairperson: Audit and Risk Committee

Pretoria 29 June 2023

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Safari Investments RSA Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

OPINION

We have audited the consolidated and separate financial statements of Safari Investments RSA Limited (the group and company) set out on pages 88 to 137, which comprise the consolidated and separate statements of financial position as at 31 March 2023, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the

consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Safari Investments RSA Limited as at 31 March 2023, 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 and the requirements of the Companies Act of South Africa.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's

Responsibilities for the Audit of Consolidated and Separate Financial Statements section of our report. We are independent of the group and company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

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

Key audit matter

Investment Property (consolidated and separate financial statements)

The valuations of investment property performed by an external independent valuator, are based mainly on discounted cash flow models.

Significant judgements and estimates are required in determining discount and capitalisation rates.

Note 4 (Investment property) to the consolidated and separate financial statements sets out the most significant inputs and assumptions into the valuations.

The valuation of investment property is considered a matter of most significance to our current year audit of the consolidated and separate financial statements, due to the significant judgements and estimates associated with determining fair values of the properties, the sensitivity of the valuations to changes in assumptions and the magnitude of the balances.

How our audit addressed the key audit matter

We performed the following procedures, amongst others:

- assessed the design and tested the implementation of the relevant controls over the valuation process;
 evaluated the capabilities, competency, and objectivity of the external independent
- valuator. This included confirming professional qualifications and registrations and making an assessment of the independence and appropriateness of the valuator used;

 through discussions with the external independent valuator, obtained an understanding
- through discussions with the external independent valuator, obtained an understanding
 of the external valuator's work performed, which included the valuation methodology
 adopted, the significant assumptions used, and critical judgement areas applied, such
 as discount and capitalisation rates;
- making use of our internal valuation expertise, and assessing market information obtained from external valuation experts, we assessed whether the valuation methodology was appropriate, we compared the significant assumptions and judgements used by the external independent valuator to historical inputs and market data, where available, to assess its reasonability, and we investigated unexpected movements. Based on our work performed, we noted no aspects in this regard which required further consideration:
- for all properties, we verified the mathematical accuracy of the models applied, evaluated
 the reasonability of the inputs, assessed the reasonability of management's forecast
 by agreeing a selection of lease agreements and expense contracts, and assessed
 reasonableness of the growth rates used against market related data; and
- evaluated the adequacy of the disclosure in the consolidated and separate financial statements, including the disclosure of the significant inputs and sensitivities, against the requirements of International Financial Reporting Standards.



INDEPENDENT AUDITOR'S REPORT continued

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OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the document titled "Safari Investments RSA Limited Integrated Annual Report for the year ended 31 March 2023", which includes the Directors' Report, the Audit and Risk Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

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

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

Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/ or the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that BDO South Africa Incorporated has been the auditor of Safari Investments RSA Limited for four years.

BDO South Africa Incorporated

Registered Auditors

Paul Badrick

Director Registered Auditor

29 June 2023

Wanderers Office Park 52 Corlett Drive Illovo, 2196

STATEMENT OF FINANCIAL POSITION

as at 31 March 2023

		GRO	OUP CO		OMPANY	
	Note	2023 R'000	2022 R'000	2023 R'000	2022 R'000	
ASSETS						
Non-current assets						
Property, plant and equipment	3	603	738	512	623	
Right-of-use assets	7	3 997	4 976	3 997	4 976	
Investment property	4	3 429 996	3 212 687	3 189 856	2 967 143	
Fair value of investment property		3 535 800	3 307 763	3 286 800	3 052 900	
Straight-lining lease asset		(105 804)	(95 076)	(96 944)	(85 757)	
Loans to shareholders	5	_	40 436	_	40 436	
Loans to Group companies	6	_	_	293 956	347 285	
Investments in subsidiaries	10	_	_	9 959	9 959	
Investment in joint ventures	12	1 500	1 500	1 500	1 500	
Derivatives	16	1 017	_	1 017	-	
Straight-lining lease asset	8	105 507	94 435	96 647	85 116	
Deferred tax asset	9	13 857	22 284	70 047	03 110	
Deletted tax asset	/	3 556 477	3 377 056	3 597 444	3 457 038	
Current assets		3 330 477	3 377 030	3 377 444	3 437 030	
Inventories	11	29 869	60 026	_	_	
Loans to shareholders	5	2,007	7 059	_	7 059	
Trade and other receivables	13	23 126	18 740	22 184	18 000	
Derivatives	16	1 615	10 /40	1 615	10 000	
Straight-lining lease asset	8	297	641	297	641	
Cash and cash equivalents	14	10 914	7 131	9 965	5 780	
Casii and Casii equivalents	14	65 821	93 597	34 061	31 480	
Investment property held for sale	17	184 900	175 900	184 900	175 900	
Total assets		3 807 198	3 646 553	3 816 405	3 664 418	
EQUITY AND LIABILITIES						
Equity and reserves						
Stated capital	15	1 604 616	1 606 452	1 604 616	1 606 452	
Retained income		822 885	667 560	835 140	686 639	
Share-based payment reserve	20	1 568	465	1 568	465	
Total equity and reserves		2 429 069	2 274 477	2 441 324	2 293 556	
Liabilities						
Non-current liabilities						
Interest-bearing borrowings	18	954 604	1 248 844	954 604	1 248 844	
Deferred tax liability	9	27 106	20 095	27 106	20 095	
Derivatives	16	-	10 735	-	10 735	
Lease liabilities	7	4 531	5 525	4 531	5 525	
Current liabilities		986 241	1 285 199	986 241	1 285 199	
Interest-bearing borrowings	18	358 926	52 655	358 926	52 655	
Trade and other payables	21	31 968	30 074	28 920	28 860	
Derivatives	16	31 700	3 341	20 /20	3 341	
Lease liabilities	7	994	807	994	807	
Lease natinues	7	391 888	86 877	388 840	85 663	
Total liabilities		1 378 129	1 372 076	1 375 081	1 370 862	
Total equity and liabilities		3 807 198	3 646 553	3 816 405	3 664 418	

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 March 2023

	_	GROU	P	СОМРА	NY
	Note	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Revenue	22	456 899	416 068	383 311	347 320
Property revenue		392 562	365 478	367 251	338 041
Straight-line lease adjustment		15 601	9 160	16 060	9 279
Revenue from sale of inventory		36 736	41 430	_	_
Revenue from sale of land		12 000	-	_	_
Other income	23	33 007	34 581	32 635	34 417
Cost of inventory sold	11	(39 524)	(45 204)	_	_
Cost of land sold		(13 026)	-	_	_
Impairment reversal/(impairment) of inventory	11	111	(2 511)	_	_
Operating expenses		(154 620)	(157 790)	(142 507)	(399 207)
Operating profit	25	282 847	245 144	273 439	(17 470)
Investment income	26	3 488	4 161	3 321	4 095
Fair value adjustments	24	144 677	88 038	139 000	104 314
Finance costs	27	(107 413)	(98 264)	(107 413)	(98 264)
Fair value profit on hedging instruments	28	15 481	23 902	15 481	23 902
Profit before taxation		339 080	262 981	323 828	16 577
Taxation	29	(16 168)	(9 246)	(7 740)	(11 492)
Profit for the year		322 912	253 735	316 088	5 085
Other comprehensive income		-	-	_	_
Total comprehensive income for the year		322 912	253 735	316 088	5 085
Basic earnings per share (cents)	34	125,40	98,41		
Diluted earnings per share (cents)	34	125,22	98,37		

Note

for the year ended 31 March 2023

		GROUP				
	Stated capital R'000	Share-based payment reserve R'000	Retained income R'000	Total equity R'000		
Balance as at 1 April 2021	1 606 452	-	542 738	2 149 190		
Profit for the year	-	-	253 735	253 735		
Other comprehensive income	_	_	-	-		
Total comprehensive income for the year	-	_	253 735	253 735		
Share-based payment expense	-	465	_	465		
REIT distribution paid	-	-	(128 913)	(128 913)		
Balance as at 1 April 2022	1 606 452	465	667 560	2 274 477		
Profit for the year	-	_	322 912	322 912		
Other comprehensive income	_	_	-	_		
Total comprehensive income for the year	-	_	322 912	322 912		
Share buy-back	(1 836)	-	_	(1 836)		
Share-based payment expense	_	1 103	_	1 103		
REIT distribution paid	_	_	(167 587)	(167 587)		
Balance as at 31 March 2023	1 604 616	1 568	822 885	2 429 069		
Note	15	20				

	Stated capital R'000	Share-based payment reserve R'000	Retained income R'000	Total equity R'000
Balance as at 1 April 2021	1 606 452	_	810 467	2 416 919
Profit for the year	_	-	5 085	5 085
Other comprehensive income	_	-	_	-
Total comprehensive income for the year	-	-	5 085	5 085
Share-based payment expense	_	465	-	465
REIT distribution paid	_	-	(128 913)	(128 913)
Balance as at 1 April 2022	1 606 452	465	686 639	2 293 556
Profit for the year	_	_	316 088	316 088
Other comprehensive income	_	_	_	_
Total comprehensive income for the year	_	_	316 088	316 088
Share buy-back	(1 836)	_	_	(1 836)
Share-based payment expense	_	1 103	_	1 103
REIT distribution paid	_	_	(167 587)	(167 587)
Balance as at 31 March 2023	1 604 616	1 568	835 140	2 441 324

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COMPANY

STATEMENT OF CASH FLOWS

or the year ended 31 March 2023

		GRO)UP	COMPANY	
	Note	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Cash flows from operating activities					
Cash generated from operations	30	297 161	279 917	255 594	222 466
Investment income received		3 488	4 171	3 321	4 109
Finance costs paid		(104 369)	(99 989)	(104 369)	(99 989)
REIT distribution paid		(167 587)	(128 913)	(167 587)	(128 913)
Tax paid	32	(729)	(759)	(729)	(759)
Net cash from/(used in) operating activities		27 964	54 427	(13 770)	(3 086)
Cash flows from investing activities					
Purchase of property, plant and equipment	3	(145)	(122)	(145)	(122)
Development of investment property	4	(88 215)	(32 702)	(87 154)	(32 308)
Investment in joint venture	12	-	(1 500)	_	(1 500)
Proceeds from disposal of investment property	4	12 000	_	_	_
Proceeds from shareholders' loan		47 495	1 833	47 495	1 833
Proceeds from loans to Group company		-	_	53 075	57 900
Net cash from/(used in) investing activities		(28 865)	(32 491)	13 271	25 803
Cash flows from financing activities					
Share buy-back	15	(1 836)	_	(1 836)	_
Proceeds from interest-bearing borrowings	18	492 650	351 308	492 650	351 308
Repayment of interest-bearing borrowings	18	(485 323)	(370 554)	(485 323)	(370 554)
Payment of lease liabilities		(807)	(644)	(807)	(644)
Net cash from/(used in) financing activities		4 684	(19 890)	4 684	(19 890)
Total cash movement for the year		3 783	2 046	4 185	2 827
Cash at the beginning of the year		7 131	5 085	5 780	2 953
Total cash and cash equivalents at the end of the year	14	10 914	7 131	9 965	5 780

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2023

ACCOUNTING POLICIES

Presentation of financial statements

The consolidated and separate financial statements, comprising Safari Investments RSA Limited (referred to as "the Company") and its subsidiaries (altogether referred to as "the Group" or "consolidated"), incorporate the following principal accounting policies set out below. In these accounting policies, "the Group" refers to both the Group and Company.

The principal accounting policies, set out below, have been applied consistently for all periods presented in the financial statements and have been consistently applied by the Group. Refer to note 2 for information on new or revised standards or interpretations adopted during the year.

The consolidated and separate financial statements have been consistently prepared in accordance with IFRS and its interpretations adopted by the Independent Accounting Standards Board, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the requirements of the Companies Act and the JSE Listings Requirements.

The consolidated and separate financial statements have been prepared on the historical cost convention, except for investment property and derivatives measured at fair value, and incorporate the principal accounting policies set out below. They are presented in South African Rand, which is also the functional currency of the Company, and are rounded to the nearest R'000.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Consolidation

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary known as the Group as at 31 March 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its

involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee):
- exposure, or rights, to variable returns from its involvement with the investee;
- the ability to use its power over the investee to affect its returns.

The accounting policies of the subsidiaries are consistent with those of the holding company. Where necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies in line with those of the Group. The results of the subsidiary are included in the consolidated annual financial statements from the effective date that control was acquired to the effective date that control is disposed of or lost.

All intra-group transactions, assets and liabilities, income and expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

1.2 Significant judgements and sources of estimation uncertainty

In preparing the financial statements, the Group is required to make estimates and assumptions that affect the amounts represented in the consolidated annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may have an impact on the consolidated annual financial statements.

Expected credit loss

The Group applies the IFRS 9 general approach to trade receivables and measures the loss allowance at an amount equal to a 12-month expected credit loss i.e. default events that are possible within 12 months if there has not been any significant increase in credit risk since initial recognition.

This is determined upon a weighting that takes into account the probability of default, wherein the variance between the contractual cash flows due to the Group and the projected amount receivable by the Group is discounted at the effective interest rate. Default does not occur later than when a financial asset is 30 days past due.

When estimating expected credit losses, management takes into account information that is reasonably accessible, including details regarding current circumstances that are supported by predictions of future occurrences and economic conditions. The extent of judgement and discretion exercised by management in estimating loss allowances is contingent upon the availability of comprehensive and detailed information.

Inherently, the Group's assessment of expected credit loss allowances utilises forward-looking scenarios of all individual debtors that are past due taking into account the following factors:

- Multinational, national or local tenants;
- Tenants' occupancy at the property both historically and in the future;
- Whether the tenant is likely to pay their future rental considering the market they operate within;
- Deposits and bank guarantees being held as collateral for arrear rental;
- Individual circumstances that may have arisen due to occupancy i.e. maintenance; and
- Rental relief provided.

Expected credit losses are updated at each reporting date utilising a three-stage model to evaluate for impairment based on changes in credit quality and risk since initial recognition.

Stage 1 – Financial assets that have a low credit risk at the reporting date; 12-month expected credit losses are recognised.

Stage 2 – Assess if there has been a significant increase in credit risk and quality of the financial asset since initial recognition but does not show objective evidence of impairment; lifetime expected credit losses are recognised.

Stage 3 – If there is objective evidence of impairment at the reporting date, lifetime expected credit losses are recognised.

Significant increases in credit risk and quality for trade receivables relate to tenants that remain further in default in respect to days past due at the reporting date. Refer to note 13.

In estimating loss allowances for loans to Group companies, the general approach to expected credit loss is applied, adjusted for the specific terms of the loan. Judgement is exercised by considering both current trends and future possibilities in order to determine the best strategy for recoverability of the loan. At each reporting date, the above-mentioned three-stage model is used to assess impairment of the Group company loan.

Recognition of loans to shareholders as a financial asset

IAS 32.11 defines a financial asset as cash, or a contractual right to receive cash or other financial assets from another entity. Loans to shareholders related to the vendor loan with WDB Investment Holdings Limited which was settled in full during the current financial year.

Judgement was applied in concluding that these loans met the definition of a financial asset. Although the loan was partially repaid using dividends earned from Safari shares, its repayment was not dependent solely on Safari shares. On this basis, the Group concluded that the loan should be recognised as a financial asset.

Deferred tax

Deferred tax is provided for on the fair value adjustments of investment properties based on the expected manner of recovery, i.e. sale or use. This manner of recovery affects the rate used to determine the deferred tax liability. Refer to note 9.

The Group was listed as a REIT on the JSE on 7 April 2014 and the manner of the realisation of deferred tax has been taken into account accordingly.

Safari Investments RSA Limited as a REIT does not have a formal distribution policy for the foreseeable future. As such, assumptions cannot be made that the distributions made to the shareholders of the Group will exceed the taxable income of the Group. Therefore, deferred tax has been provided on the following in accordance with IAS 12 *Income Taxes*:

- Income received in advance; and
- Capital allowances previously deducted before listing as a REIT on the JSE and therefore a future recoupment for tax purposes on the sale of investment properties.

After converting to a REIT, capital gains taxation is no longer applicable on the sale of investment property in terms of Section 25BB of the Income Tax Act. The deferred tax rate applied to investment property at the sale rate will therefore be 0%.

Consequently, no deferred tax was raised on the fair value adjustments on investment properties within South Africa.

The deferred tax asset for Namibia is a result of the downward fair valuation of the Platz am Meer property. Management's judgement is that the current economic climate together with certain property-specific matters, which are being addressed, resulted in the downward valuation and should be reversed once there is a turnaround. The valuation of the asset will be assessed at each reporting period.

IFRIC 23 Uncertainty over Income Tax Treatments

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. 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.

Sources of estimation uncertainty

Valuation of investment property

The fair value of the Group's revenuegenerating investment properties is determined through the use of the income approach, based on the discounted cash flow method, and remains consistent with the prior year external valuation. The discounted cash flow method takes into account the time value of money between the valuation date and the date when the income stream theoretically reverts to prevailing market levels.

It is assumed that, upon the expiration of the lease, the potential rental income from the property may rise if the current rent has fallen behind market rates, or return to market rates if the rent is currently higher than the market average.

Assumptions are made on expiry of leases for some vacancy. During this void revenue period, the property may be relet and fitted out for the new tenant.

Properties are valued by discounting the expected future net income for a specific period at an appropriate discount rate (or total rate of return) to give the present value of the expected net income cash flow. To this figure, an applicable final discounted residual or reversionary value is added, calculated using an appropriate terminal capitalisation rate.

The net income of each property is quantified by aggregating the subjected property's gross income, vacancies and lease obligations from which all normalised operating expenditure is deducted.

for the year ended 31 March 2023

1. SIGNIFICANT ACCOUNTING

POLICIES continued

Sources of estimation uncertainty continued

Operating lease straight-lining

Included in the lease smoothing calculations are lease agreements with escalation terms linked to the Consumer Price Index ("CPI"). The escalation terms state that the annual escalation will be equal to the CPI percentage, but limited to 7% per annum, hence judgement was applied in establishing the future escalation percentages which are currently based on the CPI.

Inventory

A percentage of Erf 71 Swakopmund and the development thereon is recognised as inventory. The reason for the classification as inventory is that the development on this part of the property will be sold as residential units

The net realisable value of inventory is subject to estimation uncertainty and has been valued by an independent external valuer, who has considered all aspects of the inventory, including:

- the current economy;
- nature of the property;
- location:
- risk profile; and
- cost to sell inventory.

The inventory has been valued using the "direct comparable method" and recognised at the lower of cost and net realisable value in terms of IAS 2 Inventories.

1.3 Fair value measurement of investment property

The valuation of the property has been carried out by an external valuer who has considered all aspects of all the properties, including:

- the current economy;
- nature of the property:
- location:
- tenancy;

- risk profile:
- forward rent and earning capability;
- exposure to future expenses and property risk;
- tenancy income capability; and
- property expenditure.

The value thus indicates the fair market values for the properties. The Group accordingly applied the fair value model. The calculation of the market values of the properties has been based on income capitalisation, making use of market rental rates and capitalisation rates.

The vacant land has been valued on the "direct comparable basis".

The discounted cash flow method, as the only method of valuation to establish the capitalised value, consistent with market norms and expectations, is used to value the Group's developed property.

The "highest and best use" has been considered when determining the market value of the existing buildings, those in the "process of development" as well as the "vacant land".

The considerations for the capitalised valuations are as follows:

 Calculating the forward cash flow of all contractual and other income from the property; Calculating the forward contractual and other expenditure as well as provisions for various expenses in order to provide for future capital expenditure to which the property may be exposed; and

 The current area vacancy as a percentage of the leasable area.

The valuer has also deducted, as a percentage of the net annual income, a provision for rental that may not be collected as a consequence of vacancy, tenant failure or tenant refitting.

1.4 Property, plant and equipment

All components of property, plant and equipment are initially measured at historical cost and subsequently stated at historical cost less accumulated depreciation and any accumulated impairment. Historical cost includes all expenditure that is directly attributable to the acquisition of property, plant and equipment from the date it is available for use.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Group.

