Integrated Annual Report
2024

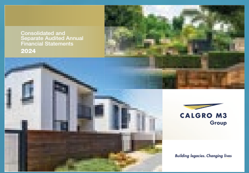
CALGRO M3
Group

Building legacies. Changing lives

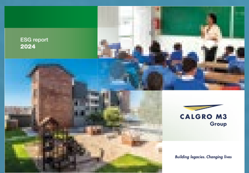
Our Integrated Annual Report Suite 2024

Calgro M3 Holdings Limited ("Calgro M3") is a committed, responsible corporate citizen producing an Integrated Annual Report suite, consisting of the following components, available on the website for ease of reference. This also reduces our carbon footprint by reducing the number of copies printed.

Integrated annual report and notice of annual general meeting



Consolidated and separate audited annual financial statements



ESG report
(including our approach to governance and King IV™ Application Register)

The 2024 annual report composition

Forward-looking statements

Certain statements in this report may contain forward-looking statements which are inherently predictive, speculative and involve risk and uncertainty as they relate to events or depend on circumstances that will occur in the future, involve known and unknown risks, uncertainties and other facts or factors that may cause the actual results of the Group or its sector to be materially different from any results expressed or implied by such forward-looking statements.

Forward-looking statements are not guaranteeing future performance and are based on assumptions regarding the Group's present and future business strategies and the environments in which it operates now and in the future. No assurance can be given that forward-looking statements and undue reliance should not be placed on such statements. Calgro M3 does not undertake to update any forward-looking statements contained in this document and does not assume responsibility for any loss or damage whatsoever and howsoever arising as a result of the reliance by any party thereon.

Calgro M3 is a committed, responsible corporate citizen and produces an Integrated Annual Report reporting suite, consisting of the following components, which are available on the corporate website.

Navigation toolkit

Website reference | Notes reference | Page reference | Document reference

Contents

About this report

Calgro M3 Holdings Limited ("Calgro M3", "Calgro", "the Group", "Group") is the company of choice for investing in property and property-related businesses, which is primarily involved in integrated housing development and memorial parks.

Our Integrated Annual Report and our application of globally recognised governance and sustainability reporting frameworks provides our stakeholders a clear view of how Calgro M3's strategy, business model, performance and prospects – in the context of its external environment – create, preserve and enhance value over the short, medium and long term.

Materiality

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

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

Scope and boundary

The collective of all the documents within the annual report suite, as described on the inner front page, for the year ended 29 February 2024 provides an overview of the financial, social, environmental and governance performance of Calgro M3 and its subsidiaries.

Information presented covers all operating entities of the Group, including all subsidiaries and joint ventures, unless otherwise indicated. All information, except any changes associated with adopting new accounting standards, is presented on the same basis as the Group's 2023 Integrated Annual Report, the measurement methods applied, and the time frames used. The information provided covers all material matters relating to business strategy, risks and areas of critical importance to our stakeholders.

Reporting frameworks applied

The above reports are guided by:

- King IV™ Report on Corporate Governance™ for South Africa, 2016 ("King IV™")
- Global Reporting Initiative ("GRI") G4 Sustainability Reporting Guidelines including, where possible, the Construction and Real Estate Sector Supplement*
- United Nations Social Development Goals
- Companies Act No. 71 of 2008 (as amended)
- JSE Listings Requirements

* *The Group is a Global Compact ("GC") advanced level and signatory to the UN Global Compact Principles ("UNGC") which requires companies and their subsidiaries to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption.*

Independent assurance

Mazars has been engaged to provide independent assurance on the Group consolidated financial statements. Miles Fisher is the individual registered auditor who undertook the audit. The Mazars audit opinion on the annual consolidated financial statements can be found in the Annual Financial Statements section on the website.

Board responsibility statement

The integrity of the Integrated Annual Report was overseen by the Board of Directors in conjunction with the Audit and Risk Committee. This was achieved by setting up appropriate teams, led by the Group Executive team, structures and processes to compile the Integrated Annual Reporting suite of documents and then performing a thorough review of the resulting document. The Board of Directors acknowledges its responsibility in ensuring the integrity of the 2024 Integrated Annual Report and has evaluated its preparation and presentation accordingly. In the opinion of the Board, the report provides a fair and balanced account of performance, strategy and value creation of the Group as well as addressing material matters pertaining to the long-term sustainability of the Group and the impacts thereof. This report was approved by the Board on 13 May 2024.

Hatla Ntene *Chairperson*	**Wikus Lategan** *Chief Executive Officer (CEO)*	**Sayuri Naicker** *Financial Director*	**Ralph Patmore**
George Hauptfleisch	**Mdu Gama**	**Themba Baloyi**	
Tyrone Moodley	**Waldi Joubert**	**Wayne Williams**	

13 May 2024

We aim to provide all stakeholders with a balanced, clear and transparent understanding of our business and how we create sustainable value. Stakeholders are invited to actively participate by sending questions, comments, concerns or queries to:

Wikus Lategan (CEO) (wikus@calgrom3.com)
Sayuri Naicker (FD) (sayurin@calgrom3.com)
Tel: 011 300 7500

Our business

CALGRO M3

Calgro M3 consists of the following two operating segments, focusing operations in Gauteng, Western Cape and the Free State:

Residential Property Development

The business builds integrated housing developments consisting of subsidised, social, GAP ("Grassroots Affordable People's") or FHF ("First Home Finance") and Affordable Housing and these homes are provided in developments which include schooling and communal facilities to all levels of income earners within one integrated community.

The integrated development model offers homeowners a platform to improve their lifestyle and living conditions in line with their financial capability, whilst remaining in the same community and residing close to job opportunities.

In addition to our integrated developments, we also develop mid-to-high end retirement and cluster developments.

Memorial Parks

The concept of Memorial Parks originated from the need to find alternative uses for large portions of Calgro M3-owned land that were not suitable for residential or other commercial purposes. Calgro M3 Memorial Parks is an alternative to traditional cemeteries, adds value to existing developments, introduces an alternative burial option that is dignified, secure and which delivers a service to customers that is superior to other products in the market.

All Calgro M3 Memorial Parks are privately owned and professionally managed and maintained by the Group. We pride ourselves on providing safe, serene, and beautiful surroundings where family and friends can lay their loved ones to rest.

Our strategy is to enable the extraction of different sources of revenue and profits from businesses and opportunities along the property development value chain, which will result in an improved operating margin blend as well as ensuring sustainability throughout all business and economic cycles.

The Group's positioning and business model provides it with the ability to adapt to the demands and challenges of the marketplace, including ever-evolving social, economic, political, and environmental considerations. Our agility in navigating between sectors enables us to realise our strategy of extracting different sources of revenue and profits from businesses and opportunities, which will result in an improved liquidity blend and margin over time. In the current environment we are focused primarily on the low to middle income private sector.

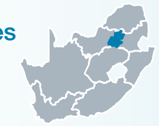
The housing segments we operate in

Public sector		Private sector			
Breaking new ground ("BNG") fully subsidised ownership	**Community residential units ("CRU") (council subsidised rentals)**	**Social housing (subsidised rentals)**	**GAP, FLISP and private rental housing segment**	**Affordable housing**	**Mid-to-high income housing**
Style and average sales bracket					
Subsidy of the day	**Subsidy as per national community residential units ("CRU") policy**	**Up to R400 000** (institutional subsidy from public sector of R272 000)	**Up to R600 000** (reviewed consistently to enhance value offering and ensure affordability)	**Up to R900 000**	**R900 001 up to R3 000 000 +**
Description of housing					
Providing fully subsidised units to qualifying South Africans (updated version of Reconstruction and Development Programme ("RDP") housing)	The community residential unit ("CRU") programme comprises subsidised rental units owned by the public sector	Social housing is a rental or cooperative housing option of subsidised rentals owned by non-profit social housing institutes	Grassroots affordable people's ("GAP") homes cater for people excluded from the subsidised programme but with incomes too low to qualify for traditional affordable homes Finance linked individual subsidy programme ("FLISP"). The product was introduced when the affordability level to qualify for subsidised housing was removed, allowing people previously disqualified based on income, to qualify for a partly subsidised home	Full and sectional title residential units aimed at homeowners in the bonded market regulated by the Financial Services Charter ("FSC")	Full and sectional title residential units aimed at homeowners in the bonded market, outside the FSC
Target income earners					
<R3 500 pm	**<R7 500 pm**	**<R22 000 pm**	**<R22 000 pm**	**>R22 001 pm**	**>R30 000 pm**
Move into CRU if monthly earnings >R3 500 pm	Move to next housing segment depending on increased income level >R7 500	Move to next housing segment if monthly earnings >R22 000 Subsidy risk taken by social housing company, not Calgro M3	Subsidies to the individual ranging from R27 960 to R121 626, depending on income level		

Our Memorial Parks footprint

NASREC MEMORIAL PARK by CALGRO
Grave quantities
28 033
Gauteng

FOURWAYS MEMORIAL PARK by CALGRO
Grave quantities
6 112
Gauteng



ENOKUTHULA MEMORIAL PARK by CALGRO
Grave quantities
9 661
Gauteng

BLOEMFONTEIN MEMORIAL PARK by CALGRO
Grave quantities
45 987
Free State

DURBANVILLE MEMORIAL PARK by CALGRO
Grave quantities
5 002
Western Cape

PLATINUM CITY MEMORIAL PARK by CALGRO
Grave quantities
25 553
North West

Values, vision and mission

Values

- Respect
- Integrity
- Excellence
- Quality
- Passion

Vision

To be the company of choice for investing in property and property-related businesses.

Ever mindful that all actions taken, and strategies implemented are: **#sustainableactions**

Mission

- Differentiating products and services
- Delivering products and services of the highest quality and standards across our diversified property-related investment portfolio
- Developing beneficial relationships with all stakeholders
- Mentoring and uplifting staff
- Embracing Broad-Based Black Economic Empowerment
- Realising sustainable returns for shareholders

Message to stakeholders from the CEO and FD

1

Performance metrics

1 794 units handed over in current year

Gross margin of **27.25%**

Earnings per share ("EPS") increased to **192.01 cents** (February 2023: 153.37 cents per share)

Headline earnings per share ("HEPS") increased to **189.87 cents per share** (February 2023: 153.18 cents per share)

Net debt to equity level stable at **0.63** (February 2023: 0.62)

Loan to value of **31.97%** (February 2023: 31.04%)

Share buyback of **25.91 million shares** (18.5%) at an average price of **R2.92 per share** and to the amount of **R73.02 million**

Maiden dividend declaration of **9.49350 cents** per share

Highest net asset value ("NAV") per share increasing by **40.60%** to **R13.37** (2023: R9.51) valued at lowest of cost or net realisable value

Retained **level 1** B-BBEE accreditation

46.7% of the workforce are female (target: 50%)

Overview and achievements of the year

CALGRO M3

The year 2024 stands out in Calgro M3's storied history as another year where we not only lived up to our guiding phrase of "Building legacies. Changing lives" but also set new benchmarks in excellence and innovation. This year we further embraced our role as architects of lifestyle, security, and high-specification offerings that have become the standard in both our residential developments and memorial parks, yielding an above average gross profit margin of 27.25% (normal range 20% to 25%). By delivering unmatched quality and value to the open bonded market, we have cemented our reputation as a leader in creating environments where legacies are built. Our offerings are so transformative that they could seamlessly transcend from more modest neighbourhoods to the most affluent ones – such is the calibre of our product. This relentless pursuit of perfection continues to earn us support from major banks and financial institutions, ensuring that 100% home loans remain accessible for our clients. This is a further testament to stakeholders' trust and confidence in our projects.

Building legacies. Changing lives

We take pride in reporting not only satisfactory results but a record-breaking performance of earnings of 192.01 cents per share, headline earnings of 189.87 cents per share and net asset value growth of 40.60% per share, driven by our strategic initiatives and focused effective capital deployment which includes share repurchases. These achievements in a challenging market underscore our deep understanding of the Living Standards Measure ("LSM") markets we serve, the prioritisation of long-term sustainability, expanding market share, whilst rolling out the existing pipeline opportunities in a controlled but adaptable manner, and navigating the complex terrain of property development and memorial parks management. This has been instrumental in supporting and optimising our robust future development pipeline of 23 370 opportunities, equating to approximately R16.4 billion of future revenue un-escalated, excluding our new Bankenveld District City ("Bankenveld") project (previously known as Frankenwald). Bankenveld adds a minimum of R18 billion to the revenue pipeline through the delivery of between 20 000 and 30 0000 opportunities over a 15 to 20-year period. Furthermore, the Memorial Parks business offers in excess of 120 000 burial opportunities (approximate revenue of R2.6 billion). Implemented strategic efforts have enhanced open market sales and generated consistent cash flows, getting us ever closer to the goal of covering Group overheads and interest expense from the Memorial Parks cash flows. The Group also acquired a new memorial park in Rustenburg, adding approximately 25 533 burial opportunities to the pipeline. This additional memorial park was acquired but not yet transferred at the end of the financial year.

We serviced 2 970 additional residential opportunities and partially completed 1 748 residential opportunities, some of which were close to completion at year-end. The revenue from these opportunities will be recognised in the next financial year.

A testament to our strategic foresight in capital allocation was the repurchase of 25.91 million shares at an average price of R2.92 per share, showcasing our confidence in the inherent value of our Group and aligning with our commitment of enhancing shareholder value. This move, while immediately accretive to our earnings per share, underscores our precision in capital deployment, with the nuanced impact on EPS and HEPS expected to be more pronounced in the 2025 financial statements due to the weighted average share calculation.

The balance sheet remains robust, characterised by stable liabilities and a net debt-to-equity ratio holding steady at 0.63 compared to 0.62 the previous year. Our liquidity position is strong, supported by undrawn overdraft and borrowing facilities.

Our operational excellence extends beyond financial metrics, reflecting in the superior quality and affordability of the homes and memorial parks we develop. This is a direct result of our relentless pursuit of innovation in building design, efficiency in project execution, and an unwavering focus on margin improvement. Our ability to maintain margins within our target range while driving HEPS growth speaks volumes about our strategic discipline and operational efficiency. We believe it is not about driving revenue only, but also about the value that can be unlocked from the revenue.

The Group is committed to fostering harmonious relationships and actively engages with communities to minimise project disruptions, resulting in minimal to no site interruptions during this period across our projects. We prioritise skills development and education, with new initiatives in progress. Female representation is constantly increasing and now accounts for 47% of the workforce. We are aiming for 50% across all levels. Our empowerment plan has increased employment of historically disadvantaged individuals from 73% in 2023 to 75% in the 2024 financial year.

Residential Property Development Performance

The Residential Property Development sector remains the largest contributor to Group performance. The increase in gross profit margin counters the decrease in revenue, thereby providing an even greater contribution to Group profits.

With nine active projects, primarily in Gauteng and the Western Cape, all contributing to revenue and profitability, our products range from fully subsidised to premium homes above R3 million. This diversity is strategic, allowing us to navigate current economic and market conditions effectively. Our focus is on delivering value-for-money homes in integrated developments and lifestyle estates, reaching a wide spectrum of different market segments with a keen focus on those in dire need of housing. This focus on delivery mix and the shift to greater open market sales has significantly contributed to the Group's highest profit since inception.

We continuously explore opportunities to offer more affordable housing without compromising quality, adhering to our guiding phrase of ***"Building legacies. Changing lives"***. With a robust pipeline valued at R16.4 billion, we are addressing the housing shortage with 23 370 opportunities secured at the end of the financial year. This excludes between 20 000 and 30 000 opportunities on our newly acquired Bankenveld project. The development presents a significant opportunity for the Group, being positioned in close proximity to the Sandton hub as well as bordering Alexandra and the Marlboro Gautrain station, it represents the last large-scale undeveloped property in the Sandton area. The first phase of infrastructure installation is expected to commence in the fourth quarter of 2024.

Fleurhof

Revenue pipeline

Projects	Units under construction	Fully serviced opportunities	Number of opportunities currently being serviced	Number of additional opportunities partially serviced	Total remaining opportunities	Revenue pipeline (R)
	Breakdown of opportunities					
Belhar	222	916	968	804	**2 910**	1 392 267 337
Fleurhof	182	332	1 074	3 916	**5 504**	4 278 842 017
Jabulani	361	748	–	–	**1 109**	877 808 364
La Vie Novelle	11	66	–	–	**77**	174 616 522
Scottsdene	533	293	–	–	**826**	389 947 354
South Hills	416	470	138	4 477	**5 501**	3 589 460 533
Umhlanga Hills (if developed)	–	–	–	720	**720**	562 852 174
Vredehoek	–	–	–	263	**263**	819 038 261
Mid-to-high	23	–	–	334	**357**	1 066 209 073
Witpoortjie	–	–	790	5 313	**6 103**	3 036 072 191
KwaNobuhle	–	–	–	–	**–**	165 000 000
	1 748	2 825	2 970	15 827	**23 370**	16 352 113 826

The 2024 financial year experienced a decrease in revenue across our projects. The overall segment gross profit amounted to R330.63 million with margin improvement to 26.62%, a noteworthy increase from the previous year's 23.15%. We have also made commendable progress in increasing other income, achieving a 28% increase due to higher bond commissions supporting the focus on open market housing. These gains reflect our commitment to revenue diversification, ensuring stable customer handovers and consistent cash flow.

In relation to construction, 1 794 opportunities have been handed over, with 1 748 opportunities currently under construction and nearing completion for hand-over and related revenue recognition. Included within the serviced opportunities are 1 100 opportunities which are commencing construction in the first six months of the 2025 financial year and more than 2 970 opportunities are being serviced. Major banks continue to support the industry, recognising the need for housing and its role in job creation and societal wellbeing, despite the tough market. Additionally, our pipeline increased on existing projects by 2 182 opportunities. This increase was driven by an additional 804 opportunities from the acquisition of strategic land next to our Belhar project with the remaining opportunity increase stemming from more efficient designs in an effort to improve our product offering.

Focus remains on securing additional land parcels in strategic areas within our current projects where the majority of infrastructure work has been completed. Consequently, we have secured additional land in Fleurhof that will transfer and be added to the pipeline when town planning is completed during the following two years. We invested R314.58 million in infrastructure in Jabulani, Fleurhof, South Hills, and Belhar projects during the year impacting the net cash from operations but creating long term value from a capital allocation perspective.

Housing demand and price trends

The demand for affordable housing in South Africa remains strong, underpinned by a substantial portion of the population comprising first-time homebuyers and low-to-middle-income earners. Despite various economic challenges, including high interest rates and a challenging unemployment landscape, the residential real estate market is expected to grow. In 2024, the South African Residential Real Estate Market size is estimated to reach R397 billion, with a forecast to grow significantly by 2029. It is worth noting that on a R500 000 home mortgage bond, a 1% decrease in the interest rate results in a R313.81 per month saving on the client's bond repayments.

Current market dynamics indicate modest price increases in the property sector. Notably, building plans for residential developments in the Western Cape significantly increased from the previous year, which points to a strong pipeline for housing in the region.

While the market faces certain economic pressures, the property sector also presents opportunities, particularly in areas like the Western Cape and Gauteng, with people moving to formal job opportunities. This attracts attention from both local and international buyers due to its unique offerings and potential for growth. We are seeing more investors buying two, three and four bedroom units to rent out, and even "crowd funded" models investing in our developments.

As consumer preferences evolve, there has been a notable shift towards remote working, prompting a demand for homes with dedicated workspaces and greener surroundings. Properties that offer a blend of nature and urban living are seeing an uptick in demand and becoming more popular.

Sustainability is becoming increasingly central to consumer and company priorities within the property sector, with a rising trend towards energy-efficient solutions and eco-friendly housing. South African property developers are more frequently incorporating sustainable features into their projects. This is something Calgro M3 has been doing in relation to environmental awareness for a number of years and you can access additional information in our ESG Report 2024.

With South Africa's population exceeding 57 million and a provision of only 6.7 million formal housing units, housing scarcity is undeniable. The construction sector, delivering approximately 75 000 new affordable and mid-range homes annually, is scarcely impacting the substantial backlog. Furthermore, this shortfall is exacerbated when considering population growth rate. Drawing on data from Stats SA, leading commercial banks, the Centre for Affordable Housing South Africa, and Lightstone Property Research, Calgro M3 has assessed the housing deficit to be in excess of 5.5 million units.

Considering these trends and potential for growth, the market appears to be adapting to the economic conditions and consumer demands, and companies like Calgro M3 that are aware of these shifts will look to capitalise hereon.

Government initiatives

The South African government's efforts to enhance affordable housing, with subsidies and finance programmes, are gaining momentum. There is an increase of prioritisation for housing in government spending, with the President of South Africa advancing infrastructure funds that will bolster housing projects.

Construction cost

Calgro M3 has effectively controlled construction costs and is committed to continuing this trend. By streamlining design layouts, we are not only containing costs but also improving profit margins and stabilising sales prices.

Energy and water shortage

In response to load shedding and municipal service failures, developers and homeowners are investing in alternative power and water solutions. Calgro M3 has and continues to integrate alternative energy measures into our developments to mitigate the impact of municipal service interruptions.

Land expropriation

Land expropriation without compensation poses a risk, yet we believe our projects are less vulnerable due to ongoing construction and our role in government housing delivery. Despite the threat from criminal elements, our enhanced security measures, government engagement strategies and the heightened investment and engagement with communities, we are able to effectively manage and mitigate this risk.

The market we operate in and how we manage it:

Residential market recovery	▪ Strong market recovery with more first-time buyers entering the market
Capital exposure	▪ Exposure remains until units are handed over to owners ▪ Major banks showing appetite for the extension of bonds
Land invasions	▪ Remain a concern ▪ Calgro M3 sites are now less susceptible to this risk due to increased security and better community relations
Housing shortage in South Africa	▪ Population of more than 57 million and only 6.7 million formal residential opportunities ▪ Calgro M3 cannot on its own fill the gap but will continue to build homes for the people of South Africa and in this way contribute to the betterment of the country

Outlook

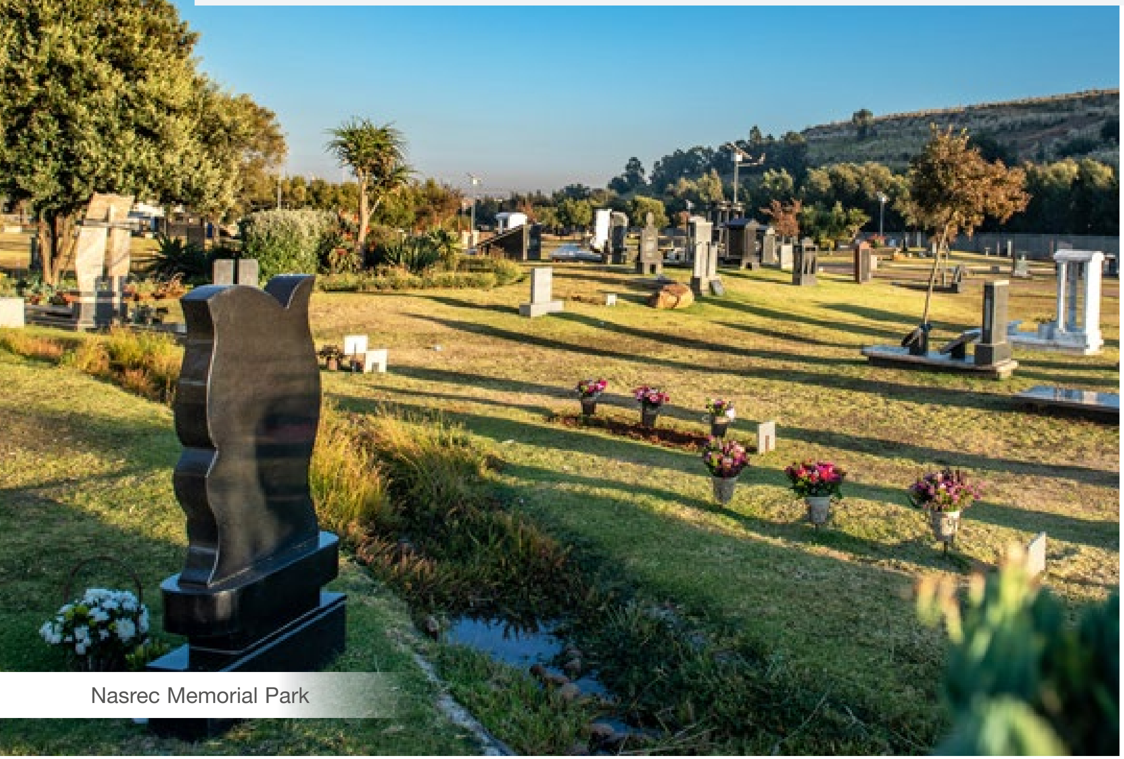
Despite the economic climate impacting interest rates and potentially tightening lending, we remain optimistic. The housing market we serve views formal shelter as a necessity, ensuring continued demand. As a Group we are continuously exploring ways to capitalise on this housing shortfall and in turn deliver more units into the market faster. One way this is being explored is by broadening our current LSM target to include lower LSM levels which in our view is not sufficiently serviced in the market. This will enhance our client base and in turn allow us to deliver a larger quantity of units in a shorter period of time with the benefit of limited to no additional capital requirements.

The Residential Property Development segment's outlook demonstrates our continued commitment to our guiding phrase of ***"Building legacies. Changing lives"*** with a clear strategy to continue delivering sustainable growth, enhancing shareholder value, and making a positive impact within the communities we serve. Our foundation remains strong, and our pipeline robust, positioning Calgro M3 for continued success and prosperity.