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

Items of property, plant and equipment	Depreciation method	Average useful life
Furniture and fixtures	Straight-line	6 years
Information technology ("IT") equipment	Straight-line	3 years

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.5 Financial instruments

Classification

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. The Group classifies financial assets and financial liabilities into one of the following categories, depending on the purpose for which the financial instrument was acquired:

- Financial assets at amortised cost

 trade and other receivables, loans
 to shareholders and loans to

 Group companies;
- Financial liabilities at amortised cost

 trade and other payables, cash and
 cash equivalents and interest-bearing
 borrowings; and
- Financial liabilities at fair value through profit or loss – derivative financial instruments i.e. interest rate swaps.

Initial recognition and measurement

Financial assets and financial liabilities are initially measured at fair value through profit or loss or at amortised cost depending on the Group's business model for managing the assets or liabilities, and the contractual terms of the cash flows.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Subsequent measurement

Financial assets and financial liabilities at amortised cost are subsequently carried at amortised cost using the effective interest rate method. This method exactly discounts estimated future cash receipts or payments to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Gains or losses arising from derecognition, reclassification, impairment or in the case of a financial asset, the amortisation process, will be recognised in profit or loss.

When the contractual cash flows of a financial asset are renegotiated or modified, the entity will recalculate the present value using the financial asset's original effective interest rate. The modification gain or loss is recognised in profit or loss.

All financial assets and financial liabilities at fair value through profit or loss are carried at fair value subsequent to initial recognition. Fair value gains or losses (realised and unrealised) calculated on the subsequent measurement are recognised in profit or loss.

Financial assets and liabilities are not reclassified unless the Group amends its business model for managing these financial assets and liabilities.

Derecognition

The Group shall derecognise a financial asset only when the contractual rights to the cash flows expire or it transfers the financial asset and that transfer qualifies for derecognition.

The Group shall derecognise a financial liability only when it is extinguished i.e. when the obligation specified in the contract is discharged or cancels or expires.

An exchange of debt instruments with substantially different terms between an existing borrower and lender of debt, or a substantial modification to the terms of an existing financial liability, shall be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of a financial liability extinguished or transferred and the amount paid will be recognised in profit or loss.

Impairment of financial assets

The Group evaluates both current and non-current financial assets for loss allowances, whereby the financial asset is measured at amortised cost and subject to expected credit losses, This relates to loans to shareholders and Group companies and trade and other receivables.

Safari has adopted the general approach to calculate expected credit loss allowances. This approach involves estimating the loss allowance over a period of 12 months, taking into account the probability weighted estimate of occurrence, provided there has been no significant increase in risk since the financial asset was initially recognised. Significant increases in credit risk and quality for trade receivables relate to tenants that remain further in default in respect to days past due at the reporting date and the decrease in recoverability of expected future cash flows realised from the net property income in respect to the Group company loan.

If there has been a significant increase in credit risk since initial recognition of the financial instrument, the Group recognises a lifetime expected credit loss. Expected credit losses under the "general approach" for each forward-looking scenario of the Group can be developed using the equation: probability of default multiplied by the loss of the given default multiplied by the exposure at the date of default.

for the year ended 31 March 2023

1. SIGNIFICANT ACCOUNTING POLICIES continued

1.5 Financial instruments continued Impairment of financial assets continued

Subsequent recoveries of amounts previously written off are credited against operating expenses. The Group's write-off policy for trade and other receivables takes into consideration the tenant's ability to engage with the Group on a repayment proposal and the tenant adhering to this repayment proposal. Any amount owing will only be written off directly against trade receivables once the Group is satisfied that there is no possibility of recovery.

When evaluating the potential recovery of loans to Group companies, a lifetime loss allowance is provided for, when the credit risk is deemed to have significantly increased. If it is determined that a part of the outstanding balance of the loan is in default and there is no chance of recovery, this amount will be directly deducted or written off against the carrying amount of the loan.

Loans to Group companies

These include loans to subsidiaries which are measured at amortised cost subject to an expected credit loss assessment. Refer to note 6.

Loans to shareholders

These financial assets are measured at amortised cost and relate to the shareholder loan to WDB Investment Holdings Limited. Refer to note 5.

Trade and other receivables

Trade receivables are considered financial assets which are recognised at amortised cost. Trade receivables are amounts due from customers mainly relating to rental income and tenant recoveries. They are generally due for settlement within 30 days and therefore are all classified as current.

Other receivables are subsequently measured at amortised cost and mainly comprise deposits paid and prepayments.

The Group assesses for the impairment of trade receivables on a collective and individual basis. Tenants that possess shared credit risk characteristics have been grouped based on the days past due.

Trade and other payables

Trade payables initially measured at fair value are subsequently measured at amortised cost using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits.

Borrowings

Borrowings are classified as financial liabilities at amortised cost. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

Effective interest rate

The effective interest rate method is a method of calculating the amortised cost of a financial instrument and of allocating the interest on the instrument over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the instrument.

Derivative financial instruments

As part of the Group's risk management strategies, derivatives have been utilised to hedge against interest rate risks arising from its financing arrangements. Even though the derivatives meet the hedge accounting criteria, the Group has elected not to apply hedge accounting and therefore derivatives are classified and accounted for at fair value through profit or loss. They are presented as non-current assets or liabilities to the extent they are expected to be settled 12 months after the end of the reporting period.

The derivative financial instruments held relate to interest rate swaps measured at fair value at the reporting date. This is calculated using the net present value the Group would pay or receive from the swap counterparty based on current interest rates.

1.6 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 assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on:

 investments in subsidiaries and joint arrangements where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the forespeable future

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

In respect of deferred tax assets arising from Namibian investment property measured at fair value, the presumption that recovery will be through sale rather than use has been rebutted.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply

when the deferred tax liabilities/(assets) are settled/(recovered).

IFRIC 23 Uncertainty over Income Tax Treatments

When there is uncertainty concerning the Group's filing position regarding the tax bases of assets or liabilities, the taxability of certain transactions or other tax-related assumptions, the Group then:

- considers whether uncertain tax treatments should be considered separately, or together as a Group, based on which approach provides better predictions of the resolution;
- determines if it is probable that the tax authorities will accept the uncertain tax treatment; and
- if it is not probable that the uncertain tax treatment will be accepted, measures the tax uncertainty based on the most likely amount or expected value, depending on whichever method better predicts the resolution of the uncertainty. The required measurement is based on the assumption that each of the tax authorities will examine amounts they have a right to examine and have full knowledge of all related information when making those examinations.

Tax expenses

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

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

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

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

1.7 Leases

All leases with tenants are classified as operating leases.

Operating leases - lessor

Operating lease income is recognised as income on a straight-line basis over the lease term.

The accrued operating lease income straight-lining adjustment is recognised as an asset in the statement of financial position. The current portion of the operating lease asset is the portion of the accrued operating lease income straight-lining adjustment that will reverse in the next financial year.

Income from leases is disclosed within revenue in profit or loss.

Contingent rentals

Where applicable turnover rent is negotiated with tenants on an individual basis, turnover rent is recognised when it is due in terms of the lease agreement.

Leases – Group as lessee

Lease liability

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

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
- Lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and
- Penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

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

The lease liability is presented as a separate line item in the Group and Company statement of financial position.

The Group would remeasure the lease liability (and makes a corresponding adjustment to the related right-of-use asset), even though this is not applicable in the current financial year, 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; 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.

Right-of-use assets

Right-of-use assets are presented as a separate line item in the statement of financial position.

Right-of-use assets are measured at cost at the commencement date, which comprises the following:

- The initial amount of the corresponding lease liability;
- Any lease payments made at or before the commencement date;

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

for the year ended 31 March 2023

1. SIGNIFICANT ACCOUNTING

POLICIES continued

1.7 Leases continued

Right-of-use assets continued

- Any initial direct costs incurred; and
- Less any lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset.

Depreciation starts at the commencement date of a lease.

For right-of-use assets which are depreciated over their useful lives, if ownership does not transfer, the useful life is restricted to the lease term.

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

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

1.8 Inventories

Inventories are measured at the lower of cost and net realisable value. Cost includes all expenses directly attributable to the development of apartments in Namibia.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net

realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs.

The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories and recognised as an expense in the period in which the reversal occurs.

1.9 Impairment of assets

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

An impairment loss of assets carried at cost, less any accumulated depreciation or amortisation, is recognised immediately in profit or loss.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.10 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. Ordinary shares are classified as equity and those paid for and issued are recognised as stated capital.

The ordinary shares fully paid for but not yet issued are classified as equity within the statement of changes in equity.

1.11 Earnings per share

The Group presents basic and diluted earnings per share for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to the ordinary shareholders by the weighted average number of ordinary shares in issue during the period.

The calculation of headline earnings per share is based on the net profit attributable to equity holders of the Parent, after excluding all items of a non-trading nature, divided by the weighted average number of ordinary shares in issue during the year.

The presentation of headline earnings is not an IFRS requirement, but is required by the JSE and Circular 1 of 2021.

1.12 Revenue

The Group earns revenue from the leasing of investment property and recoveries of property expenses. Revenue from rental agreements is recognised in accordance with the accounting policy for operating leases

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for apartment sales and leasing services provided in the normal course of business, net of VAT.

The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

- Identify the contract(s) with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price:
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenue when (or as) the entity satisfies a performance obligation.

The contracts impacted by this standard are limited to the sale of inventory which is recognised at the point in time when the purchaser obtains control i.e. legal title of the inventory (apartments), which coincides with the point in time when cash is received. Financial assistance is not provided by the Group for the sale of apartments and is not considered to be a significant and recurring revenue stream for the Group.

The Group's revenue contracts relate to lease agreements held to earn rental income, covered under IFRS 16.

1.13 Other income

Interest is recognised, in profit or loss, using the effective interest rate method.

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.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

1.15 Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues or incur expenses for which discrete financial information is available and whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker. The segment's assets and liabilities comprise those operating assets and liabilities that are directly attributable to the segment or can be allocated to the segment on a reasonable basis.

The Group's operating segments are reported based on the location of every property within the Group.

The measurement policies the Group uses for segment reporting under IFRS 8 *Operating Segments* are the same as those used in the financial statements.

The Group has identified the following segments (shopping centres), which is consistent with the way in which the Group reports internally:

- Atlyn, Mnandi and Nkomo (Atteridgeville);
- Denlyn (Mamelodi);
- Thabong (Sebokeng);
- The Victorian (Heidelberg);
- Thornhill (Polokwane); and
- Platz am Meer (Namibia).

1.16 Related parties

The related parties of the Group consist of companies with common directorship, trusts with directors acting as trustees, close corporations with directors acting as members and a wholly owned subsidiary of these entities.

1.17 Investments in subsidiaries and joint ventures

Investment in subsidiaries relates to the shareholding of Safari Investments RSA Limited in Safari Investments Namibia Proprietary Limited and is carried at cost less accumulated impairment losses. Investments in joint ventures by the Group and Company, classified under IFRS 11, are accounted for using the equity method on the Group and Company statement of financial position.

On disposal of investments in subsidiaries and joint ventures, the difference between disposal proceeds and the carrying amounts of the investments is recognised in profit or loss. Refer to notes 10 and 12.

1.18 Share-based payment reserve

LTI Plan

The Group has established a long-term incentive share plan, which aims at aligning the strategies of its recipients i.e. Executive Directors and management with that of its shareholders. The Long-term Incentive Plan ("LTIP") is classified as an equity-settled share-based plan, which provides employees within the Group with equity instruments (Safari shares) as consideration for their services.

The quantum of Safari shares vesting over a three-year period is determined by reference to the conditions identified within the LTIP which are performance and retentive in nature.

A share-based payment reserve and a corresponding share-based payment expense are recognised at the grant date of the LTIP, at fair value, calculated using an options pricing model which is expensed on a straight-line basis over the measurement/vesting period.

At each reporting date, the Group assesses and estimates the impact of the number of shares expected to vest with cognisance given to the likelihood of achievement of performance conditions. The effect thereof is recognised as a change in profit or loss with a corresponding adjustment to equity.

LTIP shares accounted for, in line with the above, are included in the determination of the Group's diluted earnings per share and diluted earnings calculation.

1.19 Investment property held for sale

Non-current assets (and disposal groups) are classified as held for sale and measured at the lower of their carrying amount or fair value less costs to sell when the value of the asset will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition.

The Group is committed to the sale of the non-current asset, with the likelihood of the transaction expected to qualify for recognition as a completed sale within one year from the date of classification. In the event a sale is not concluded within one year, management will assess whether the non-current asset still meets the criteria to be held for sale. In its assessment, management will consider if the delay in sale is due to developments outside the entity's control and if management still considers the sale as highly probable and the asset continues to be available for immediate sale in its current condition.

A non-current asset is not depreciated while it is classified as held for sale. Interest and other expenses attributable to the liabilities of an asset classified as held for sale are recognised in profit or loss. Refer to note 17.

for the year ended 31 March 2023

2. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS

2.1 Standards and interpretations effective and adopted in the current year

IAS 16 Property, Plant and Equipment Amendments to IAS 16 – Proceeds before

Amendments to IAS 16 – Proceeds before Intended Use (Adopted for annual periods beginning on or after 1 January 2022)

The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related costs in profit or loss.

The impact of the adoption of this standard has been considered and is deemed immaterial to the results of the Group.

IFRS 7 Financial Instruments: Disclosures – Interest rate benchmark (IBOR) reforms

phase 2;
IFRS 9 Financial Instruments: Recognition

and Measurement – Interest rate benchmark reforms phase 2;

IFRS 16 Leases – Interest rate benchmark reforms phase 2 (Adopted for annual periods beginning on or after 1 January 2021.

The amendments to IFRS 7, IFRS 9 and IFRS 16 amend the requirements relating to changes in the basis for determining contractual cash flows of financial assets, financial liabilities and lease liabilities, hedge accounting and disclosures.

 Amendments to IFRS 7 require a company to make additional disclosures in its financial statements so that investors can better understand the effects of IBOR reform on that company.

- Amendments to IFRS 9 enable a company to apply a practical expedient to account for a change in the contractual cash flows that are required by IBOR reform by updating the effective interest rate to reflect any change arising from the reform. The amendments to IFRS 9 enable (and require) companies to continue hedge accounting in circumstances when changes to hedged items and hedging instruments arise as a result of changes required by the IBOR reform, by requiring companies to amend their hedging relationships to reflect the designation of an alternative benchmark rate as the hedged risk; or changing the description of the hedged item, including the designated portion, or of the hedging instrument.
- Amendments to IFRS 16 enable a company to apply a practical expedient to account for a lease modification required by the IBOR reform.

The impact of the adoption of these standards and amendments has been considered and is deemed immaterial to the results of the Group.

IAS 37 Provisions, Contingent Liabilities and Contingent Assets

Amendments to IAS 37 – Onerous Contracts – Cost of Fulfilling a Contract (Adopted for annual periods beginning on or after 1 January 2022)

The amendments to IAS 37 clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

The adoption of this standard has been considered and is deemed immaterial to the results of the Group.

Reference to the Conceptual Framework:

Amendments to IFRS 3 (Adopted for annual periods beginning on or after 1 January 2022)

The amendment makes reference to the Concentual Framework for Financial Reporting issued in 2018 rather than to the International Accounting Standards Committee's Framework for the Preparation and Presentation of Financial Statements. The amendment specifically points to the treatment of liabilities and contingent liabilities acquired as part of a business combination, and which are in the scope of IAS 37 Provisions, Continent Liabilities and Contingent Assets or IFRIC 21 Levies. It clarifies that the requirements of IAS 37 or IFRIC 21 should be applied to provisions, contingent liabilities or levies to determine if a present obligation exists at the acquisition date. The amendment further clarifies that contingent assets of the acquirees share not be recognised as part of the business combination.

The adoption of this standard has been considered and is deemed immaterial to the results of the Group.

Annual Improvement to IFRS Standards 2018 – 2020: Amendments to IFRS 9 (Adopted for annual periods beginning on or after 1 January 2022)

The amendment concerns fees in the "10 percent" test for derecognition of financial liabilities. Accordingly, in determining the relevant fees, only fees paid or received between the borrower and the lender are to be included.

The Group has assessed and adopted the above standards, interpretations and amendments during the current financial period. The impact assessment following the adoption of the amendments has resulted in no material effect or change to the Group's accounting policies, related disclosures or amounts recognised in the Group's current and prior year annual financial statements.

2.2 Standards and interpretations not yet effective

The Group has elected not to early adopt the following standards during the current financial year as well as amendments to standards and interpretations which have been issued by the International Accounting Standards Board ("IASB") and are effective in future reporting periods.

Lease liability in a sale and leaseback

The amendment requires that a sellerlessee 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 expected adoption date of the amendment is for years beginning on or after 1 January 2024. This amendment is not expected to have a material impact on the results of the Group.

Deferred tax related to assets and liabilities arising from a single transaction – Amendment to IAS 12

The amendment adds an additional requirement for transactions which will not give rise to the recognition of a deferred tax asset or liability on initial recognition. Previously, deferred tax would not be recognised on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting profit or loss. The additional requirement provides that the transaction, at the time of the transaction, must not give rise to equal taxable and deductible temporary differences.

The expected adoption date of the amendment is for years beginning on or after 1 January 2023. This amendment is not expected to have a material impact on the results of the Group.

Disclosure of accounting policies - Amendments to IAS 1 and IFRS Practice Statement 2

IAS 1 was amended to require that only material accounting policy information shall be disclosed in the financial statements. The amendment will not result in changes to measurement or recognition of financial statement items, but management will undergo a review of the accounting policies to ensure that only material accounting policy information is disclosed.

The effective date of the amendment is for years beginning on or after 1 January 2023. This amendment is not expected to have a material impact on the results of the Group.

Definition of accounting estimates – Amendments to IAS 8

The definition of accounting estimates was amended so that accounting estimates are now defined as "monetary amounts in financial statements that are subject to measurement uncertainty."

The expected adoption date of the amendment is for years beginning on or after 1 January 2023. This amendment is not expected to have a material impact on the results of the Group.

Classification of liabilities as current or non-current – Amendment to IAS 1

The amendment changes the requirements to classify a liability as current or non-current. If an entity has the right at the end of the reporting period to defer settlement of a liability for at least 12 months after the reporting period, then the liability is classified as non-current.

If this right is subject to conditions imposed on the entity, then the right only exists if, at the end of the reporting period, the entity has complied with those conditions.

In addition, the classification is not affected by the likelihood that the entity will exercise its right to defer settlement. Therefore, if the right exists, the liability is classified as non-current even if management intends or expects to settle the liability within 12 months of the reporting period. Additional disclosures would be required in such circumstances.

The expected date of the amendment is for years beginning on or after 1 January 2024. This amendment is not expected to have a material impact on the results of the Group.

The Group is currently evaluating the upcoming changes to the IASB standards, which have yet to take effect. It is anticipated that the impact of these new standards and amendments will be immaterial, and they are expected to be adopted in the next financial year.

SAFARI INVESTMENTS RSA LIMITED 2023 INTEGRATED ANNUAL REPORT

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

for the year ended 31 March 2023

3. PROPERTY, PLANT AND EQUIPMENT

		GROUP					
	2023				2022		
	Cost R'000	Accumulated depreciation R'000	Carrying value R'000	Cost R'000	Accumulated depreciation R'000	Carrying value R'000	
Furniture and fixtures	1 148	(593)	555	1 148	(421)	727	
IT equipment*	485	(437)	48	339	(328)	11	
Total	1 633	(1 030)	603	1 487	(749)	738	

^{*} At 31 March 2023, IT equipment of R182 072 has been depreciated in full but remains in use by the Group.