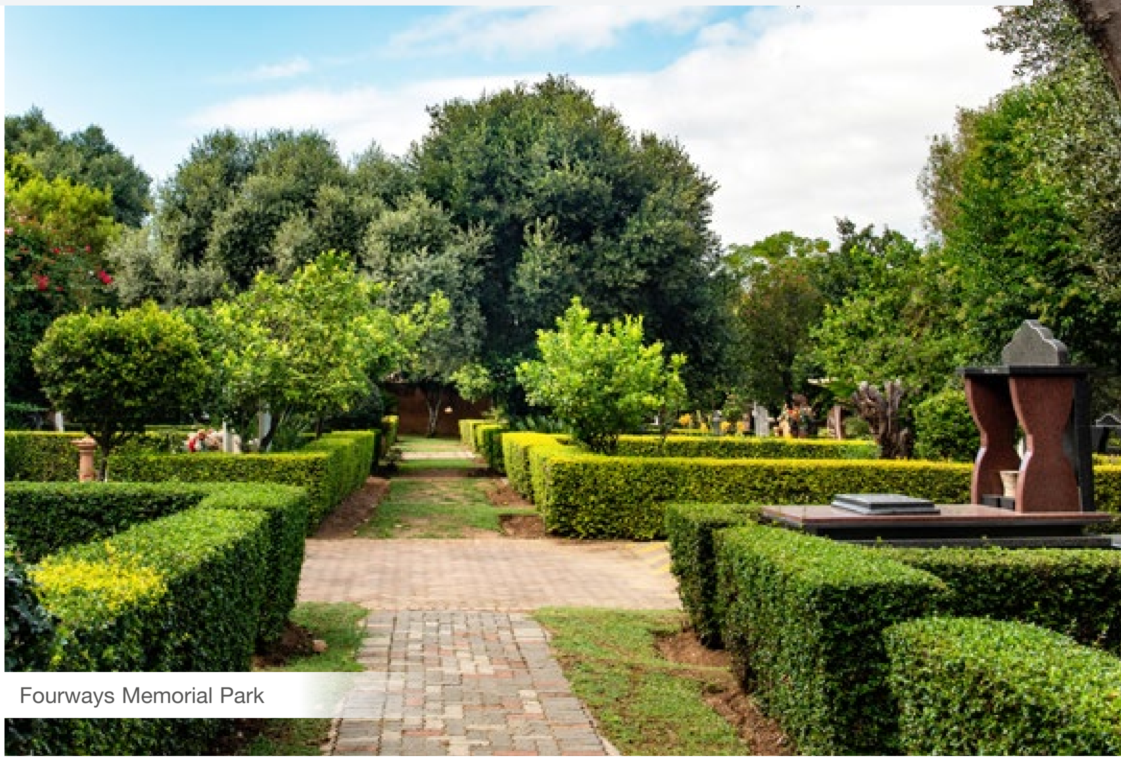
Memorial Parks

Reflecting on the 2024 financial year, we are proud to present significant growth within the Memorial Parks segment. This growth is not only seen through the 50.94% increase in gross profit but also a significant increase in cash receipts of 40.7%, reaching our highest cash collections since the segment's formation in 2017.

This industry, inherently linked to the certainties of life, demands not just a business acumen but also a profound sense of empathy and responsibility. In this spirit, we have navigated the complexities of the market and the evolving needs of our customers, ensuring that growth aligns with our commitment to service excellence. The active lay-by book amounts to R36.4 million, reflecting consumer confidence and the successful implementation and positioning of flexible payment options. The revenue recognition policy on these lay-by's remains conservative, ensuring we maintain financial integrity by recognising sales only upon the successful collection of the full purchase amount.



Nasrec Memorial Park



Fourways Memorial Park

Total cash received (including VAT) (all products excluding rental income)

(R million)	2024 FY	2023 FY	2022 FY	2021 FY	2020 FY
Nasrec (Gauteng)	**25.3**	20.2	25.8	24.5	17.3
Fourways (Gauteng)	**25.1**	14.5	23.5	16.3	8.2
Enokuthula (Gauteng)	**1.9**	1.2	1.7	1.3	0.4
Bloemfontein (Free State)	**1.3**	0.3	0.4	0.3	0.2
Durbanville (Western Cape)	**14.6**	11.7	13.3	11.2	8.1
	68.2	47.9	64.7	53.6	34.1
Movement	**42.3%**	(26.0%)	20.7%	57.2%	18.5%
CAGR (five-year)	**28.8%**				

The gross profit margin is strong at 45.74% and reflects cost containment efforts and operational efficiencies. These figures are indicative of a solid operational model and financial prudence that should provide comfort for long-term viability and profitability. The compounded annual growth rate ("CAGR") of this business over the past five years remains in excess of 28%, illustrating its resilience and the growth opportunities that the robust pipeline represents.

Memorial Parks pipeline

Project/Park	Region/City	Province	Grave quantity	Anticipated project turnover (Rand)
Nasrec Memorial Park	City of Joburg	Gauteng	**28 033**	**855 548 405**
Fourways Memorial Park	City of Joburg	Gauteng	**6 112**	**328 041 230**
Enokuthula Memorial Park	City of Ekurhuleni	Gauteng	**9 661**	**147 416 182**
Bloemfontein Memorial Park#	Mangaung	Free State	**45 987**	**750 630 662**
Durbanville Memorial Park	City of Cape Town	Western Cape	**5 002**	**149 060 684**
Platinum City Memorial Park	Rustenburg	North West	**25 553**	**426 452 528**
Total			**120 348**	**2 657 149 690**

Anticipated total grave density and turnover once second phase burial rights have been approved.

Affordability and new partnerships

The affordability of products continues to be a priority, and flexible payment options through a lay-by offering continues to be a success. Customers increasingly choose to purchase products on lay-by basis to decrease the burden of outlaying a large once-off capital sum. The cancellation/default rate on lay-by's remain fairly stable at 6% of total sign-up value. Total cash receipts during the year from the lay-by book was R15.6 million (February 2023: R4.0 million), indicating a 290% increase in cash received. The expansion of this offering remains a strategic objective due to its stable and predictable nature, which corresponds with the strategic objective of the Memorial Parks segment within the broader Group.

The contracting of an external specialist sales organisation in February 2024 marks an exciting chapter for this segment. The hybrid sales approach, combining the reach of digital platforms with the efficacy of direct customer engagement, is currently under a three-month pilot programme to measure its success and sustainability. We are extremely positive that the programme will gain momentum and unlock a new sales channel for the business and thereby further bolstering performance in future periods.

Enhancing the affordability of our product, through new and innovative methods, is a key area of focus.

NASREC **MEMORIAL PARK** by CALGRO

FOURWAYS **MEMORIAL PARK** by CALGRO

ENOKUTHULA **MEMORIAL PARK** by CALGRO

BLOEMFONTEIN **MEMORIAL PARK** by CALGRO

DURBANVILLE **MEMORIAL PARK** by CALGRO

PLATINUM CITY **MEMORIAL PARK** by CALGRO

Customer arrives at a memorial park because they have suffered a death of a loved one or family member, with funds which has been paid out from a funeral or life insurance policy and chooses a burial product according to the amount they have

Customer arrives at a memorial park to attend a burial and is impressed with the park and enquires and reserves a product. This customer is usually from a higher LSM group

Growth strategy implemented –
ENHANCING PRODUCT AFFORDABILITY

- Target the lower LSM segments
- Product development to ensure a wide range of product options at affordable prices for all LSM groupings that can be bought and paid off over reasonable periods of time
- Continued and consistent brand awareness through marketing and advertising

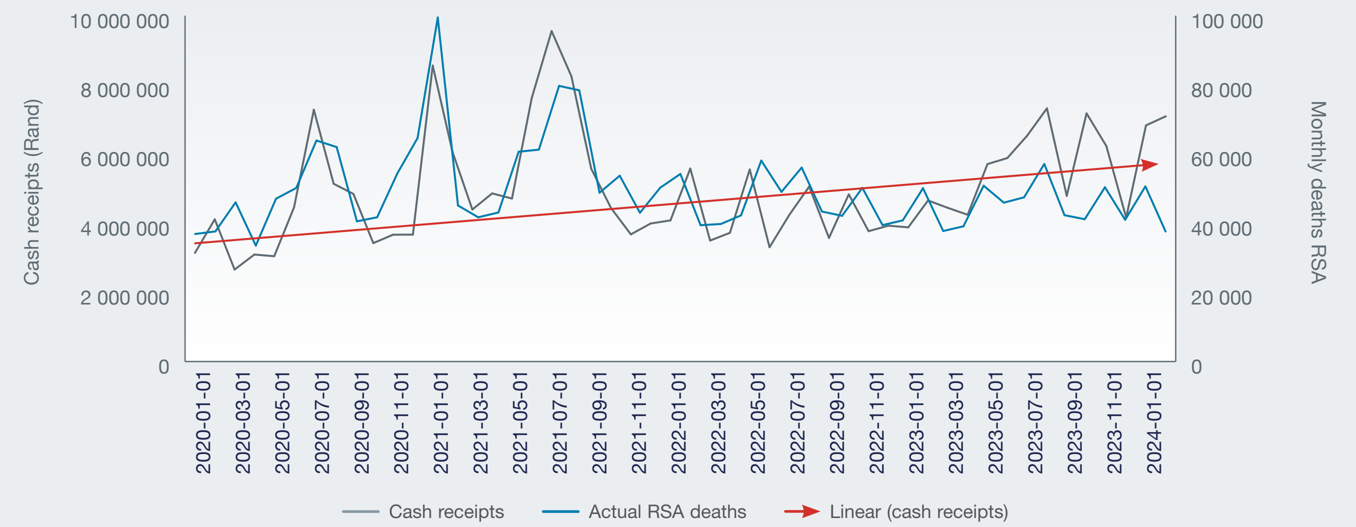
This will support overall growth as well as great activity for parks such as Enokuthula that are established but which currently have very little burial activity.

Demand, market shortage and price trends

The Memorial Parks division has pivoted post-pandemic, with burials now a significant portion of new sales. Our adaptive marketing and affordable offerings fuelled a sales surge, sustaining the business through the quieter annual period. The correlation between revenue and national mortality trends affirms growing market share.

The below graph illustrates the comparative analysis of total cash collection against the mortality rate in South Africa, as reported by the South African Medical Research Council ("SAMRC"), clearly shows the growing market share and growth in excess of changes in market conditions.

Memorial Parks cash receipts vs actual RSA deaths



The memorial parks owned by the Group stand as serene sanctuaries in the face of urban sprawl, offering personalised, dignified memorials, from individualised plots to expansive family estates. With a rising demand for space-efficient options, we lead with innovative solutions like columbaria and memorial walls.

Outlook

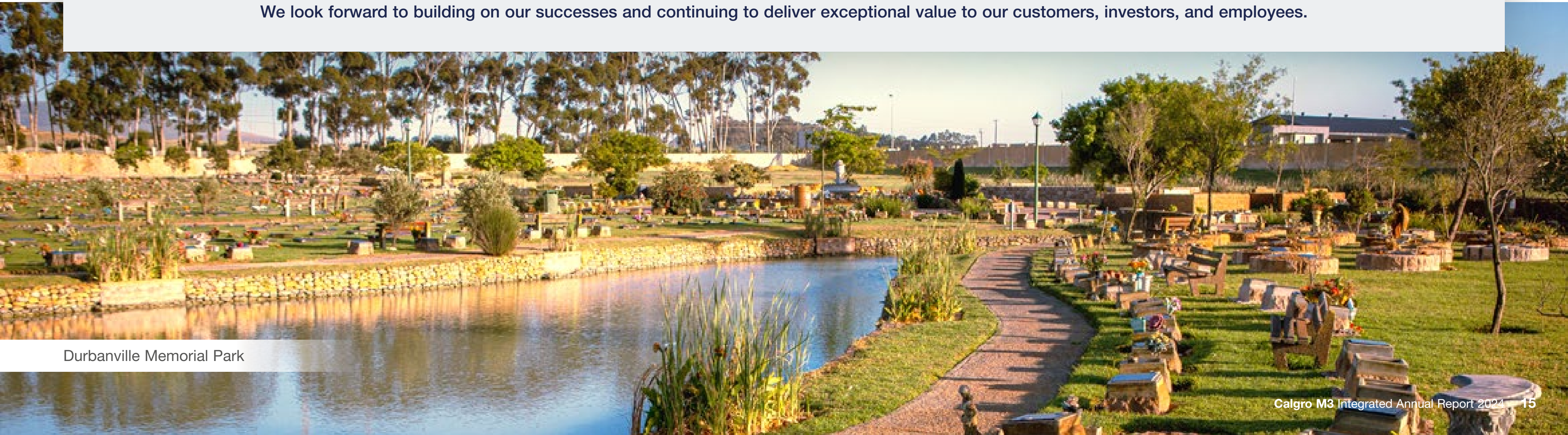
Looking forward, we are preparing for 2024 marketing initiatives, learning from last year's improvements. The South African funeral industry is rapidly evolving, with our memorial parks embracing sustainable, customisable, and tech-forward approaches. As in the Residential Property Developments business, we believe the market in the Memorial Parks business is endless, the question is how we can target it better and make it even more affordable than what we already have.

We have strategically expanded our national footprint to six parks, the latest of which is expected to open in Rustenburg in the third quarter of 2024. The future looks promising, focusing on three strategic pillars: increasing annuity income, launching new parks efficiently, and pioneering the use of technology within the sector. This vision underpins our confidence in sustaining growth and value for customers and stakeholders alike.

Bloemfontein Memorial Park

Increasing annuity income from this business	The primary objective is to grow annuity income from the memorial parks business to cover Group overheads and interest obligations in the medium term. To achieve this, we will continue to develop and launch innovative new products and services that cater to the evolving needs of our customers. One such product that has already shown success is our lay-by offering, which allows customers to pay for services over a 24-month period with no interest and no deposit. We are confident that this and other innovative offerings will contribute to financial stability and support ongoing growth.
Launching new parks efficiently	The successful launching of new memorial parks to grow our national footprint and cash generation. New parks are targeted to reach breakeven in 18 to 24 months.
Pioneering technology within the sector	We believe these steps will help maintain a steady growth in income, offer great value to our customers and investors, and keep our business growing and successful.

We are confident that our strategic focus on these three key objectives will enable our memorial parks business to thrive in the coming year. We look forward to building on our successes and continuing to deliver exceptional value to our customers, investors, and employees.



Durbanville Memorial Park

Financial performance

Statement of comprehensive income financial metrics

R million	February 2024	February 2023	Movement	Percentage movement
Revenue	**1 284.54**	1 525.32	(240.78)	(15.79%)
Gross profit	**350.03**	357.69	(7.66)	(2.14%)
Gross profit %	**27.25%**	23.45%	3.80%	
Administrative expenses	**(98.14)**	(102.43)	4.29	(4.18%)
Net finance income/(expense)	**2.50**	(10.56)	13.06	123.67%
Share of profit of joint ventures – net of tax	**9.43**	5.39	4.04	75.05%
Profit after tax	**196.80**	186.29	10.51	5.64%

Statement of comprehensive income

In this financial year, the Group's profit after tax reached R196.80 million, increasing from the previous year's R186.29 million. The improved performance is due to a 3.80% improvement in the gross profit margin coupled with a 4.18% reduction in administrative expenses. Despite these gains, total revenue fell by 15.79% to R1 284.54 million (2023: R1525.32 million). The increased focus on open market sales, coupled with delays in unit transfers and challenging economic conditions, all played a part in the decrease in revenue.

The Group has achieved a record gross profit margin of 27.25% (2023: 23.45%). This notable increase can be attributed to diligent cost control strategies and effective project management within both reportable segments. Additionally, the mix of units sold this year, which were predominantly in the open market, also played a crucial role. These factors collectively pushed the gross profit margin beyond the Group's anticipated range of 20% to 25%. While this performance is exceptional, we maintain that the 20% to 25% target range remains a suitable benchmark for assessing the Group's financial health.

Administrative expenses decreased by 4.18% to R98.14 million (2023: R102.43 million), with continuous monitoring of overhead expenditure and cost management positively contributing to this reduction.

The increase of 75.05% in share of profits from joint ventures is as a result of open market construction activity completed within the South Hills integrated development.

The Group recorded net finance income of R2.50 million, a significant shift from the net finance costs of R10.56 million reported in 2023. This turnaround can largely be ascribed to a substantial 79% surge in finance income, stemming from higher interest earned and accrued on cash investments and loans.

Earnings per share

EPS saw an increase to 192.01 cents (2023: 153.37 cents), while HEPS climbed to 189.87 cents (2023: 153.18 cents). This growth underscores the astute strategic capital allocation by the Group, which included the repurchase of 25.91 million shares at an average price of R2.92 per share. This share buy-back has resulted in an immediate accretive value on both EPS and HEPS, highlighting the judicious approach to capital management. The full effect of this action on both EPS and HEPS is anticipated to be even more significant in the 2025 financial statements, due to the influence of the weighted average number of shares in the current financial year calculation.

Statement of financial position financial metrics

R million	February 2024	February 2023	Movement	Percentage movement
Cash and cash equivalents	**122.64**	172.61	(49.97)	(28.95%)
Construction contracts	**1 355.38**	1 162.39	192.99	16.60%
Total assets	**2 836.21**	2 659.06	177.15	6.66%
Share capital	**31.61**	102.08	(70.47)	69.03%
Borrowings	**934.80**	876.36	58.43	6.67%
Total liabilities	**1 552.32**	1 505.03	47.29	3.14%

Statement of financial position and cash flow

The increase in current assets, excluding cash and cash equivalents, totalled R227.51 million, with the construction contracts providing R192 million of this uptick. This net change in construction contracts correlates with the number of units under construction at the close of the financial year, and the substantial infrastructure investment in Fleurhof, Belhar and South Hills, to ensure fully serviced opportunities are available in the upcoming financial year.

The Group's trade and other payables decreased to R290.92 million (2023: R360.50 million), with R49.50 million of this reduction attributable to trade payables. This decrease primarily stems from reduced construction activities towards the financial year end, as most units were close to completion in the final quarter.

Cash and cash equivalents at the end of the year decreased to R122.64 million (2023: R172.61 million), with the decrease largely being attributed to cash invested in near completed units which are expected to be handed over, and revenue accounted for, in the next six months. Additional liquidity in the form of a R100 million undrawn overdraft facility as well as a R100 million undrawn facility from another local South African debt provider, will enable the Group to execute on short to medium-term goals. The previously reported DFC/OPIC facility of USD20 million was cancelled in the current financial year due to foreign exchange challenges experienced in finalising the deal. All breakage costs have been appropriately captured and expensed in the financial statements.

Borrowings and covenants

The Group's balance sheet remains robust, reflected in a net debt to equity ratio of 0.63:1 (2023: 0.62:1). This ratio not only sits comfortably beneath our stated target of 0.75:1 for February 2024 but also well under the regulatory covenant threshold of 1.5:1. Consistent with previous results disclosures, there was a 6.67% increase in the Group's borrowings this year. As previously indicated, the strategy was to keep the net debt to equity ratio stable, while also securing extra liquidity to fortify the Group amidst the prevailing political and economic unpredictability.

During the current financial year, the Group successfully paid off R232.8 million in debt and, in response to the cyclical working capital needs of the business, has raised an additional R288.0 million. These debt levels are deemed sustainable within the context of the Group's operations.

A summary of the movement in debt and maturities is as follows:

	Rand million
Opening balance 1 March 2023	885.80
New debt	288.00
Debt repaid	(232.80)
Closing balance – 29 February 2024	941.00

Maturity profile	Rand million
FY 2025	211.75
FY 2026	197.50
FY 2027	136.75
FY 2028	217.50
FY 2029	177.50

Dividend policy

We are proud to announce the introduction of our inaugural Dividend Policy, a landmark move aimed at enhancing shareholder value and demonstrating our commitment to financial discipline and sustainable growth. This policy establishes a clear framework for distributing profits to our shareholders, ensuring they benefit directly from our success.

The essence of our Dividend Policy is to pay dividends annually, calculated at a minimum of 5% of the HEPS.

Dividends will be declared by the Board of Directors post-approval of the annual audited financial statements, with all registered shareholders eligible. This approach not only provides a consistent income stream for our shareholders but also ensures that Calgro M3 retains sufficient capital to fuel future growth and investment opportunities.

Our Board of Directors is dedicated to overseeing the implementation and annual review of this Dividend Policy, aligning it with our strategic goals and the broader economic landscape. This policy reflects our ongoing commitment to building a sustainable business model and rewarding our shareholders for their continued trust and investment in our journey.

This Dividend Policy is testament to our strong business model, strategic investments, and the unwavering dedication of our team. It is designed to deliver sustainable returns and enhance shareholder value, reinforcing our guiding phrase, ***"Building legacies. Changing lives."*** We look forward to this new chapter in our corporate journey, continuing to generate lasting value for all stakeholders involved.

32 on Pine

Dividend

A maiden cash dividend of 9.49350 cents per share (2023: nil cents per share), in respect of the year ended 29 February 2024, was declared by the board on Monday 13 May 2024. The net cash dividend payable to shareholders subject to dividend tax is 7.59480 cents per share (2022: nil cents per share). The total dividend for the year amounts to 9.4350 cents per share (2022: nil cents per share).

Dividend declaration

Notice is hereby given that the board of directors of Calgro ("Board") has approved and declared a maiden, final gross cash dividend of 9.49350 cents per ordinary share, from income reserves, in respect of the year ended 29 February 2024. The dividend was approved and declared on Monday 13 May 2024.

As at the date of this announcement, the Company has 114 381 575 shares in issue, of which 18 322 449 are held in treasury. The total dividend payable is R10.86 million (2022: nil million).

The Board has confirmed that the solvency and liquidity test as contemplated by the Companies Act, No. 71 of 2008, has been duly considered, applied and satisfied. This is a dividend as defined in the Income Tax Act 58, 1962, and is payable from income reserves. The dividend is subject to a South African dividend withholding tax rate of 20%, resulting in a net dividend of 7.59480 cents per ordinary share, unless the shareholder is exempt from paying dividend tax or is entitled to a reduced rate of dividend tax in terms of an applicable double-taxation agreement.

The income tax number of the Company is 9613501155.

Relevant dates to the final dividend are as follows:

Publication of declaration date	Monday, 13 May 2024
Last day to trade cum dividend	Monday, 27 May 2024
Commence trading ex-dividend	Tuesday, 28 May 2024
Record date	Friday, 31 May 2024
Dividend payable	Monday, 3 June 2024

Share certificates may not be dematerialised and rematerialised between Tuesday, 28 May 2024 and Friday, 31 May 2024, both dates inclusive.

32 on Pine

Where to from here?

Calgro M3 has established a foundation of consistent and successful project delivery, bolstered by a robust pipeline that has underpinned our record of generating positive outcomes in both profit and cash flow. Our established history of performance illustrates our Calgro M3 family's capability of adeptly navigating risks and achieving goals to the benefit of all our stakeholders. Much like South Africa as a country, Calgro M3 has proven that the hallmark of our strength is our resilience as we have the ability of thriving amidst uncertainty, by continually seeking out and capitalising on the opportunities that are presented in uncertain times.

Calgro M3's journey going forward is characterised by positive cash flows expected from revenue and profitability growth. With sustainable debt levels now effectively managed and the expertise of our seasoned management teams in both businesses, we believe we are well-equipped to overcome any hurdles. Our potential new product offering targeting lower LSM groups for affordable housing and memorial services intends capturing the current market demand. This coupled with diverse revenue streams across various market segments in both businesses, positions us to make the most of the considerable housing deficit and robust memorial services sector demand. This multifaceted approach not only hedges risk but also ensures consistent financial stability, empowering us to seize diverse market opportunities and adapt to changes in the economic landscape.

Innovation and technological advancement are at the heart of our strategy, to ensure that Calgro M3 remains a leader in efficiency and profitability, irrespective of difficult market conditions, as illustrated in the current financial year results.

Our commitment to sustainability is unwavering, seen in our endeavours to forge sustainable communities through the provision of affordable housing, comprehensive amenities, and the dignified memorial parks we create. ***"Building legacies. Changing lives"*** isn't just our motto – it is a reflection of our dedication to making a lasting social impact.

As such Calgro M3's proven performance, keen focus on a burgeoning market sector, diversified revenue streams, strategic collaborations, commitment to societal contributions and last but not least strict capital allocation renders it a compelling proposition for those looking to invest in South Africa's property market.

Appreciation

We would like to thank our employees, their families as well as our clients and shareholders for their continued support. Thank you to all management team members for remaining committed and loyal to the Group.

A further thank you to the Non-Executive Board members for their continued guidance, wisdom and support, for which we are grateful.

Calgro M3 will thrive – ***"Building legacies. Changing lives".***

Wikus Lategan
Chief Executive Officer

Sayuri Naicker
Financial Director

13 May 2024

Fourways Memorial Parks

Strategy and five-year performance 2

The immense shortage of affordable, well-built homes and burial options that exist in South Africa will ensure that Calgro M3 has a strong pipeline for many years to come. This pipeline supports sustainability into the future.

In addition, post the year end the Bankenveld project will add between 20 000 and 30 000 opportunities to the pipeline and the acquisition of a memorial park in Rustenburg takes our national footprint to six parks.

Our pipelines are contained on pages 9 and 12.

The Group operates in a cyclical environment, which at times, may be challenging, however our purpose keeps us focused on the real difference Calgro M3 is able to make in people's lives.

Here we describe our strategy and how we think about doing business. We explain how we think about short and medium-term goals as well as debt capital restructuring. The critical area of risk management is also discussed, along with details pertaining to the probability, impact and total risk weighting assigned to major risks.

The chapter culminates in a five-year performance review showing progress made on income statements, cash flows, and key ratios.

Value creation through our capitals

Establishing sustainable business practices begins by recognising the broader social and environmental responsibilities that we have as an organisation towards society and the communities we operate in. We strive to enhance our product offering, setting new standards for sustainable Residential Property Development and Memorial Parks that will benefit all stakeholders along the value chain. ***"Building legacies. Changing lives".***

Our turnkey and variable approach affords Calgro M3 the opportunity to manage each aspect of the Residential Property Development and Memorial Parks businesses and in this way, trap margin within the business, while ensuring high-quality end products and services at an affordable price to the customer. We provide end-to-end solutions, through specialist business units and dedicated management that focus on high growth, niche markets and ensure a deep pool of expertise.

Capital and key areas

Financial capital

Funds obtained either from equity, debt, proceeds from capital recycling activities or internally generated funds

- Retain sufficient profit for growth
- Debt funding
- Subsidies
- Centralised treasury

Intellectual capital

Our brand, reputation as well as the innovative designs and layouts used in our product offerings

- In-house professional teams and market specialist
- Brands and intellectual property
- Project management

Human capital

Our employees, whose skills and wellness ensure optimal running of the Group

- Skills development, training and education
- Culture of making a difference
- Values and ethics

Social and relationship capital

Our relationship with internal and external stakeholders, especially the communities we operate in, enables us to fulfil our purpose

- Stakeholder relationships
- Health and safety
- Skills and enterprise development
- Project focused CSI initiatives
- Community development and involvement

Manufactured capital

Our effective management of the assets, including our project pipeline to service clients

- Land development
- Construction oversight capacity
- Infrastructure development
- Turnkey approach

Natural capital

Sustainably managing natural resources in both the development and after sales phase of products to ensure long term value creation for clients

- Land
- Water conservation
- Energy source

Value creation

Professional services

1. **Project identification and due diligence** Determine target market, environmental studies, funding requirements
2. **Secure land** Land ownership enables control of the development process & choice of partners
3. **Township development** In house town planning and architecture
4. **Top structure/bulk and link infrastructure planning and design (in house)** Installation of roads, stormwater, water, sewer and electrical infrastructure
5. **Marketing and sales** Marketing of residential units
6. **Transfer to end-user** (erven for houses and bulk deals recognised over time)
7. **Construction** All construction is outsourced
8. **Transfer to end-user** (multi-storey units)
9. **Handover to clients** The hand over of completed units to clients is done internally

Residential Property Development (internal)
Value created through a turnkey approach

Memorial Parks
Value is created through operating in strategic locations and providing superior products and customer services. Value is enhanced through our own market-developed knowledge to supply affordable products clients need.

1. **Land identification/ acquisition**
2. **Marketing and sales**
3. **Landscaping and infrastructure development (outsourced)**
4. **Holistic burial and remembrance services**
5. **Maintenance**

Inputs FY 2024

Financial capital

- Reinvested 29% of wealth back into the Group
- Net/debt to equity remained stable at 0.63
- Available facilities of R200 million

Intellectual capital

- Continuous investment in innovative building designs whilst challenging the efficiency of design layouts resulting in improved margins
- Diversified products offering

Human capital

- 150 permanent employees with the relevant skills, knowledge and experience
- Diverse workforce by gender, race, age and tenure
- Strong leadership team, driving our values and culture

Social and relationship capital

- Developing strong stakeholder relationships
- Maintaining stringent health and safety protocols to safeguard all stakeholders on development sites

Manufactured capital

- 1 748 housing opportunities under construction and to be handed over, and revenue recognised in the next six months
- 2 825 serviced housing opportunities
- 120 348 burial opportunities available

Natural capital

- Water management and energy efficient systems installed across all developments and offices

Outputs

Market capitalisation:
- Return on equity increased to 26.84%

Refer to pages 5 to 19 for the Message from the CEO and FD for further details

- Margin of 27.25%, above target range of 20% to 25% due to unit mix developed and sold in the year
- Group efficiencies noted in designs from standardisation of unit designs as a result of continuous efficiencies implemented
- Employee remuneration R111.93 million, representing 29% of wealth distribution by the Group
- 27.33% of employees trained to the value of R3.10 million
- Wellness programmes initiated for all employees with successful uptake

Refer to the ESG Report for further details around the Human Capital investments made by the Group

- In excess of R11 million on enterprise development
- R0.83 million spent on corporate social investment in the year
- Involvement in multiple community outreach programmes
- Zero fatalities
- Successfully passed all Health and Safety ISO recertification audits with no findings

Refer to the ESG Report for further details on the Social and Relationship Capital investments made by the Group

- Residential Property Development and Memorial Parks pipeline R19.0 billion
- 1 794 housing opportunities completed in the current financial year
- Undeveloped land within inventory to the value of R503.39 million – valued at cost as no revaluations of land is done
- Construction contracts investment in the current year R192 million
- 47% of waste recycled in current year
- 4 771 m^3 water used across office network
- All developments actively installed energy saving mechanisms to assist with energy crisis (e.g. solar geysers, gas cooking/heating or heat pumps)

Refer to the ESG Report for further details on the Natural Capital investments made by the Group

Engaging with stakeholders

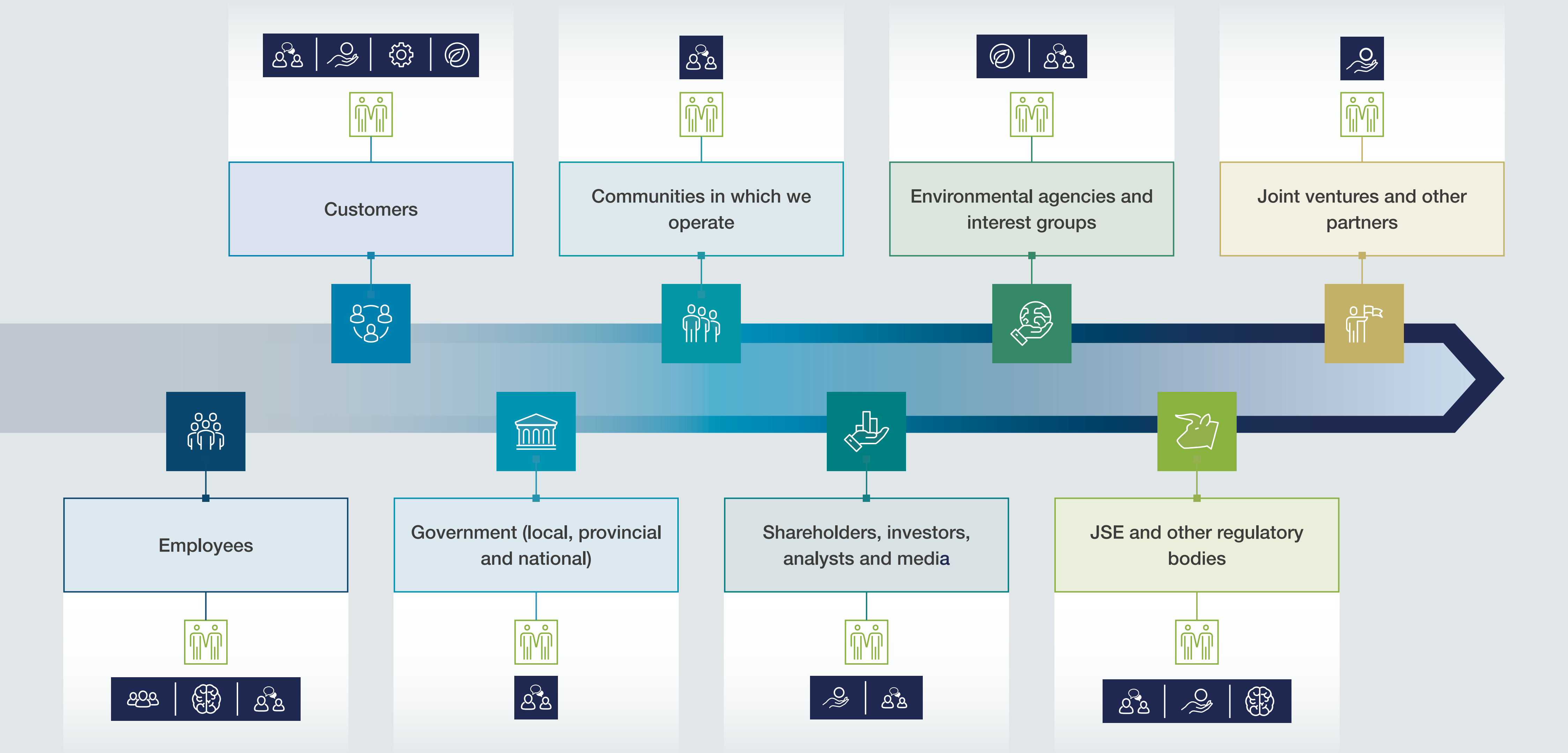
Below is a summary of Calgro M3's stakeholders. Further details on stakeholder engagement can be found on pages 9 to 13 of the ESG Report.

Capitals

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

Relationship

Strong relationship | Developing relationship



Strategy and risk management

Over the past four to five years, Calgro M3 has been tirelessly committed to executing a sustainable growth strategy. Our focus on #sustainableactions has driven optimal capital allocation, expanded our Residential Property Development business, and increased the market share and sales of our Memorial Parks business. This approach has yielded strong cash generation, reduced debt, and allowed us to cater to both the private and public sectors, without being reliant on government infrastructure investment.

Our mantra of **#sustainable**actions continues to guide our vision and passion for ***"Building legacies. Changing lives"***. As a growth company, we have typically reinvested earnings back into the company to spur further development. As Calgro M3 matures, in conjunction with the introduction of a dividend policy which aims to enhance shareholder value, the following strategies for sustainable growth are being implemented:

- Cash preservation and liquidity of balance sheet:
  - Allowing us to access funding to install the necessary infrastructure for our integrated housing developments to ensure constant availability of serviced opportunities.
  - Expedited top structure construction, supporting a continuous pipeline of homes in the market.
  - Share buybacks, where price and liquidity is favourable.
- Maximising cash generation and roll-out of existing project pipeline.
- Selling non-core assets with an aim of allocating funds for dividends, land purchases, infrastructure and park expansions.
- Continuously developing and adopting technological improvements to streamline business processes.
- Product innovation to ensure product range caters for all LSMs.
- Strategic growth objectives aiming at increasing land use efficiency and expanding the Memorial Parks business.
- Capitalising on product development and sales momentum achieved in the 2024 financial year.

Investing in a well-established company like Calgro M3, with a proven track record and strong moats such as an ardent customer following and product demand, offers several benefits. Furthermore, our history of success and stability reflects a competent management team and solid business strategy, which mitigates investment risk. The company's maturity, brand recognition, and market share positions us well for growth and profitability. With our dividend policy in place, the investment opportunity becomes even more attractive. Our strongest moat is the experience and ability we have of successfully balancing the initial high infrastructure and building cost with innovative and cost effective top structures designs, thereby enabling us to consistently sell affordable, high-quality homes to discerning home owners.

Calgro M3 product proposition

- Making a meaningful and sustainable difference in the lives of South Africans
- Unique product offerings
- 29-year track record of quality outputs and diversification
- Committed to sustainable business growth
- Focused on meeting environmental, social, governance and financial targets to ensure a sustainable impact

32 on Pine

Our strategic objectives address material issues that have been identified as potential risks that could significantly affect the Group's ability to create value in the short to medium term. Our strategies and their value creation in terms of the six capitals are represented in the table below:

Objective over the short term

Strategic objective	Capitals	Performance against objective
Cash preservation and liquidity of balance sheet		Total available liquidity amounts to R200 million.
Maximising cash generation and roll-out of existing project pipeline		Subsequent to the end of the financial year the Group has exercised the option to acquire the land on which the Bankenveld District City development will be undertaken. This project will add between 20 000 and 30 000 housing opportunities to the Group's pipeline. The focus remains on design enhancements resulting in project densifications with limited to no additional costs.
		Cash generated from operations remains positive with reinvestment back into projects in the Group. Cash generated from operations exceeded R1 069 million over the last five years.
Continued focus on variable cost model		Even though revenue decreased by more than 15.79% the Group reported a gross profit margin in excess of the target range of 20% to 25%.
Greater brand awareness and the creation of an aspirational brand		Underway with more scientific and data driven marketing in both open market residential sales and enhanced focus on lifestyle offerings within developments and increasing burial site sales.
		Ensure the Calgro M3 team remains passionate about serving the people of South Africa by ***"Building legacies. Changing lives"*** while staying true to our core values.

Objective over the medium term

Strategic objective	Capitals	Performance against objective
Consistent, predictable cash flow from the Memorial Parks business to stabilise lumpy cash flows from the Residential Property Development business		Memorial Parks contributed R68.2 million of free cash flow to support the funding of Group overheads and interest. The increase in cash collections is driven by alternative payment offering initiatives as well as marketing campaigns which has shown an increase in operations in the current financial year.
Ensure long-term sustainability		Retained strong pipeline in excess of R19.0 billion whilst securing the Bankenveld project that will bring affordable and integrated housing to the doorstep of Sandton with expected additional housing opportunities in excess of the current Group pipeline.
Secure additional pipeline projects with no or limited immediate impact on the Group's liquidity with these only to commence after the roll-out of the existing pipeline		Exploring small projects close to the areas familiar to Calgro M3 (i.e. the Fleurhof area) as well as acquiring land in the surrounding areas of current integrated developments where the Group already has a footprint.
50% female representation across all levels of management		Continuous focus being placed on female representation, which currently is at 46.7%.

Specific objective: Capital allocation

Strategic objective	Capitals Performance against objective
Maintain net debt to equity of below 0.75:1.	Net debt to equity stable at 0.63:1.
Any additional capital available, once net debt to equity targets are met, will be utilised for: ▪ Creation of a larger cash flow buffer for unforeseen events ▪ Land purchases ▪ Installation of infrastructure ▪ Memorial Park expansions ▪ Share buy-backs should certain metrics be met ▪ Opportunity capital should extraordinary opportunities arise; and ▪ Dividend payments	Sustainable liquidity buffer in place of R200 million.

Specific objective: Variable cost structure

Cost containment remains a major focus area and a key strength for the Group. The focus was to reduce the fixed cost base and at the same time ensuring better efficiencies. In this financial year the effect of focusing on cost saving became evident in that even though revenue reduced by 15.79%, with administrative costs being reduced by 4.18%, profit after tax still increased by 5.64%.

Durbanville Memorial Park

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

An outline of six key risks identified by the Group as well as mitigation of the risks are summarised on pages 26 to 27.

Risk management process

The Board assesses the Group's operational and strategic business risks with a view to eliminating, minimising or mitigating such risks and their effects on the Group's strategies and operations. Group Exco is responsible for managing risk through the day-to-day roll-out of effective risk management processes that it delegates to the various management committees.

The Board defines acceptable risk tolerance levels and has tasked the Audit and Risk Committee to continually identify key risks and ensure acceptable risk tolerances through the executive risk control processes across business-specific risk areas. This sets the matrix for regular and ad hoc reporting, if required, by management to the Audit and Risk Committee and the subsequent reporting to the Board.

The Audit and Risk Committee oversees risk management in the Group and relies on the internal and external auditors as well as systems of internal control, to obtain comfort that risks are reduced to tolerable levels. Furthermore, the Audit and Risk Committee oversees cooperation between the internal and external auditors and serves as a link between the Board and these functions.

The systems of internal control are designed to provide reasonable but not absolute assurance as to the integrity and reliability of the Annual Financial Statements, to safeguard and maintain accountability of the Group's assets and to identify and minimise fraud, potential liability, loss and material misstatement while complying with applicable statutory laws and regulations. There are inherent limitations to the effectiveness of any system of internal control, including the possibility of human error and the circumvention or overriding of controls. The system is therefore designed to effectively manage rather than eliminate risk.

The Board receives feedback on the effectiveness of internal controls to mitigate risk via the following:

- Quarterly operational risk management reporting from Exco;
- Assurances provided by the various Board committees on certain or specific risks and actions taken to mitigate these risks;
- Audit and Risk Committee feedback from internal and external auditors; and
- Management feedback on the reliability and efficiency of the systems of internal control.

The Board believes the systems of internal control have continued to improve during the reporting period and are enough to minimise the risk of material loss and to provide accurate and reliable reporting. The Board is satisfied that systems of internal control have provided reasonable but not absolute assurance, and nothing has come to their attention during the year to indicate a material breakdown in the systems of internal control.

Further details on financial risk management, including the Group's exposure to interest rate risk, credit risk and liquidity risk, are contained in note 3 to the Annual Financial Statements.

Management of key risk

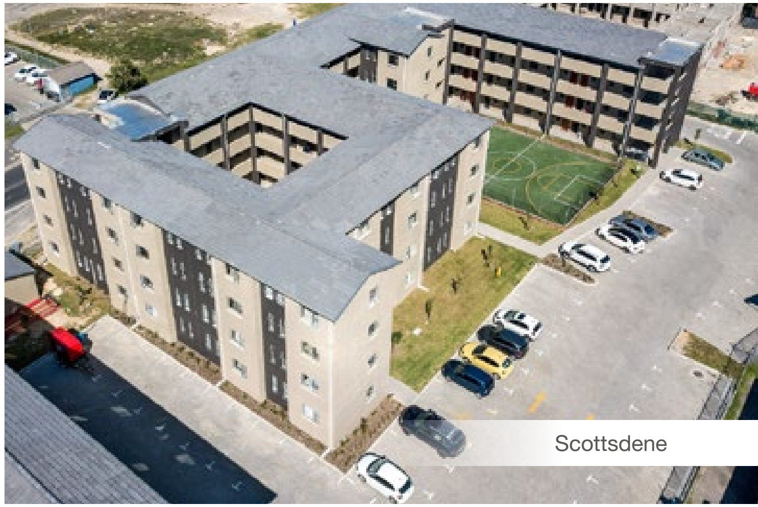
Calgro M3 classifies risks that could have a material impact on the Group into the categories of operations, financial, reputation and strategic. The risks listed below are scored according to probability, impact and control effectiveness resulting in the residual risk within the Group. Below is a summary of company-specific actions implemented to mitigate these risks to acceptable levels.

Risks and mitigation strategies

Risks are part of a business and at Calgro M3 risks that could impact operations are carefully and actively monitored in the short, medium and long term. As a management team we remain cognisant of the impact of the broader operational environment and the vital role it plays in performance objectives.

Risks are monitored and updated regularly to assist, not only the Board, but also the Executive Management team, in guiding day-to-day decision making.

A detailed section on "Engaging with stakeholders" is contained in the ESG Report on pages 9 to 13.



Scottsdene

Key operational risks

This is an extract from the risk register of the top risks that Calgro M3 faces at present. This key is used to categorise the various risks:

Inherent and residual risk

0 – 4 Insignificant | 5 – 9 Minor | 10 – 14 Moderate | 15 – 19 Major | 20 – 25 Extreme

Risk category

O Operational | R Reputational | S Strategic | F Financial

Control of risk

Effective | Strong | Adequate | Needs improvement | None

Capitals

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

Refer to stakeholder list on page 22.

Level	Key operational risks identified	Inherent risk	Control over risk	Residual risk	Internal/ external	Risk category	Stakeholder impact	Risk link to capitals	Risk link to SDGs	Mitigation strategies
1.	Land invasions and community unrest	Extreme	Adequate	Major	E	O, F	Financial capital, Social and relationship capital	Manufactured capital	11, 16	▪ Enhanced communication on the positive impact the Group makes in the communities we operate within ▪ More community interaction and participation ▪ Increased security measures on sites ▪ Actively assisting public sector to eradicate the housing shortage ▪ Exposure to fewer areas, enabling better focus on specific needs in the areas we develop ▪ Proactive monitoring of possible invasions ▪ Swift utilisation of the judicial system
2.	Retention of key personnel	Extreme	Adequate	Major	I	O	Financial capital, Human capital	Human capital, Intellectual capital	3, 5, 8, 10	▪ Staff morale and performance actively monitored and benchmarked to ensure high-performing staff are retained ▪ Salary benchmarking carried out regularly to ensure adequate remuneration for output ▪ Introduction of custom made short and long-term schemes for both Executive and senior staff levels to promote retention ▪ Succession planning is performed through each department for all department heads and key personnel
3.	Macro environment and impact on businesses	Major	Adequate	Moderate	E	O, F	Financial capital, Social and relationship capital, Human capital, Manufactured capital	Financial capital, Social and relationship capital	8	▪ Updated economic and affordability data reviewed regularly and considered with every new business or project investment ▪ Consideration of the macroeconomic conditions prevalent at the time

Key operational risks (continued)

Level	Key operational risks identified	Inherent risk	Control over risk	Residual risk	Internal/ external	Risk category	Stakeholder impact	Risk link to capitals	Risk link to SDGs	Mitigation strategies
4.	Capacity				I	O				▪ Strategic appointments were made in the year, both internally and externally to assist the Group in executing its strategic objectives ▪ Continuous assessments of senior management capacity is carried out with reallocation of obligations being performed to alleviate capacity constraints ▪ Mentoring programmes in place for senior management by senior executives and Non-Executives to equip them to take up more responsibility and grow within their senior roles is ongoing ▪ Internal reallocation of obligations amongst senior management to alleviate executive capacity constraints
5.	Cash flow/ liquidity				I	F				▪ Strict budget control, cash flow monitoring and working capital preservation measures in place ▪ Prudent capital allocation between businesses and projects that have different cash flow cycles ▪ Centralised cash flow control function to allow for allocation flexibility across projects ▪ Actively prioritising the sale of non-core assets and previous rental stock portfolio ▪ Short-term net debt to equity targets are maintained with the Group to balance the repayment of debt and working capital in future periods
6.	Uncontrolled growth				I	S				▪ Guidance and supervision around the right-sizing of the Group from Executive Management and Board of Directors ▪ Continuous capacity monitoring before the commencement of new projects/developments ▪ Current strategic focus on executing secured projects and not securing additional projects in the short to medium term ▪ Specified controlled growth targets have been set for both operating businesses in the Group

Five-year financial review

	2024	2023	2022	2021	2020
Group income statement					
Revenue	**1 284 539 758**	1 525 316 550	1 321 593 256	879 146 585	984 130 486
Gross profit	**350 029 115**	357 693 797	281 846 673	108 023 284	100 609 332
Gross profit %	**27.25%**	23.45%	21.33%	12.29%	10.22%
Share of profit/(loss) of joint ventures and associates – net of tax	**9 429 695**	5 386 925	9 641 933	3 345 892	(732 541)
Profit before tax	**269 697 701**	252 358 820	179 464 816	26 066 297	13 327 604
Basic earnings cents per share	**192.01**	153.37	108.58	14.88	3.84
Headline earnings/(loss) cents per share	**189.87**	153.18	105.68	(15.17)	1.77
Net asset value cents per share	**1 336.56**	950.61	793.81	682.09	636.12
Tangible net asset value cents per share	**1 170.36**	817.97	662.30	550.58	511.54
Group balance sheet					
Inventories	**503 385 249**	498 540 794	615 819 830	643 573 871	719 305 469
Construction contracts	**1 355 384 620**	1 162 393 952	909 322 057	840 695 306	945 948 487
Net cash position	**122 638 021**	172 614 330	191 114 249	154 561 255	255 069 163
Retained income	**1 251 252 682**	1 040 813 265	850 362 620	718 881 468	693 734 868
Borrowings	**934 796 142**	876 362 326	839 067 772	944 161 828	1 062 842 931
Trade and other payables	**290 924 698**	360 504 294	422 012 321	486 875 046	656 832 209
Group cash flows					
Cash generated from operations	**149 245 922**	89 638 658	228 221 971	114 768 074	464 208 719
Tax (paid)/refunded	**(3 487 918)**	(5 197 841)	(18 022 488)	(17 878 456)	(17 817 929)
Net cash generated from/(utilised in) operating activities	**91 263 254**	2 069 545	129 881 745	(3 007 782)	343 376 868
Net cash (invested in)/received from investing activities	**(120 874 660)**	(52 695 855)	25 535 309	(51 566 633)	(158 201 444)
Net cash (repaid in)/raised from financing activities	**(20 364 903)**	32 126 391	(118 864 060)	(45 933 493)	(52 739 258)
Net (decrease)/increase in cash and cash equivalents	**(49 976 309)**	(18 499 919)	36 552 994	(100 507 908)	132 436 166
Cash and cash equivalents at the beginning of the year	**172 614 330**	191 114 249	154 561 255	255 069 163	122 632 997
Cash and cash equivalents	**122 638 021**	172 614 330	191 114 249	154 561 255	255 069 163
Financial ratios					
Return on average shareholders' funds	**16.16%**	17.60%	15.92%	2.31%	0.61%
Return on net assets	**15.23%**	16.13%	14.59%	2.29%	0.66%
Return on net tangible assets	**17.40%**	18.62%	16.44%	2.83%	0.82%
Current ratio	**2.06**	1.91	1.70	1.51	1.36
Market capitalisation at year-end – ordinary shares	**446 674 936**	445 733 107	440 682 250	230 660 131	512 600 276

Statutory reports 3

This chapter includes feedback from our Chairperson, including his views on the business and the wider industry. The composition and qualifications of the Board are covered including information on the skills sets that they have to provide meaningful engagement with the Executive Management of the Group.