	COMPANY					
		2023			2022	
	Cost R'000	Accumulated depreciation R'000	Carrying value R'000	Cost R'000	Accumulated depreciation R'000	Carrying value R'000
Furniture and fixtures	1 002	(538)	464	1 002	(390)	612
IT equipment	485	(437)	48	339	(328)	11
Total	1 487	(975)	512	1 341	(718)	623

Reconciliation of property, plant and equipment

		GROUP				
	Opening carrying value R'000	Additions during the year R'000	Depreciation charge for the year R'000	Closing carrying value R'000		
2023						
Furniture and fixtures	727	_	(172)	555		
IT equipment	11	145	(108)	48		
Total	738	145	(280)	603		
2022						
Furniture and fixtures	819	75	(167)	727		
IT equipment	101	47	(137)	11		
Total	920	122	(304)	738		

3. PROPERTY, PLANT AND EQUIPMENT continued

Reconciliation of property, plant and equipment continued

		COMPANY					
	Opening carrying value R'000	Additions during the year R'000	Depreciation charge for the year R'000	Closing carrying value R'000			
2023							
Furniture and fixtures	612	_	(148)	464			
IT equipment	11	145	(108)	48			
Total	623	145	(256)	512			
2022							
Furniture and fixtures	679	75	(142)	612			
IT equipment	101	47	(137)	11			
Total	780	122	(279)	623			

4. FAIR VALUE OF INVESTMENT PROPERTY

GRO)UP	COMPANY		
2023 Carrying value R'000	2022 Carrying value R'000	2023 Carrying value R'000	2022 Carrying value R'000	
3 429 996	3 212 687	3 189 856	2 967 143	

Reconciliation of investment property

	GROUP							
	Opening carrying value R'000	Additions R'000	Disposals/ Classified as held for sale R'000	Fair value adjustments R'000	Closing carrying value R'000			
2023								
Investment property	3 212 687	88 215	(12 142)	141 236	3 429 996			
2022								
Investment property	3 245 810	32 703	(153 864)	88 038	3 212 687			

COMPAN				
	-	. 4	A	ħ.

	Opening carrying value R'000	Additions R'000	Classified as held for sale R'000	Fair value adjustments R'000	Closing carrying value R'000
2023 Investment property	2 967 143	87 154	_	135 559	3 189 856
2022 Investment property	2 984 385	32 308	(153 864)	104 314	2 967 143

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

for the year ended 31 March 2023

4. FAIR VALUE OF INVESTMENT PROPERTY continued

Reconciliation of investment property to the fair value of investment property

	GRO	DUP	COMPANY		
	2023 R'000	2022 R'000	2023 R'000	2022 R'000	
Investment property – closing carrying value	3 429 996	3 212 687	3 189 856	2 967 143	
Straight-line income accrual	105 804	95 076	96 944	85 757	
Fair value of investment property	3 535 800	3 307 763	3 286 800	3 052 900	

The fair values as disclosed per property are inclusive of the straight-lining lease asset. The straight-lining lease asset is presented separately as required by IAS 40 and the value of investment property is reduced to avoid double counting.

Details of property

	GROU	P
	2023 R'000	2022 R'000
Sebokeng – Thabong Shopping Centre		
Purchase price: Land	7 739	7 739
Purchase price: Buildings	1 637	1 637
Capital movement since purchase or valuation	415 759	415 618
Fair value adjustments	226 665	197 40
	651 800*	622 400
Mamelodi – Denlyn Shopping Centre		
Purchase price: Land	18 525	18 52
Purchase price: Buildings	173 985	173 98
Capital movement since purchase or valuation	292 760	275 896
Fair value adjustments	474 730	427 29
	960 000	895 700
Atteridgeville – Atlyn Shopping Centre		
Purchase price: Land	11 379	11 379
Purchase price: Buildings	194 735	194 73
Capital movement since purchase or valuation	140 901	140 36
Fair value adjustments	348 985	311 220
	696 000	657 700
Atteridgeville – Nkomo Village Shopping Centre		
Purchase price: Land	12 562	12 562
Capital movement since purchase or valuation	424 081	367 06
Fair value adjustments	55 357	28 97
	492 000	408 60
Polokwane – Thornhill Shopping Centre		
Purchase price: Land and buildings	172 660	172 66
Capital movement since purchase or valuation	7 393	7 84
Fair value adjustments	57 947	52 99
	238 000	233 50

^{*} Includes vacant land.

4. FAIR VALUE OF INVESTMENT PROPERTY continued

Details of property continued

	GRO	OUP
	2023 R'000	2022 R'000
Heidelberg – The Victorian Shopping Centre		
Acquisition through business combination	132 414	132 414
Additions to business combination	2 388	2 388
Capital movement since purchase or valuation	74 402	61 529
Fair value adjustments	5 796	6 569
	215 000	202 900
Lynnwood		
Purchase price: Land and buildings	40 795	40 795
Capital movement since purchase or valuation	839	658
Fair value adjustments	(7 634)	(9 353)
	34 000	32 100
Subsidiary property – Platz am Meer Waterfront Swakopmund, Namibia		
Purchase price: Land and buildings	16 000	16 000
Capital movement since purchase or valuation	658 742	669 823
Transferred to inventory	(174 684)	(174 684)
Fair value adjustments	(251 058)	(256 277)
	249 000*	254 862
Fair value of investment property	3 535 800	3 307 763

^{*} Includes vacant land.

Non-current assets classified as held for sale (refer to note 17)

	GROU	P
	2023 R'000	2022 R'000
Atteridgeville – Mnandi Shopping Centre		
Purchase price: Land	4 000	4 000
Capital movement since purchase or valuation	144 344	143 658
Fair value adjustments	17 656	9 342
	166 000	157 000
Soweto Day Hospital		
Purchase price: Development	1 300	1 300
Capital movement since purchase or valuation	26 291	26 291
Fair value adjustments	(8 691)	(8 691)
	18 900	18 900
Investment property held for sale	184 900	175 900

SAFARI INVESTMENTS RSA LIMITED

NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

for the year ended 31 March 2023

4. FAIR VALUE OF INVESTMENT PROPERTY continued

Direct operating costs (including repairs and maintenance), relating to the investment property that generated rental income during the period, of R110 326 773 (2022: R98 831 213) are included in profit or loss.

Certain investment property is held as security for mortgage bonds and the bank facilities. The value of encumbered property is as follows:

Thabong - Sebokeng Shopping Centre

- Sebokeng Unit 10 Extension 1 Township Registration Division I.Q., Gauteng Measuring: 9 643 (nine thousand six hundred and forty-three) square metres;
- Sebokeng Unit 10 Extension 1 Township Registration Division I.Q., Gauteng Measuring: 10 000 (ten thousand) square metres;
- Sebokeng Unit 10 Extension 1 Township, Registration Division I.Q., Gauteng Measuring: 5,1061 (five comma one zero six one) hectares; and
- Sebokeng Unit 10 Extension 1 Township, Registration Division I.Q., Gauteng Measuring 5 502 (five thousand five hundred and two) square metres.

 $\textbf{Initial valuation amount:} \ R497\ 600\ 000\ (four hundred and ninety-seven million\ six\ hundred\ thousand\ Rand)$

Mortgage bond amount: R1 000 000 000 (one billion Rand)

Atteridgeville - Nkomo Village Shopping Centre

- Atteridgeville Extension 5 Township Registration Division J.R., Gauteng Measuring: 6,9068 (six comma nine zero six eight) hectares; and
- Atteridgeville Extension 5 Township, Registration Division J.R., Gauteng Measuring: 8 401 (eight thousand four hundred and one) square metres.

Initial valuation amount: R304 000 000 (three hundred and four million Rand)

Mortgage bond amount: R610 000 000 (six hundred and ten million Rand)

Polokwane - Thornhill Shopping Centre

- Bendor Extension 87 Township, Registration Division L.S., Limpopo Measuring: 2,5474 (two comma five four seven four) hectares; and
- Bendor Extension 87 Township, Registration Division L.S., Limpopo Measuring: 8 272 (eight thousand two hundred and seventy-two) square metres.

Initial valuation amount: R174 000 000 (one hundred and seventy-four million Rand)

Mortgage bond amount: R348 000 000 (three hundred and forty-eight million Rand)

Atteridgeville - Atlyn Shopping Centre

 Atteridgeville Extension 25 Township Registration Division J.R., Gauteng Measuring: 6,4926 (six comma four nine two six) hectares.

Initial valuation amount: R527 200 000 (five hundred and twenty-seven million two hundred thousand Rand)

Mortgage bond amount: R1 055 000 000 (one billion fifty-five million Rand)

Atteridgeville – Mnandi Shopping Centre

 Atteridgeville Extension 45 Township Registration Division J.R., Gauteng Measuring: 2,6141 (two comma six one four one) hectares.

Initial valuation amount: R107 300 000 (one hundred and seven million three hundred thousand Rand)

Mortgage bond amount: R215 000 000 (two hundred and fifteen million Rand)

Heidelberg - Victorian Shopping Centre

 Heidelberg Extension 19 Township, Registration Division J.R., Gauteng Measuring: 3.4000 (three comma four zero zero zero) hectares.

Initial valuation amount: R166 200 000 (one hundred and sixty-six million two hundred thousand Rand)

Mortgage bond amount: R333 000 000 (three hundred and thirty-three million Rand)

4. FAIR VALUE OF INVESTMENT PROPERTY continued

Mamelodi - Denlyn Shopping Centre

- Mamelodi Extension 13 Township, Registration Division J.R., Gauteng Measuring: 7,5539 (seven comma five five three nine) hectares; and
- Mamelodi Township, Registration Division J.R., Gauteng
 Measuring: 4 849 (four thousand eight hundred and forty-nine) square metres.

Initial valuation amount: R788 000 000 (seven hundred and eighty-eight million Rand)

Mortgage bond amount: R1 576 000 000 (one billion five hundred and seventy-six million Rand)

Soweto Day Hospital

Protea Glen Extension 6 Township, Registration Division I.Q., Gauteng
 Measuring: 1 912 (one thousand nine hundred and twelve) square metres.

Initial valuation amount: R35 506 000 (thirty-five million five hundred and six thousand Rand)

Mortgage bond amount: R71 000 000 (seventy-one million Rand)

Details of valuation

The effective date of the revaluations was 31 March 2023. Revaluations were performed by independent valuer, Mr Peter Parfitt of Quadrant Properties Proprietary Limited who is a registered valuer in terms of Section 19 of the Property Valuers Profession Act 47 of 2000.

The valuation of investment property (except for the property valuations based on the direct comparable method as detailed below) totalling R3 666 900 000 (2022: R3 417 903 900) was based on the discounted cash flow method.

The valuation of investment property (Lynnwood and other vacant stands/remaining bulk), totalling R53 800 000 (2022: R65 758 500) was based on the direct comparable method, plus the development cost. This method was used as the aforementioned portions are not yet income earning (not yet generating cash flow). These assumptions are based on current market conditions. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Refer to note 1.2 – Significant judgements and sources of estimation uncertainty and note 1.3 – Fair value of investment property for the basis of valuations used.

IFRS 13 seeks to increase consistency and comparability in fair value measurements and related disclosures through a "fair value hierarchy". The hierarchy categorises the inputs used in valuation techniques into three levels. The hierarchy gives the highest priority to (unadjusted) guoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

These valuations are considered to be Level 3 on the fair value hierarchy as per IFRS 13. There have been no movements of inputs between fair value hierarchy levels nor have there been any changes in the methods of valuation as mentioned above.

The table below illustrates the sensitivity to key unobservable inputs in determining the valuation of investment property for those properties that were valued utilising the discounted cash flow method.

		GRO	UP	COMPANY			
		2023 R'000	2022 R'000	2023 R'000	2022 R'000		
•	0,50% Terminal capitalisation and discount rates* 0,50% Terminal capitalisation and discount rates*	(185 942) 206 932	(169 305) 188 977	(175 131) 195 038	(158 299) 176 736		
	1,00% Long-term vacancy provision# 1,00% Long-term vacancy provision#	(66 410) 66 410	(51 988) 22 826	(61 403) 61 403	(48 623) 20 639		

^{*} If the valuer increased both the terminal capitalisation and discount rates by 0,50%, the total valuation would decrease by R185 942 094 and R175 131 105 for the Group and Company, respectively. If the valuer decreased both the terminal capitalisation and discount rates by 0,50%, the total valuation would increase by R206 932 218 and R195 038 338 for the Group and Company, respectively.

f If the valuer increased the long-term vacancy provision by 1,00%, the total valuation would decrease by R66 410 295 and R61 402 457 for the Group and Company, respectively. If the valuer decreased the long-term vacancy provision by 1,00%, the total valuation would increase by R66 410 295 and R61 402 457 for the Group and Company, respectively.

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4. FAIR VALUE OF INVESTMENT PROPERTY continued

	Fair value as	Fair value as at 31 March* Discount rate (%)/price per m ^{2#}		Capitalisation rate (%)#				
	2023 R'000	2022 R'000	Valuation techniques	Unobservable inputs	2023	2022	2023	2022
Atteridgeville – Atlyn Shopping Centre	696 000	657 700	Discounted cash flow	Capitalisation rate	14,50%	13,00%	9,00%	8,50%
Mamelodi – Denlyn Shopping Centre	960 000	895 700	Discounted cash flow	Capitalisation rate	14,50%	13,00%	9,00%	8,50%
Sebokeng – Thabong Shopping Centre	650 000	620 504	Discounted cash flow	Capitalisation rate	14,00%	13,00%	8,50%	8,50%
Sebokeng – Thabong Shopping Centre, additional bulk	1 800	1 896	Direct comparable method	Direct comparable method Price per m ² R818/m ²		R862/m²	-	-
Heidelberg – Victorian Village Shopping Centre	215 000	202 900	Discounted cash flow	Capitalisation rate	14,75%	13,25%	9,25%	8,75%
Atteridgeville – Nkomo Village Shopping Centre	492 000	408 600	Discounted cash flow	Capitalisation rate	14,50%	13,25%	8,75%	8,75%
Atteridgeville – Mnandi Shopping Centre	166 000	157 000	Discounted cash flow	Capitalisation rate	15,25%	13,50%	9,75%	9,00%
Polokwane – Thornhill Shopping Centre	238 000	233 500	Discounted cash flow	Capitalisation rate	14,75%	13,25%	9,25%	8,75%
Swakopmund Namibia – Platz am Meer Shopping Centre	231 000	223 100	Discounted cash flow	Capitalisation rate	15,25%	13,50%	9,75%	9,00%
Swakopmund Namibia – Erf 14, Erf 15, Erf 16	18 000	19 620	Direct comparable method	Price per m ²	R3 578/m ²	R3 900/m ²	-	_
Swakopmund Namibia – Erf 68	_	12 142	Direct comparable method	Price per m²	_	R3 500/m²	-	_
Lynnwood	34 000	32 100	Direct comparable method	Price per m²	R3 238/m²	R3 057/m²	-	_
Soweto	18 900	18 900	Discounted cash flow	Capitalisation rate	17,25%	14,50%	11,75%	10,50%
	3 720 700	3 483 662						

^{*} Forward curves for net revenue and expenses depicted a rise in the growth of revenue as compared to that of expenses, leading to the realisation of fair value gains across the retail asset portfolio.

^{*} Higher discounted and capitalisation rates can be attributed to the prevailing economic climate characterised by a shrinking GDP, elevated levels of inflation and a surge in interest rates.

	Atlyn Shopping Centre Atteridgeville R'000	Denlyn Shopping Centre Mamelodi R'000	Thabong Shopping Centre Sebokeng R'000	Victorian Village Shopping Centre Heidelberg R'000	Erf 14, Erf 15, Erf 16, Erf 68, Platz am Meer Shopping Centre Swakopmund R'000	Nkomo Village Shopping Centre Atteridgeville R'000	Mnandi Shopping Centre Atteridgeville R'000	Thornhill Shopping Centre Polokwane R'000	Soweto R'000	Lynnwood R'000	Total R'000
Fair value adjustment opening balance	311 220	427 294	197 406	6 569	(256 275)	28 971	9 342	52 992	(8 691)	(9 353)	759 475
Fair value adjustment in 2023*	37 765	47 436	29 259	(773)	5 217	26 386	8 314	4 955	-	1 719	160 278
Fair value adjustment closing balance	348 985	474 730	226 665	5 796	(251 058)	55 357	17 656	57 947	(8 691)	(7 634)	919 753

^{*} Includes the adjustment of the straight-lining lease accrual amounting to R15 601 000 recognised in the current financial year.

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5. LOANS TO SHAREHOLDERS

	GRO	OUP	COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
DB Investment Holdings Limited	_	47 495	_	47 495

In terms of the WDB Investment Holdings Limited subscription, WDB Investment Holdings Limited subscribed, during August 2017, for 6 578 948 Safari Investments RSA Limited shares at a price of R7,60 for a total subscription price of R50 000 005. Financial assistance was provided to WDB Investment Holdings Limited by way of a vendor loan by Safari Investments RSA Limited to WDB Investment Holdings Limited. The salient terms of the vendor loan were:

- Seven-year loan, which outstanding amount thereafter to be settled by way of a cash payment or refinancing of the loan;
- The loan will be repaid in instalments equal to a minimum of 80% of the full dividend declared on WDB Investment Holdings Limited's total shareholding in Safari Investments RSA Limited;
- Interest rate of prime plus 0,5%;
- WDB Investment Holdings Limited to provide Safari Investments RSA Limited with 13 923 314 Safari Investments RSA Limited shares as security against the vendor loan;
- WDB Investment Holdings Limited shall not be entitled to sell any shares in Safari Investments RSA Limited until such time as the vendor loan is repaid in full; and
- WDB Investment Holdings Limited may find alternative finance for the vendor loan after 36 months and settle the full outstanding amount to Safari Investments RSA Limited. Safari Investments RSA Limited will have the option to meet any refinancing terms.

In addition to the 6 578 948 Safari shares, WDB Investment Holdings Limited pledged a further 7 344 366 Safari shares as security for the vendor financing.

During the current financial year, WDB Investment Holdings Limited settled in full, the vendor loan that had been extended to them by Safari Investments RSA Limited.

Split between non-current and current portions

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Non-current assets	_	40 436	_	40 436
Current assets	_	7 059	_	7 059
	_	47 495	_	47 495

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6. LOANS TO GROUP COMPANIES

	GROUP		СОМ	PANY
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Subsidiaries				
Safari Investments Namibia Proprietary Limited's unsecured loan is currently bearing no interest with no fixed terms of repayment. A subordination agreement is in place governing this loan.				
Settlement of the loan is not expected to be realised within				
the next 12 months.	_	_	545 956	599 285
Expected credit loss allowance	_	_	(252 000)	(252 000)
Split between non-current and current portions				
Non-current assets	_	-	293 956	347 285
Movement can be reconciled as follows:				
Balance at the beginning of the year	_		(252 000)	-
Movement during the year	_	_	_	(252 000)
Balance at the end of the year	_	_	(252 000)	(252 000)

A loss allowance assessment, using the general approach, has been performed on the loan to Group companies, adjusted for factors which are specific to the terms of the loan. Under this approach, an amount equal to a lifetime expected credit loss is recognised, representing possible default events over the life of the financial asset.

Historical, current and forward-looking scenarios were taken into account in determining different possible recovery strategies which included:

- If all current and future net property income will be utilised to repay the loan on a monthly basis; and
- Property values and rentals would, at varying probabilities:
- remain at or above current market levels;
- drop by 10%, with an orderly sale at the same time; and
- drop by 10%, with an additional 10% discounting factor and an orderly sale.

As part of the Group's strategy to exit Namibia, the provision for a lifetime expected credit loss in the amount of R252 million had been established in the prior financial year to bring the "loans to Group companies" balance in line with expected future cash flows from the disposal of the Namibian assets. During the current financial year, R53 million has been repaid towards the loan which possesses no predetermined conditions for repayment and is not presently in a state of default.

Management, in addition to the subordination agreement, has access to all future cash flows generated with no fixed terms of repayment and a demand for inventory sales being experienced.