A Remuneration Report from the Chairperson of the Nominations and Remuneration Committee provides shareholders with all the important information required on remuneration structures and performance requirements to vote at the Annual General Meeting.

Chairperson's report

Hatla Ntene Chairperson

Calgro M3 prioritises #sustainableactions as a core principle. As a result, the Group has achieved a commendable financial performance by maintaining an optimal capital structure, increasing sales, containing costs, expanding its market share, and ensuring liquidity for future growth. Through its consistent efforts, Calgro M3 has demonstrated a strong commitment to sustainable business practices while also delivering positive results for all stakeholders.

I am pleased to present the chairperson's report to Calgro M3 shareholders and stakeholders for the year ended February 2024. The year was marked by a slight revenue decline from R1 525 million to R1 284 million. Despite this, profitability increased by 5.64% compared to 2023. Expenditure was well controlled, and the gross margin has improved to 27.25% (2023: 23.45%). Given the high interest rate environment, our interest repayment was higher than last year's, and we have taken on additional debt to ensure that we continue to build homes for the people of South Africa.

Calgro M3's prudent capital allocation skills once again came to the fore, with a decision being made to buy back shares. The resultant cancellation of these shares boosted overall headline earnings per share to 189.87 cents per share compared to 153.18 cents per share in 2023.

In line with our commitment to **#sustainable**actions, we continue to achieve strong results by having a deep understanding of the markets we serve, prioritising long-term sustainability, expanding market share, and rolling out existing pipeline opportunities in a controlled but adaptable manner. This year, we completed and handed over 1 794 housing units, with a further 1 748 units having been near completion and expected to be handed over in the first six months of the 2025 financial year.

These results were achieved through the commitment of our team to our core values and a dedication to providing the best quality services. We are incredibly proud of our accomplishments and excited to share them with you.

Introduction and background to the results

Businesses operating in South Africa face several challenges, which strong management teams can overcome through deep knowledge and understanding of the market they operate in and a strategy that supports a gap in the market. The Calgro M3 Executive Management team has had to contend with low economic growth, inflation, increasing interest rates, political uncertainty, and unprecedented load shedding. Despite this, Executive Management and their teams have remained disciplined in our core focus areas.

I have mentioned this in previous reports, and I wish to make the point once more, that this is a testament to the defensive nature of the Calgro M3 offering. Over the past few years, the Group has ensured that most homes delivered to the market are sold into the private sector at affordable prices across the spectrum of housing segments supported by government assistance and bank bonds.

Similarly, the offerings of the Memorial Parks business are defensive products, and the nature and beauty of the sites across the country make for sustainability, due to the annuity nature of the revenue model. Looking back to 2017 as the first full year that Memorial Parks was included in the numbers, the segment has come a long way since the first park was acquired, which was, of course, Nasrec. The segment now boasts six parks. The most recent acquisition, announced after the financial year-end and not included in these numbers, is that of the Platinum City Memorial Park, located in Rustenburg in the North West Province of South Africa.

Board of Directors

The Board operates as a unitary Board comprising four Executive Directors, one Non-Executive Director, and five Independent Non-Executive Directors. The Board Chairperson is an Independent Non-Executive Director. The Board also has a Lead Independent Non-Executive Director whose functions include serving as a sounding board for the Board Chairperson, strengthening the independence of the Board, and offering support and guidance to the Directors.

There were no changes to the Board of Directors during the year under review.

Commitment to governance

Calgro M3 is committed to the highest levels of governance and continues to apply the 16 principles of King IV™.

Our King™ Application Register can be found on the Calgro M3 website: www.calgrom3.com.

Environment, Social Impact, Governance ("ESG") reporting

Our diligence in reporting on ESG matters remains unwavering. A separate ESG Report is available on the Calgro M3 website. Last year the report was augmented by including several recommendations of the JSE Sustainability Disclosure Guidance in our data points. These data points, as included in the ESG Report, now contain information as far back as 2021. The summary of our ESG Report, contained in this annual report on pages 49 to 50, contains examples of progress made in areas of importance to us.

Furthermore, we have taken the UN Sustainable Development Goals ("UNSDGs") into account and concentrated on seven that are central to achieving our strategy and five in support of our strategy.

Read about these goals and why they are important to Calgro M3 in the 2024 ESG Report.

Our Annual General Meeting ("AGM") will take place on 28 June 2024. At the 2023 AGM held on 29 June 2023, all of the resolutions were passed by the requisite majorities of the Company's shareholders.

Appreciation and future outlook

I am honoured to express my heartfelt appreciation and gratitude towards the Executive Management team, diligent staff, reliable suppliers, dedicated contractors, and esteemed fellow Board members for their unwavering commitment and tireless efforts towards Calgro M3. Through their exceptional teamwork, we have achieved remarkable heights and made significant strides over the past year, and I am proud to lead such a talented and committed group of individuals who have contributed immensely towards the success of our business.

By embracing **#sustainable**actions we continue to support our fellow South Africans by tackling the shortfall of housing and burial sites in South Africa. We remain confident that Calgro M3 will continue to take advantage of this need and ensure continued sustainability. This is especially true as we move forward on the ground-breaking Bankenveld District City Development (previously known as Frankenwald), together with Eris Property Group. Calgro M3 is no stranger to massive projects, having been involved for the past 16 years in the Fleurhof development, an integrated development consisting of in excess of 14 000 units and a host of amenities such as playgrounds, braai areas, shopping centres, schools, places of worship, transport access nodes, crèches and much more.

Likewise, Bankenveld District City is a visionary project aimed at promoting socio-economic upliftment on an unprecedented scale. Strategically situated to bridge the gap between affordability and access to Sandton's economic hub, Bankenveld District City will be a testament to innovative planning and sustainable development. It is poised to deliver between 20 000 and 30 000 housing units alongside significant commercial, retail, and industrial space. As with the Platinum City Memorial Park, Bankenveld was announced after the February year-end. Projects such as these are a testament to Calgro M3's commitment to ensuring continued sustainability in our country, fuelled by a passion for what we do.

Hatla Ntene

13 May 2024

7 UNSDGs central to achieving our strategy

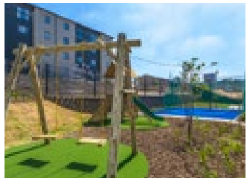
5 UNSDGs in support of our strategy

77 data points analysed and reported on in the ESG Report

People	Health and Safety	Corporate Social Responsibility	Environment	Governance







Our leadership

CALGRO M3

Calgro M3 Board of Directors

Independent Non-Executive Chairperson

Hatla Ntene

Lead Independent Non-Executive Director

Ralph Patmore

Executive Directors

- Wikus Lategan (CEO)
- Waldi Joubert
- Sayuri Naicker (FD)
- Wayne Williams

Independent Non-Executive Directors

- Mdu Gama
- George Hauptfleisch
- Themba Baloyi

Non-Executive Directors

- Tyrone Moodley

Remuneration and Nomination Committee

- Ralph Patmore (Chairperson Remuneration Committee)
- Hatla Ntene (Chairperson Nomination Committee)
- Themba Baloyi
- Wikus Lategan#

Audit and Risk Committee

- George Hauptfleisch (Chairperson)
- Ralph Patmore
- Mdu Gama
- Wikus Lategan#
- Sayuri Naicker#

Social and Ethics Committee

- Mdu Gama (Chairperson)
- Tyrone Moodley
- Sayuri Naicker
- Waldi Joubert#
- Wikus Lategan#
- Wayne Williams#

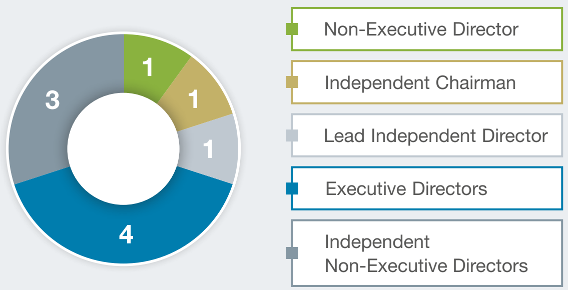
Stakeholder Relations

- Wikus Lategan
- Waldi Joubert
- Wayne Williams
- Sayuri Naicker

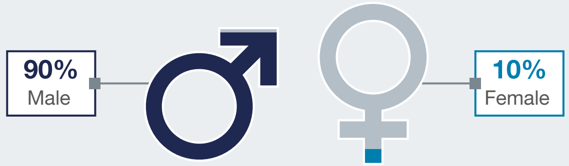
By invitation.

Board and committee attendance can be found on page 53 of the ESG report 2024.

Board composition

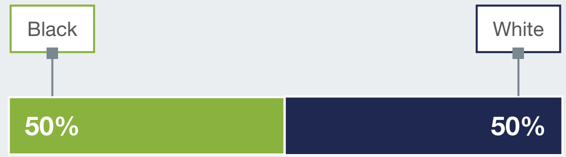


Gender



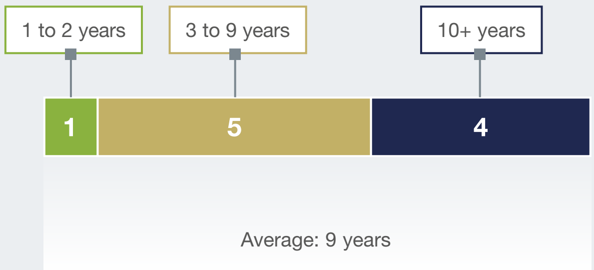
Target: 20% female

Race



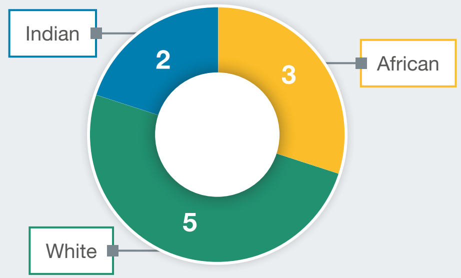
Target: 60% black *("Black" includes African, Coloured and Indian)*

Tenure



Age groups

Age groups	African	White	Indian
60+	1	2	–
50-60	1	1	–
40-50	1	1	–
30-40	–	1	2
	3	5	2



Chairman – Independent Non-Executive Director

Hatla Ntene (69)
BSc (QS), Dip. Con. Econ, Dip. Civ. Eng, PRQS, PMAQS, Pr.CPM

Hatla's qualifications include a Bachelor of Science (Quantity Surveying) degree from the University of Dublin, a diploma in Construction Economics from the Bolton Street College of Technology in the Republic of Ireland and a diploma in Civil Engineering, Lerotholi Polytechnic. Hatla is currently Executive Chairman of Mvua Property Partners and Pulaprop. He is a Non-Executive Director of a listed retail property fund company. Hatla was previously a partner in Farrow Laing Ntene, one of the largest quantity surveyor firms in South Africa. Hatla was also the Property Executive Manager of Propnet (Property Division of Transnet) for three years.

Skills set	Finding a person with over 30 years of experience in the property industry is rare and the insight which Hatla provides to the Board is highly regarded. Potential pitfalls are pointed out early to avoid wastage of time and money.

Lead Independent Non-Executive Director

Ralph Bruce Patmore (72)
BCom, MBL (SBL)

Ralph brings a valuable 10 years' experience in building materials distribution as former CEO of Iliad, as well as a wealth of industrial manufacturing experience, as a former Director of Everite Holdings Limited and Group Five Limited. Ralph currently serves as a Non-Executive Director on the boards of ARB Holdings Limited, Mustek Limited and Trellidor Holdings Limited.

Skills set With his vast industry experience, including, but not limited to, being a former Executive Director of Everite, Group Five, Illiad and subsidiaries in Unihold and Malbak, comes a valuable approach to specific industry thinking and expertise.

Independent Non-Executive Directors

Dr Mduduzi Edward (Mdu) Gama (55)
PhD (Finance)

Mdu holds a PhD (Finance) degree and various management qualifications from South African, US and UK universities. Mdu is currently CEO of Resultant Finance Proprietary Limited. He is a founder, Director and a significant shareholder of various other companies.

Skills set A doctorate in finance combined with an entrepreneurial flair blends exceptionally well with Calgro M3.

George Hauptfleisch (67)
CA(SA)

George is a Chartered Accountant and was a partner at PwC for 30 years. He brings with him a wealth of experience as a registered auditor of listed companies in sectors such as manufacturing, engineering, construction and chemicals, fast moving consumer goods and agriculture. George is a member of the Institute of Directors in South Africa.

Skills set George joined the Board in 2018, adequately taking on the Chairmanship of the Audit and Risk Committee. His wealth of expertise attained in three decades in the audit profession is extremely valuable to Calgro M3.

Themba Baloyi (47)
Henley Executive MBA, ACIS, ND CMA

Themba was appointed as an Independent Non-Executive Director to the Board from March 2020. He studied and completed Cost and Management Accounting, Corporate Governance through ICSA and has an Executive MBA from Henley Business School (UK). He completed business leadership studies though Gordon Institute of Business Science, University of Cape Town Graduate School of Business and Duke University (US). Themba is an innovative and entrepreneurial business leader who founded Discovery Insure Ltd ("Discovery Insure"), a short-term insurance company launched in 2011. The Discovery Insure work propelled him to win the 2018 CNBC Africa All Africa Business Leaders 'Entrepreneur of the Year Award'. He was honoured as a 2015 World Economic Forum Young Global Leader. He is a Fellow of the Aspen Institute Global Leadership Network and is the Chairman of the Allan Gray Orbis Foundation and board member of Curro Holdings, amongst others.

Skills set His knowledge of the insurance and financial sectors parallels with aspects of Calgro M3's own business model, particularly the Memorial Parks business, where Calgro M3 foresees good product diversity and growth opportunities.

Non-Executive Directors

Tyrone Moodley (38)
BCom (UJ)

Tyrone is the co-founder of Midbrook Lane, a private investment company which was sold to Conduit Capital. He served as interim CEO of JSE listed Taste Holdings ("Taste") during the 2018/2019 financial year working closely with Domino's Pizza Inc. and Starbucks Corp. in order to redefine the long-term strategy of Taste. As of April 2019 he moved back into a Non-Executive Director role. His early career started at Sasfin Securities as a Research Analyst before leaving to start Midbrook. Mr Moodley obtained a Bachelor of Commerce degree from the University of Johannesburg. He is a partner at Protea Asset Management LLC.

Skills set His expertise in over 15 years in investment-related activities, business development and corporate finance is extremely valuable to Calgro M3.

Executive Directors

Willem Jakobus (Wikus) Lategan (43)
CA(SA)

Wikus joined Calgro M3 in 2008 as Financial Director and was subsequently appointed as Group Managing Director with effect from 1 June 2015, responsible for the overall operational activities of the Group. Wikus served as a member of the SAICA National Members on the Business Executive and is also Chairperson of the SAICA Northern Region and Business Council. He has vast experience in business restructuring and management and became CEO March 2017.

Sayuri Naicker (34)
CA(SA)

Sayuri was appointed as Financial Director of Calgro M3 with effect from 1 March 2022 after joining the Group in 2021 as the Group Financial Manager. She is a qualified Chartered Accountant, having completed her articles with PricewaterhouseCoopers ("PwC") in 2014, following which she remained at PwC until 2021. Whilst there, Sayuri gained valuable experience in finance, tax, capital allocation and financial risk with respect to JSE listed and multi-national companies in numerous industries, including construction, property development and mining.

Willem Adolph (Waldi) Joubert (38)
CA(SA)

Waldi assumed the role of Managing Director of the Calgro M3 Memorial Parks business on 1 March 2022. Being part of the Executive team as well as Financial Director of Calgro M3 since 1 June 2015, makes Waldi the ideal leader to grow this segment of the business further. He continues to be an Executive member of the Board. Waldi is a qualified chartered accountant, having completed his articles with PricewaterhouseCoopers, where he gained experience in a wide variety of industries, including manufacturing, construction, insurance and fast-moving consumer goods. Waldi joined the Group in January 2012 as Group Financial Manager.

Wayne Williams (55)
BProc

Wayne joined Calgro M3 in 2012 and was appointed as Executive Director with effect from 1 June 2015. He is a qualified attorney who was in private practice for 20 years, specialising in commercial and corporate law where he obtained extensive experience in commercial transactions and property-related negotiations and acquisitions. Wayne leads all acquisition negotiations.

Company Secretary

Juba Statutory Services, represented by Sirkien van Schalkwyk
BLC, LLB

Sirkien van Schalkwyk (BLC, LLB) has more than 25 years' company secretarial experience and has acted as company secretary for a number of companies. Founded in 2010, Juba's prime focus is on a limited number of clients to ensure a high quality of service. These clients include listed companies on the main board of the Johannesburg Stock Exchange, the Alternate Exchange (AltX), Cape Town Stock Exchange (CTSE) as well as big private companies – all having to comply with the Companies Act, 2008 as amended, the JSE Listings Requirements, CTSE Exchange, King IV™, etc.

Remuneration report

Committee: Ralph Patmore (Chairperson), Hatla Ntene, Themba Baloyi and Wikus Lategan (invited to attend committee meetings)

The report highlights the Calgro M3 Remuneration Philosophy, Remuneration Strategy and the Remuneration Policy for Directors (Executive and Non-Executive) and all employees.

We have divided the report into three parts being:

Part 1: Remuneration background, philosophy and strategy

- Employees remain the backbone of the business.
- During the 2024 financial year, employees received 29% (2023: 34%) of the total wealth created by the Group.

100%

Approval from shareholders at 2023 AGM for Remuneration Policy and Remuneration Implementation Report respectively

Part 2: Remuneration policy

Target is to remunerate all employees between the 25th and 90th percentile when short and long-term incentives are included.

Lower to middle tier employees and middle management

Remuneration structure includes:

1. Annual Guaranteed Remuneration: Bench-marked at between the 50th and 75th percentile.
2. Short-term Incentive Scheme.
3. Long-term Service Award Incentive Scheme.

Senior management

Senior management remuneration is made up of four different components, being:

1. Annual Guaranteed Remuneration: Bench-marked at between the 50th and 75th percentile.
2. Short-term Incentive Scheme.
3. Long-term Share Appreciation Right Incentive Scheme.
4. Long-term Service Award Incentive Scheme.

Executive Management

Executive Management remuneration is made up of four different components, being:

1. Annual Guaranteed Remuneration: Bench-marked at between the 50th and 75th percentile.
2. Short-term Incentive Scheme.
3. Long-term Share Incentive Scheme.
4. Long-term Cash Incentive Scheme.

Part 3: Remuneration implementation report

- Executive Directors received short-term incentives in terms of approved policy in line with financial achievements.
- Total remuneration and employee costs increased to R111.93 million.
- WJ Lategan is the only Executive Director with pledged securities of 7 250 746 of which the facility expires on 29 November 2024.

Part 2 and 3 will be put to a non-binding advisory vote at the 2024 Annual General Meeting ("AGM") (Ordinary resolution 10.1 and 10.2).

Part 1: Remuneration background, philosophy and strategy

Remuneration philosophy

Calgro M3's remuneration philosophy is designed to attract, develop, and retain passionate, committed, and talented people who are required to effectively implement the overall Calgro M3 strategy to create value for shareholders.

Over many years, the Group has refined its remuneration policy and practices to support our aim of being a thriving, growing company which is highly dependent on the motivation of its people.

The Group believes that its remuneration practices are in line with King IV™ remuneration governance principles, and that these principles underpin the achievement of its business objectives, its ethical culture, and an overriding philosophy of "pay for performance".

Employee compensation is no longer annually the largest item under the value-added statement distribution of wealth section, due to the Group now outsourcing construction work to large contractors, but it remains the backbone of the business.

Remuneration strategy

The remuneration strategy takes cognisance of local and industry specific remuneration best practices to ensure that the Group attracts and retains the appropriate skills and talent. The Remuneration Committee considers a holistic compensation model when approaching the remuneration of all employees, Executive Directors and prescribed officers, members of the management teams within the Group and Non-Executive and Independent Non-Executive Directors.

Shareholder engagement and voting

Understanding and being responsive to the material interests of various stakeholders, including shareholders, is critical to delivering on Calgro M3's core business strategy. In line with best practice (notably King IV™) and the JSE Listings Requirements, the remuneration policy together with the implementation report (as contained in the annual Remuneration Report) will be tabled for two separate non-binding advisory votes by shareholders.

At the 2023 AGM the result of the non-binding advisory votes on the remuneration policy and the remuneration implementation report was:

	Remuneration policy %	Remuneration implementation report %
For	100%	100%
Against	0%	0%

As the non-binding advisory votes were passed by the requisite majorities, no further engagements with shareholders were required.

In the event that more than 25% of the shareholders vote against the above, Calgro M3 will:

- extend an invitation to dissenting shareholders to engage with Calgro M3 around their reasons for voting against the relevant resolution/s; and
- ensure that the invitation will reveal the manner and timing of the engagement.

Calgro M3 will ascertain the reasons for dissenting votes and respond with constructive feedback to shareholders' questions, queries, and concerns. Where appropriate (in the case of legitimate and reasonable concerns) Calgro M3 may consider amending elements of the remuneration policy to align it further to market practice and shareholder value creation.

The Remuneration Committee shall disclose the results of its shareholder engagement. In the event that one or more of the remuneration-related resolutions are voted against by 25% or more of the shareholders, this disclosure will also include:

- with whom Calgro M3 engaged;
- the manner and form of the engagement that took place; and
- the nature of the steps taken by Calgro M3 to address legitimate and reasonable objections and concerns raised by dissenting shareholders.

Olive Grove

Part 2: Remuneration policy

To give effect to the remuneration philosophy and strategy the below remuneration policy has been developed to ensure that Group Executive Management, senior management and other employees as well as the Non-Executive Directors are fairly remunerated and appropriate structures are developed to ensure fair, competitive and appropriate structured remuneration in the best interest of both the Group and its stakeholders.

The Company's target is to remunerate all performing employees between the 25th and 90th percentile when short and long-term incentives are included, thereby ensuring that employees are properly benchmarked within their respective disciplines. Further to this, we also differentiate between short-term incentive and long-term incentive targets for different levels of employees, and businesses and departments in the Group. This is all in an endeavour to ensure that employees are financially motivated in their respective fields.

The Remuneration Committee ensures that the components of remuneration, being annual guaranteed remuneration, short-term incentive, long-term service awards and long-term incentive structures are linked in such a way as to achieve the Group's strategy, and drive performance objectives. In the case of management in each of the underlying investments, the Group has identified that each entity requires a different mix of the elements of remuneration. Group Executives believe that no senior management member should be motivated by money, but each member should be rewarded in a way that makes them feel proud of what they have "earned" for their family.

Executive and senior management remuneration is based on principles of retention of key and critical skills and to drive performance in alignment with shareholders' interests, through guaranteed pay and short and long-term incentives. A significant portion of the executives' total potential remuneration is performance-related in order to drive the right behaviour to optimise Company performance. Targets are set annually in the context of prospects of the Group and the prevailing economic environment in which it operates.

Calgro M3 also makes provision for employee retirement funding by means of a defined contribution fund, which is compulsory for all salaried employees.

Remuneration components of different employment levels

A. Lower to middle tier employees and middle management

Lower to middle tier employees and middle management remuneration is made up of three different components, being:

1. Annual Guaranteed Remuneration
2. Short-term Incentive Scheme
3. Long-term Service Award Incentive Scheme

Bench-marked at between the 50th and 75th percentile

Annual Guaranteed Remuneration

The Group utilises a total "cost to company" approach which encompasses a cash component, and retirement funding contributions for all employees on this level. Consideration is given to benchmarking remuneration surveys which enables reliable comparisons of remuneration for job descriptions and other disciplines in the sector.

Increases for these employees will again be adjusted at our increase cycle in June, taking into account CPI and prevailing economic conditions. The Group will continue to provide an additional increase to our lowest earning staff members to promote distribution of wealth to this bracket.

Extraordinary increases on this level are performed on a case-by-case basis, only when suitable and required, in areas of critical skills to ensure continuity and retention of these employees.

Short-term Incentive Scheme

All permanent employees within this level qualify for a bonus incentive in terms of the Short-term Incentive Scheme on the following basis:

General Short-term Incentive Scheme

A short-term bonus incentive pool is calculated annually by the Group Executive Committee ("Group Exco") based on Group performance during the financial year ended, after considering growth and expense management across the Group. In this regard:

- Incentive payments are generally payable in December of the financial year, with additional top up payments occurring in May of the following year, should Group performance be in excess of expected targets.
- The bonus pool is divided by the total average staff payroll to determine the average incentive per employee.
- A minimum allocation per employee is determined by Group Exco.
- Any surplus incentive amounts are allocated to highly committed, top performing employees as determined by Group Exco.
- An employee on this level will not qualify for a short-term incentive scheme bonus if he/she:
  - Is still in probation period.
  - Is under performance management.
  - Received a final written warning during the period.
    - An employee on this level will only qualify for 50% of a bonus if he/she received any general written warnings in the period.

Sales agents in all businesses

Our sales agents are remunerated on a variable commission structure that is based on a sliding scale and volume. This commission is payable monthly if various sales and closing milestones are reached. These structures are revisited from time to time to ensure maximum sales performances.

Contract managers

Contract managers are rewarded and receive an incentive bonus based on the performance of their respective sites.

Memorial parks

Memorial park staff are rewarded in a similar manner to lower to middle staff with allocations of short-term incentives being based on the parks performance.