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS continued

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7. LEASES (GROUP AS LESSEE)

	GROUP	
	2023 R'000	2022 R'000
Right-of-use assets		
The carrying amount of right-of-use assets is as follows:		
Right-of-use asset	3 997	4 976
Reconciliation of right-of-use asset		
Carrying amount at the beginning of the year	4 976	5 955
Depreciation recognised on right-of-use asset		
Depreciation is recognised on the right-of-use asset which relates to buildings and is presented below. It includes depreciation which has been expensed in the total depreciation charge in profit or loss as part of operating expenses of the Group.	(979)	(979)
Carrying amount at the end of the year	3 997	4 976
	0777	4770
Lease liabilities	5 505	/ 000
Lease liabilities	5 525	6 332
Reconciliation of lease liabilities		
At the beginning of the year	6 332	6 976
Payment of lease liabilities (per statement of cash flows)	(807)	(644)
Lease payments	(1 346)	(1 250)
Interest expense	539	606
Carrying amount at the end of the year	5 525	6 332
Non-current liabilities	4 531	5 525
Current liabilities	994	807
	5 525	6 332
Maturity analysis of lease liabilities		
Within one year	1 450	1 346
Within two years	1 562	1 450
Within three years	1 682	1 562
Within four years	1 964	1 682
Within five years	_	1 964
Later than five years	_	_
	6 658	8 004

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8. STRAIGHT-LINING LEASE ASSET

Lease terms range from three to 10 years with the weighted average lease escalation by sector being 6% for retail, 6% for office, and 8% for residential. The weighted average lease escalation by rentable area is 6%.

	GRO	DUP	COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Non-current assets	105 507	94 435	96 647	85 116
Current assets	297	641	297	641
	105 804	95 076	96 944	85 757
Movement can be reconciled as follows:				
Balance at the beginning of the year	95 076	107 952	85 757	98 515
Movement during the year*	10 728	(12 876)	11 187	(12 758)
	105 804	95 076	96 944	85 757
Maturity analysis of lease payments receivable				
The future minimum lease payments receivable under non-cancellable leases are as follows:				
Future minimum lease payments receivable:				
- No later than one year	284 623	274 603	267 074	257 516
- Between one and two years	235 872	201 100	220 422	185 736
- Between two and three years	189 338	149 279	177 758	136 184
- Between three and four years	142 281	115 814	137 403	105 622
- Between four and five years	98 666	81 953	98 561	77 388
- Later than five years	722 764	720 617	722 764	720 617
	1 673 544	1 543 366	1 623 982	1 483 063

^{*} Excluding investment property held for sale.

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9. DEFERRED TAX

	GROU	P	COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Deferred tax asset and liability				
Deferred tax asset	13 857	22 284	-	-
Deferred tax liability	(27 106)	(20 095)	(27 106)	(20 095)
	(13 249)	2 189	(27 106)	(20 095)
Deferred tax asset				
Income received in advance	112	81	-	-
Loss allowance	109	53	-	-
Prepaid expenses	105	103	-	-
Straight-lining lease asset	147	38	-	-
Investment property	13 384	22 009	-	-
	13 857	22 284	-	-
Deferred tax (liability)				
Derivatives	(710)	4 064	(710)	4 064
Income received in advance	2 424	2 031	2 424	2 031
Loss allowance	136	171	136	171
Right-of-use asset and lease liability	412	379	412	379
Prepaid expenses	(1 295)	(371)	(1 295)	(371)
Investment property	(28 073)	(26 369)	(28 073)	(26 369)
	(27 106)	(20 095)	(27 106)	(20 095)
Reconciliation of deferred tax asset/(liability)				
Opening balance	2 189	10 677	(20 095)	(9 361)
Per the statement of comprehensive income	(15 438)	(8 488)	(7 011)	(10 734)
Derivatives	(4 774)	(6 692)	(4 774)	(6 692)
Income received in advance	424	85	393	106
Loss allowance	21	64	(35)	12
Right-of-use asset and lease liability	33	94	33	94
Prepaid expenses	(922)	182	(924)	79
Straight-lining lease asset	109	3 058	-	-
Investment property	(10 329)	(5 279)	(1 704)	(4 333)
Closing balance	(13 249)	2 189	(27 106)	(20 095)
Assessed losses in Namibia for which no deferred tax asset				
has been recognised	121 397	113 567		

South Africa

Deferred tax is no longer calculated on the straight-lining lease asset arising in South Africa and will form part of the Group's distribution in the future. Given the conversion to a REIT, such distributions are fully deductible for tax purposes as identified by the Income Tax Act of South Africa in line with Section 25BB and hence no tax liability will arise on operating lease assets.

The change in the South African corporate tax rate to 27% for years of assessment ending on or after 31 March 2023 will not have a material impact on the Group as the recognised deferred tax asset relates mainly to the Namibian entity.

Namibia

Safari Investments Namibia Proprietary Limited will, however, still incur deferred tax on the above as this subsidiary company is not a REIT. No deferred tax asset has been recognised in respect of the unused tax losses in Namibia as it is not probable that it will be possible to utilise the tax losses in the foreseeable future.

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10. INVESTMENTS IN SUBSIDIARIES

	COMPANY			
Safari Investments RSA Limited	% holding 2023	% holding 2022	Carrying amount 2023	Carrying amount 2022
Safari Investments Namibia Proprietary Limited	100,00%	100,00%	9 959	9 959

11. INVENTORIES

	GROUP		
	2023 R'000	2022 R'000	
At the beginning of the year	60 026	106 000	
Impairment reversal/impairment of inventory	111	(2 511)	
Capital movements during the year	3 480	_	
Carrying value of inventory sold	(33 748)	(43 463)	
Cost of inventory sold – per statement of comprehensive income	(39 524)	(45 204)	
Less: Expenses incurred in the sale of inventory	5 776	1 741	
At the end of the year	29 869	60 026	

As part of the Platz am Meer mixed-use development, Safari Investments Namibia Proprietary Limited developed 36 luxury sea-front apartments and offices together with a shopping centre. The entire development has been incorporated into a sectional title scheme with 39 units consisting of 36 apartments, one office unit and two commercial units which are trading as the Platz am Meer Shopping Centre.

In this regard, 36 close corporations and one additional private company were incorporated in which these units vest. A proportionate allocation of the development cost of the land was transferred to these close corporations and private company. The person/s acquiring the apartments or office units will then acquire the membership or shares in the close corporation or private company, respectively.

Currently, Safari Investments Namibia Proprietary Limited holds 100% of the shares in the private company known as Platz am Meer Property One Proprietary Limited and through its nominee, Mr DC Engelbrecht, the Group CEO, the membership in the remaining unsold close corporations.

During the current financial year, the Group disposed of eight units, the remaining six units not yet transferred, were valued by independent valuer, Mr Peter Parfitt of Quadrant Properties Proprietary Limited on the effective date being 31 March 2023 with a net realisable value of R28 000 000, excluding unit 29 which has a remaining value of R1 869 028. An impairment reversal of R110 796 relating to the unsold six units has been recognised in the current financial year.

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12. INVESTMENT IN JOINT VENTURES

Joint ventures

The following table lists all of the joint ventures within the Group accounted for using the equity method:

	GROUP			
Safari Investments RSA Limited	Ownership interest % 2023	Ownership interest % 2022	Carrying amount 2023	Carrying amount 2022
Pollycat Proprietary Limited (trading as HS Secure)*	50,00%	50,00%	1 500	1 500

COMPANY

Safari Investments RSA Limited	Ownership interest % 2023	Ownership interest % 2022	Carrying amount 2023	Carrying amount 2022
Pollycat Proprietary Limited (trading as HS Secure)*	50,00%	50,00%	1 500	1 500

^{*} Group and Company share in profits from continuing operations related to the investment in joint ventures amounted to Rnil (2022:Rnil).

The Group has a 50% (2022: 50%) interest in a joint venture, Pollycat Proprietary Limited (trading as HS Secure), a separate structured vehicle incorporated and operating in South Africa. The primary activity of HS Secure is the provision of security services to its shareholders, in addition to other organisations, which is in line with the Group's strategy to align its costs with expected yields on operating segments.

The contractual arrangement provides the Group with only the rights to the net assets of the joint arrangement, with the rights to the assets and obligation for liabilities of the joint arrangement resting primarily with HS Secure. Under IFRS 11, this joint arrangement is classified as a joint venture and has been included in the annual financial statements using the equity method.

13. TRADE AND OTHER RECEIVABLES

	GRO	GROUP		PANY
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Financial instruments				
Trade receivables	18 011	17 066	17 060	16 488
Deposits paid	999	999	999	999
Other receivables	5	5	_	_
Expected credit loss allowance	(1 012)	(979)	(670)	(814)
Non-financial instruments				
Prepayments	5 123	1 649	4 795	1 327
Total trade and other receivables	23 126	18 740	22 184	18 000
Split between non-current and current portions				
Current assets	23 126	18 740	22 184	18 000

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13. TRADE AND OTHER RECEIVABLES continued

Trade and other receivables pledged as security

No trade and other receivables balances were pledged as security for any of the Group's liabilities.

Trade receivables – general approach

Under this approach, a loss allowance for lifetime expected credit losses is recognised for a financial instrument if there has been a significant increase in credit risk since initial recognition of the financial instrument. If, at the reporting date, the credit risk has not increased significantly, a loss allowance for the 12-month expected credit loss is recognised.

Trade receivables are assessed for estimated credit losses using the general approach. A three-stage approach based on the deterioration in the credit risk of a financial asset is applied. Trade receivables are categorised by tenant type to determine the risk factor of a receivable, and therefore the probability of default. Tenant collateral i.e. tenant deposits or bank guarantees have also been taken into account in the expected credit loss assessment, with the expected proceeds reducing the arrears balance.

The table below presents the expected credit loss rates applied to each ageing category for the current financial year and the ageing of trade receivables. An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in other operating expenses in profit or loss as a movement in the credit loss allowance.

	GRO	GROUP		PANY
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Loss allowance				
Expected credit loss rate				
30 days past due: 5% (2022: 5%)	21	13	18	11
60 days past due: 10% (2022: 10%)	39	21	33	19
90 days past due: 20% (2022: 20%)	76	40	66	40
120 days past due: 30% (2022: 30%)	154	15	128	15
150 days past due: 40% (2022: 40%)	20	2	_	2
180 days past due: 50% (2022: 50%)	702	888	425	727
	1 012	979	670	814
Movement summary of expected credit loss allowance				
At the beginning of the year	979	922	814	758
Loss allowance raised	434	986	257	1 003
Loss allowance reversed	_	(248)	_	(248)
Loss allowance utilised	(401)	(681)	(401)	(699)
At the end of the year	1 012	979	670	814

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13. TRADE AND OTHER RECEIVABLES continued

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Ageing of trade receivables				
Current	4 631	6 106	4 246	6 054
30 days past due	848	1 808	782	1 541
60 days past due	2 134	880	2 072	698
90 days past due	889	705	825	700
120 days past due	5 879	560	5 879	555
150 days past due	56	495	_	490
180 days past due	3 574	6 512	3 256	6 450
	18 011	17 066	17 060	16 488

Other receivables

Other receivables mainly comprise deposits paid. The Group has assessed the impact of expected credit losses on other receivables to be immaterial with no allowance therefore recognised in the 2023 financial year.

14. CASH AND CASH EQUIVALENTS

	GROUP		СОМ	COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000	
Cash and cash equivalents consist of:					
Bank balances	10 320	6 128	9 371	4 777	
Bank balances relating to investment property held for sale	2	214	2	214	
Listing funds' bank account*	592	789	592	789	
	10 914	7 131	9 965	5 780	

^{*} The listing funds bank account is used for shareholder related transactions such as a capital raising and dividend payments where a dividend payment was returned to Computershare as a result of incorrect or incomplete shareholder bank details. Safari subsequently locates the relevant shareholders and effects payment of outstanding dividends from this account once the correct banking details have been provided.

Due to the short-term nature of cash and cash equivalents, the carrying amount is deemed to approximate the fair value.

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15. STATED CAPITAL

	GRO	GROUP		COMPANY	
	2023	2022	2023	2022	
Authorised					
2 000 000 000 no par value ordinary shares	_	_	_	_	
Reconciliation of number of shares issued					
Shares issued (legal)	310 826 016	310 826 016	310 826 016	310 826 016	
Southern Palace shares treated as treasury shares*	(53 000 000)	(53 000 000)	(53 000 000)	(53 000 000)	
Share buy-back#	(329 847)	_	(329 847)	-	
	257 496 169	257 826 016	257 496 169	257 826 016	
Issued					
At the beginning of the year (R'000)	1 606 452	1 606 452	1 606 452	1 606 452	
Movements during the year (R'000)	(1 836)	_	(1 836)	-	
At the end of the year – 310 826 016 (2022: 310 826 016)	1 604 616	1 606 452	1 604 616	1 606 452	

^{*} Safari holds a pledge over the 53 million Safari shares as security for the claim against Southern Palace and would recover as a minimum, for the debt owed by Southern Palace, the value of the shares upon realisation or cancellation. The 53 million shares are treated as treasury shares for accounting purposes. Refer to note 36.

16. DERIVATIVES

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Hedging derivatives				
Interest rate derivatives asset/(liability)	2 632	(14 076)	2 632	(14 076)
JIBAR-linked interest rate swaps				
In line with an internal hedging policy adopted by the Board, as well as requirements of the Absa facility agreements, a portion of the debt has been fixed by way of interest rate swaps. At the reporting date, the Group has hedged its exposure to interest rate fluctuations to 30% of its interest-bearing borrowings. Refer to note 18.				
	2 632	(14 076)	2 632	(14 076)
Split between non-current and current portions				
Non-current assets	1 017	_	1 017	_
Current assets	1 615	-	1 615	_
Non-current liabilities	_	(10 735)	_	(10 735)
Current liabilities	_	(3 341)	_	(3 341)
	2 632	(14 076)	2 632	(14 076)

^{*} Repurchased shares were bought at an average price of R5,57 per share.

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17. INVESTMENT PROPERTY HELD FOR SALE

The Board resolved to dispose of the Group's non-core assets and negotiations with several interested parties have subsequently taken place. The disposal is consistent with the Group's long-term policy to focus its activities on higher-yielding retail opportunities as well as to optimise capital allocation. The Soweto Day Hospital and Mnandi Shopping Centre, which are expected to be sold within 12 months, have been classified as a disposal group held for sale and are presented separately in the statement of financial position.

The proceeds from disposals are expected to be in line with the fair value of the related investment properties and, accordingly, no impairment losses have been recognised on the classification of these assets as held for sale. The current assets classified as held for sale are as follows:

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Investment property (excluding straight-line income accrual)	157 990	153 864	157 990	153 864
Straight-lining lease asset	26 910	22 036	26 910	22 036
Fair value of investment property held for sale	184 900	175 900	184 900	175 900

18. INTEREST-BEARING BORROWINGS

	GRO	UP
	2023 R'000	2022 R'000
Facilities	1 313 530	1 301 499
Safari successfully implemented a security special purpose vehicle ("SPV") whereby bonds have been registered over most of Safari's investment properties in the security SPV structure to provide pooled security to lenders. The structure is regulated by a Common Terms Agreement, cession of security, counter indemnity agreements as well as debt guarantees. Absa and Standard Bank Limited remain as Safari's financiers.		
Secured by certain investment property as per note 4.		
Facility B: R200 000 000 – quarterly repayments of interest only at the three-month JIBAR rate plus 1,95% with the capital due upon maturity in January 2024.		
Facility E: R150 000 000 – quarterly repayments of interest only at the three-month JIBAR rate plus 2,2% with the capital due upon maturity in August 2023.*		
Facility F: R100 000 000 – quarterly repayments of interest only at the three-month JIBAR rate plus 2,3% with the capital due upon maturity in August 2024.		
Facility I: R250 000 000 – quarterly repayments of interest only at the three-month JIBAR rate plus 2,35% with the capital due upon maturity in June 2024.		
Facility J: R250 000 000– quarterly repayments of interest only at the three-month JIBAR rate plus 2,5% with the capital due upon maturity in June 2025.		
Facility K: R200 000 000– monthly repayments of interest only at the prime rate less 1,5% with the capital due upon maturity in June 2025. As at 31 March 2023, R54 441 548 of this revolving credit facility has been utilised.		
Facility L: R303 000 000– quarterly repayments of interest only at the three-month JIBAR rate plus 1,5% in year one and 1,65% thereafter, with the capital due upon maturity in November 2026.		
Total available facility: R1 453 000 000 (2022: R1 400 000 000).		
Proceeds from interest-bearing borrowings: R492 650 000 (2022: R351 308 000).		
Repayment of interest-bearing borrowings: R485 323 000 (2022: R370 554 000).		
Absa credit card facilities: R45 000.		

^{*} Negotiations with lender for a new facility to replace the maturing facility are at an advanced stage at the date of publication of this report. The implementation of the new facilities remain subject to conditions precedent and customary for facilities of this nature.

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18. INTEREST-BEARING BORROWINGS continued

	GROU	GROUP		
Debt covenants – loan-to-value ("LTV") and interest cover ratio ("ICR")	Actual ratios 31 March 2023	Covenant ratios 31 March 2023		
- Transactional LTV (including mark-to-market value)	35,6%	<55%		
- Transaction LTV (excluding mark-to-market value)	35,6%	<50%		
- Transactional ICR	2,83	>1,85		
- Corporate ICR	2,52	>2,00		
- Corporate LTV	36,8%	<50%		
- Hedging covenant (pursuant to facility B only)	100%	>75 %		
- Hedging agreements covenant	0,30	<1,25		

Safari remains within the parameters of compliance for debt covenants and does not foresee any breaching of covenant triggers.

The Group holds as part of its security SPV agreement and International Swaps and Derivatives Association master agreement, liabilities and hedging instruments which are indexed to the JIBAR rate. As part of the global benchmark interest rate reform, whereby some interbank offered rates will be replaced with an alternative risk-free rate, the Group would need to assess the impact of the IBOR reform and possible hedge ineffectiveness that the Group will be exposed to. As at the reporting date, the Group is yet to transition to the replaced or reformed alternative rates. The South African Reserve Bank has indicated their intention to move away from JIBAR and to create an alternative reference rate for South Africa, however, there is currently no indication of when the designated successor rate will be made available.

	GRO	GROUP	
	2023 R'000	2022 R'000	
Split between non-current and current portions			
Non-current liabilities	954 604	1 248 844	
Current liabilities	358 926	52 655	
	1 313 530	1 301 499	

The Directors consider the carrying amounts of bank loans to approximate their fair values as the interest rates associated with these bank loans are considered to be market-related. Currently, 30% of debt is hedged. R350 million of the total facilities of R1,453 billion will mature during the next 12 months.

Refinance discussions have commenced with financial institutions where the Group's forecast LTV position, forecast profit, solvency and liquidity were considered, which indicates that the Group will remain well within financial covenant limits and that maturing facilities will be successfully refinanced in time. To date, the Group has been successful in securing new and/or rolling existing facilities with its current lenders.

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19. FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Financial assets at amortised cost				
Loans to shareholders	_	47 495	_	47 495
Loans to Group companies	_	_	293 956	347 285
Trade and other receivables	18 003	17 091	17 389	16 673
	18 003	64 586	311 345	411 453
Financial assets at fair value				
Derivatives	2 632	-	2 632	_
	2 632	-	2 632	_

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Financial liabilities at amortised cost				
Interest-bearing borrowings	1 313 530	1 301 499	1 313 530	1 301 499
Trade and other payables	18 772	18 142	17 436	17 518
	1 332 302	1 319 641	1 330 966	1 319 017
Financial liabilities at fair value				
Derivatives	_	14 076	_	14 076
	-	14 076	-	14 076

20. SHARE-BASED PAYMENT RESERVE

The Group has awarded a conditional right to ordinary shares for both Executive Directors and management in terms of its LTI Plan. The LTI Plan aims to align the interests of management to those of shareholders. Details of the plan are included within the Remuneration Policy. The total number of shares awarded referred to as "LTI Plan participation" is determined by using a 30-trading day volume-weighted average price at the end of the reporting period and a percentage of total guaranteed package for both Executive Directors and management.

The shares awarded at the grant dates are subject to both retention and performance conditions, measured over a five- and three-year period, mandating that the participant remains employed by the Group until the conclusion of the measurement period.

Safari has recognised the shares granted as equity-settled with a share-based payment reserve recorded within equity and a share-based payment expense recognised in the statement of comprehensive income over the relevant measurement/vesting period. The fair value of the conditional share awards was measured using the Black-Scholes formula.

The annualised share price volatility was identified based on the historical volatility of the Safari share and the expected forfeiture rate of 5%, evaluated on the historical behaviour of both executive and senior management staff.

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20. SHARE-BASED PAYMENT RESERVE continued

The table below provides the inputs and assumptions used in the calculation of the fair value of the equity instruments granted.

Assumptions and estimates	Shares granted July 2021	Shares granted July 2022
Grant date	1 July 2021	1 July 2022
Issue price at grant date	R3,82	R5,38
Number of shares awarded at grant date	561 447	467 514
Vesting commencement date	31 July 2024	31 July 2025
Retention condition factor	95%	95%
Retention measurement period	5 years	5 years
Performance condition factor	60%	60%
Weighted average fair value per awarded share at grant date	R5,55	R6,80
Annualised share price volatility at grant date	29,02%	6,15%
Risk-free interest rate	8,28%	6,85%

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Movement summary for share-based payment reserve				
At the beginning of the year	465	_	465	-
Expense recognised in profit or loss	1 103	465	1 103	465
Shares issued during the year	_	_	_	-
At the end of the year	1 568	465	1 568	465

21. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Financial instruments				
Trade payables	2 159	3 513	2 056	3 362
Tenants' deposits received	16 613	14 629	15 380	14 156
Non-financial instruments				
Income received in advance	9 328	7 507	8 979	7 253
VAT	3 868	4 425	2 505	4 089
	31 968	30 074	28 920	28 860

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22. REVENUE

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Property revenue – rental income	339 986	318 937	316 410	292 902
Property revenue – tenant recoveries	52 576	46 541	50 841	45 139
Straight-line lease adjustment	15 601	9 160	16 060	9 279
Revenue from sale of inventory	36 736	41 430	_	_
Revenue from sale of land	12 000	_	_	_
	456 899	416 068	383 311	347 320

Refer to note 39 for revenue disaggregation by location and operating segment.

Certain tenants are also invoiced for turnover rental which is based on a percentage of their audited annual turnover. Total turnover rental recognised as income in the period is R3 497 596 (2022: R3 247 753) which is included in property revenue – rental income above.

23. OTHER INCOME

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Insurance claim payments received	25 207	28 870	23 902	28 870
Other income	7 800	5 711	8 733	5 547
	33 007	34 581	32 635	34 417

The Group's legal claim against its insurers in respect of the COVID-19 pandemic was settled in October 2022 in the amount of R12,17 million for Safari investments RSA Limited and R1,3 million, settled in February 2023 for Safari Investments Namibia Proprietary Limited.

The unfortunate period of civil unrest in South Africa in July 2021 resulted in material damage to certain assets, most notably at Thabong Shopping Centre in Sebokeng. From the inception of the civil unrest to the end of the financial year, the Company has incurred R27,65 million in expenses for material repairs which has been settled in full by compensation payments received from Sasria.

This event naturally caused severe business interruption, again mainly at Thabong Shopping Centre. Rent relief granted to tenants for the period of civil unrest, closure and repairs totals approximately R12,86 million to date with interim payments of R11,04 million received from the insurer.

24. FAIR VALUE - ADJUSTMENT

	GROUP		СОМІ	PANY
Note	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Fair value gains				
Investment property 4	144 677	88 038	139 000	104 314

25. OPERATING PROFIT

Notable line items affecting operating profit include:

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Employee costs				
Remuneration	24 136	20 569	23 033	19 604

Refer to note 38 for detail regarding Directors' emoluments.

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Expected credit loss allowance on Group company loan				
Loss allowance	_	-	_	(252 000)

Refer to note 6 for detail regarding loans to Group companies.

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Municipal costs				
Municipal charges	58 016	50 227	55 768	48 314

All municipal charges and municipal rates and taxes.

GRO	DUP	СОМІ	PANY	
2023 R'000	2022 R'000	2023 R'000	2022 R'000	
6 512	3 439	5 876	2 771	

The insurance expense incurred for the current year has increased due to political risks, terrorism and sabotage insurance cover taken out in London as a result of the reduced Sasria cover available in South Africa.

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26. INVESTMENT INCOME

	GROUP		COMPANY		
	2023 R'000	2022 R'000	2023 R'000	2022 R'000	
Interest income					
Interest charged*	3 488	4 161	3 321	4 095	

^{*} Interest charged relates mainly to loans to shareholders. Refer to note 5.

27. FINANCE COSTS

	GRO	OUP
	2023 R'000	2022 R'000
Interest-bearing borrowings	106 874	97 658
Interest – lease payments – refer to note 7	539	606
Total finance costs	107 413	98 264

28. FAIR VALUE GAIN/(LOSS) ON HEDGING

	GRO)UP
	2023 R'000	2022 R'000
Fair value gains		
Net gain on interest rate swaps – refer to note 16	15 481	23 902

29. TAXATION

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Major components of the tax expense				
Current				
Foreign income tax or withholding tax – current period	729	759	729	759
Deferred				
Originating and reversing temporary differences – current period	15 439	8 487	7 011	10 733
	16 168	9 246	7 740	11 492

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29. TAXATION continued

Reconciliation of the tax expense

Reconciliation between the applicable tax rate and the average effective tax rate.

	GRO	GROUP COME		PANY	
	2023 %	2022 %	2023 %	2022 %	
Applicable tax rate	27,00	28,00	27,00	28,00	
Non-taxable fair value adjustments	(12,35)	(11,10)	(12,93)	(191,87)	
Impact of different Namibian tax rate (32%)	0,39	(0,11)	_	_	
Impact of change in South African tax rate (27%)	(0,30)	(0,11)	(0,31)	_	
Deferred tax asset on Namibian assessed loss not recognised	0,62	0,53	_	_	
Permanent difference – expected credit loss on Group company loan	_	_	_	425,65	
Permanent difference – Section 25BB	(10,59)	(13,80)	(11,37)	(192,46)	
Effective tax rate	4,77	3,52	2,39	69,32	

Fair value adjustments that are realised by South African investment properties within the Group are non-taxable as a result of Safari Investments RSA Limited being a listed REIT. The tax rate reconciliation disclosure reflects the impact of the difference between the Namibian and South African tax rates, the change in the South African corporate tax rate to 27% for years of assessment ending on or after 31 March 2023 as well as the assessed loss carried in Namibia.

Refer to note 9. The Namibian entity has not generated any taxable income in the current and prior years, maintaining its assessed loss position.

30. CASH GENERATED FROM OPERATIONS

	GRO	UP	СОМ	COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000	
Profit before tax	339 080	262 981	323 828	16 577	
Adjustments for:					
Depreciation	1 258	1 283	1 236	1 253	
Interest income	(3 488)	(4 161)	(3 321)	(4 095)	
Share-based payment reserve	1 103	(465)	1 103	(465)	
Finance costs	107 413	98 264	107 413	98 264	
Fair value adjustments	(160 158)	(111 939)	(154 481)	(128 217)	
Impairment of loan to Group company	-	-	_	252 000	
Impairment reversal/impairment of inventory	(111)	2 511	_	-	
Movements in straight-lining lease assets	(15 601)	(9 160)	(16 060)	(9 279)	
Changes in working capital					
Inventory	30 157	45 975	_	_	
Trade and other receivables	(4 386)	(5 690)	(4 184)	(5 263)	
Trade and other payables	1 894	318	60	1 691	
	297 161	279 917	255 594	222 467	

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31. RECONCILIATION OF MOVEMENTS OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	GROU	Р
	Interest- bearing borrowings R'000	Lease liabilities R'000
At the beginning of the year	1 301 499	6 332
Proceeds from interest-bearing borrowings	492 650	-
Repayment of interest-bearing borrowings	(485 323)	-
Payment of lease liabilities	_	(807)
Transaction and finance cost accrued	97 814	-
Transaction and finance cost paid	(93 110)	-
At the end of the year	1 313 530	5 525

COMPANY
Interest-

	Interest- bearing borrowings R'000	Lease liabilities R'000
At the beginning of the year	1 301 499	6 332
Proceeds from interest-bearing borrowings	492 650	_
Repayment of interest-bearing borrowings	(485 323)	_
Payment of lease liabilities	_	(807)
Transaction and finance cost accrued	97 814	_
Transaction and finance cost paid	(93 110)	_
At the end of the year	1 313 530	5 525

32. TAX PAID

	GROUP		COMPANY	
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Current tax for the year recognised in profit or loss	(729)	(759)	(729)	(759)

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33. REIT DISTRIBUTION

	GRO	UP
	2023 R'000	2022 R'000
Prior year final distribution of 32 cents per share (2022: 25 cents per share)	(82 504)	(64 457)
Interim distribution of 33 cents per share (2022: 25 cents per share)	(85 083)	(64 456)
	(167 587)	(128 913)

Refer to the distribution statement within the Directors' report.

34. EARNINGS PER SHARE

	_	GRO	UP
	Note	2023	2022
Earnings used in the calculation of basic earnings per share (profit after tax R'000))		322 912	253 735
Number of ordinary shares in issue at year-end	15	257 496 169	257 826 016
Diluted weighted average number of ordinary shares		257 885 129	257 928 790
Weighted average number of ordinary shares in issue at year-end		257 820 609	257 826 016
Add: Weighted potential dilutive impact of the LTIP		64 520	102 774
Headline earnings (R'000)		178 235	165 697
Basic earnings per share (cents)		125,40	98,41
Diluted earnings per share (cents)		125,22	98,37
Basic headline earnings per share (cents)		69,22	64,27
Diluted headline earnings per share (cents)		69,11	64,24
Headline earnings reconciliation			
Basic earnings (profit after tax R'000))		322 912	253 735
Fair value adjustments to investment properties (R'000)		(144 677)	(88 038)
Headline earnings (R'000)		178 235	165 697

The gross and net amounts for the fair value adjustments to investment properties are identical and any resulting fair value adjustments from South African investment properties within the Group are non-taxable as a result of Safari Investments RSA Limited being a listed REIT.

35. RELATED PARTIES

Relationships	
Subsidiaries	Safari Investments Namibia Proprietary Limited (100% owned) – refer to note 10
Joint venture	Pollycat Proprietary Limited (trading as HS Secure) (50% owned) – refer to note 12

Related party transactions

	GROUP		СОМІ	PANY
	2023 R'000	2022 R'000	2023 R'000	2022 R'000
Compensation to Executive Directors – short-term employee benefits	7 310	6 329	7 310	6 329

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36. SUBSEQUENT EVENTS

Announcements were released on SENS on 20 April 2023 and 26 April 2023 in relation to the finalisation of the repurchase of Safari shares held by Southern Palace ("the Repurchase Shares") confirming the fulfilment of all conditions precedent and the subsequent delisting and cancellation of the Repurchase Shares on 26 April 2023.

An announcement was released on SENS on 26 April 2023 in relation to Heriot Investments Proprietary Limited (and related parties) advising that it has acquired a beneficial interest in the securities of the Company, such that the total of the beneficial interest held by it amounts to 56,8% of the Company's total issued ordinary share capital.

An announcement was released on SENS on 1 June 2023 in relation to the change of the Company's 2024 financial year-end date.

At the Board meeting held on 21 June 2023, the Board approved a final cash distribution of 32 cents per Safari share which will be paid to shareholders during July 2023.

On 4 May 2023, a lease was entered into for the Soweto Day Hospital with a new tenant, Element WCH Proprietary Limited, with an option to purchase the property within 24 months at a price to be determined by an independent external JSE-accredited valuer. This property is classified as a property held for sale.

The Directors are not aware of any other material reportable events that occurred subsequent to the reporting period.

37. NET ASSET VALUE PER SHARE

	GRO	DUP	СОМІ	PANY
	2023	2022	2023	2022
Total assets (R'000)	3 807 198	3 646 553	3 816 405	3 664 418
Total liabilities (R'000)	(1 378 129)	(1 372 076)	(1 375 081)	(1 370 862)
Reported NAV (R'000)	2 429 069	2 274 477	2 441 324	2 293 556
Ordinary shares in issue	257 496 169	257 826 016	257 496 169	257 826 016
NAV per share (Rand per share)	9,43	8,82	9,48	8,90
Tangible NAV (Rand per share)	9,43	8,82	9,48	8,90
Reported NAV adjusted for:				
Dividend declared (R'000)	(82 399)	(82 504)	(82 399)	(82 504)
Fair value of derivative financial instruments (R'000)	(2 632)	14 076	(2 632)	14 076
Deferred tax (R'000)	13 249	(2 189)	27 106	20 095
SA REIT NAV (R'000)	2 357 287	2 203 860	2 383 399	2 245 223
Ordinary shares in issue	257 496 169	257 826 016	257 496 169	257 826 016
SA REIT NAV (Rand per share)	9,15	8,55	9,26	8,71

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38. DIRECTORS' EMOLUMENTS

		GROUP		
	Directors' fees R'000	Committee fees R'000	Total R'000	
Directors				
2023				
DC Engelbrecht	3 884	-	3 884	
GJ Heron	220	177	397	
MH Muller	220	266	486	
MT Matshoba-Ramuedzisi	220	231	451	
PA Pienaar	220	210	430	
SB Herring	376	84	460	
WL Venter	3 426	_	3 426	
	8 566	968	9 534	
2022				
DC Engelbrecht	3 327	-	3 327	
GJ Heron	421	107	528	
MH Muller	309	208	517	
MT Matshoba-Ramuedzisi	282	155	437	
PA Pienaar	309	204	513	
SB Herring	235	40	275	
WL Venter	3 002	_	3 002	
	7 885	714	8 599	

	Total base pay R'000	Short-term incentive R'000	Benefits R'000	Total R'000
Executives' remuneration				
2023				
DC Engelbrecht	3 096	695	93	3 884
WL Venter	2 722	622	82	3 426
MC Basson*	1 674	265	50	1 989
	7 492	1 582	225	9 299
2022				
DC Engelbrecht	2 890	350	87	3 327
WL Venter	2 586	338	78	3 002
MC Basson	1 358	133	41	1 532
	6 834	821	206	7 861

 $^{^{\}star}$ MC Basson holds an executive position as Chief Operating Officer; this is, however, not a Board position.

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39. SEGMENT REPORT

The Group classifies the following segments, which is consistent with the way the Group reports internally: Atteridgeville, Mamelodi, Sebokeng, Limpopo, Heidelberg and Namibia. Head office, Lynnwood and Soweto form part of the reconciliation.

Segment results and net assets include items that can be directly attributable to a segment as well as those that can be allocated on a reasonable basis.

				GRO	OUP			
	Atteridge- ville R'000	Mamelodi R'000	Sebokeng R'000	Heidelberg R'000	Limpopo R'000	Namibia R'000	Recon- ciliation R'000	Total R'000
31 March 2023								
Property revenue	134 433	101 235	73 359	23 395	33 273	25 311	1 556	392 562
Straight-line lease adjustment	11 318	343	3 462	1 045	(115)	(459)	7	15 601
Revenue from the sale						0/ 50/		0/ 50/
of inventory	_	_	_	_	_	36 736	_	36 736
Revenue from the sale of land	145 751	101 578	7/ 021	24 440	33 158	12 000 73 588	1 563	12 000
Turnover (external)	145 /51	101 5/8	76 821	24 440	33 136	/3 388	1 303	456 899
Reportable segment profit before investment revenue, fair value adjustments and finance costs Unallocated reportable segment profit before investment revenue, fair value adjustments and finance costs	114 663	77 205	62 437	18 297	21 910	9 410	- (25 949)	303 923
Profit before investment								
revenue, fair value adjustments and finance costs	114 663	77 205	62 437	18 297	21 910	9 410	(25 949)	277 974
Segment assets and liabilities								
Segment assets	1 360 256	965 844	653 530	215 089	238 710	294 705		3 728 134
Unallocated assets	_	_	-	_	-	-	79 064	79 064
Total assets	1 360 256	965 844	653 530	215 089	238 710	294 705	79 064	3 807 198
Segment liabilities	10 927	5 738	6 172	1 051	2 788	3 048	2 240	31 964
Unallocated liabilities	_	-	_	_	_	_	32 635	32 635
Interest-bearing borrowings	_	_	_	_	_	_	1 313 530	1 313 530
Total liabilities	10 927	5 738	6 172	1 051	2 788	3 048	1 348 405	1 378 129
Other segment items								
Interest revenue (external)	212	(20)	24	2	10	165	_	393
Unallocated interest revenue	_	-	_	_	_	_	3 095	3 095
Investment revenue	212	(20)	24	2	10	165	3 095	3 488
Fair value adjustments*	72 465	47 436	29 259	(773)	4 955	5 218	1 719	160 278
Interest expense	_	_	_	_	46	_	_	46
Unallocated interest expense							107 367	107 367
Finance costs	_	_	_	_	46	_	107 367	107 413

^{*} Includes the adjustment of the straight-lining lease accrual amounting to R15 601 000 recognised in the current financial year.

39. SEGMENT REPORT continued

The Group classifies the following segments, which is consistent with the way the Group reports internally: Atteridgeville, Mamelodi, Sebokeng, Limpopo, Heidelberg and Namibia. Head office, Lynnwood and Soweto form part of the reconciliation.

Segment results and net assets include items that can be directly attributable to a segment as well as those that can be allocated on a reasonable basis.

	GROUP										
	Atteridge- ville R'000	Mamelodi R'000	Sebokeng R'000	Heidelberg R'000	Limpopo R'000	Namibia R'000	Recon- ciliation R'000	Total R'000			
31 March 2022											
Property revenue*	125 801	95 652	60 532	19 886	31 568	27 438	4 603	365 478			
Straight-line lease adjustment*	4 343	922	3 046	1 242	(282)	(119)	8	9 160			
Revenue from the sale of inventory*						41 430		41 430			
Turnover (external)	130 144	96 574	63 578	21 128	31 286	68 748	4 610	416 068			
Reportable segment profit before investment revenue, fair value adjustments and finance costs Unallocated reportable segment profit before investment	103 612	72 390	49 178	15 291	20 959	10 620	-	272 050			
revenue, fair value adjustments and finance costs	_	_	_	_	_	_	(26 906)	(26 906)			
Profit before investment revenue, fair value adjustments and finance costs	103 612	72 390	49 178	15 291	20 959	10 620	(26 906)	245 144			
Segment assets and liabilities											
Segment assets	1 231 157	898 415	624 673	203 017	233 952	317 092	-	3 508 306			
Unallocated assets	-	-	-	-	-	_	138 247	138 247			
Total assets	1 231 157	898 415	624 673	203 017	233 952	317 092	138 247	3 646 553			
Segment liabilities	11 224	3 559	5 632	958	2 347	685	5 669	30 074			
Unallocated liabilities	-	-	-	-	-	-	40 503	40 503			
Interest-bearing borrowings	-	-	-	-	-	-	1 301 499	1 301 499			
Total liabilities	11 224	3 559	5 632	958	2 347	685	1 347 671	1 372 076			
Other segment items											
Interest revenue (external)	192	85	47	2	18	67	_	411			
Unallocated interest revenue	-	-	_	-	-	_	3 750	3 750			
Investment revenue	192	85	47	2	18	67	3 750	4 161			
Fair value adjustments	89 130	4 752	61 167	(15 921)	(9 479)	(16 395)	(16 056)	97 198			
Interest expense	_	_	_	_	32	_	_	32			
Unallocated interest expense	-	-	_	_	_	_	98 232	98 232			
Finance costs	_	_	_	_	32	_	98 232	98 264			

^{*} Revenue disaggregation to enhance disclosure for prior year.

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39. SEGMENT REPORT continued

Entity-wide disclosure

The Group predominantly trades within South Africa, with the only foreign-held investment property being Namibia from which the Group generates foreign rental income.

During the reporting period, no single tenant's revenue exceeded 10% of the total rental income.

40. 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, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital by maintaining a good balance between debt and equity finance.

The capital structure of the Group consists of debt, which includes interest-bearing borrowings as disclosed in note 18, and equity as disclosed in the statement of financial position amounting to R3 742 599 000 (2022: R3 575 976 000).

REIT distribution of a minimum of 75% of taxable income will be distributed every year as per the REIT requirements and legislation.

The Group, as part of its strategy, endeavours to maintain an LTV ratio of not more than 45%, except in high-growth periods or other unforeseen circumstances.