Long-term Service Award Incentive Scheme

All permanent employees on this level qualify for long-term service awards when reaching employment period milestones as follows:

Five years of service

Two extra leave days per year to be added to the employee's annual leave, bringing the leave days up to 17 days from the normal 15 days.

10 years of service

- Another two extra leave days per year to be added to the employee's annual leave, bringing the leave days up to 19 days from the 17 days he/she had post five years' employment.
- A long-term service award payment in December of the year you reach this goal – equal to two months' salary at the time of payment (this is in addition to any short-term incentive payment that may have become payable in that year).

15 years+ of service

- Another two extra leave days per year to be added to the employee's annual leave, bringing the leave days up to 21 days (maximum leave days for any staff member) from the 19 days he/she had post 10 years' employment.
- A long-term service award is paid in December of the year you reach this goal equal to three months' salary at the time of payment (this is in addition to any short-term incentive payment that may have become payable in that year).
- A long-term service award equal to three months' salary for every five-year increment after 15 years (this is in addition to any short-term incentive payment that may have become payable in that year).

B. Senior management

Senior management remuneration is made up of four different components, being:

1	2	3	4
Annual Guaranteed Remuneration *Bench-marked at between the 50th and 75th percentile*	**Short-term Incentive Scheme**	**Long-term Share Appreciation Right Incentive Scheme**	**Long-term Service Award Incentive Scheme**

Annual Guaranteed Remuneration

As is the case with lower to middle tier employees and middle management, the Group also utilises a total "cost to company" approach for senior management which encompasses a cash component and retirement funding contributions. Consideration is given to benchmarking remuneration surveys which enables reliable comparisons of remuneration for senior management job descriptions and other disciplines in the sector.

Increases for senior management will be adjusted at our increase cycle in June, taking into account CPI and prevailing economic conditions.

The Group will also award extraordinary increases to senior managers on a case-by-case basis, only when suitable and required, in areas of critical skills to ensure continuity and retention of senior management.

Short-term Incentive Scheme

A short-term incentive pool is calculated annually based on the performance of the relevant business within the Group reaching pre-determined growth milestones during that year, in Group Exco's discretion. In this regard:

- Incentive payments are generally payable in May of the following year (post year-end result approval by the Board).
- All senior managers share in the senior manager incentive scheme bonus pool.
- The portion of the incentive bonus pool that each senior manager is entitled to is based on the senior manager's annual income, level of management seniority within the Company's structures, his/her management portfolio, department operational risk profile, performance and commitment.
- Should minimum annual growth not be met, Group Exco is at liberty to allocate a discretionary incentive bonus.
- A senior manager will not qualify for a short-term incentive scheme bonus if he/she:
  - Is still in probation period.
  - Is under performance management.
  - Received a final written warning during the period.
- A senior manager will only qualify for 50% of a short-term incentive bonus if he/she received any general written warnings in the period.

Long-term Share Appreciation Right Incentive Scheme

The 2019 Executive Share Appreciation Right Incentive Scheme was approved on 1 March 2019 as an incentive to remunerate Executive Directors over the long term if they return a higher-than-average market return to investors. This scheme's rules were amended and approved by shareholders in June 2021 to include members of senior management. The implementation of this scheme should ensure that the interests of the senior management are aligned with those of the Executive Management as well as shareholders, as the share value-based remuneration to be received by the management team is determined by the growth in value of the Company's shares.

In terms of the scheme:

- Share appreciation rights ("SARs") are allocated to Participants at a Base Price. Should the required growth of a Share be achieved in terms of the provisions of the scheme, each SAR, once vested, entitles the Participant to receive Calgro M3 Shares or cash (to be determined in the sole discretion of the Board), representing the positive difference between the Base Price and the Vesting Price.
- Each allocation has a five-year term and allocated SARs vest in four equal annual tranches on each of the Vesting Dates, with the first vesting being in year two.
- SARs will only vest if the following minimum required Vesting Prices are attained, being that on the:
  - First Vesting Date, the Base Price has increased cumulatively (compounded) by 20% or more for the preceding two years.
  - Second Vesting Date, the Base Price has increased cumulatively (compounded) by 20% or more for the preceding three years.
  - Third Vesting Date, the Base Price has increased cumulatively (compounded) by 20% or more for the preceding four years.
  - Fourth Vesting Date, the Base Price has increased cumulatively (compounded) by 20% or more for the preceding five years.
- Should the vesting conditions not be met on a Vesting Date, the allocated SARs that would have vested in the year in question shall be transferred to the subsequent year. Should the vesting conditions be met in the subsequent year, the allocated SARs vesting in that subsequent year shall include the allocated SARs that were carried over from the previous year. Should the vesting conditions again not be met in the subsequent year, the allocated SARs that were carried over will lapse. Such lapsed allocated SARs will revert back to the scheme.
- In terms of the scheme, shares are allocated to employees and linked to employment, and no right or rewards in respect of the SARs will vest prior to any Vesting Date. This gives rise to an effective lock-in period.
- The frequency of the awarding of SARs, including SARs to new Participants or additional SARs to existing Participants from time to time, shall be determined by the Board from time to time.
- The maximum aggregate SARs that may be allocated to any one Participant may not exceed 3 500 000 SARs.

Long-term Service Award Incentive Scheme

All senior managers qualify for long-term service awards when reaching employment period milestones on the same principle and basis as is contained in the lower to middle tier and middle management section of this report.

Nasrec Memorial Park

C. Executive management

Executive Management remuneration is made up of four different components, being:

1	2	3	4
Annual Guaranteed Remuneration *Bench-marked at between the 50th and 75th percentile*	**Short-term Incentive Scheme**	**Long-term Share Incentive Scheme**	**Long-term Cash Incentive Scheme**

All of the above are intended to be linked in such a way as to achieve the Group's strategy, and drive performance objectives.

To assist the Committee with the above different components, independent benchmarking is undertaken from time to time with a review performed by Willis Towers Watson in March 2024.

Annual Guaranteed Remuneration

As is the case with lower to middle tier employees, middle management and senior management, the Group also utilises a total "cost to company" approach for Executive Management, which for Executives encompasses a cash component, fixed car allowance and retirement funding contributions. In addition to the consideration of the holistic executive remuneration benchmarking referred to above, the Group considers also benchmarking remuneration surveys which enables reliable comparisons of the guaranteed remuneration component for Executives.

Increases for Executive Management will again be adjusted at our increase cycle in June, taking into account CPI, prevailing economic conditions and the performance of the Group.

Short-term Incentive Scheme

The objectives of the executive short-term incentive policy are:
- To motivate Executives to manage and lead the business successfully and to drive strong long-term growth in line with strategy and business objectives.
- To provide competitive and balanced, performance-related remuneration.
- To ensure that the interests of the Executives are aligned with those of shareholders by linking remuneration directly to the Company's bottom line profit, and strategic and operational objectives.
- To ensure that there is transparency and fairness in the executive remuneration.

The Short-term Incentive Scheme bonus pool is calculated on percentage growth in increments.

Short-term Incentive payments are generally payable in May of the following year (post year-end result approval by the Board).

All Executives share in the Executive Management short-term incentive scheme bonus pool.

Note: If IFRS® changes come into effect after targets have been set, the incentive pool will be calculated, paid and reported on based on the IFRS requirements in place at the time of setting the targets.

Short-term Incentive Scheme pool calculation:
- Growth greater than prior year HEPS (After incentive payment) = 3% of PAT
- Growth greater than 10% to prior year HEPS (After incentive payment) = 5% of PAT
- Growth greater than 15% to prior year HEPS (After incentive payment) = 6% of PAT
- Growth greater than 20% to prior year HEPS (After incentive payment) = 7% of PAT
- Growth greater than 30% to prior year HEPS (After incentive payment) = 8% of PAT
- Growth greater than 40% to prior year HEPS (After incentive payment) = 9% of PAT
- Growth greater than 50% to prior year HEPS (After incentive payment) = 10% of PAT

In line with the King IV™ and the associated decisions taken by the Committee, the division of the incentive pool as calculated above is based on the following performance metrics:
- **20% Risk mitigation and sustainability** – all risks equal to or above a level 12 based on probability and impact to be managed to not increase unless impacted by extraordinary events.
- **20% Empowerment targets** – remain or restore the rating as per the Empowerment scorecard to at least a level 2 (lowered from level 3 the previous year).
- **20% Board discretion** – the Board will assess the efforts and contribution of each member in achieving the various targets set in order to qualify for this portion of the incentive pool.
- **40% Financial targets** – balance sheet.

Net debt to equity to remain under 0.75:1 (Executives cannot increase the balance sheet risk to achieve the financial target).

There is no income statement target as the short-term incentive pool is created through income statement growth.

In essence to earn a bonus in terms of the above, profits have to be grown, cash increased and/or debt decreased.

An executive manager will not qualify for a short-term incentive scheme bonus if he/she:
- Is still in probation period.
- Is under performance management.
- Received a final written warning during the period.
  - An executive manager will only qualify for 50% of a short-term incentive bonus if he/she received any general written warnings in the period.

Short-term discretionary incentive payments

In the event that none of the above short-term targets are met and the short-term incentive pool becomes unavailable, which could be for various reasons beyond the control of the Executives, the Board has a discretion to incentivise Executive Management through awarding an individual with a discretionary bonus of up to 20% of his/her annual Guaranteed Remuneration in recognition of exceptional performance in operating in/under a difficult environment and circumstances.

Long-term share incentive scheme

An Executive Share Incentive Scheme was approved (as a retention component) in June 2023, commencing 1 March 2023, to remunerate Executive Directors over the long term. The implementation of this scheme should ensure that the interests of the Executive Directors are aligned with those of shareholders as the value of the share-based remuneration to be received by the Executive Directors is determined by the growth in value of the Company's shares. The salient provisions of the scheme are as follows:

- It is a long-term share-settled retention scheme: The Scheme is a five-year equity-settled, share-based Scheme, in terms of which Options to receive Shares will be issued by the Company to elected Participants.
- Options will vest in five equal tranches of 20% each and shall vest on the 1st, 2nd, 3rd, 4th and 5th anniversary of the Award date.
- The Scheme has no hurdle rates and is solely based on continued employment.
- An Option to receive a Share, once vested and exercised, shall result in a delivery of a Share to the Participant at no cost.
- Vested Options must be exercised by a Participant by delivering an Exercise Notice.
- The Options forming part of the first Award was made by the Board to Participants elected by the Board, on the 1st day following the publication of the Company's annual financial statements for the Financial Year ending 28 February 2023 on the basis that the 5 tranches will vest as at 15 January 2024 and on 15 January for the four years thereafter.
- The Board may then, going forward, from time to time resolve to award Options to Participants selected by it to participate in this Scheme.
- The Board shall have the final authority to determine (i) who will participate (ii) the number of Options awarded to a Participant (iii) the commencement date of the Award.
- The frequency of the awarding of Options, including any new or additional Options from time to time, shall be determined by the Board from time to time.
- The aggregate number of Shares which may be settled in terms of the Scheme may not exceed 10 000 000 Shares.
- The maximum number of Shares settled to any single Participant may not exceed 3 000 000 Shares.
- Settlement of Options exercised can take place through:
  - purchasing the required Shares on the market.
  - the use of treasury shares.
  - issuing and allotting new Shares.

Long-term Cash Incentive Scheme

An additional 50% award, based on the short-term incentive pool metrics, as set out in the short-term section above, will be paid in two equal deferred portions, with the first being 12 months later (end of May in the year following the year in which the award is made) and the second portion being paid 24 months later (end of May, two years after the year in which the award is made).

Long-term cash incentive pool calculation:

- Growth greater than prior year HEPS (After incentive payment) = 3% of PAT * 50%
- Growth greater than 10% to prior year HEPS (After incentive payment) = 5% of PAT * 50%
- Growth greater than 15% to prior year HEPS (After incentive payment) = 6% of PAT * 50%
- Growth greater than 20% to prior year HEPS (After incentive payment) = 7% of PAT * 50%
- Growth greater than 30% to prior year HEPS (After incentive payment) = 8% of PAT * 50%
- Growth greater than 40% to prior year HEPS (After incentive payment) = 9% of PAT * 50%
- Growth greater than 50% to prior year HEPS (After incentive payment) = 10% of PAT *50%

Executive Management does not participate in the Long-term Service Award Incentive Scheme.

Witpoortjie

D. Director's remuneration and contracts

Executive Directors

The schedules containing the breakdown of the annual remuneration for Executive Directors are included in the Part 3: Remuneration Implementation Report.

Executive Directors are appointed on the Group's standard terms and conditions of employment.

Non-Executive Directors' fees for approval

Non-Executive Directors ("NEDs") are remunerated for their membership to the Board and the various Board committees. Shareholders are required to ratify the Non-Executive Directors' fees in advance at the Calgro M3 Annual General Meeting. To comply with the requirements of King IV™, the Board has directed that Non-Executive Directors' fees are split between an annual retainer and an attendance component.

None of the Calgro M3 short-term and long-term incentive schemes, or any of the executive share-based incentive schemes apply to Non-Executive Directors and they may not participate in or benefit from them.

The weighting per meeting and per committee was previously revised after input from shareholders. The proposed fees for the 2024/2025 financial year are as follows:

	2024/2025						
Director	Annual retainer fee R	Board Chair R	Audit Committee Chair R	Audit Committee meeting attendance R	Any other committee Chair R	Remuneration and Nomination Committee, and Social and Ethics Committee meeting attendance R	Board meeting attendance R
H Ntene (Chairperson)	327 500	50 000	–	–	39 500	26 000	–
RB Patmore	265 000	–	–	28 500	39 500	26 000	31 500
ME Gama	222 500	–	–	28 500	39 500	26 000	31 500
GS Hauptfleisch	222 500	–	45 000	–	39 500	–	31 500
TP Baloyi	222 500	–	–	–	39 500	26 000	31 500
TC Moodley	222 500	–	–	–	39 500	26 000	31 500

The fees listed above are excluding value added tax, as may be applicable.

Part 3: Remuneration implementation report

Details pertaining to Non-Executive and Executive Directors' remuneration earned during the 2024 financial year are contained in the tables below and can be referenced in the Annual Financial Statements to note 36 which can be found on the Company's website at www.calgrom3.com.

Guaranteed remuneration

In the 2024 financial year Executive Directors' guaranteed remuneration increases were recommended by the Remuneration Committee after taking into consideration the benchmarking exercise performed for Executives, considering the impact of CPI, and other economic conditions. These recommendations were approved by the Board.

The Non-Executive Director fees increase of 6% was approved at the 2023 AGM.

Short-term incentives

The 2024 financial year short-term bonus pool and vesting conditions are as follows:

- The bonus pool has been designed to motivate Executives to sustain Group profit levels.
- The bonus will be calculated in increments, based on the earnings achieved.
  - Growth greater than prior year HEPS (After bonus payment) = 3% of PAT
  - Growth greater than 10% to prior year HEPS (After bonus payment) = 5% of PAT
  - Growth greater than 15% to prior year HEPS (After bonus payment) = 6% of PAT
  - Growth greater than 20% to prior year HEPS (After bonus payment) = 7% of PAT
  - Growth greater than 30% to prior year HEPS (After bonus payment) = 8% of PAT
  - Growth greater than 40% to prior year HEPS (After bonus payment) = 9% of PAT
  - Growth greater than 50% to prior year HEPS (After bonus payment) = 10% of PAT

Payments in terms of the bonus pool were calculated and reported on, based on the IFRS requirements in place at the time of setting the targets at the beginning of the financial year.

The 2024 Group Executive Management STI bonus pool was calculated as follows:

STI Bonus calculation	
Incremental percentage qualified for	7%
Profit after tax: Before bonus accrual	209 676 059
Total bonus pool	20 945 662
HEPS growth post bonus accrual	24.78%

Secondary target	Weighting	Achieved	Overall allocation
Financial	40%	100%	40.0%
Risk mitigation and sustainability	20%	100%	20.0%
Empowerment targets	20%	100%	20.0%
Board discretion	20%	100%	20.0%
Total STI bonus to Executives	100%	100%	100%

In line with the King IV™ recommended practices, the bonus pool had sub-parameters to ensure that Executives focus on all elements and aspects of the Group's businesses and not only profit. This would benefit all stakeholders as it ensures that the businesses are managed on sustainability principles.

Once the STI bonus pool is calculated in terms of the above methodology, the allocation was made as follows:

40% Financial targets

Targets were based on reduction of net debt to equity to 0.75:1 for February 2024.

Result: Achieved – Consolidated Group numbers – 0.63:1 (Net debt/equity ratio)

20% Risk mitigation and sustainability

All risks equal to or above a level 12 scoring (based on impact and probability (1-5)) on the Group's risk register to be managed, to remain consistent or reduce.

Result: Achieved.

20% Empowerment targets

Retain at least B-BBEE Level 3 or improve the current level.

Result: Achieved – the B-BBEE scorecard rating for the 2024 financial year was at a Level 1.

20% Board discretion

The Board would use its discretion in assessing the efforts and contribution of each member in achieving the various targets set.

Result: The Board awarded the full percentage to all participants.

General discretion

Not applicable. In consideration of the above, the Executive Directors have met their short-term incentive target along with additional non-financial metrics above. As a result, the full applicable bonus pool has been allocated amongst the Executive Directors for the 2024 financial year.

The Executive Directors' remuneration noted below is for services rendered in connection with the carrying on of affairs of the business within the same group of companies and joint ventures in the 2024 financial year.

Executive Directors' remuneration

	Remuneration and other benefits					
		Performance incentives[#]			Share-based payments	
	Guaranteed remuneration	Short term	Long term*	Total	Share-based payment awards expense	Total
2024						
WJ Lategan	**4 716 670**	**3 989 650**	**1 544 604**	**10 250 924**	**1 415 782**	**11 666 706**
WA Joubert	**3 327 500**	**2 792 755**	**1 081 223**	**7 201 478**	**1 896 403**	**9 097 881**
W Williams	**3 327 500**	**2 792 755**	**1 081 223**	**7 201 478**	**1 853 548**	**9 055 026**
SU Naicker	**2 825 000**	**2 393 790**	**926 762**	**6 145 552**	**1 253 618**	**7 399 170**
Total Executive Directors	**14 196 670**	**11 968 950**	**4 633 812**	**30 799 432**	**6 419 351**	**37 218 783**
2023						
WJ Lategan	4 191 250	5 620 004	2 198 630	12 009 884	1 415 782	13 425 666
WA Joubert	3 137 557	4 136 564	1 618 286	8 892 407	1 027 982	9 920 389
W Williams	3 137 557	4 136 564	1 618 286	8 892 407	985 127	9 877 534
SU Naicker (appointed 1 March 2022)	2 325 056	3 332 777	1 303 832	6 961 665	159 680	7 121 345
Total Executive Directors	12 791 420	17 225 909	6 739 034	36 756 363	3 588 571	40 344 934

The performance incentive included above is split between a short-term incentive payable in the 2025 financial year and a long-term incentive vesting in two tranches starting in 2026 financial year.

* **Long-term performance incentive**

The long-term cash incentive is calculated based on 50% of the short-term performance incentive in a given financial year.

This long-term performance incentive vests in two (2) tranches, with the first being twelve (12) months after the initial qualification and the second tranche vesting twenty-four (24) months after the initial qualification.

Due to the related vesting conditions, the long-term performance incentives are discounted to account for the time value of money.

The first tranche of the 2023 long-term performance incentive will vest in May 2024.

	2023 long-term performance incentive*	2024 long-term performance incentive	Total long-term performance incentive	Incentive settled in FY24
2024				
WJ Lategan	2 533 138	1 544 604	4 077 742	–
WA Joubert	1 864 498	1 081 223	2 945 721	–
W Williams	1 864 498	1 081 223	2 945 721	–
SU Naicker	1 502 202	926 762	2 428 964	–
Total Executive Directors	7 764 336	4 633 812	12 398 148	–

* *This balance includes the unwinding of the discounted value of the long-term performance incentive as disclosed in the prior year.*

Non-Executive Directors' remuneration

The remuneration tabled below was approved at the AGM.

2023/2024

	Annual retainer fee R	Board Chair R	Audit Committee Chair R	Audit Committee meeting attendance R	Any other committee Chair R	Remuneration and Nomination Committee, and Social and Ethics Committee meeting attendance R	Board meeting attendance R
Director							
H Ntene (Chairperson)	310 000	47 750	–	–	37 000	24 750	–
RB Patmore	250 000	–	–	27 000	37 000	24 750	29 750
ME Gama	210 000	–	–	27 000	37 000	24 750	29 750
GS Hauptfleisch	210 000	–	42 500	–	37 000	–	29 750
TP Baloyi	210 000	–	–	–	37 000	24 750	29 750
TC Moodley	210 000	–	–	–	37 000	24 750	29 750

Bloemfontein Memorial Park

Total remuneration

	2024 R	2023 R
H Ntene	**621 031**	622 720
RB Patmore	**577 621**	576 212
ME Gama	**611 318**	574 765
GS Hauptfleisch	**526 318**	496 765
SL Ntuli (resigned 17 June 2022)	**–**	94 750
TP Baloyi	**406 818**	405 765
TC Moodley	**456 318**	363 015
Total Non-Executive Directors	**3 199 424**	3 133 992
Summary		
Executive Directors	**30 799 432**	36 756 363
Non-Executive Directors	**3 199 424**	3 133 992
Total Directors	**33 998 856**	39 890 355

	2024 R	2023 R
Employee costs		
Salary and wages	**69 594 165**	72 568 060
Executive share scheme expense	**8 335 286**	4 222 154
Directors' emoluments	**30 998 856**	39 890 355
Executive Directors*	**30 799 432**	36 756 363
Non-Executive Directors	**3 199 424**	3 133 992
Salary and wages	**111 928 307**	116 680 569
Less: Amounts allocated to qualifying assets (construction contracts)	**(55 244 654)**	(54 357 556)
Total employee costs	**56 683 653**	62 323 013

Directors' interest in shares

At the date of this report the Directors held the following direct and indirect interests in the Company:

	Direct 2024 R	Direct 2023 R	Indirect 2024 R	Indirect 2023 R
Ordinary shares				
WJ Lategan	**7 250 746**	6 805 631	**74 579**	–
W Williams	**1 389 614**	1 110 944	**86 666**	86 666
WA Joubert	**181 000**	16 000	**361 490**	313 490
S Naicker	**132 000**	–	**–**	–

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

Independent external advice

The Calgro M3 Remuneration Committee makes use of external advice on matters pertaining to remuneration and benchmarking.

Pledged securities

As at 29 February 2024, the following Directors and Non-Executive Directors have pledged securities as collateral for loan facilities:

Director	Ordinary shares pledged	Total facility value (R)	Facility expiry date
WJ Lategan	**7 250 746**	**22 073**	**29 November 2024**

No other Directors or prescribed officers within Calgro M3 have pledged securities as guarantee/collateral during the reporting period or at the present date. Should securities be pledged the necessary announcement will be made to the market.

Environmental, social and governance ("ESG") summary

To access the complete ESG Report for the year 2024, kindly visit our website at www.calgrom3.com. The report contains a comprehensive analysis of our company's performance in terms of Environmental, Social, and Governance ("ESG") standards. It includes detailed information about our sustainability strategies, initiatives, and achievements, along with the challenges that we faced during the year. We encourage you to take a look at the report to gain a deeper understanding of our commitment to sustainability and responsible business practices.

We are acutely aware that our actions and decisions are closely tied to our impact on the lives and livelihoods of all our stakeholders.

Calgro M3 has long recognised the value of reporting on ESG matters, and, as a responsible corporate citizen, has also understood the need to maximise both the economic and non-economic value generated for its stakeholders.

In South Africa, corporate social investment is critical, alongside what the government can and is able to do. Calgro M3 remains better poised than ever to assist in closing the housing gap in keeping with our vision of ***"Building legacies. Changing lives"***.

This is supported by our theme **#sustainable**actions and this forms the basis of our thinking now and into the future, in all that we do and to ensure that we produce breakthrough and sustainable outcomes.

From start to finish, across all operations, a dynamic working environment is in place which supports future success, wellbeing and prosperity of communities.

We invest in the development of shared public spaces and in social, educational, sport and recreational facilities.

We engage with stakeholders to understand their challenges and needs, incorporating their inputs into our outputs.

We employ design principles and energy and water solutions that are affordable, eco-friendly and durable even in our most affordable product offerings.

We create employment, encourage skills and enterprise development, and support entrepreneurship.

We respect and adhere to high governance standards.

We take care of the environment, rehabilitating and protecting the natural surroundings and thereby preserving them for future generations.

We do this without taking our eye off the ball in terms of creating business value and ensuring profitability. We are not seduced by opportunity and risk management is key in our business. Our day-to-day focus is firmly on achieving consistent quality outputs, ensuring excellence in the management of our operations and capital, balancing our risk exposure, and nurturing our relationships with financiers, investors and partners.

King IV™ emphasises the critical role of stakeholders in the governance processes of an organisation. However, at Calgro M3 we have for many years understood that engaging our stakeholders is an imperative to conducting our business in a way that is both sustainable and ethical, and even more importantly, is key to understanding how we better deliver value to all our stakeholders, including those communities we provide homes and memorial parks for, so that we fulfil our ***"Building legacies. Changing lives"*** vision. Calgro M3's investment in social initiatives is aligned to its philosophy of community development, upliftment and empowerment. We favour the support of projects in the areas that we operate in, identifying opportunities where we can make a tangible difference, supporting the growth and development of individuals, nurturing vulnerable or needy groups, or strengthening the community. The Group constructs crèches, clinics, parks and community centres within its developments. In all instances, Calgro M3's investment in chosen initiatives is voluntary, not mandatory, knowing that the creation of these facilities vastly improves lives. Calgro M3 is also committed to promoting good sustainability practices within the organisation to counter the negative environmental impacts of its activities, thereby creating opportunities to have a positive impact on the environment.