The LTV ratios at 2023 and 2022, respectively, were as follows:

		GRO	OUP	COMPANY			
	Note	2023 R'000	2022 R'000	2023 R'000	2022 R'000		
Interest-bearing borrowings	18	1 313 530	1 301 499	1 313 530	1 301 499		
Cash and cash equivalents (including cash and bank balances in a disposal group held for sale)	14	(10 914)	(7 131)	(9 965)	(5 780)		
Net debt		1 302 616	1 294 368	1 303 565	1 295 719		
Fair value of investment property and net realisable value of inventory		3 750 569	3 543 689	3 471 700	3 228 800		
LTV ratio		35%	37%	38%	40%		

Financial risk management

Overview

The Group's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk.

The Group is not exposed to foreign exchange risk. The only cross-border transactions which occur within the Group are with the Group's subsidiary located in Namibia.

The exchange rate is: 1 South African Rand = 1 Namibian Dollar.

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40. RISK MANAGEMENT continued

Credit risk

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

The credit quality of tenants is assessed by taking into account their financial position, past experience and performing a credit verification before a property is let. The Group only lets property to tenants who are considered to be creditworthy. In addition, the trade receivables age analysis is reviewed on a weekly basis with the intention of minimising the Group's exposure to bad debts. Deposits or bank guarantees are also held in most instances to further minimise the Group's exposure to bad debts.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the failure of a debtor to engage in a repayment plan with the Group and a failure to make contractual payments for a period of greater than 30 days past due. Trade receivables that are neither past due nor impaired are considered to be of high credit quality accompanied by an insignificant default rate.

Loans to shareholders relate to the vendor loan with WDB Investment Holdings Limited (note 5). Dividends which had arisen from the shares held in Safari by WDB Investment Holdings Limited were utilised as repayment of the loan. The loan was settled in full during the current financial year.

Loans to Group companies relate to an unsecured loan provided to Safari Investments Namibia Proprietary Limited which currently bears no interest with no fixed terms of repayment and with a subordination agreement in place governing this loan. Management exercises judgement by considering both historical and current trends as well as future possibilities in order to determine the best strategy for recoverability of the loan.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

			GROUP									
			2023			2022						
	Note	Gross carrying amount R'000	Credit loss allowance R'000	loss Amortised carrying loss wance cost amount allowance								
Loans to shareholders	5	_	_	-	47 495	-	47 495					
Trade and other receivables	13	24 138	(1 012)	23 126	19 719	(979)	18 740					
Cash and cash equivalents	14	10 914	_	10 914	7 131	_	7 131					
		35 052	(1 012)	34 040	74 345	(979)	73 366					

				COMI	ANT		
			2023			2022	
	Note	Gross carrying amount R'000	Credit loss allowance R'000	Amortised cost R'000	Gross carrying amount R'000	Credit loss allowance R'000	Amortised cost R'000
Loans to Group companies	6	545 956	(252 000)	293 956	599 285	(252 000)	347 285
Loans to shareholders	5	_	_	-	47 495	_	47 495
Trade and other receivables	13	22 854	(670)	22 184	18 814	(814)	18 000
Cash and cash equivalents	14	9 965	_	9 965	5 780	_	5 780
		578 775	(252 670)	326 105	671 374	(252 814)	418 560

COMPANY

SAFARI INVESTMENTS RSA LIMITED

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40. RISK MANAGEMENT continued

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities.

The Group's capital commitments are pertinent to the improvement of investment property to the value of R103 289 433 at 31 March 2023, which has been authorised and committed to by the Board.

The Group's risk to liquidity is a result of the funds available to cover future commitments. The Group manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored. The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	_		GROU	JP	
	Note	Less than one year R'000	Two to five years R'000	Total R'000	Carrying amount R'000
2023					
Interest-bearing borrowings	18	473 938	1 078 030	1 551 968*	1 313 530
Lease liabilities		1 450	5 208	6 658	5 525
Trade and other payables		18 772	_	18 772	18 772
2022					
Interest-bearing borrowings	18	152 042	1 348 153	1 500 195*	1 301 499
Lease liabilities		1 346	6 658	8 004	6 332
Trade and other payables		18 142	_	18 142	18 142

	_				
	Note	Less than one year R'000	Two to five years R'000	Total R'000	Carrying amount R'000
2023					
Interest-bearing borrowings	18	473 938	1 078 030	1 551 968*	1 313 530
Lease liabilities		1 450	5 208	6 658	5 525
Trade and other payables		17 436	-	17 436	17 436
2022					
Interest-bearing borrowings	18	152 042	1 348 153	1 500 195*	1 301 499
Lease liabilities		1 346	6 658	8 004	6 332
Trade and other payables		17 518	_	17 518	17 518

 $^{^{}st}$ Includes estimated interest payments up to maturity of facilities including the effect of interest rate swaps

Interest rate risk

The Group's interest rate risk arises from long-term bank borrowings at variable interest rates (therefore cash flow risk). Borrowings issued at fixed rates expose the Group to fair value interest rate risk and borrowings issued at variable rates expose the Group to cash flow rate risk.

40. RISK MANAGEMENT continued

Interest rate risk continued

As at 31 March 2023, if interest rates on Rand-denominated borrowings had been 1% higher with all other variables held constant, post-tax profit and equity for the year would have been R10 887 913 (2022: R10 084 159) lower, mainly as a result of higher interest expense on floating rate borrowings.

As part of the Group's risk management strategies, derivatives have been utilised to hedge against interest rate risks arising from its financing engagements. The derivative financial instruments held relate to interest rate swaps measured at fair value as at the reporting date. This is calculated using the net present value the Group would pay or receive from the swap counterparty based on current interest rates. The Group's derivative financial instruments are only used for economic hedging purposes and not as speculative investments.

	GRO)UP
	2023 R'000	2022 R'000
▲ 1,00% Swap curve with 100bps parallel shift upwards*	(2 886)	(7 083)
▼ 1,00% Swap curve with 100bps parallel shift downwards#	2 906	7 282

^{*} As at 31 March 2023, if the interest rates on Rand-denominated interest rate swaps had been 1% higher, the fair value of the derivative would decrease by R2 886 075 (2022: R7 082 983).

Fair value information

Financial assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of, fair value. The fair value measurement of the Group's financial liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the "fair value hierarchy"):

- Level 1: Quoted prices in active markets for identical items (unadjusted).
- Level 2: Observable direct or indirect inputs other than Level 1 inputs. The observable inputs for a financial instrument are either direct, as market-quoted prices or indirect, from derived prices.
- Level 3: Unobservable inputs (i.e. not derived from market data).

Interest rate swaps at fair value

The Group measured its derivative financial instruments which relate to interest rate swaps at fair value on 31 March 2023. The fair value is based on a Level 2 fair value measurement hierarchy, measured with reference to models with observable market inputs, such as benchmark interest rates, yield or swap curves and foreign exchange or default rates based on mid-market levels. Interest rate swaps are calculated using the net present value the Company would pay or receive from the swap counterparty based on current interest rates. Interest rate swaps have been entered into in order to mitigate against the effect of changes in interest rates.

	GRO	DUP
Note	Fair value of contract 2023 R'000	Fair value of contract 2022 R'000
Interest rate swaps – asset/(liability) 16	2 632	(14 076)

41. GOING CONCERN

The Directors are confident that there are no significant uncertainties in respect to the Group's ability to continue as a going concern for the next 12 months and intend to distribute at least 75% of its distributable income. The Group has assessed its operational, economic and geographical environments and concluded that it will remain solvent and liquid over the next financial year. As a result of maturing facilities, the Group's current liabilities exceed its current assets. Refinancing discussions with new and current financial institutions are at an advanced state, and the Group's financial performance and position have been taken into consideration. To date, the Group has successfully secured new or renewed facilities with its current lenders.

^{*} As at 31 March 2022, if the interest rates on Rand-denominated interest rate swaps had been 1% lower, the fair value of the derivative would increase by R2 096 058 (2022: R7 281 462).

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					GROUP						
Name	Location	Property type	Region	Mar value attributed independ val	as by ent			Weighted average rental/m²	Zoning	Freehold/ leasehold	Approximate age of building (years)
Shopping centres											
Atteridgeville (Atlyn)	Cnr Phudufufu and Khoza Streets, Atteridgeville	Retail	Gauteng	696 000 0	00 31 2	38* 0	00	R169	Special – various	Freehold	15
Mamelodi	Cnr Stormvoël and Maphalla Roads, Mamelodi	Retail	Gauteng	960 000 0	00 348	70* 0	13	R206	Special – various	Freehold	18
Sebokeng	Moshoeshoe Street, Sebokeng Unit 10, Ext 1, Sebokeng	Retail	Gauteng	650 000 0	00 34 6	61* 1	04	R149	Special – various	Freehold	14
Heidelberg	Cnr Voortrekker and Jordaan Streets, Heidelberg	Retail	Gauteng	215 000 0	00 11 9	67* 4	03	R129	Special – various	Freehold	23
Swakopmund	Cnr Albatros and Tsavorite Streets, Swakopmund, Namibia	Retail	Erongo	231 000 0	00 21 5	03* 16	63	R100	Special – various	Freehold	7
Polokwane	Cnr Veldspaat Street and Munnik Avenue	Retail	Polokwane	238 000 0	00 123	90* 0	98	R146	Special – various	Freehold	14
Atteridgeville (Nkomo)	Cnr Lengau, Thlou, Lepogo and Church Streets	Retail	Gauteng	492 000 0	00 23 1	14* 0	45	R154	Special – various	Freehold	4,5
Stands for development											
Sebokeng	Erf 77666 Moshoeshoe Street, Sebokeng	Erven	Gauteng	1 800 0	00 22	00 1	/A	N/A	Special – various	Freehold	
Lynnwood	Cnr Lynnwood Road and Rodericks and Sussex and Rodericks	Erven	Gauteng	34 000 0	00 13 1	33 N	/A	N/A	Special – various	Freehold	
Swakopmund	Erf 14,15,16 Cnr Albatros and Tsavorite Streets, Swakopmund, Namibia	Erven	Erongo	18 000 0 3 535 800 0		31 N	/A	N/A	Special – various	Freehold	
Property held for sale											
Atteridgeville (Mnandi)	Maunde Street, Atteridgeville	Retail	Gauteng	166 000 0	00 87	17* 12	71	R148	Special – various	Freehold	7
Soweto	Isixyxabesha Street, Protea Glen, Soweto	Medical	Gauteng	18 900 0	00 13	80 1	/A	N/A	Special – various	Freehold	6,5
				184 900 0	00						
Residential units for sale											
Swakopmund	Cnr Albatros and Tsavorite Streets, Swakopmund, Namibia	Apartments	Erongo	28 000 0	00# N	/A N	/A	N/A	Special – various	Sectional title	7
Total				3 748 700 0	00						
* Total area of retail propertie	es e				178 4	60					

[#] Refer to note 11.

ANNEXURE 1: SA REIT DISCLOSURE

SA REIT FUNDS FROM OPERATIONS ("FFO") PER SHARE

	GRO	DUP
	12 months ended 31 March 2023 R'000	12 months ended 31 March 2022 R'000
SA REIT FFO per share		
Profit or (loss) for the period	322 912	253 735
Adjusted for:		
Accounting/specific adjustments		
Fair value adjustment to investment property and impairment of properties held for sale	(144 788)	(85 527)
Deferred tax movement recognised in profit or loss	15 438	8 487
Straight-lining operating lease adjustment	(15 601)	(9 160)
Adjustments arising from investment activities		
Gains/losses on disposal of inventory and land (in relation to gross margin earned)	3 814	3 774
Foreign exchange and hedging items		
Fair value adjustments on derivative financial instruments employed solely for hedging purposes	(15 481)	(23 902)
SA REIT FFO	166 294	147 407
Number of shares outstanding at the end of the period	257 496 169	257 826 016
SA REIT FFO per share (cents)	66	57

SA REIT COST-TO-INCOME RATIO

	GROUP	
	12 months ended 31 March 2023 R'000	12 months ended 31 March 2022 R'000
Expenses		
Operating expenses per IFRS income statement (including municipal expenses and administrative expenses)	154 620	157 790
Exclude:		
Depreciation expense in relation to property, plant and equipment of an administrative nature	(281)	(292)
Riot-related repairs expenses claimed from insurer	(1 773)	(25 908)
Operating costs	152 566	131 590
Rental income		
Contractual rental income and utility and operating recoveries per IFRS income statement (excluding straight-lining)	392 562	365 478
Include:		
Riot-related credit notes issued after July 2021 unrest claimed from insurer	2 092	10 764
Gross rental income	394 654	376 242
SA REIT cost-to-income ratio	39%	35%

SA REIT ADMINISTRATIVE COST-TO-INCOME RATIO

	GRO	UP
	12 months ended 31 March 2023 R'000	12 months ended 31 March 2022 R'000
Expenses		
Administrative expenses as per IFRS income statement	39 685	31 518
Administrative costs	39 685	31 518
Rental income Contractual rental income and utility and operating recoveries per IFRS income statement (excluding straight-lining)	392 562	365 478
Gross rental income	392 562	365 478
SA REIT administrative cost-to-income ratio*	10%	9%

^{*} Includes corporate action expenses and operational staff costs at head office.

SA REIT GROSS LETTABLE AREA ("GLA") VACANCY RATE

GRO	GROUP	
12 months ended 31 March 2023 R'000	12 months ended 31 March 2022 R'000	
5 799m²	3 282m²	
178 460m²	175 512m²	
3,25%	1,87%	

^{*} Excluding Soweto Day Hospital property held for sale.

SA REIT COST OF DEBT

	Three-month JIBAR- linked loans	Prime- linked loans	Weighted combined SA REIT cost of debt
Variable interest rate borrowings			
Floating reference rate plus weighted average margin	7,88%	8,13%	7,89%
Fixed interest rate borrowings			
Weighted average fixed rate	-	-	-
Pre-adjusted weighted average cost of debt:	7,88%	8,13%	7,89%
Adjustments:			
Impact of interest rate derivatives	(0,19%)	-	(0,18%)
Impact of cross-currency interest rate swaps (no cross-currency swaps)	-	_	_
Amortised transaction costs imputed in the effective interest rate	0,59%	0,10%	0,57%
All-in weighted average cost of debt	8,28%	8,23%	8,28%

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ANNEXURE 1: SA REIT DISCLOSURE continued

SA REIT LOAN-TO-VALUE ("LTV")

	GRO	GROUP	
	12 months ended 31 March 2023 R'000	12 months ended 31 March 2022 R'000	
Gross debt	1 313 530	1 301 499	
Less:			
Cash and cash equivalents (including short-term deposits)	(10 914)	(7 131)	
Add:			
Derivative financial instruments		14 076	
Net debt	1 302 616	1 308 444	
Total assets – per statement of financial position	3 807 198	3 646 553	
Less:			
Cash and cash equivalents (including short-term deposits)	(10 914)	(7 131)	
Derivative financial assets	(2 632)	_	
Trade and other receivables	(23 126)	(66 235)	
Carrying amount of property-related assets	3 770 526	3 573 187	
SA REIT LTV	35%	37%	

SA REIT NET ASSET VALUE PER SHARE

	GRO	GROUP	
	12 months ended 31 March 2023 R'000	12 months ended 31 March 2022 R'000	
Reported NAV	2 429 069	2 274 477	
Adjusted for:			
Dividend to be declared	(82 399)	(82 504)	
Fair value of derivative financial instruments	(2 632)	14 076	
Deferred tax	13 249	(2 189)	
SA REIT NAV	2 357 287	2 203 860	
Ordinary shares in issue	257 496 169	257 826 016	
SA REIT NAV per share (Rand per share)	9,15	8,55	



ANALYSIS OF ORDINARY SHAREHOLDERS as at 31 March 2023

	Number of shareholdings	% of total shareholdings	Number of shares	% of issued capital
Shareholder spread				
1 – 1 000	896	70,89%	54 879	0,02%
1 001 – 10 000	163	12,90%	590 107	0,19%
10 001 – 100 000	68	5,38%	2 905 394	0,93%
100 001 – 1 000 000	101	7,99%	40 523 171	13,04%
Over 1 000 000	36	2,85%	266 752 465	85,82%
Total	1 264	100,00%	310 826 016	100,00%
Distribution of shareholders				
Close corporations	18	1,42%	2 593 180	0,83%
Collective investment schemes	4	0,32%	5 610 940	1,81%
Custodians	2	0,16%	10 172	0,00%
Foundations and charitable funds	3	0,24%	5 456	0,00%
Private companies	43	3,40%	230 785 655	74,25%
Retail shareholders	1 092	86,39%	10 803 447	3,48%
Stockbrokers and nominees	2	0,16%	57 030	0,02%
Trusts	100	7,91%	60 960 136	19,61%
Total	1 264	100,00%	310 826 016	100,00%
Shareholder type				
Non-public shareholders	10	0,79%	187 204 180	60,23%
Directors, associates and Prescribed Officers	9	0,71%	134 204 180	43,18%
Beneficial holders > 10%	1	0,08%	53 000 000*	17,05%
Public shareholders	1 254	99,21%	123 621 836	39,77%
Total	1 264	100,00%	310 826 016	100,00%

^{*} Refer to note 15 on **page 119** of the financial statements.

SAFARI INVESTMENTS RSA LIMITED
2023 INTEGRATED ANNUAL REPORT

		Number of shares	% of issued capital
Beneficial shareholders with a holding greater than 3% of the issued shares			
Heriot Properties Proprietary Limited		112 892 993	36,32%
Maitlantic 1038 Proprietary Limited		53 000 000*	17,05%
Heriot Investments Proprietary Limited		32 869 589	10,57%
Total		198 762 582	63,95%
Total number of shareholdings	1 264		
Total number of shares in issue	310 826 016		
Share price performance			
Opening price 1 April 2022	R5,50		
Closing price 31 March 2023	R5,60		
Closing high for the period	R5,99		
Closing low for the period	R5,01		
Number of shares in issue	310 826 016		
Volume traded during the period	12 973 173		
Ratio of volume traded to shares issued	4,17%		
Rand value traded during the period	R72 131 924		
Price/earnings ratio as at 31 March 2023	7,48		
Earnings yield as at 31 March 2023	13,37		
Dividend yield as at 31 March 2023	11,61		
Market capitalisation as at 31 March 2023	R1 740 625 690		

^{*} Refer to note 15 on page 119 of the financial statements.

NOTICE OF ANNUAL GENERAL MEETING



Notice is hereby given that the Annual General Meeting of shareholders of Safari will be held virtually on Tuesday, 24 October 2023 at 14:00 for the nurnose of

- dealing with such business as may lawfully be dealt with at the Annual General Meeting; and
- considering and, if deemed fit, adopting, with or without modification, the ordinary and special resolutions set out hereunder

NOTES ON PARTICIPATING IN THE **2023 ANNUAL GENERAL MEETING**

Virtual meeting

In terms of Section 63(2)(a) of the Companies Act 71 of 2008 (the "Companies Act"), as amended, shareholders may participate electronically in a shareholder meeting. In this regard, Safari has appointed The Meeting Specialist Proprietary Limited ("TMS") for the purpose of hosting its Annual General Meeting entirely by way of electronic communication and, in particular, for TMS to provide the Company and its shareholders with access to its electronic communication platform (the "platform") for the purpose of enabling all of the shareholders, who are present at the Annual General Meeting, to communicate concurrently with each other, without an intermediary, and to participate reasonably effectively in the Annual General Meeting and exercise their voting rights at the Annual General Meeting.

Please note that in terms of Section 63(1) of the Companies Act, before any person may attend or participate in the Annual General Meeting:

- (i) that person must present reasonably satisfactory identification; and
- (ii) the person presiding at the Annual General Meeting must be reasonably satisfied that the identity of the person to participate in and vote at the Annual General Meeting, either as a shareholder

SAFARI INVESTMENTS RSA LIMITED

(Registration number: 2000/015002/06) (Share code: SAR | ISIN: ZAE000188280) ("the Company" or "Safari")

(or shareholder's representative), or as a proxy for a shareholder, has been reasonably verified. Acceptable forms of identification include a valid identity document, driver's licence or passport. Accordingly, the Company has appointed TMS to verify the identity of any shareholder who wishes to attend the Annual General Meeting and shareholders will only be granted access to the platform once they have been verified by TMS.