Measuring our accountability

Our ESG Report 2024 highlights the key UN Sustainable Development Goals ("UNSDGs") that form the basis and support structures of our strategy. We also incorporate the JSE Sustainable Guidelines into our evaluation.

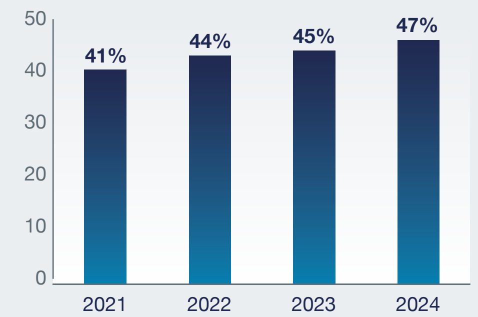
We map the relevant UNSDGs against sections of the ESG Report to ensure our readers are aware of how the Group contributes to the goals through its actions. Each section of the ESG Report includes relevant measurements of performance.

The Corporate Governance Report, which forms part of the ESG Report, provides information on how the Group approaches governance matters, along with the Remuneration Report, which provides a detailed analysis of Executive and Non-Executive remuneration and the remuneration philosophy for the Group. The report is available on our website: www.calgrom3.com and on pages 37 to 48 of this Integrated Annual Report, respectively.

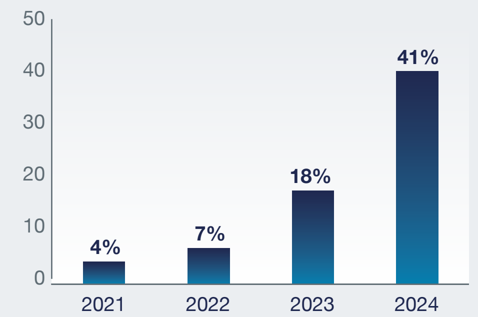
Summary of certain data points (2021 – 2024)

Detailed data points can be found on pages 19, 21, 31, 44 and 59 of the ESG Report 2024.

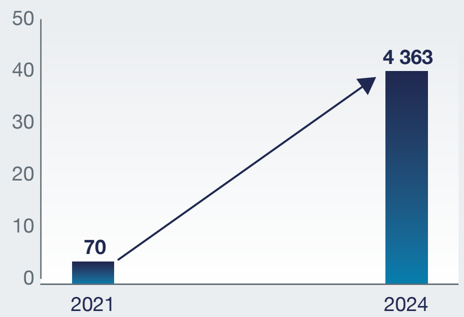
Percentage of employees who are women



Percentage of employees trained



Total volume of waste recycled (or reused) (tons)



Independent Board Chairman

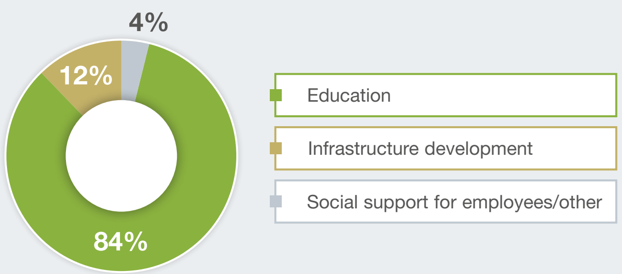
Accreditation

Workplace fatalities

0 fatalities

Advanced level status retained

CSR/SED spend 2024



Summarised consolidated annual financial statements 4

Report of the audit and risk committee

Introduction

I am pleased to present the Audit and Risk Committee ("the Committee") report in terms of section 94(7(f) of the Companies Act and as recommended by King IV™, for the year under review. The Committee is constituted as a Statutory Committee of the Company in terms of section 94 of the Companies Act 71 of 2008, as amended ("the Act"), and a committee of the Board in terms of all other duties assigned to it by the Board.

In line with King IV™, the Committee plays an essential role in providing independent oversight on the effectiveness of assurance functions and services, as well as the integrity of the annual financial statements. The Committee's terms of reference are formalised in a charter approved by the Board. In addition to performing this function for Calgro M3 Holdings Limited, the Audit and Risk Committee also accepted and performed the role for all the Group's subsidiaries and joint ventures.

The Committee's primary role is assisting the Board in discharging its duties relating to the safeguarding of assets, operation of adequate systems and control processes.

This includes the review of the principles, policies and practices adopted in the preparation of financial statements of the Company and its subsidiaries, along with ensuring that the interim and annual financial statements of the Company and any other formal announcements relating to the Company's financial performance comply with all statutory and stock exchange requirements.

The Committee shall also review the work of the Group's external auditors to ensure the adequacy and effectiveness of the Group's financial, operating, compliance and risk management controls.

The Committee shall provide a forum for discussing business risk, corporate governance and control issues and review the management of risk and the monitoring of the effectiveness of governance compliance within the Group.

Composition of the Audit and Risk Committee

The Committee consists of three independent Non-Executive Directors listed below and meets at least four times per annum. All members are independent as prescribed in section 94 of the Act.

The Board determined that the Committee members have appropriate and adequate skills and experience to contribute meaningfully to deliberations and to fulfil their responsibilities. In addition, the Committee Chairman, GS Hauptfleisch, has the requisite experience in accounting, financial management and auditing (a qualified Chartered Accountant).

The Chief Executive Officer and Finance Director are permanent invitees. The Company Secretary is the statutory secretary of the Committee.

The Group's internal and external auditor, in their capacity as assurance providers also attend all Committee meetings by invitation.

Only the official members of the Committee are allowed to exercise their respective voting rights in decision-making exercises as prescribed in the charter.

Name of Committee member	Qualifications	Years served on Committee
GS Hauptfleisch	CA(SA)	**6 years**
ME Gama	PhD (Finance)	**12 years**
RB Patmore	BCom, MBL (SBL)	**13 years**

Annually a session aligned with approval of annual financial results are held with both the independent external auditor and internal auditor, respectively, where management is not present, to facilitate an exchange of views and concerns to further strengthen the independent oversight by the Committee.

Meetings

Four quarterly meetings were held in the 2024 financial year. Attendance of 100% throughout the year illustrates high levels of engagement by our Committee members.

The external and internal auditor, in their capacity as auditor to the Group, attended and reported as needed at the meetings of the Committee.

The Group risk management function, which is performed by Executive Directors, was also represented. Relevant senior managers attended meetings by invitation.

Committee attendance register

Member name	5 May 2023	14 July 2023	6 October 2023	9 February 2024
GS Hauptfleisch	✓	✓	✓	✓
ME Gama	✓	✓	✓	✓
RB Patmore	✓	✓	✓	✓
By invitation				
WJ Lategan	#	#	#	#
BAR Knott	#	#	#	#
SU Naicker	#	#	#	#
TC Moodley	#	#	#	#
TP Baloyi	#	#	#	#
S van Schalkwyk*	*	*	*	*
Auditor				
Mazars	#	#	#	#
Internal audit				
Prozilog	#	#	#	#

✓ *Indicates attendance.*
Indicates attendance by invitation.
* *Indicates attendance as Company Secretary.*

Fulfilment of the Committee's mandate

The role of the Committee is to fulfil the statutory duties as set out in section 94(7) of the Act and to assist the Board in providing independent oversight of the following:

In terms of the Act, the Committee has an independent role with accountability to both the Board and Calgro's shareholders. It does not assume the functions of management, which remain the responsibility of the Executive Directors, prescribed officers and other members of senior management, nor does it assume accountability for functions performed by other committees of the Board.

The Committee has adopted comprehensive and formal terms of reference which have been approved by the Board and are reviewed on an annual basis.

The Committee has discharged all its responsibilities as contained in these terms of reference, including but not limited to reviewing accounting policies and ensuring that financial information issued to stakeholders is prepared in alignment with relevant legislation and best practice.

The main functions performed by the Committee during the year under review were as follows:

- monitored the proper operation of adequate and effective systems of internal controls, including receiving and reviewing reports from both internal and external auditor concerning the effectiveness of the internal control environment;
- considered and satisfied itself that no significant weaknesses in the design, implementation or execution of the internal financial controls were identified;
- considered and satisfied itself on the appropriateness of accounting policies and critical judgements, accounting estimates and assumptions;
- satisfied itself, based on the information and explanations supplied by management and obtained through discussions with the independent external auditor and internal auditor, that the system of internal financial controls of all the companies included in the Consolidated and Separate Audited Annual Financial Statements, is effective and forms a basis for the preparation of reliable financial statements;
- ensured that appropriate financial reporting procedures exist and are working, which includes consideration of all the entities in the consolidated group financial statements as contemplated in paragraphs 3.84(g)(ii) of the JSE Listings Requirements and 7.3(e)(ii) of the Debt Listings Requirements;
- monitored the reporting processes and the preparation of fairly presented financial statements in compliance with the applicable legal and regulatory requirements and accounting standards, and recommended, for adoption by the Board, the financial information that is publicly disclosed, which for the year included:
  - the interim results for the six months ended 31 August 2023;
  - the annual results for the year ended 29 February 2024;
  - the related SENS and press announcements for both interim and year-end;
- confirmed the going concern basis of preparation of the interim and annual financial statements;
- considered the JSE's proactive monitoring of financial statements report, as issued in 2023, and the applicability of the issues raised, with the view to improving disclosure where applicable;
- reviewed and recommended for approval by the Board the integrated report, including the disclosure of sustainability matters;
- reviewed the qualifications, experience and expertise of the Group Finance Director, SU Naicker, and satisfied itself that her expertise and experience is appropriate to meet the responsibilities of the position;
- the Committee also considered and satisfied itself of the appropriateness of the expertise and adequacy of resources and experience of the Group's finance function;
- considered the qualification and independence of the external auditor;
- assessed the scope and effectiveness of the external audit function;
- reviewed the effectiveness of the Company's internal controls and internal audit function;
- performed the functions required in terms of section 94(2) of the Companies Act on behalf of the Group's subsidiary companies.

The Committee has resolved to undertake a self-assessment every second year, with the last assessment undertaken in February 2024. No significant areas of concern were identified.

Risk functions

The Board of Directors has assigned oversight of the Group's risk management function to the Committee. The Committee fulfils an oversight function regarding risks in the areas of operations, finance, reporting, fraud, information technology and ethics.

Based on the ongoing oversight of the Committee, it can be concluded that nothing came to the attention of the Committee and the Board that would suggest that the prevailing system of risk management is not, in all material aspects, effective.

Risks are continually being identified and mitigated in terms of a process that involves allocating responsibility, developing action plans and monitoring compliance with these action plans.

During the year under review, the Committee discharged all of its duties in respect of risk management.

Internal audit and internal controls

The Committee is responsible for ensuring that the Group's internal audit function is independent and has the necessary resources, standing and authority within the Group to enable it to discharge its responsibilities effectively. The Committee oversees cooperation between the internal and external auditor and serves as a link between the Board of Directors and these functions.

The internal audit function reports to the Committee and is responsible for reviewing and providing assurance on the adequacy of the internal control environments across all of the significant areas of the Group's operations. Prozilog is responsible for reporting the progress and findings of internal audits as conducted in terms of the Group's approved audit plan, to the Committee.

The Committee has considered and approved the internal audit terms of reference.

The Committee:

- reviewed the internal audit charter in line with King IV™ recommendations and recommended the approval thereof to the Board;
- approved the risk-based internal audit plan for the 2024 financial year and subsequent changes thereto during the year;
- considered the effectiveness and performance of the internal audit function which was found to be satisfactory for the year under review;
- reviewed and evaluated reports relating to internal audit and risk management and the adequacy of management's responses and corrective actions;
- reviewed arrangements made by the Company to enable employees and outside whistle blowers to report any concerns about possible improprieties and received reports on the issues raised; and
- reviewed internal audit's assessment of the internal control environment.

External auditor

The Group's independent external auditor is Mazars.

The Committee:

- oversaw the reappointment process and recommended Mazars to the Board as the Company's external auditor;
- approved the auditor's terms of engagement and fees;
- reviewed and approved the external audit plan and ensured no limitations were imposed on the scope of external audit;
- reviewed the external auditor's report and confirmed that no material unresolved issues existed between the Group and the external auditor;
- reviewed the key audit matters identified by Mazars that are set out in its report;
- reviewed the suitability of the external audit firm and audit partner, in line with the requirements of paragraph 22.15(h) of the JSE Listings Requirements, by obtaining all decision letters and/or explanations issued by IRBA and any additional communication relating to monitoring procedures and deficiencies issued relating to the firm and/or the audit partner, these were assessed to be satisfactory;
- satisfied itself that the external auditor is independent of Calgro M3 Holdings Limited, as set out in section 94(8) of the Companies Act, and suitable for reappointment by considering, inter alia, the information stated in paragraph 22.15(h) of the JSE Listings Requirements;
- confirmed that Mazars' independence was not impaired and received assurance that its internal governance processes support and demonstrate its claim to independence;
- the Committee has further established a procedure for the approval of any non-audit services and the pre-approval of any proposed contract with the auditor in this regard and has satisfied itself with the level and extent of non-audit services rendered during the year by Mazars and that these did not affect its independence; and
- confirmed that no reportable irregularities had been identified or reported by the external auditor under the Auditing Profession Act.

Statements

External auditor

The Committee has satisfied itself that both Mazars and Mr Miles Fisher are accredited in terms of paragraph 3.84(g)(iii) of the JSE Listings Requirements and paragraph 7.3(e)(iii) of the Debt Listings Requirements and will not recommend the election of a new external auditor or audit partner before satisfying itself that both such external auditor and the designated partner are accredited in terms of paragraph 3.84(g)(iii) of the JSE Listings Requirements.

Statement on effectiveness of internal financial controls

The Committee had oversight over a process by which internal audit performed an assessment of the effectiveness of the Group's system of internal financial controls.

This assessment conducted by internal audit and with management's close monitoring of controls formed the basis for the Committee's assessment of internal financial controls.

Nothing came to the attention of the Committee and the Board, based on the assessments performed by internal audit and management, that would suggest that the prevailing system of internal financial controls are not, in all material aspects, effective.

Integrated annual report

In fulfilling its oversight responsibilities, the Committee has reviewed the sustainability information that forms part of the Group's Integrated Annual Report and has assessed its consistency with operational and other information known to the Committee members, as well as its consistency with the Group's annual financial statements.

The Committee is satisfied that the above is consistent with the Group's financial results, and as such has recommended that this be approved by the Board of Directors.

Regulatory compliance

The Group complied with all relevant laws and regulations and considers adherence to non-binding rules, codes and standards. Compliance forms an integral part of the Company's risk management process.

Going concern

The Committee has reviewed a documented assessment, including key assumptions, prepared by management on the going concern status of the Group.

The Board's statement regarding the going concern status of the Group, as supported by the Committee, is included in the Directors' Report on pages 7 to 11 of the Consolidated and separate audited annual financial statements

Expertise and experience of Financial Director and the finance function

As required by paragraph 3.84(g)(i) of the JSE Listings Requirements and paragraph 7.3(e)(i) of the Debt Listings Requirements, as well as recommended practice outlined in King IV™, the Committee has satisfied itself that the Financial Director has appropriate expertise and experience in terms of the JSE Listings Requirements.

In addition, the Committee also considered and has satisfied itself that the appropriateness, composition, experience and skills set of the finance function met the Group's requirements.

Comments on key audit matters, addressed by Mazars in its external auditor's report

The external auditor has reported on one key audit matter in respect of their 2024 audit, being construction contract revenue recognised over time.

The key audit matter related to a material financial statement line item and required judgement and estimates to be applied by management.

The Committee assessed the methodology, assumptions and judgements applied by management in dealing with the key audit matter. Furthermore the Committee discussed the key audit matter with the external auditor to understand their related audit processes and views.

Following our assessment, we were comfortable with the conclusions reached by management and the external auditor.

Annual financial statements

The Committee reviewed the annual financial statements and the accounting policies and practices of the Group and is satisfied that they comply with IFRS® Accounting Standards ("IFRS") and ensured that appropriate financial reporting procedures exist and are working, which includes consideration of all the entities in the Consolidated Group Financial Statements.

The Committee recommended the financial statements to the Board for approval. The Board concurred with this assessment.

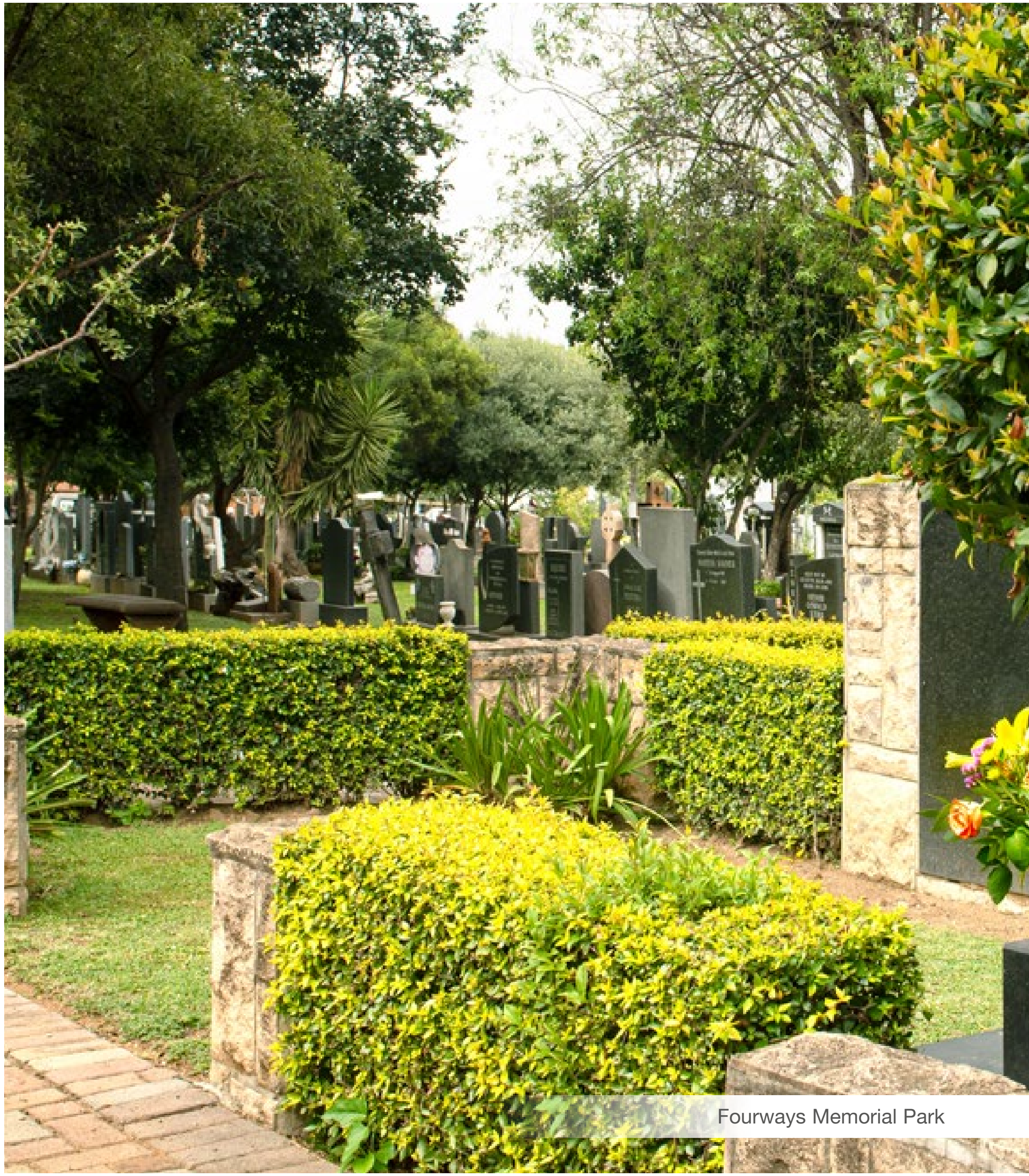
Conclusion

The Committee, in carrying out its duties, has due regard to the principles and recommended practices of King IV™. It is satisfied it has considered and discharged its responsibilities in accordance with its terms of reference.

On behalf of the Audit and Risk Committee

GS Hauptfleisch
Chairman: Audit and Risk Committee

13 May 2024



Fourways Memorial Park

Independent auditor's report to the shareholders of Calgro M3 Holdings Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Calgro M3 Holdings Limited and its subsidiaries (the group) set out on pages 60 to 70 and pages 14 to 24 of the Consolidated and separate audited annual financial statements, which comprise the consolidated and separate statement of financial position as at 29 February 2024, and the consolidated and separate statement of comprehensive income, the consolidated and separate statement of changes in equity and the consolidated and separate statement 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 Calgro M3 Holdings Limited and its subsidiaries as at 29 February 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS® Accounting 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 the Consolidated and Separate Financial Statements section of our report. We are independent of the group in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). 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.

We have determined that there are no key audit matters in respect of the separate financial statements to communicate in our report. We have determined the matter described below to be a key audit matter in relation to the consolidated financial statements to be communicated in our report.

<table>
<tr><th>Matter</th><th>Audit response</th></tr>
<tr><td>

Property Development Segment – Contract revenue recognised over time

Refer to the following accounting policies and notes to the consolidated financial statements:

- Note 1: Segment information;
- Note 2.4: Significant judgements and estimates;
- Note 8: Construction contracts; and
- Note 21: Revenue

The Group has significant long-term construction contracts within the "Residential Property Development" operating segment.

The Group uses the input method to account for revenue over time. Under this method the Group compares the actual costs incurred to date with the forecasted cost at completion.

Project feasibilities, which estimates future contract revenue and costs on a project, are prepared by management with the assistance of internal experts, consulting engineers and appointed contractors. Internal experts include town planners, quantity surveyors and architects.

We have determined the accounting of over time contracts within the property development segment to be a key audit matter, due to the extensive effort and use of internal experts which was required to evaluate the high degree of judgement and estimation involved in preparing project feasibilities, and thus calculating the percentage of completion, as well as the magnitude of revenue and costs associated with these contracts.

</td><td>

In response we performed the following audit procedures:

Contract costs:

1. We sampled the occurrence and accuracy of allocation of contract costs by testing to supporting documentation.

Contract revenue and construction contracts:

1. We evaluated whether the revenue recognition policy applied by the group, specifically with regards to timing and identification of performance obligations, is in compliance with the requirements of IFRS 15.
2. For a sample of contracts within the "Residential Property Development" operating segment where revenue is recognised over time:

a. We agreed cumulative costs incurred to date and billings on the contract against current year ledgers and prior year contracts in progress calculations.

b. We agreed forecasted costs and revenues used in the contracts in progress calculations to project feasibilities.

c. We recalculated the following:
   i. Stage of completion (Costs incurred as a percentage of total expected costs)
   ii. Cumulative and year to date revenue to be recognised (Stage of completion x forecasted revenue)
   iii. Contracts in progress balance – Cumulative revenue to be recognised less progress billings to date.

d. We obtained the project feasibilities for these projects and performed the following procedures thereon:
   i. We confirmed that all casts and calculations were mathematically accurate.
   ii. We obtained a detail understanding of the contract deliverables, the remaining scope of works to be completed, contractors appointed as well as project specific risks.
   iii. We reviewed the forecast methodology and assumptions applied to create the forecast.
   iv. We verified the underlying data used in the cost forecast, to the extent possible, to supporting documentation which included engineers' reports, supplier agreements (contractors are appointed on a fixed cost basis) and progress reports.
   v. Based on our understanding of the risks associated with the project, we evaluated with reference to industry related data, whether reasonable provision for contingent costs was included in project feasibilities. The purpose of cost contingencies is to allow for unforeseen events, such as changes in design, delays or unexpected site conditions that can increase the cost of a project. The percentage chosen for the contingency will depend on various factors such as the complexity of the project, the level of uncertainty in design, the experience of the contractors and the level of risk associated with the project.
   vi. We evaluated whether forecasted revenue was calculated in accordance with the pricing stipulated in the contract, taking into account subsidies that can be claimed.
   vii. For ongoing projects we assessed the reasonability of changes in forecast costs and revenue from the prior year.

3. In line with the requirements of ISA 500, we assessed the competence, objectivity and capabilities of internal experts involved in preparing project feasibilities (town planners, quantity surveyors and architects) by obtaining supporting documents on their qualifications, experience and professional memberships.
4. We assessed the adequacy of the disclosures in the financial statements to ensure compliance with the requirements of IFRS15: *Revenue from Contracts with Customers*.

</td></tr>
</table>

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Calgro M3 Holdings Limited Consolidated and Separate Financial Statements 2024", 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 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 prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS® Accounting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated 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 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 or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 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 Mazars has been the auditor of Calgro M3 Holdings Limited for 2 years.