Please also note that in order to participate in the Annual General Meeting, shareholders are required to be granted access to the platform by TMS and any shareholder who wishes to participate in the Annual General Meeting must therefore contact TMS at proxy@tmsmeetings.co.za or +27 (0) 61 440 0654 or alternatively register for the meeting at @ www.tmsmeetings.co.za and is encouraged to do so as soon as possible and before 14:00 on Friday, 20 October 2023 to enable TMS to verify his/her identity and thereafter to grant that shareholder access to the platform. Notwithstanding the foregoing, any shareholder who wishes to attend the Annual General Meeting is entitled to contact TMS at any time prior to the conclusion of the Annual General Meeting, in order to be verified and provided with access to the platform by TMS. In order to avoid any delays in being provided with access to the platform by TMS, shareholders are encouraged to contact TMS at their earliest convenience.

Electronic voting will open from the commencement of the meeting, once guorate (thus, at 14:00 on Tuesday, 24 October 2023) and will be closed by the Chairperson during the course of the Annual General Meeting. The results of the voting will be announced at the Annual General Meeting, or as soon as they have been verified by the appointed scrutineers and will be published on the Stock Exchange News Service ("SENS") and the Company website as soon as possible after the meeting.

We highly recommend that members log in on the virtual platform at least 15 minutes before the meeting starts to ensure that our service provider can assist with any technical issues.

Kindly note further that in terms of Section 62(3)(e) of the Companies Act:

- a shareholder who is entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy or two or more proxies to attend, participate in and vote at the meeting in the place of the shareholder; and
- a proxy need not be a shareholder of the Company but must be a natural person.

Shareholders are advised that the Company's Integrated Annual Report for the year ended 31 March 2023 was dispatched to shareholders on Thursday, 29 June 2023 and is available on the Company's website.

RECORD DATES AND VOTING

In terms of Sections 59(1)(a) and (b) of the Companies Act, the Board of the Company has set the following record dates for the purpose of determining which shareholders are entitled to:

- receive notice of the Annual General Meeting (being the date on which a shareholder must be registered in the Company's securities register in order to receive notice of the Annual General Meeting) on Friday, 23 June 2023; and
- participate in and vote at the Annual General Meeting (being the date on which a shareholder must be registered in the Company's securities register in order to participate in and vote at the Annual General Meeting) on Friday, 13 October 2023, with the last day to trade being Tuesday, 10 October 2023.

PRESENTATION OF THE AUDITED ANNUAL FINANCIAL STATEMENTS

The annual financial statements of the Company and the Group, including the reports of the Directors, Group Audit and Risk Committee and the independent external auditor, for the year ended 31 March 2023, are presented to shareholders as required in terms of Section 30(3)(d) of the Companies Act.

The complete set of the audited annual financial statements, together with the abovementioned reports, are set out on pages 80 to 137 of the Company's 2023 Integrated Annual Report, The Company's 2023 Integrated Annual Report including the complete set of audited annual financial statements is available on the Company's website at <a>https://www.safari-investments.com/investor-relations, alternatively, it may be requested and obtained in person, at no charge, from the registered office of the Company during office hours.

The Audit and Risk Committee report is set out on pages 83 and 84 of the Company's 2023 Integrated Annual Report.

PRESENTATION OF THE GROUP SOCIAL AND ETHICS COMMITTEE REPORT

The report by the Social and Ethics Committee for the year ended 31 March 2023 is included in the 2023 Integrated Annual Report on page 64 and is presented to the shareholders in terms of Regulation 43 of the Companies Regulations 2011.

ORDINARY BUSINESS

To consider and, if deemed fit, to pass, with or without modification, the following ordinary resolutions of the Company:

Note: For any of the ordinary resolutions numbered 1 to 10 (inclusive) to be adopted, more than 50% (fifty percent) of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof. For ordinary resolution number 11 to be adopted, at least 75% (seventy-five percent) of the voting rights exercised on such ordinary resolution must be exercised in favour thereof.

1. Retirement and re-election of Directors

Ordinary resolution number 1

"Resolved that Mr GJ Heron, who retires by rotation in terms of the Memorandum of Incorporation and, being eligible, offers himself for re-election, be and is hereby re-elected as a Director."

Ordinary resolution number 2

"Resolved that Dr PA Pienaar, who retires by rotation in terms of the Memorandum of Incorporation and, being eligible, offers himself for re-election, be and is hereby re-elected as a Director."

Ordinary resolution number 3

"Resolved that Mr MH Muller, who retires by rotation in terms of the Memorandum of Incorporation and, being eligible, offers himself for re-election, be and is hereby re-elected as a Director."

The reason for ordinary resolutions numbers 1 to 3 (inclusive) is that the Memorandum of Incorporation of the Company, the JSE Limited ("JSE") Listings Requirements and, to the extent applicable, the Companies Act, as amended, require that a component of the Non-executive Directors rotate at every Annual General Meeting of the Company and, being eligible, may offer themselves for re-election as Directors. Brief résumés of these Directors appear on pages 44 and 45 of the 2023 Integrated Annual Report.

2. Reappointment of the independent external auditor

Ordinary resolution number 4

"Resolved that BDO South Africa Incorporated be and is hereby appointed as the auditor of the Company for the ensuing financial year, on the recommendation of the Company's Audit and Risk Committee."

Shareholders are hereby advised that the Safari Board or its Audit and Risk Committee will undertake a detailed review of the cost, performance and scope of the audit function performed by the independent auditor of the Company.

In order to ensure good corporate governance, the Board may independently engage with a number of other service providers to assess the best value proposition that meets Safari's requirements in terms of good corporate governance, sustainability and the empowerment codes.

The reason for ordinary resolution number 4 is that the Company, being a public listed company, must have its financial results audited and such auditor must be appointed or reappointed each year at the Annual General Meeting of the Company as required by the Companies Act.

3. Appointment and reappointment of the Audit and Risk Committee members

To elect, by separate resolutions, an Audit and Risk Committee comprising Independent Non-executive Directors, as provided in Section 94(4) of the Companies Act, and appointed in terms of Section 94(2) of that Act to hold office until the next Annual General Meeting to perform the duties and responsibilities stipulated in Section 94(7) of the Companies Act and the King IV Report on Corporate Governance for South Africa 2016™ ("King IV™"). and to perform such other duties and responsibilities as may from time to time be assigned or delegated by the Safari Board, all subsidiary companies and controlled trusts

The Safari Board has assessed the performance of the Audit and Risk Committee members standing for re-election and has found them suitable for appointment. Brief résumés of these Directors appear on pages 44 and 45 of the 2023 Integrated Annual Report.

Ordinary resolution number 5

"Resolved that Dr MT Matshoba-Ramuedzisi, being eligible, be and is hereby reappointed as a member and Chairperson of the Audit and Risk Committee of the Company, as recommended by the Safari Board, until the next Annual General Meeting of the Company."

Ordinary resolution number 6

"Resolved that subject to re-election under ordinary resolution 1, Mr GJ Heron, being eligible, be and is hereby appointed as a member of the Audit and Risk Committee of the Company, as recommended by the Safari Board, until the next Annual General Meeting of the Company."

Ordinary resolution number 7

"Resolved that, subject to re-election under ordinary resolution 2, Dr PA Pienaar, being eligible, be and is hereby reappointed as a member of the Audit and Risk Committee of the Company, as recommended by the Safari Board, until the next Annual General Meeting of the Company."

The reason for ordinary resolutions numbers 5 to 7 (inclusive) is that the Company, being a public listed company, must appoint an Audit and Risk Committee and the Companies Act requires that the members of such Audit and Risk Committee be appointed, or reappointed, as the case may be, at each Annual General Meeting of the Company.

4. Place the unissued ordinary shares under the control of the Directors

Ordinary resolution number 8

"It is resolved that, in accordance with the Memorandum of Incorporation, the authorised but unissued ordinary shares in the share capital of the Company be and are hereby placed under the control and authority of the Directors and that the Directors be and are hereby generally authorised and empowered to allot, issue and otherwise dispose of such shares to such person or persons on such terms and conditions and at such times as the Directors may from time to time and in their discretion deem fit, subject to the provisions of the Companies Act, the Memorandum of Incorporation and the JSE Listings Requirements, as applicable."

Shareholders are urged to note that the unissued ordinary stated capital of the Company represents approximately 84% of the entire authorised stated capital of the Company as at the date of the notice of Annual General Meeting.

Shareholders' attention is also drawn to the fact that, where the issue is for cash pursuant to paragraphs 5.52 and/or 5.53 of the JSE Listings Requirements, this must be approved by a 75% majority, and is accordingly separately proposed for consideration under ordinary resolution number 11.

The reason for ordinary resolution number 8 is that in terms of the Memorandum of Incorporation, the shareholders must authorise that the unissued ordinary shares are placed under the control of the Directors before such shares may be issued by the Company.

5. Non-binding advisory vote on the Company's Remuneration Policy and Implementation Report

Ordinary resolution number 9

"Resolved that the shareholders endorse, by way of a non-binding advisory vote, the Company's Remuneration Policy as set out on pages 53 to 55 of the 2023 Integrated Annual Report."

The reason for ordinary resolution number 9 is that King IV™ recommends and the JSE Listings Requirements require that the Remuneration Policy of the Company be endorsed through a non-binding advisory vote by shareholders. This enables shareholders to express their views on the Remuneration Policy adopted. The effect

of ordinary resolution number 9, if passed, will be to endorse the Company's Remuneration Policy

Ordinary resolution number 9 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration agreements. The Board will, however, take the outcome of the vote into consideration when considering amendments to the Company's Remuneration Policy.

Ordinary resolution number 10

"Resolved that the Company's Implementation Report with regard to its Remuneration Policy, as set out on pages 56 to 60 of the 2023 Integrated Annual Report, be and is hereby endorsed by way of a non-binding vote."

The reason for ordinary resolution number 10 is that King IV™ recommends and the JSE Listings Requirements require that the implementation report on a company's remuneration policy be tabled for a non-binding advisory vote by shareholders at each annual general meeting of a company. This enables shareholders to express their views on the implementation of a company's remuneration policy. The effect of ordinary resolution number 10, if passed, will be to endorse the Company's Implementation Report in relation to its Remuneration Policy. Ordinary resolution number 10 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration agreements. The Board will, however, take the outcome of the vote into consideration when considering amendments to the Company's Remuneration Policy and its implementation.

In the event that 25% or more of shareholders vote against either the Remuneration Policy or the Implementation Report at the meeting, Safari will engage with shareholders through dialogue, requesting written submissions or otherwise, in order to address shareholder concerns.

The details of this process will be set out in the announcement of the voting results.

6. General authority to issue authorised but unissued ordinary shares for cash

Ordinary resolution number 11

"Resolved that the Directors of the Company be and are hereby authorised, by way of a general authority, to allot and issue and grant options to acquire or subscribe for all or any of the authorised but unissued equity securities in the capital of the Company and/or shares held in treasury for cash on such terms and conditions as the Directors in their discretion deem fit, subject to the Companies Act, the Memorandum of Incorporation and the JSE Listings Requirements, as applicable."

The JSE Listings Requirements provide that:

- this authority shall be valid until the Company's next Annual General Meeting or for 15 months from the date that this resolution is passed, whichever period is shorter;
- the ordinary shares must be issued to public shareholders as defined in the JSE Listings Requirements and not to related parties; save therefore that related parties may participate in a general issue for cash through a bookbuild process provided that (i) related parties may only participate with a maximum bid price at which they are prepared to take up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price, the relevant related party will be "out of the book" and not be allocated shares; and (ii) equity securities must be allocated equitably "in the book" through the bookbuild process and the measures to be applied must be disclosed in the SENS announcement launching the bookbuild;
- the equity securities which are the subject of the issue for cash must be of a class already in issue or must be limited to such securities or rights that are convertible into a class already in issue;
- the maximum discount at which the ordinary shares may be issued is 10% of the weighted average traded price of the Company's ordinary shares measured over 30 business days prior to the date

that the price of the issue is determined or agreed by the Directors and the party subscribing for the securities (the JSE will be consulted for a ruling if the Company's securities have not traded in such 30-business-day period);

- an announcement, giving full details of such issue, will be published on SENS at the time of any issue representing, on a cumulative basis, 5% or more of the number of ordinary shares in issue prior to that issue in terms of the JSE Listings Requirements; and
- the general issues of shares for cash under this authority may equal but not exceed, in the aggregate, 30% of the Company's issued share capital net of treasury shares (comprising 257 496 169 shares) of that class as at the date of this notice of Annual General Meeting, it being recorded that ordinary shares issued pursuant to a rights offer to shareholders or options granted by the share incentive trust in accordance with the JSE Listings Requirements shall not diminish the number of ordinary shares that comprise the 30% of the ordinary shares that can be issued in terms of this ordinary resolution. As at the date of this notice of Annual General Meeting, 30% of the Company's issued ordinary share capital (net of treasury shares) amounts to 77 248 851 ordinary shares.

For listed entities wishing to issue or grant options over shares for cash other than issues by way of rights offers or dividends reinvested for shares, in consideration of acquisitions and/or share incentive schemes (which schemes have been duly approved by the JSE and by the shareholders of the Company), it is necessary for the Board of the Company to obtain the prior authority of the shareholders in accordance with the JSE Listings Requirements and the Memorandum of Incorporation of the Company. Accordingly, the reason for ordinary resolution number 11 is to obtain a general authority from shareholders to issue shares for cash in compliance with the JSE Listings Requirements and the Memorandum of Incorporation.

In order for ordinary resolution number 11 to be adopted, the support of at least 75% (seventy-five percent) of the votes cast by

shareholders present or represented by proxy at the Annual General Meeting is required.

Special business

In order for these special resolutions to be adopted, the support of at least 75% (seventy-five percent) of votes cast by shareholders present or represented by proxy at this meeting is required.

To consider and, if deemed fit, to pass, with or without modification, the following special resolutions of the Company:

7. General authority to repurchase shares

Special resolution number 1

"Resolved, as a special resolution, that the Company and the subsidiaries of the Company be and are hereby authorised, as a general approval, to repurchase and/or purchase any of the shares issued by the Company, upon such terms and conditions and in such amounts as the Directors may from time to time determine, but subject to the provisions of Sections 46 and 48 of the Companies Act, the Memorandum of Incorporation of the Company and the JSE Listings Requirements, as applicable."

The aforegoing provisions of the JSE Listings Requirements provide, in summary, that:

- the general repurchase of the shares may only be implemented through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);
- this general authority shall only be valid until the next Annual General Meeting of the Company provided that it shall not extend beyond 15 months from the date of this resolution;
- an announcement must be published as soon as the Company has acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue on the date that this authority is granted, containing full details thereof, as well as for each 3% in aggregate of the initial number of shares acquired thereafter;

NOTICE OF ANNUAL GENERAL MEETING continued

- the general authority to repurchase is limited to a maximum of 10% in the aggregate in any one financial year of the Company's issued share capital at the time the authority is granted;
- a resolution has been passed by the Safari Board approving the repurchase, that the Company has satisfied the solvency and liquidity test as defined in the Companies Act and that, since the solvency and liquidity test was applied, there have been no material changes to the financial position of the Company and its subsidiaries;
- the general repurchase is authorised by the Company's Memorandum of Incorporation;
- repurchases must not be made at a price more than 10% above the weighted average of the market value of the shares for the five business days immediately preceding the date that the transaction is effected. The JSE will be consulted for a ruling if the Company's securities have not traded in such five-business-day period;
- the Company may at any point in time only appoint one agent to effect any repurchase(s) on the Company's behalf: and
- the Company may not effect a repurchase during any prohibited period as defined in terms of the JSE Listings Requirements unless there is a repurchase programme in place, which programme has been submitted to the JSE in writing prior to the commencement of the prohibited period and executed by an independent third party, as contemplated in terms of paragraph 5.72(h) of the JSE Listings Requirements.

Reason and effect

The reason for and effect of special resolution number 1 is to grant the Directors a general authority in terms of the Companies Act, the Memorandum of Incorporation and the JSE Listings Requirements for the acquisition by the Company or by a subsidiary of the Company of shares issued by the Company.

In terms of Section 48(2)(b)(i) of the Companies Act, subsidiaries may not hold more than 10%, in aggregate, of the number of issued shares of a company. For the avoidance of doubt, (i) a pro rata repurchase by the Company from its shareholders, and (ii) intra-group repurchases by the Company of its shares from wholly owned subsidiaries, share incentive schemes pursuant to Schedule 14 of the JSE Listings Requirements and/or non-dilutive share incentive schemes controlled by the Company, where such repurchased shares are to be cancelled, do not require Safari shareholder approval under the JSE Listings Requirements, but do require such approval in certain instances under the Companies Act.

Information relating to the special resolution

The Directors of the Company or its subsidiaries will only utilise the general authority to repurchase shares of the Company to the extent that the Directors, after considering the maximum number of shares to be purchased, are of the opinion that the position of the Group would not be compromised as to the following:

- The Company and the Group's ability in the ordinary course of business to pay its debts for a period of 12 months after the date of the notice of Annual General Meeting:
- The consolidated assets of the Group will at the time of the notice of Annual General Meeting and at the time of making such determination, and for a period of 12 months thereafter, be in excess of the consolidated liabilities of the Company and the Group. The assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited annual financial statements of the Group;
- The ordinary share capital and reserves of the Company and the Group after the repurchase will remain adequate for the purpose of the business of the Group for a period of 12 months after the date of the notice of the Annual General Meeting; and

The working capital available to the Group after the repurchase will be sufficient for the Group's ordinary business purposes for a period of 12 months after the date of the notice of the Annual General Meeting.

Information in respect of material changes, stated capital of the Company and major shareholders, can be found on pages 80, 119 and 144, respectively.

The Directors of the Company collectively and individually accept responsibility for the accuracy of the information given and certified that to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this special resolution contains all information required by law and the JSE Listings Requirements.

8. Inter-company financial assistance

Inter-company financial assistance Special resolution number 2

"Resolved, in terms of Section 45(3)(a)(ii) of the Companies Act, as a general approval, that the Board of the Company be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in Section 45(1) of the Companies Act) that the Board of the Company may deem fit to any company or corporation that is related or inter-related ("related" or "inter-related" will herein have the meaning attributed to it in Section 2 of the Companies Act) to the Company, on the terms and conditions and for amounts that the Board of the Company may determine, provided that the aforementioned approval shall be valid until the date of the next Annual General Meeting of the Company."

The reason for and effect of special resolution number 2 is to grant the Directors of the Company the authority, until the next Annual General Meeting of the Company, to provide direct or indirect

financial assistance to any company or corporation which is related or inter-related to the Company. This means that the Company is, inter alia, authorised to grant loans to its subsidiaries and to guarantee the debt of its subsidiaries.

Financial assistance for the subscription and/or purchase of shares in the Company or a related or inter-related company

Special resolution number 3

"Resolved, in terms of Section 44(3)(a)(ii) of the Companies Act, as a general approval, that the Board of the Company be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in Sections 44(1) and 44(2) of the Companies Act) that the Board of the Company may deem fit to any person, including any financier who provides funding by subscribing for preference shares or other securities in the Company or any company or corporation that is related or inter-related to the Company ("related" or "inter-related" will herein have the meaning attributed to it in Section 2 of the Companies Act), on the terms and conditions and for amounts that the Board of the Company may determine for the nurnose of or in connection with the purchase of or subscription for any option. or any shares or other securities, issued or to be issued by the Company or a related or inter-related company or corporation, provided that the aforementioned approval shall be valid until the date of the next Annual General Meeting of the Company."

The reason for and effect of special resolution number 3 is to grant the Directors the authority, until the next Annual General Meeting of the Company, to provide financial assistance to any person in respect of any company or corporation which is related or inter-related to the Company (e.g. its subsidiaries) and/or to any financier for the purpose of or in connection with the subscription or purchase of options, shares or other securities in the Company or any related or inter-related company or corporation. This

means that the Company is authorised, inter alia, to grant loans to its subsidiaries and to guarantee and furnish security for the debt of its subsidiaries where any such financial assistance is directly or indirectly related to a party subscribing for options, shares or securities in the Company or its subsidiaries.