Mazars
Partner: Miles Fisher
Registered Auditor

13 May 2024

Johannesburg

Audited summarised consolidated statement of financial position

for the year ended 29 February 2024

	2024	2023
Assets		
Cash and cash equivalents	**122 638 021**	172 614 330
Trade and other receivables	**140 409 757**	164 010 749
Current income tax assets	**212 247**	362 290
Construction contracts	**1 355 384 620**	1 162 393 952
Loans to joint ventures	**402 422 283**	371 472 316
Investment in joint ventures	**68 321 244**	51 991 549
Inventories	**503 385 249**	498 540 794
Investments	**16 769 513**	14 894 959
Property, plant and equipment	**29 188 675**	16 684 459
Investment property	**22 147 091**	19 947 022
Intangible assets	**159 650 534**	159 650 534
Deferred income tax asset	**15 681 504**	26 500 218
Total assets	**2 836 210 738**	2 659 063 172
Equity and liabilities		
Equity		
Equity attributable to owners of the parent		
Stated capital	**31 610 096**	102 080 971
Share-based payment reserve	**363 152**	10 454 589
Retained income	**1 251 252 682**	1 040 813 265
	1 283 225 930	1 153 348 825
Non-controlling interests	**665 676**	689 262
Total equity	**1 283 891 606**	1 154 038 087
Liabilities		
Trade and other payables	**290 924 698**	360 504 294
Current income tax liabilities	**581 106**	633 442
Borrowings	**934 796 142**	876 362 327
Deferred income tax liability	**326 017 186**	267 525 022
Total liabilities	**1 552 319 132**	1 505 025 085
Total equity and liabilities	**2 836 210 738**	2 659 063 172

Audited summarised consolidated statement of comprehensive income

for the year ended 29 February 2024

	2024	2023
Revenue	**1 284 539 758**	1 525 316 550
Cost of sales	**(934 510 643)**	(1 167 622 753)
Gross profit	**350 029 115**	357 693 797
Other income	**11 538 164**	8 983 344
Administrative expenses	**(98 139 169)**	(102 425 094)
Other expenses	**(64 106)**	(1 065 960)
Expected credit losses on financial and contract assets	**(5 595 247)**	(5 657 460)
Finance income	**59 799 809**	33 481 456
Finance costs	**(57 300 560)**	(44 038 188)
Share of profit of joint ventures – net of tax	**9 429 695**	5 386 925
Profit before tax	**269 697 701**	252 358 820
Taxation	**(72 896 505)**	(66 071 284)
Profit after taxation	**196 801 196**	186 287 536
Other comprehensive income	**–**	–
Total comprehensive income	**196 801 196**	186 287 536
Profit after taxation and total comprehensive income attributable to:		
– Owners of the parent	**196 640 694**	186 194 542
– Non-controlling interests	**160 502**	92 994
	196 801 196	186 287 536
Earnings per share for profit attributable to the equity holders of the Company during the year (expressed in cents per share)		
– basic	**192.01**	153.37
– diluted	**188.86**	147.43

Audited summarised consolidated statement of changes in equity

for the year ended 29 February 2024

	Stated capital	Share-based payment reserve	Retained income	Total	Non-controlling interests*	Total equity
Balance at 1 March 2022	102 080 971	10 645 975	850 362 620	963 089 566	596 268	963 685 834
Share-based payments	–	(191 386)	4 413 541	4 222 155	–	4 222 155
Dividend declared#	–	–	(157 438)	(157 438)	–	(157 438)
Comprehensive income						
Profit for the period	–	–	186 194 542	186 194 542	92 994	186 287 536
Other comprehensive income	–	–	–	–	–	–
Total comprehensive income	–	–	186 194 542	186 194 542	92 994	186 287 536
Balance at 1 March 2023	**102 080 971**	**10 454 589**	**1 040 813 265**	**1 153 348 825**	**689 262**	**1 154 038 087**
Shares repurchased	**(73 016 275)**	**–**	**–**	**(73 016 275)**	**–**	**(73 016 275)**
Share-based payments	**2 545 400**	**(10 091 437)**	**13 798 723**	**6 252 686**	**–**	**6 252 686**
Dividend declared#	**–**	**–**	**–**	**–**	**(184 088)**	**(184 088)**
Comprehensive income						
Profit for the period	**–**	**–**	**196 640 694**	**196 640 694**	**160 502**	**196 801 196**
Other comprehensive income	**–**	**–**	**–**	**–**	**–**	**–**
Total comprehensive income	**–**	**–**	**196 640 694**	**196 640 694**	**160 502**	**196 801 196**
Balance at 29 February 2024	**31 610 096**	**363 152**	**1 251 252 682**	**1 283 225 930**	**665 676**	**1 283 891 606**

* *The Calgro M3 Group does not hold 100% of the shareholding of the Belhar Calgro M3 Developments Company (Pty) Ltd, Calgro M3 Procurement Services (Pty) Ltd, Calgro M3 Procurement Management (Pty) Ltd, Calgro M3 Contractors (Pty) Ltd and CTE Consulting (Pty) Ltd.*

\# *Dividends declared are payable to The Calgro M3 Educational Trust, which the Group does not have control over.*

Audited summarised consolidated statement of cash flows

for the year ended 29 February 2024

	2024	2023
Cash generated from operating activities		
Cash generated from operations	**149 245 922**	89 638 658
Finance income received	**56 905 547**	8 003 346
Finance cost paid	**(111 400 297)**	(90 374 618)
Tax paid	**(3 487 918)**	(5 197 841)
Net cash generated from operating activities	**91 263 254**	2 069 545
Cash flows (invested in)/received from investing activities		
Purchase of property, plant and equipment	**(722 708)**	(1 199 014)
Proceeds from the sale of property, plant and equipment	**–**	455 864
Increase of investments in joint venture	**(6 900 000)**	–
Loans advanced to joint ventures	**(202 241 767)**	(65 124 839)
Loans repaid by joint ventures	**88 989 815**	13 172 134
Net cash invested in investing activities	**(120 874 660)**	(52 695 855)
Cash flows advanced/(repaid in) financing activities		
Proceeds from borrowings	**288 000 000**	230 000 000
Capital repayment of borrowings	**(232 800 000)**	(194 800 000)
Shares bought back	**(73 016 275)**	–
Repayment of capital portion on leases	**(2 548 628)**	(3 073 609)
Net cash (repaid in)/advanced from financing activities	**(20 364 903)**	32 126 391
Net (decrease)/increase in cash and cash equivalents	**(49 976 309)**	(18 499 919)
Cash and cash equivalents at the beginning of the year	**172 614 330**	191 114 249
Cash and cash equivalents at the end of the year	**122 638 021**	172 614 330

Audited summarised segment report of the Group

The appointed Chief Operating Decision Maker ("CODM") within the Calgro M3 Group is the Group's Executive Committee ("Exco"). It is Exco's responsibility to meet on a regular basis (through weekly meetings and more frequently if required) and develop the strategy for the Group, set and review budgets, which are approved by the Board of Directors. The CODM allocates group resources to the operating segments and assesses the performance of the operating segments.

At Exco meetings, summarised feedback are provided by management of the different operational activities within the Group.

The CODM manages the Group activities in two distinct segments, namely:

The operation of the Residential Property Development segment encompasses the following product range: mid to high income housing and the development of integrated developments.

Integrated developments comprise affordable housing, Grassroots Affordable People's homes ("GAP"), First Home Finance ("FHF") and rental housing, social housing, Community Residential Units ("CRU") housing, as well as Breaking New Ground ("BNG") fully subsidised housing. The Group's customer base includes the government, financial institutions and the general public.

The Group's products relating to the Memorial Parks segment consist of burial rights and the associated burial and maintenance services.

The segmental information provided to Exco for the year ended 29 February 2024 has been provided below. The table indicates from where the Group's revenue has been earned, including its joint ventures.

The CODM assesses the performance of the operating segments based on two measurement methods, firstly a fully consolidated statement of comprehensive income per segment (including the elimination of inter-segmental transactions) and secondly a statement of financial position per consolidated segment (transactions between segments have not been eliminated for the statement of financial position).

Statement of comprehensive income

	Residential Property Development	Memorial Parks	Holdings and other	Total
2024				
Total segment revenue	1 242 134 443	42 405 315	–	1 284 539 758
Fleurhof	566 405 388	–	–	566 405 388
Jabulani	127 711 109	–	–	127 711 109
Scottsdene	51 241 515	–	–	51 241 515
South Hills	187 759 105	–	–	187 759 105
Belhar	231 284 959	–	–	231 284 959
Mid to high projects	65 697 694	–	–	65 697 694
Other projects	12 034 673	42 405 315	–	54 439 988
Combined revenue*	1 340 506 235	42 405 315	–	1 382 911 550
Total segment revenue	1 242 134 443	42 405 315	–	1 284 539 758
Revenue of joint ventures	98 371 792	–	–	98 371 792
Witpoortjie Calgro M3 Development Company (Pty) Ltd	26 561 361	–	–	26 561 361
South Hills Development Company (Pty) Ltd	71 810 431	–	–	71 810 431
Gross revenue	1 242 134 443	42 405 315	–	1 284 539 758
Point in time	412 777 229	42 405 315	–	455 182 544
Over time	829 357 214	–	–	829 357 214

* *Combined revenue is the total segment revenue plus the total revenue of joint ventures. The revenue included represents the gross revenue of each joint venture and does not include any inter-group eliminations.*

Statement of comprehensive income (continued)

	Residential Property Development	Memorial Parks	Holdings and other	Total
Revenue	1 242 134 443	42 405 315	–	1 284 539 758
Cost of sales	(911 501 595)	(23 009 048)	–	(934 510 643)
Gross profit	330 632 848	19 396 267	–	350 029 115
Other income	3 338 944	8 199 220	–	11 538 164
Administrative expenses	(80 943 797)	(12 795 451)	(4 399 921)	(98 139 169)
Other expenses	(64 106)	–	–	(64 106)
Expected credit losses on financial and contract assets	(5 611 094)	15 847	–	(5 595 247)
Finance income	56 088 750	260 335	3 450 724	59 799 809
Finance costs#	(57 136 890)	(163 670)	–	(57 300 560)
Share of profit of joint ventures – net of tax	9 429 695	–	–	9 429 695
Profit/(loss) before tax	255 734 350	14 912 548	(949 197)	269 697 701
Taxation	(74 702 691)	1 353 949	452 237	(72 896 505)
Profit/(loss) after taxation	181 031 659	16 266 497	(496 960)	196 801 196
Other comprehensive income	–	–	–	–
Total comprehensive income	181 031 659	16 266 497	(496 960)	196 801 196
Profit/(loss) after taxation and other comprehensive income attributable to:				
– Owners of the parent	180 871 157	16 266 497	(496 960)	196 640 694
– Non-controlling interests	160 502	–	–	160 502
	181 031 659	16 266 497	(496 960)	196 801 196

\# *In the current year only, the Group reassessed the borrowings and finance costs allocation between the segments. This change has resulted in the allocation of Group borrowings to the Memorial Parks segment aligning to the capital injections made into the segment less repayments thereof. The prior year was not restated.*

Statement of financial position

	Residential Property Development	Memorial Parks	Holdings and other	Total
Assets				
Cash and cash equivalents	118 996 304	2 473 227	1 168 490	122 638 021
Trade and other receivables	134 930 999	5 453 860	24 898	140 409 757
Current income tax assets	212 247	–	–	212 247
Construction contracts	1 355 384 620	–	–	1 355 384 620
Loans to joint ventures	402 422 283	–	–	402 422 283
Investment in joint ventures	68 321 244	–	–	68 321 244
Inventories	335 780 574	167 604 675	–	503 385 249
Investments	–	16 769 513	–	16 769 513
Property, plant and equipment	21 062 489	8 126 186	–	29 188 675
Investment property	–	22 147 091	–	22 147 091
Intangible assets	158 955 730	694 804	–	159 650 534
Deferred income tax asset	1 533 736	14 147 768	–	15 681 504
Total assets	**2 597 600 226**	**237 417 124**	**1 193 388**	**2 836 210 738**
Liabilities				
Trade and other payables	212 265 456	61 998 281	16 660 961	290 924 698
Current income tax liabilities	247 567	317 002	16 537	581 106
Borrowings#	932 126 034	2 670 108	–	934 796 142
Deferred income tax liability	326 017 186	–	–	326 017 186
Total liabilities	**1 470 656 243**	**64 985 391**	**16 677 498**	**1 552 319 132**

\# *In the current year only, the Group reassessed the borrowings and finance costs allocation between the segments. This change has resulted in the allocation of Group borrowings to the Memorial Parks segment aligning to the capital injections made into the segment less repayments thereof. The prior year was not restated.*

Segments are measured in the same way as in the financial statements. All line items above are allocated based on the operations of the segments.

Statement of comprehensive income

	Residential Property Development	Memorial Parks	Holdings and other	Total
2023				
Total segment revenue	1 489 772 516	35 544 034	–	1 525 316 550
Fleurhof	587 819 293	–	–	587 819 293
Jabulani	161 884 587	–	–	161 884 587
Scottsdene	73 298 718	–	–	73 298 718
South Hills	201 939 105	–	–	201 939 105
Belhar	202 434 778	–	–	202 434 778
Bridge City	139 816 576	–	–	139 816 576
Other projects	122 579 459	35 544 034	–	158 123 493
Combined revenue*	1 630 942 779	35 544 034	–	1 666 486 813
Total segment revenue	1 489 772 517	35 544 034	–	1 525 316 551
Revenue of joint ventures	141 170 262	–	–	141 170 262
Witpoortjie Calgro M3 Development Company (Pty) Ltd	22 656 388	–	–	22 656 388
South Hills Development Company (Pty) Ltd	118 513 874	–	–	118 513 874
Gross revenue	1 489 772 516	35 544 034	–	1 525 316 550
Point in time	452 231 607	35 544 034	–	487 775 641
Over time	1 037 540 909	–	–	1 037 540 909

* *Combined revenue is the total segment revenue plus the total revenue of joint ventures. The revenue included represents the gross revenue of each joint venture and does not include any inter-group eliminations.*

Audited summarised segment report of the Group (continued)

Statement of comprehensive income (continued)

	Residential Property Development	Memorial Parks	Holdings and other	Total
Revenue	1 489 772 516	35 544 034	–	1 525 316 550
Cost of sales	(1 144 928 818)	(22 693 935)	–	(1 167 622 753)
Gross profit	344 843 698	12 850 099	–	357 693 797
Other income	4 354 745	4 628 599	–	8 983 344
Administrative expenses	(85 445 512)	(12 080 508)	(4 899 074)	(102 425 094)
Other expenses	(1 065 960)	–	–	(1 065 960)
Expected credit losses on financial and contract assets	(5 650 955)	(6 505)	–	(5 657 460)
Finance income	33 244 204	54 553	182 699	33 481 456
Finance costs#	(36 737 359)	(7 300 829)	–	(44 038 188)
Share of profit/(loss) of joint ventures – net of tax	5 386 925	–	–	5 386 925
Profit/(loss) before tax	258 929 786	(1 854 591)	(4 716 375)	252 358 820
Taxation	(68 745 107)	2 830 911	(157 088)	(66 071 284)
Profit/(loss) after taxation	190 184 679	976 320	(4 873 463)	186 287 536
Other comprehensive income	–	–	–	–
Total comprehensive income	190 184 679	976 320	(4 873 463)	186 287 536
Profit/(loss) after taxation and other comprehensive income attributable to:				
– Owners of the parent	190 091 685	976 320	(4 873 463)	186 194 542
– Non-controlling interests	92 994	–	–	92 994
	190 184 679	976 320	(4 873 463)	186 287 536

The Group allocated borrowings and finance costs proportionally to each segment based on the total assets per segment.

Statement of financial position

	Residential Property Development	Memorial Parks	Holdings and other	Total
Assets				
Cash and cash equivalents	169 181 246	2 379 844	1 053 240	172 614 330
Trade and other receivables	157 644 457	6 366 292	–	164 010 749
Current income tax assets	329 083	33 207	–	362 290
Construction contracts	1 162 393 952	–	–	1 162 393 952
Loans to joint ventures	371 472 316	–	–	371 472 316
Investment in joint ventures	51 991 549	–	–	51 991 549
Inventories	325 289 570	173 251 224	–	498 540 794
Investments	–	14 894 959	–	14 894 959
Property, plant and equipment	8 466 075	8 218 384	–	16 684 459
Investment property	–	19 947 022	–	19 947 022
Intangible assets	158 955 730	694 804	–	159 650 534
Deferred income tax asset	16 950 949	9 549 269	–	26 500 218
Total assets	2 422 674 927	235 335 005	1 053 240	2 659 063 172
Liabilities				
Trade and other payables	300 833 096	54 747 291	4 923 907	360 504 294
Current income tax liabilities	169 934	239 742	223 766	633 442
Borrowings#	798 772 607	77 589 720	–	876 362 327
Deferred income tax liability	267 525 022	–	–	267 525 022
Total liabilities	1 367 300 659	132 576 753	5 147 673	1 505 025 085

The Group allocated borrowings and finance costs proportionally to each segment based on the total assets per segment.

Segments are measured in the same way as in the financial statements. All line items above are allocated based on the operations of the segments.

Extract of notes to the audited summarised consolidated annual financial statements

1. Basis of preparation

1.1 Statement of compliance

The summary consolidated financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements for abridged reports, and the requirements of the Companies Act applicable to summary financial statements. The Listings Requirements require summarised reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS® Accounting Standards ("IFRS") and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34: *Interim Financial Reporting*.

The summary consolidated annual financial statements should be read in conjunction with the Group annual financial statements as at and for the year ended 29 February 2024, which have been prepared in accordance with IFRS as issued by the IASB. The summary consolidated annual financial statements have been prepared on the historical cost basis, excluding investment property and financial assets held at fair value, that are measured at fair value. The consolidated financial statements were internally compiled by R van Maarleveld CA(SA) under the supervision of SU Naicker CA(SA).

The summary consolidated annual financial statements were authorised for issue by the Board of Directors on 13 May 2024. This summarised report is extracted from audited information but is not itself audited. The consolidated annual financial statements were audited by Mazars, who expressed an unmodified opinion thereon.

The audited consolidated annual financial statements and the auditor's report thereon are available for inspection at the Company's registered office and available for viewing on the Company's website, www.calgrom3.com. The Directors take full responsibility for the preparation of the abridged report and that the financial information has been correctly extracted from the underlying annual financial statements.

1.2 Judgements and estimates

Management made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense.

Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key source of estimation uncertainty were similar to those applied to the Group annual financial statements as at and for the year ended 28 February 2023.

2. Accounting policies

The accounting policies applied are consistent to the policies applied for the year ended 28 February 2023.

3. Construction contracts

	2024	2023
Net statement of financial position balance for ongoing contracts – opening balance	1 145 654 749	861 178 458
The aggregate costs incurred and recognised profits for the current year	1 206 267 010	1 141 608 069
Less: Progress billings for the current year	(999 867 635)	(857 131 778)
Net statement of financial position balance for ongoing contracts – closing balance	1 352 054 124	1 145 654 749
Excess billings over work done classified under trade and other payables	13 704 800	23 636 344
Provisions for expected credit losses on contract assets	(10 374 304)	(6 897 141)
Gross statement of financial position balance for ongoing contracts – closing balance	1 355 384 620	1 162 393 952
Disaggregated construction contracts – gross of expected credit loss provisions		
Infrastructure – contract assets	393 568 766	129 543 535
Fully and partially subsidised units – contract assets	400 324 429	440 402 318
Non-subsidised units – contract assets	61 916 585	113 790 968
Serviced land – contract assets	3 555 250	21 948 825
Contract assets	859 365 030	705 685 646
Future contract asset costs		
Development cost for future contract assets	506 393 894	463 605 447
	1 365 758 924	1 169 291 093
Reconciliation of construction contracts		
Contract assets	859 365 030	705 685 646
Expected credit loss allowance	(10 374 304)	(6 897 141)
Development cost for future contract assets	506 393 894	463 605 447
Statement of financial position balance for construction contracts	1 355 384 620	1 162 393 952

The expected aggregate revenue still to be recognised on the contract asset balance is currently in excess of R1 355 384 620.

Borrowing costs to the value of R60 547 379 (2023: R38 575 456) have been capitalised.

4. Inventories

	2024	2023
Memorial park land costs	166 403 018	173 251 224
Completed units	–	2 340 792
Other land costs for future development	336 982 231	322 948 778
Total inventories	**503 385 249**	498 540 794

5. Stated capital

	Number of shares		Rand amount	
	2024	2023	2024	2023
Authorised				
Ordinary no par value shares	500 000 000	500 000 000		
Issued				
Shares in issue to the public	121 400 069	121 400 069	102 080 971	102 080 971
Shares held by Calgro M3 Employee Benefit Trust	5 212 909	5 212 909	104 239 627	104 239 627
Shares held by Calgro M3 Empowerment Trust	5 212 909	5 212 909	104 239 627	104 239 627
Shares held by Calgro M3 Developments Limited	8 468 631	8 468 631	163 190 199	163 190 199
Total shares in issue	**140 294 518**	140 294 518	**473 750 424**	473 750 424
Treasury shares in issue	(18 322 449)	(18 894 449)	(369 124 053)	(371 669 453)
– Balance at the beginning of the year	18 894 449	18 894 449	371 669 453	371 669 453
– Issued to share scheme participants*	(572 000)	–	(2 545 400)	–
Shares repurchased#	(25 912 943)	–	(73 016 275)	–
Balance at end of the year	96 059 126	121 400 069	31 610 096	102 080 971

* *Shares issued in terms of Calgro M3 Executive Share Scheme*
During the current year, shares were issued to the participants of the "Calgro M3 Executive Share Scheme – FY24". In terms of the scheme rules, the participants elected a net settlement option, under this option the Group settled the tax liability on behalf of the participant with the remaining value issued in shares. The gross number of shares vested was the 1 040 000 shares, with an associated tax liability equating to 468 000 shares. The remaining 572 000 shares were transferred to the participants out of the available treasury shares held by Calgro M3 Developments (Pty) Ltd at a value of R4.45 per share.

\# *Specific repurchase of shares*
During the current year, ordinary shares were repurchased in line with the general authority granted to the Board of Directors as per the special resolution passed during the 2022 and 2023 Annual General Meetings. From 15 March 2023 to 4 December 2023, a total of 25.9 million shares were repurchased for a total value of R73 million at an average of R2.92 per share, representing 18.5% of the issued ordinary share capital before any repurchases were made. These repurchased shares were cancelled, delisted and reverted to authorised and unissued shares.

6. Borrowings

	Interest rate	Expiration date	2024	2023
Floating rate note – CGR 42	JIBAR plus 4.5%	3 August 2023	–	45 000 000
Floating rate note – CGR 47	JIBAR plus 4.5%	28 February 2025	60 000 000	60 000 000
Floating rate note – CGR 48	JIBAR plus 4.25%	30 September 2023	–	50 000 000
Floating rate note – CGR 49	JIBAR plus 4.75%	30 September 2024	50 000 000	50 000 000
Floating rate note – CGR 50	JIBAR plus 4.25%	23 October 2023	–	33 000 000
Floating rate note – CGR 51	JIBAR plus 4.75%	23 October 2024	48 000 000	48 000 000
Floating rate note – CGR 52	JIBAR plus 4.25%	30 June 2025	50 000 000	50 000 000
Floating rate note – CGR 53	JIBAR plus 3.95%	28 February 2027	40 000 000	40 000 000
Floating rate note – CGR 54	JIBAR plus 4.5%	28 February 2028	40 000 000	40 000 000
Floating rate note – CGR 55	JIBAR plus 3.9%	2 October 2026	50 000 000	–
Floating rate note – CGR 56	JIBAR plus 3.9%	2 October 2026	33 000 000	–
Transaction cost amortisation*			(396 078)	(527 425)
Total bond exchange			**370 603 922**	415 472 575
NHFC loan %	Prime plus 0.5%	30 August 2026	215 000 000	215 000 000
Proparco loan	JIBAR plus 4.9%	15 September 2023	–	154 800 000
Term loan 1	JIBAR plus 5%	12 October 2027	100 000 000	100 000 000
Term loan 2	JIBAR plus 4.5%	25 April 2028	155 000 000	–
Term loan 3	JIBAR plus 4.25%	15 November 2028	100 000 000	–
Transaction cost amortisation*			(5 807 780)	(8 910 248)
Other borrowings			**564 192 220**	460 889 752
Total borrowings			**934 796 142**	876 362 327

* *The transaction costs are amortised over the life of the facilities. It is expected that these costs will be fully amortised when the facilities are settled.*

6. Borrowings (continued)

	2024	2023
Borrowings cash flow reconciliation		
Opening balance	**876 362 327**	839 067 772
Repayments of borrowings	**(232 800 000)**	(194 800 000)
Amortised expense through the statement of comprehensive income – non-cash	**6 358 040**	5 594 911
Borrowings raised – CGR 55 raised to repay CGR 48 (non-cash item)	**50 000 000**	–
Borrowings (repaid) – CGR 48 repaid by CGR 55 (non-cash item)	**(50 000 000)**	–
Transaction costs paid	**(3 124 225)**	(3 500 356)
Proceeds from borrowings	**288 000 000**	230 000 000
Closing balance	**934 796 142**	876 362 327
Interest paid on borrowings	**111 400 297**	90 374 618
Total interest paid on borrowings	**111 400 297**	90 374 618

7. Revenue

	2024	2023
Disaggregated revenue		
Residential Property Development segment		
Infrastructure	**604 866 654**	469 869 029
Fully and partially subsidised units	**480 652 426**	439 599 945
Non-subsidised units	**124 618 124**	468 359 673
Serviced land sales	**31 997 239**	56 943 868
Commercial land sales	**–**	55 000 000
	1 242 134 443	1 489 772 515
Memorial Parks segment		
Memorial parks burial rights	**42 405 315**	35 544 035
	42 405 315	35 544 035
Total revenue	**1 284 539 758**	1 525 316 550

8. Cost of sales

	2024	2023
Disaggregated cost of sales		
Residential Property Development segment		
Infrastructure	**381 929 534**	257 916 737
Fully and partially subsidised units	**385 600 109**	303 165 088
Non-subsidised units	**118 208 586**	510 242 910
Serviced land sales	**25 623 871**	36 438 561
Commercial land sales	**139 495**	37 195 521
	911 501 595	1 144 958 817
Memorial Parks segment		
Memorial parks cost of burial plot	**8 956 525**	7 695 678
Memorial parks other costs	**14 052 523**	14 968 258
	23 009 048	22 663 936
Total cost of sales	**934 510 643**	1 167 622 753

9. Earnings reconciliation

	2024	2023
Determination of basic, diluted, headline and diluted headline earnings:		
Attributable profit to shareholders – basic and diluted earnings	**196 640 694**	186 194 542
Profit on disposal of property, plant and equipment and computer software	**–**	(236 179)
Fair value adjustment in Investment properties	**(2 200 069)**	–
Headline and diluted headline earnings	**194 440 625**	185 958 363
Determination of basic and diluted weighted average ordinary shares		
Weighted average ordinary shares	**102 409 678**	121 400 069
Fully diluted weighted average ordinary shares	**104 122 546**	126 292 238
Determination of basic, diluted, headline and diluted headline earnings per share:		
Basic earnings per share (cents per share)	**192.01**	153.37
Fully diluted earnings per share (cents per share)	**188.86**	147.43
Headline earnings per share (cents per share)	**189.87**	153.18
Fully diluted headline earnings per share (cents per share)	**186.74**	147.24

10. Related parties

	2024	2023
Compensation paid to key employees and personnel	**48 954 744**	49 716 868
Finance income from related parties	**44 382 725**	23 923 989
Contract revenue received from joint ventures	**165 241 126**	172 216 526

11. Ratio calculations

Net debt/equity ratio
This ratio is calculated as net debt divided by equity. Net debt is calculated as total interest-bearing borrowings less cash and cash equivalents. Equity is calculated as the total equity per the statement of financial position (excluding share-based payment reserve).