A typical example of where the Company may rely on this authority is where a subsidiary raised funds by way of issuing preference shares and the third-party funder requires the Company to furnish security, by way of a guarantee or otherwise, for the obligations of its subsidiary to the third-party funder arising from the issue of the preference shares.

The Company has no immediate plans to use this authority and is simply obtaining same in the interests of prudence and good corporate governance should the unforeseen need arise to use the authority.

In terms of and pursuant to the provisions of Sections 44 and 45 of the Companies Act, the Directors of the Company confirm that the Board will satisfy itself, after considering all reasonably foreseeable financial circumstances of the Company, that immediately after providing any financial assistance as contemplated in special resolutions numbers 2 and 3 above:

- the assets of the Company (fairly valued) will equal or exceed the liabilities of the Company (fairly valued) (taking into consideration the reasonably foreseeable contingent assets and liabilities of the Company);
- the Company will be able to pay its debts as they become due in the ordinary course of business for a period of 12 months;
- the terms under which any financial assistance is proposed to be provided will be fair and reasonable to the Company; and
- all relevant conditions and restrictions (if any) relating to the granting of financial assistance by the Company as contained in the Company's Memorandum of Incorporation have been met.

9. To transact such other business as may be transacted at an Annual General Meeting

Important notes regarding attendance at the Annual General Meeting

General

Shareholders wishing to attend the meeting have to ensure beforehand with the transfer secretaries of the Company that their shares are in fact registered in their name.

Certificated shareholders and own-name dematerialised shareholders

Shareholders who have not dematerialised their shares or who have dematerialised their shares with own-name registration are entitled to attend and vote at the Annual General Meeting and are entitled to appoint a proxy or proxies to attend, speak and vote in their stead. The person appointed need not be a shareholder of the Company. Proxy forms should be lodged with the transfer secretaries of the Company, being Computershare Investor Services, at Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, South Africa, or posted to the transfer secretaries at Private Bag X9000, Saxonwold 2132, South Africa, or by email to proxy@computershare.co.za to be received by them not later than 14:00 on Friday, 20 October 2023, provided that any form of proxy not delivered to the transfer secretaries by this time may be handed to the Chairperson of the Annual General Meeting prior to the commencement of the Annual General Meeting, at any time before the appointed proxy exercises any shareholder rights at the Annual General Meeting.

Dematerialised shareholders other than with own-name registration

Dematerialised shareholders, other than own-name dematerialised shareholders, should contact their Central Securities Depository Participant ("CSDP") or broker in the manner and time stipulated in the custody agreement entered into between such shareholders and the CSDP or broker:

 to furnish them with their voting instructions; and

SHAREHOLDERS' INFORMATION

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NOTICE OF ANNUAL GENERAL MEETING continued

 in the event that they wish to attend the meeting, to obtain the necessary authority to do so.

Voting will be by way of a poll and every shareholder of the Company present in person or represented by proxy shall have one vote for every share held in the Company by such shareholder.

ELECTRONIC PARTICIPATION

in the Safari Investments RSA Limited virtual Annual General Meeting to be held on Tuesday, 24 October 2023.

- Shareholders or their proxies who wish to participate in the Annual General Meeting via electronic communication ("participants"), must arrange their relevant letter of representation and submit it to TMS via email at
- proxy@tmsmeetings.co.za or alternatively register for the meeting at
- www.tmsmeetings.co.za.
- Participants will be able to vote during the Annual General Meeting through an electronic participation platform. Such participants, should they wish to have their vote(s) counted at the Annual General Meeting, must provide TMS with their email address and cell number.
- 3. Each shareholder who has complied with the requirements will be contacted between 20 and 23 October 2023 via email/cell with a unique link to allow them to participate in the virtual Annual General Meeting.
- The cost of the participant's phone call or data usage will be at his/her own expense and will be billed separately by his/her own telephone service provider.

- The cut-off time, for administrative purposes, to participate in the Annual General Meeting will be 14:00 on Friday, 20 October 2023.
- The participant's unique access credentials will be forwarded to the email/cell number provided by the participant.

SUMMARY OF SHAREHOLDER RIGHTS

In compliance with the provisions of Section 58(8)(b)(i) of the Companies Act, a summary of the rights of a shareholder to be represented by proxy, as set out in Section 58 of the Companies Act, is as follows:

- A shareholder entitled to attend and vote at the Annual General Meeting may, at any time, appoint any individual (or two or more individuals) as a proxy or proxies to attend, participate in and vote at the meeting in the place of the shareholder. A proxy need not be a shareholder of the Company.
- A proxy appointment must be in writing, dated and signed by the shareholder appointing the proxy, and subject to the rights of a shareholder to revoke such appointment (as set out below). It remains valid only until the end of the meeting.
- A proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.
- The appointment of a proxy is suspended at any time and to the extent that the shareholder who appointed such proxy chooses to act directly and in person in the exercise of any of his/her rights as shareholder.

 The appointment of a proxy is revocable by the shareholder in question cancelling it in writing or making a later inconsistent appointment of a proxy and delivering a copy of the revocation instrument to the proxy and to the Company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of: (i) the date stated in the revocation instrument, if any; or (ii) the date on which the revocation instrument is delivered to the Company as required in the first sentence of this paragraph, whichever is the later. If the instrument appointing the proxy or proxies has been delivered to the Company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the Memorandum of Incorporation to be delivered by the Company to the shareholder, must be delivered by the Company to: (a) the shareholder; or (b) the proxy or proxies, if the shareholder has: (i) directed the Company to do so in writing; and (ii) paid any reasonable fee charged by the Company for doing so.

Attention is also drawn to the notes on the proxy form.

By order of the Board.

PWL van Niekerk

Group Company Secretary

Pretoria 29 June 2023

Registered office

410 Lynnwood Road, Lynnwood Pretoria 0081 SAFARI INVESTMENTS RSA LIMITED

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ELECTRONIC PARTICIPATION

in the Safari Investments RSA Limited virtual Annual General Meeting to be held on Tuesday, 24 October 2023

- 1. Shareholders or their proxies who wish to participate in the Annual General Meeting via electronic communication ("participants"), must deliver the electronic participation registration form below to TMS via email at 🕾 proxy@tmsmeetings.co.za.
- 2. Participants will be able to vote during the Annual General Meeting through an electronic participation platform. Such participants, should they wish to have their vote(s) counted at the Annual General Meeting, must provide TMS with the information requested below.
- 3. Each shareholder, who has complied with the requirements below, will be contacted between 20 and 23 October 2023 via email/cell with a unique link to allow them to participate in the virtual Annual General Meeting.
- 4. The cost of the participant's phone call or data usage will be at his/her own expense and will be billed separately by his/her own telephone service provider.
- 5. The cut-off time, for administrative purposes, to participate in the meeting will be 14:00 on Friday, 20 October 2023.
- 6. The participant's unique access credentials will be forwarded to the email/cell number provided below.

PARTICIPATION REGISTRATION FORM

Name and surname of shareholder	
Name and surname of shareholder representative	
(If applicable)	
ID number of shareholder or representative	
<u>Email</u> address	
Cell number	
Telephone number	
Name of CSDP or broker	
(If shares are held in dematerialised format)	
SCA number/broker account number or	
Own-name account number	
Number of shares	
Signature	Date

By signing this form, I agree and consent to the processing of my personal information above for the purpose of participation in the Annual General Meeting.

SHAREHOLDERS' INFORMATION

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ELECTRONIC PARTICIPATION continued

TERMS AND CONDITIONS FOR PARTICIPATION IN THE SAFARI INVESTMENTS RSA LIMITED VIRTUAL ANNUAL GENERAL MEETING TO BE HELD ON TUESDAY. 24 OCTOBER 2023

- The cost of dialling in using a telecommunication line/webcast/web-streaming to participate in the Annual General Meeting is for the expense of the participant and will be billed separately by the participant's own telephone/internet service provider.
- The participant acknowledges that the telecommunication lines/webcast/web-streaming and verification and meeting voting and participation services ("the services") are provided to the Company by a third party and are (among others) dependent on technological and other functionality which cannot be guaranteed and that the participant thus uses such services entirely at its own risk. TMS is contracted solely to Safari, and neither Safari nor TMS provides shareholders with any undertaking, warranty, promise or representation, whether expressed or implied, in connection with the services. Each participant using the services accordingly shall not have any claim against either Safari or TMS in connection with the services, and (subject to any non-waivable rights in law) waives any claim which it may otherwise have in this regard.
- Participants will be able to vote during the Annual General Meeting through an electronic participation platform. Such participants, should
 they wish to have their vote(s) counted at the Annual General Meeting, must act in accordance with the requirements set out above.
- Once the participant has received the link, the onus to safeguard this information remains with the participant.

A participant will only be eligible to participate and/or vote electronically at the meeting if this registration form has been fully completed and signed by the participant, including the required supporting documents, and emailed to TMS at Proxy@tmsmeetings.co.za, and such identification and related registration request is satisfactorily verified in accordance with the provisions set out in the section of the notice headed "Notes on participating in the 2023 Annual General Meeting".

Shareholder name	
Signature	Date
Signature	Dute

Important: You are required to attach a copy of your identity document/driver's licence/passport when submitting the application.

SAFARI INVESTMENTS RSA LIMITED

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FORM OF PROXY



I/We

SAFARI INVESTMENTS RSA LIMITED

(Registration number: 2000/015002/06) (Share code: SAR | ISIN: ZAE000188280) ("the Company" or "Safari")

Each share comprises one ordinary share. Certificated and own-name dematerialised shareholders are therefore advised that they must complete a form of proxy in order for their vote/s to be valid.

This form of proxy is for use by the holders of the Company's certificated shares ("certificated shareholders") and/or dematerialised shares held through a Central Securities Depository Participant ("CSDP") or broker who have selected own-name registration and who cannot attend but wish to be represented at the Annual General Meeting to be conducted entirely by electronic communication on Tuesday, 24 October 2023 at 14:00 or any adjournment, if required. Additional forms of proxy are available at the Company's registered office.

This form of proxy is not for the use by holders of the Company's dematerialised shares who have not selected own-name registration. Such shareholders must contact their CSDP or broker timeously if they wish to attend and vote at the Annual General Meeting and request that they be issued with the necessary authorisation to do so or provide the CSDP or broker timeously with their voting instructions should they not wish to attend the Annual General Meeting but wish to be represented thereat, in order for the CSDP or broker to vote in accordance with their instructions.

Name in BLOCK LETTERS)		
of		
Address)		
Being the registered holder/s of		(number) ordinary shares in Safari Investments RSA Limited
Hereby appoint	of	or failing him/her,

the Chairperson of the Annual General Meeting, as my/our proxy(ies) to vote for me/us on my/our behalf at the Annual General Meeting of the Company and at any adjournment thereof.

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. Unless this is done, the proxy will vote as he/she thinks fit

Resolutions	In favour of	Against	Abstain
Ordinary resolutions			
Retirement and re-election of Directors			
1. Mr GJ Heron			
2. Dr PA Pienaar			
3. Mr MH Muller			
Reappointment of the independent external auditor			
Appointment of the independent external auditor, BDO South Africa Incorporated			

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Assisted by (if applicable)

Resolutions	In favour of	Against	Abstain
Appointment and reappointment of the Audit and Risk Committee members			
5. Dr MT Matshoba-Ramuedzisi (as Chairperson of the Committee)			
6. Mr GJ Heron			
7. Dr PA Pienaar			
Place unissued ordinary shares under Board control			
8. Place unissued ordinary shares under Board control			
Remuneration Policy and Implementation Report			
9. Non-binding advisory vote on the Company's Remuneration Policy			
10. Non-binding advisory vote on the Company's Implementation Report with regard to its Remuneration Policy			
General authority to issue authorised but unissued ordinary shares for cash			
11. General authority to issue authorised but unissued shares for cash			
Special resolutions			
General authority to repurchase shares			
Financial assistance in relation to Section 45 of the Companies Act			
Approval to provide financial assistance in terms of Section 45 of the Companies Act			
Financial assistance in relation to Section 44 of the Companies Act			
3. Financial assistance in terms of Section 44 of the Companies Act			

Signed at	on	2023
Signature		

NOTES TO THE FORM OF PROXY

- Each of the shares comprises one ordinary share. Certificated and own-name dematerialised shareholders are therefore advised that they must complete a form of proxy for their vote/s to be valid.
- This form of proxy is to be completed only by those shareholders who hold shares in certificated form or are recorded in the sub-register in electronic form in their "own name".
- Each shareholder is entitled to appoint one or more proxies (none of whom need to be a shareholder of the Company) to attend, speak and vote in place of that shareholder at the Annual General Meeting.
- 4. Shareholders who are certificated or own-name dematerialised shareholders may insert the name of a proxy or the names of two alternate proxies of the shareholder's choice in the space/s provided, with or without deleting "the Chairperson of the Annual General Meeting", but any such deletion must be initialled by the shareholders. The person whose name stands first on this form of proxy and who is present at the Annual General Meeting will be entitled to act as proxy to the exclusion of those whose names follow. If no proxy is named on a lodged form of proxy, the Chairperson shall be deemed to be appointed as the proxy.
- 5. A shareholder's instructions to the proxy must be indicated by the insertion of an "X" in the appropriate box provided. Failure to comply with the above will be deemed to authorise the proxy, in the case of any proxy other than the Chairperson, to vote or abstain from voting as deemed fit, and in the case of the Chairperson, to vote in favour of any resolution.

- 6. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder, but the total of the votes cast or abstained from may not exceed the total of the votes exercisable in respect of the shares held by the shareholder.
- Forms of proxy must be lodged at, posted or emailed to the transfer secretaries, Computershare Investor Services Proprietary Limited (Private Bag X9000, Saxonwold 2132, fax number: +27 (0) 11 688 5238, email: proxy@computershare.co.za or to the Group Company Secretary at pieter@safari-investments.com to be received at least 48 hours prior to the Annual General Meeting.
- The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the Annual General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so. Where there are joint holders of shares, the vote of the first joint holder who tenders a vote as determined by the order in which the names stand in the register of shareholders, will be accepted. In addition to the aforegoing, a shareholder may revoke the proxy appointment by:
- (i) cancelling it in writing or making a later inconsistent appointment of a proxy; and
- (ii) delivering a copy of the revocation instrument to the proxy and to the Company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as at the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered in the required manner.

- Where there are joint holders of any shares, only that holder whose name appears first in the register in respect of such shares needs to sign this form of proxy.
- 10. The Chairperson of the Annual General Meeting may reject or accept any form of proxy which is completed and/or received, otherwise than in accordance with these notes, provided that, in respect of acceptances, the Chairperson is satisfied as to the manner in which the shareholder concerned wishes to vote.
- 11. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company or waived by the Chairperson of the Annual General Meeting.
- Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.
- 13. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
- The aforegoing notes contain a summary of the relevant provisions of Section 58 of the Companies Act.

SHAREHOLDERS' INFORMATION

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ABBREVIATIONS

AIDS Acquired immune deficiency syndrome

ATM Automated teller machine

BBBEE Broad-based black economic empowerment

BPR Best practice recommendations of the SA REIT Association

bps Basis points

CEO Chief Executive Officer
CFO Chief Financial Officer
CO Carbon dioxide

Companies Act Companies Act of South Africa 71 of 2008

the Company Safari Investments RSA Limited

COO Chief Operating Officer

COVID-19 Coronavirus disease 2019, an infectious disease caused by severe acute respiratory syndrome coronavirus 2

(SARS-CoV-2)

CPI Consumer Price Index

CSDP Central Securities Depository Participant

CSI Corporate social investment CSP Conditional Share Plan

ESG Environmental, social and governance

FFO Funds from operations
GLA Gross lettable area

the Group Safari Investments RSA Limited and its subsidiary Safari Investments Namibia Proprietary Limited

Heriot REIT Limited

Heriot Properties
HIV
HVAC
HAS
HAS
HAS
HERIOT Properties Proprietary Limited
Human immunodeficiency virus
Heating, ventilation and air conditioning
International Accounting Standards
International Accounting Standards Board

IBOR Interbank offered rates

ICR Interest cover ratio

IFRIC International Financial Reporting Interpretations Committee

IFRS International Financial Reporting Standards

<IR> Framework Integrated Reporting Framework of the IFRS Foundation

IRBA Code Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors

ISAs International Standards on Auditing

IT Information technology

JIBAR Johannesburg Interbank Average Rate

JSE JSE Limited

King IV Report on Corporate Governance for South Africa, 2016™

KPD Key performance deliverable

kWh Kilowatt hour

Litre

LTI Long-term Incentive
LTIP Long-term Incentive Plan

 $\begin{array}{ccc} \text{LTV} & & \text{Loan-to-value} \\ \text{m}^2 & & \text{Square metre} \end{array}$

m^xCO₂ Microstructural and optical properties of spinel oxide

NAV Net asset value

NPO Non-profit organisation

POPIA Protection of Personal Information Act 4 of 2013

PV Photovoltaic

REIT Real Estate Investment Trust

SACSC South African Council of Shopping Centres
SAICA SAPOA South African Institute of Chartered Accountants
South African Property Owners Association

SENS Stock Exchange News Service

SETA Sector Education and Training Authority

SPV Special purpose vehicle
STI Short-term Incentive

TCTC Total cost to company

TMS The Meeting Specialist Proprietary Limited

VAT Value added tax

VWAP Volume-weighted average price

CORPORATE INFORMATION

SAFARI INVESTMENTS RSA LIMITED

(Registration number: 2000/015002/06)

JSE code: SAR ISIN: ZAE000188280

Country of incorporation: Republic of South Africa

(7 July 2000)

REGISTERED ADDRESS AND PLACE OF BUSINESS

410 Lynnwood Road, Lynnwood, Pretoria 0081

+27 (0) 12 365 1889

linfo@safari-investments.com

www.safari-investments.com

AUDITOR

BDO South Africa Incorporated Wanderers Office Park, 52 Corlett Drive Illovo, Johannesburg 2196

BANKERS

Absa Bank Limited

(Registration number: 1986/004794/06) Absa Towers East, 170 Main Street

Johannesburg 2001

PO Box 7735, Johannesburg 2000

The Standard Bank of South Africa

(Registration number: 1962/000738/06) 9th Floor, Standard Bank Centre 5 Simmonds Street, Johannesburg 2001

PO Box 7725, Johannesburg 2000

GROUP COMPANY SECRETARY

Pieter van Niekerk LLB

410 Lynnwood Road, Lynnwood, Pretoria 0081 Postal: As above

DIRECTORS OF SAFARI INVESTMENTS RSA LIMITED

SB Herring (Non-executive Chairperson)

Dr MT Matshoba-Ramuedzisi (Lead Independent Non-executive)

DC Engelbrecht (Chief Executive Officer)

GJ Heron (Independent Non-executive)

MH Muller (Independent Non-executive)

Dr PA Pienaar (Independent Non-executive)

WL Venter (Chief Financial Officer)

INDEPENDENT VALUER

Quadrant Properties Proprietary Limited

(Registration number: 1995/003097/07) Dunkeld Court, 16 North Road

Dunkeld West, Randburg 2196

LEGAL ADVISER

Webber Wentzel

90 Rivonia Road, Sandton, Johannesburg 2196 (PO Box 1144, Johannesburg 2000)

SPONSOR

PSG Capital Proprietary Limited

(Registration number: 1951/002280/06) 1st Floor, Ou Kollege Building, 35 Kerk Street

Stellenbosch 7599

PO Box 7403, Stellenbosch 7599

TRANSFER SECRETARIES

Computershare Investor Services

Proprietary Limited

(Registration number: 2004/003647)

Rosebank Towers

15 Biermann Avenue, Rosebank 2196 Private Bag X9000, Saxonwold 2132



KEY CONTACTS

If interested in investing with us, or for more information on our investment opportunities, contact:

TALANA SMITH

Investor Relations Manager

1 +27 (0) 12 365 1889

🖄 talana@safari-investments.com

Or alternatively

DIRK ENGELBRECHT

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Safari Investments RSA Limited

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reception@safari-investments.com

Visit our investor relations link on our website for more information and financial undates, profiles and news

www.safari-investments.com/investor-relations/