The Group monitors capital on the basis of its net debt/equity ratio. The maximum allowed net debt/equity ratio for the Group is 1.5:1.

	2024	2023
Net debt		
Borrowings	**934 796 142**	876 362 327
Other Interest bearing borrowings	**–**	4 281 756
Less: Cash and cash equivalents	**(122 638 021)**	(172 614 330)
	812 158 121	708 029 753
Equity		
Stated capital	**31 610 096**	102 080 971
Retained income	**1 251 252 682**	1 040 813 265
	1 282 862 778	1 142 894 236
Net debt/equity ratio	**0.63**	0.62

Debt service cover ratio ("DSCR")
This ratio is calculated as available cash flow divided by debt service requirement. Available cash flow is calculated as cash generated from/(utilised in) operating activities plus new financial indebtedness incurred plus cash and cash equivalent at the beginning of the year less the aggregate amount spent on the purchase of property, plant and equipment, purchase of intangible assets, acquisition of businesses, acquisition of subsidiaries, and loans advanced to joint ventures for investment purposes ("Capex").

Debt service requirement is calculated as interest and fees plus principal repayments.

The Group monitors capital repayments and interest serviceability on the basis of its debt service cover ratio ("DSCR"). The minimum allowed DSCR ratio for the Group is 1.2.

	2024	2023
Available cash flow		
Cash generated from operating activities	**149 245 922**	89 638 658
New financial indebtedness incurred	**288 000 000**	230 000 000
Cash and cash equivalent – beginning of year	**172 614 330**	191 114 249
Capex	**(120 874 660)**	(52 695 855)
	488 985 592	458 057 052
Debt service requirement		
Interests and fees	**(111 400 297)**	(90 374 618)
Principal repayments	**(232 800 000)**	(194 800 000)
	(344 200 297)	(285 174 618)
Debt service cover ratio ("DSCR")	**1.42**	1.61

Liquidity ratio
This ratio is calculated as the ratio of current assets to current liabilities as defined. Current assets has been defined as cash and cash equivalents, trade and other receivables, work in progress, construction contracts, current tax receivable, inventories, loans to joint ventures. Current liabilities have been defined as trade and other payables, current tax liabilities and borrowings.

The Group monitors capital on the basis of its liquidity ratio. The minimum allowed liquidity ratio for the Group is 1.2:1.

11. Ratio calculations (continued)

	2024	2023
Current assets		
Cash and cash equivalents	**122 638 021**	172 614 330
Trade and other receivables	**140 409 757**	164 010 749
Current income tax assets	**212 247**	362 290
Construction contracts	**1 355 384 620**	1 162 393 952
Loans to joint ventures	**402 422 283**	371 472 316
Inventories	**503 385 249**	498 540 794
	2 524 452 177	2 369 394 431
Current liabilities		
Trade and other payables	**290 624 698**	360 504 294
Current income tax liabilities	**581 106**	633 442
Borrowings	**934 796 142**	876 362 327
	1 226 301 946	1 237 500 063
Liquidity ratio	**2.06**	1.91

Funding requirements

The Group monitors capital from funders on the basis of its debt service cover ratio and its net debt/equity ratio (as above). The minimum allowed debt service cover ratio for the Group is 1.2 and the maximum net debt/equity ratio is 1.5:1. The Group is in compliance with the above ratios as at the reporting date.

12. Financial instruments

The carrying value of all financial instruments is equal to the fair value of those instruments at 29 February 2024 with the exception of borrowings. The carrying value of borrowings as at 29 February 2024 was R934.8 million, with a corresponding fair value of R939.5 million. The difference is attributable to the bonds traded on the bond exchange and is classified as level 2 in the IFRS 13: *Fair Value Hierarchy*.

13. Dividends

The Board announced the introduction of the inaugural dividend policy in the current financial year. The policy provides for dividends to be paid annually, calculated at a minimum of 5% of the HEPS.

A maiden dividend of 9.49350 cents per share (2023: nil cents per share) for the year was declared on 13 May 2024.

The net dividend payable to shareholders subject to dividend tax is 7.59480 cents per share (2023: nil cents per share).

14. Going concern

Based on the latest results for the year ended 29 February 2024, the latest Board approved budget for the 2025 financial year, as well as the available bank facilities and cash-generating capability, Calgro M3 satisfies the criteria of a going concern.

15. Events after reporting period

Subsequent to the end of the financial year Calgro M3 Land (Pty) Ltd ("Calgro M3") and Eris Property Group (Pty) Ltd ("Eris") exercised the option to purchase the Frankenwald property from The University of the Witwatersrand. This option was exercised through the Bankenveld District City (Pty) Ltd joint venture ("Bankenveld") which is 50% owned by both Calgro M3 and Eris. This strategic land purchase on the doorstep of Sandton is poised to deliver 20 000 to 30 000 housing units alongside significant commercial, retail and industrial spaces. The Bankenveld joint venture agreement provides for both shareholding companies to share the cost of the infrastructure installation. After which Calgro M3 will be responsible for the residential components development, while Eris will be handling the commercial, retail, industrial, educational and healthcare components for their own benefits.

Upon exercising the option on 1 March 2024, the Bankenveld joint venture is required to settle the option fee of R200 million which is equally contributed by Calgro M3 and Eris.

The timing of this payment remains uncertain and awaits the final approval from the Competition Commission.

16. JSE Listings Requirements

The unaudited summarised consolidated financial statements have been prepared in accordance with the Listings Requirements of the JSE.

17. Corporate governance

Corporate governance forms one of the foundational layers of the Calgro M3 strategy as we understand that transparency, integrity and accountability need to permeate everything that we do.

The Board of Directors endorses the principles contained in King IV™. Calgro M3's application of these principles is set out in the 2024 ESG report as well as the King IV™ application register, and is, in accordance with the JSE Listings Requirements, available on the Company's website. Please contact Mrs S van Schalkwyk of Juba Statutory Services, Group company secretary, for any additional information.

Notice of annual general meeting 5

Notes and background to shareholders

This chapter contains the detailed Notice of Calgro M3 Holdings Limited's annual general meeting, which will be held on Friday, 28 June 2024. Calgro M3's Annual Financial Statements are available for viewing and downloading on the Company's website www.calgrom3.com. These Annual Financial Statements will not be distributed to shareholders.

Notice of annual general meeting

Calgro M3 Holdings Limited
(Incorporated in the Republic of South Africa)
(Registration number: 2005/027663/06)
Share code: CGR ISIN: ZAE000109203
("Calgro M3" or "the Company")

Notice is hereby given to all shareholders of the Company as at Monday, 13 May 2024, that the Annual General Meeting ("AGM" or "Annual General Meeting") of shareholders or any postponement or adjournment thereof, will be held at 10:00 on Friday, 28 June 2024 at the Calgro M3 Boardroom, Calgro M3 Building, Ballywoods Office Park, 33 Ballyclare Drive, Bryanston, Sandton to: (i) deal with such other business as may lawfully be dealt with at the AGM; and (ii) consider and, if deemed fit to pass, with or without modification, the following ordinary and special resolutions, in the manner required by the Companies Act, No. 71 of 2008, as amended ("Companies Act"), as read with the JSE Limited ("JSE") Listings Requirements ("JSE Listings Requirements") and the Company's Memorandum of Incorporation ("Memorandum of Incorporation"), which meeting is to be participated in and voted at by shareholders as at Friday, 21 June 2024, being the record date to attend, participate, speak and vote at the AGM in terms of section 62(3)(a), read with section 59(1)(b) of the Companies Act.

Important dates to note	2024
Record date to be able to receive this notice of annual general meeting ("Notice")	**Friday, 03 May 2024**
Notice of Annual General Meeting electronically distributed to shareholders and posted to those who requested such	**Monday, 13 May 2024**
Last day to trade in order to be eligible to vote at the AGM	**Tuesday, 18 June 2024**
Record date to be able to vote at the AGM	**Friday, 21 June 2024**
Forms of proxy to be received by no later than 10:00 on	**Wednesday, 26 June 2024**
AGM to be held at 10:00 on	**Friday, 28 June 2024**

Voting

- Shareholders entitled to attend and vote at the Annual General Meeting may appoint one or more proxies to attend, speak and vote thereat in their stead. A proxy need not be a member of the Company. A form of proxy, which sets out the relevant instructions for its completion, is enclosed for the use of a certificated shareholder or own-name registered dematerialised shareholder who wishes to be represented at the Annual General Meeting. Completion of a form of proxy will not preclude such shareholder from attending and voting (in preference to that shareholder's proxy) at the Annual General Meeting.
- The instrument appointing a proxy and the authority (if any) under which it is signed must reach the Company's transfer secretaries, Computershare Investor Services (Pty) Ltd, at the address given below by not later than 10:00 on Wednesday, 26 June 2024.
- Dematerialised shareholders, other than own-name registered dematerialised shareholders, who wish to attend the Annual General Meeting in person will need to request their CSDP or broker to provide them with the necessary letter of representation in terms of the custody agreement entered into between such shareholders and the CSDP or broker.
- Dematerialised shareholders, other than own-name registered dematerialised shareholders, who are unable to attend the Annual General Meeting and who wish to be represented thereat, must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between the shareholder and the CSDP or broker in the manner and time stipulated therein.
- Shareholders present in person, by proxy or by the authorised representative shall, on a show of hands, have one vote each and, on a poll, will have one vote in respect of each share held.
- In terms of the Companies Act, any shareholder or proxy who intends to attend or participate at the Annual General Meeting must include identification documents. A green bar-coded identity document or identity card issued by the South African Department of Home Affairs, a driver's licence or a valid passport will be accepted at the Annual General Meeting as sufficient forms of identification.

Quorum

The shareholders' meeting may not begin until sufficient persons are present (in person or represented by proxy) at the shareholders' meeting to exercise, in aggregate, at least 25% of all the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the shareholders' meeting. A matter to be decided at the shareholders' meeting may not begin to be considered unless sufficient persons are present at the meeting (in person or represented by proxy) to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter at the time the matter is called on the agenda.

For the purpose of counting a quorum at any time, a shareholder who is personally present or represented at the meeting at that time, or who participates in person or through a representative electronically, shall be counted towards the quorum at that time.

Agenda

Presentation of the audited annual financial statements of the Company (as approved by the Board of Directors of the Company ("Board")) ("Annual Financial Statements"), including the independent auditor's report, the directors' report, the Remuneration Report and the Audit and Risk Committee report for the year ended 29 February 2024. A summarised version of the audited Annual Financial Statements is included on pages 60 to 70 of this Integrated Annual Report.

The complete audited Annual Financial Statements can be found on the Company's website, and may be requested and obtained in person, at no charge, from the company secretary at sirkien@juba.co.za.

Note:
For any of the ordinary resolutions numbers 1 to 10, excluding ordinary resolution number 10.1 and 10.2, to be adopted, more than 50% of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof.

For ordinary resolution number 9 to be adopted, more than 75% of the voting rights exercised on such ordinary resolution must be exercised in favour thereof.

For any of the special resolutions numbers 1 to 4 to be adopted, at least 75% of the voting rights exercised on each such special resolution must be exercised in favour thereof.

For avoidance of doubt, all references to the Audit and Risk Committee of the Company is a reference to the audit committee as contemplated in the Companies Act.

Ordinary business

1. Ordinary Resolution Number 1: Re-election of Non-Executive Director

"Resolved that ME Gama, who retires by rotation in terms of the Memorandum of Incorporation of the Company and being eligible, offers himself for re-election, be and is hereby re-elected as a Director."

An abbreviated curriculum vitae in respect of ME Gama may be viewed on page 35 of the Company's Integrated Annual Report in which this Notice of AGM is included.

The Remuneration and Nominations Committee has considered ME Gama's past performance, contribution to the Company and his independence and recommends that he be re-elected as a Director of the Company.

2. Ordinary Resolution Number 2: Re-election of Non-Executive Director

"Resolved that TP Baloyi, who retires by rotation in terms of the Memorandum of Incorporation of the Company and being eligible, offers himself for re-election, be and is hereby re-elected as a Director."

An abbreviated curriculum vitae in respect of TP Baloyi may be viewed on page 35 of the Company's Integrated Annual Report in which this Notice of AGM is included.

The Remuneration and Nominations Committee has considered TP Baloyi's past performance, contribution to the Company and his independence and recommends that he be re-elected as a Director of the Company.

Reason for ordinary resolutions numbers 1 and 2

The reason for ordinary resolutions numbers 1 and 2 is that the Memorandum of Incorporation of the Company, the JSE Listings Requirements and to the extent applicable, the Companies Act require that one-third of the Non-Executive Directors retire at the Annual General Meeting and, if eligible, may offer themselves for re-election as Directors.

3. Ordinary Resolution Number 3: Re-appointment of auditor

"Resolved that Mazars be and is hereby re-appointed as auditor of the Company for the ensuing financial year or until the next Annual General Meeting of the Company, whichever is the later, with the designated auditor being Miles Fisher, as registered auditor and partner in the firm, on the recommendation of the Audit and Risk Committee of the Company."

Reason for ordinary resolution number 3

The reason for ordinary resolution number 3 is that the Company, being a public listed company, must have its financial results audited by its appointed auditor, and such auditor must be appointed or re-appointed, as the case may be, at each Annual General Meeting of the Company, as required by the Companies Act, the JSE Listings Requirements and the Memorandum of Incorporation of the Company.

4. Ordinary Resolution Number 4: Re-appointment of Audit and Risk Committee member

"Resolved that ME Gama, subject to the approval of ordinary resolution number 1 above, being eligible, be and is hereby re-appointed as a member of the Audit and Risk Committee of the Company until the next Annual General Meeting of the Company, as recommended by the Board."

An abbreviated curriculum vitae in respect of ME Gama may be viewed on page 35 of the Company's Integrated Annual Report in which this Notice of AGM is included.

5. Ordinary Resolution Number 5: Re-appointment of Audit and Risk Committee member

"Resolved that RB Patmore, being eligible, be and is hereby re-appointed as a member of the Audit and Risk Committee of the Company until the next Annual General Meeting of the Company, as recommended by the Board."

An abbreviated curriculum vitae in respect of RB Patmore may be viewed on page 35 of the Company's Integrated Annual Report in which this Notice of AGM is included.

6. Ordinary Resolution Number 6: Re-appointment of Audit and Risk Committee member

"Resolved that GS Hauptfleisch, being eligible, be and is hereby re-appointed as a member of the Audit and Risk Committee of the Company, until the next Annual General Meeting of the Company, as recommended by the Board."

An abbreviated curriculum vitae in respect of GS Hauptfleisch may be viewed on page 35 of the Company's Integrated Annual Report in which this Notice of AGM is included.

Reason for ordinary resolutions numbers 4 to 6

The reason for ordinary resolution numbers 4 to 6 (inclusive) is that the Company, being a public listed company, must appoint an audit committee as prescribed by sections 66(2) and 94(2) of the Companies Act, which also requires that the members of such audit committee be appointed, or re-appointed, as the case may be, at each Annual General Meeting of such company.

7. Ordinary Resolution Number 7: General payments to shareholders

"Resolved that, in terms of clauses 5.1.1.3 and 21 of the Company's Memorandum of Incorporation, the Directors of the Company be and are hereby authorised to pay, by way of reduction of share premium, capital distributions to shareholders of the Company in lieu of a dividend. Such distributions shall be made pro rata to all shareholders and be amounts equal to the amounts which the Directors would have declared and paid out of profits of the Company as interim and final dividends in respect of the financial year ended 29 February 2024. This authority shall not extend beyond the date of the AGM following the date of the AGM at which this resolution is being proposed, or 15 months from date of the resolution being adopted, whichever is the earlier date. This authority is subject to the provisions of the Companies Act and to the Directors being satisfied that after considering the effect of such maximum payment, the:

- Company and its subsidiary/ies ("the Group") will in the ordinary course of business be able to pay its debts for a period of 12 months after the date of this Notice of AGM;
- assets of the Company and the Group will be in excess of the liabilities of the Company and the Group for a period of 12 months after the date of this Notice of AGM. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited Annual Financial Statements of the Group;
- share capital and reserves of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of this Notice of AGM; and
- working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of this Notice of AGM."

Shareholders are referred to the explanatory notes set out under special resolution number one (termed "Reason and effect of special resolution number one") which apply mutatis mutandis to this resolution.

Reason for ordinary resolution number 7

The reason for ordinary resolution number 7 is to seek a general authority and approval for the payment, by way of reduction of share premium, of capital distributions to shareholders of the Company in lieu of a dividend.

8. Ordinary Resolution Number 8: Placing unissued shares under Directors' control

"Resolved that all the unissued ordinary shares in the authorised share capital of the Company, as well as the ordinary shares held as treasury shares (treasury shares), be and are hereby placed under the control of the Directors of the Company, who are authorised to allot and issue these unissued shares and/or dispose of these treasury shares on such terms and conditions as they may determine in their sole and absolute discretion, until the next Annual General Meeting of the Company, subject to the provisions of the Companies Act, the Company's Memorandum of Incorporation and the JSE Listings Requirements."

Reason for ordinary resolution number 8

The reason for ordinary resolution number 8 is to seek a general authority and approval for the unissued shares in the authorised share capital of the Company to be placed under the control of the Directors of the Company, who are authorised to allot and issue the authorised but unissued shares in the share capital of the Company to enable the Company to take advantage of business opportunities that might arise.

9. Ordinary Resolution Number 9: General authority to issue shares for cash

"Resolved that the Directors of the Company be and are hereby authorised, by way of a general authority, to:

- allot and issue all or any of its authorised but unissued ordinary shares in the capital of the Company placed under their control, for cash (including the issue of any options to subscribe for, or securities that are convertible into such ordinary shares); and/or
- sell or otherwise dispose of any ordinary shares in the capital of the Company held as treasury shares (treasury shares) by subsidiaries of the Company, for cash;
- as they in their discretion may deem fit, subject to the Companies Act, the Memorandum of Incorporation of the Company and the provisions of the Listings Requirements of the JSE, subject to the following limitations:
  - the authority shall be valid until the next Annual General Meeting of the Company, provided it shall not extend beyond 15 months from the date of this resolution;
  - in the event that the securities issued represent, on a cumulative basis, 5% or more of the number of securities in issue prior to that issue, an announcement containing the full details of such issue, in accordance with the JSE Listings Requirements, shall be published on SENS;
  - issues for cash in any one financial year may not exceed 15% of the issued shares in the share capital of the Company (net of treasury shares), as at the date of the Notice of AGM, being 15 972 742 ordinary shares;
  - any shares issued for cash under the authority must be deducted from the number above;
  - in the event of a subdivision or consolidation of issued shares during the period when this authority is valid, the existing authority must be adjusted accordingly to represent the same allocation ratio;
  - any such issue will only be comprised of securities of a class already in issue or, if this is not the case, will be limited to such securities or rights that are convertible into a class already in issue;
  - any such issue will only be made to public shareholders as defined in paragraphs 4.25 to 4.27 of 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 and 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; and

– in determining the price at which an issue of shares may be made in terms of this authority, the maximum discount permitted will be 10% of the volume weighted average traded price of those shares as determined over the 30 business days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the securities. The JSE will be consulted for a ruling if the securities have not traded in such 30 business day period."

Reason for ordinary resolution number 9

Should listed entities wish to issue shares for cash (other than issues by way of rights offers, in consideration for acquisitions and/or in connection with duly approved share incentive schemes), it is necessary for the Board to obtain prior authority from shareholders in accordance with the JSE Listings Requirements and the Memorandum of Incorporation of the Company contemplated in ordinary resolution number 9 above, but it is also necessary to obtain the prior authorisation of shareholders in accordance with the Companies Act and JSE Listings Requirements. The reason for ordinary resolution number 9 is accordingly to obtain such general authority from shareholders to issue shares, and to dispose of treasury shares, for cash in compliance with the JSE Listings Requirements and the Memorandum of Incorporation of the Company. The authority granted in terms of this ordinary resolution number 9 must accordingly be read together with the authority granted in terms of ordinary resolution number 8 above and any exercise thereof will be subject to the conditions contained in this ordinary resolution number 9.

Shareholders are referred to the explanatory notes set out under special resolution number 1 (termed "Reason and effect of special resolution number one") which apply mutatis mutandis to this resolution.

10. Ordinary Resolution Number 10: Endorsement of the Remuneration Policy and Implementation Report on the Remuneration Policy

It is proposed that shareholders pass the following ordinary resolutions numbers 10.1 and 10.2 as standalone, non-binding advisory votes:

Ordinary resolution number 10.1

"Resolved that the Company's remuneration policy, as set out on page 39 of the Company's Integrated Annual Report in which this Notice of AGM is included, be and is hereby approved by way of a non-binding advisory vote of shareholders of the Company in terms of the King IV™ Report on Corporate Governance."

Ordinary resolution number 10.2

"Resolved that the implementation report in respect of its remuneration policy, as set out on page 45 of the Company's Integrated Annual Report in which this Notice of AGM is included, be and is hereby endorsed as a non-binding advisory vote of shareholders of the Company in terms of the King IV™ Report on Corporate Governance."

Reason for ordinary resolutions numbers 10.1 and 10.2

The reason for ordinary resolutions numbers 10.1 and 10.2 are that King IV™ recommends, and the JSE Listing Requirements require, that the remuneration policy and implementation report of the Company be endorsed through separate non-binding advisory votes by shareholders at the Annual General Meeting of a Company. Failure to pass these resolutions will not have legal consequences relating to existing remuneration agreements. However, the Board will take the outcome of the vote into consideration when assessing the Company's remuneration policy and implementation report.

Should 25% or more of the votes exercised in respect of ordinary resolution number 10.1 and/or ordinary resolution number 10.2 be against either resolution, or both resolutions, the Company will issue an invitation to those shareholders who voted against the applicable resolution to engage with the Company.

Special business

11. Special Resolution Number 1: General authority to repurchase shares

"Resolved, as a special resolution, that the Company and its subsidiaries be and are hereby authorised, as a general approval, to repurchase any of the shares issued by the Company, upon such terms and conditions and in such amounts as the Directors may from time to time determine, but subject to the provisions of sections 46 and 48 of the Companies Act, the Memorandum of Incorporation of the Company and the JSE Listings Requirements, including, inter alia, that:

(a) the general repurchase of shares shall be implemented through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and/or its relevant subsidiaries and the counterparty;

(b) the general authority shall be valid only until the next Annual General Meeting of the Company provided that it shall not extend beyond 15 months from the date of this resolution;

(c) the general repurchase(s) shall in any one financial year be limited to a maximum of 20% of the Company's issued share capital of that class at the time that this resolution is passed;

(d) a resolution has been passed by the Board approving the repurchase, that the Group 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 Group;

(e) 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 the issued shares of any class of a company. For the avoidance of doubt, (i) a pro rata repurchase by the Company from all 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, will not require shareholder approval, save to the extent as may be required by the Companies Act;

(f) repurchase(s) must not be made at a price more than 10% above the weighted average of the market price for 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;

(g) an announcement must be published as soon as the Company and/or its subsidiaries have acquired shares constituting, on a cumulative basis, 3% of the initial number of ordinary shares in issue at the time of the granting of this authority, giving full details of such acquisitions and for each 3% in aggregate of the initial number of ordinary shares acquired thereafter by the Company and/or its subsidiaries;

(h) the Company will, at any point in time, appoint only one agent to effect any repurchase(s) on the Company's behalf;

(i) 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; and

(j) such repurchase(s) shall be subject to the provisions of the Companies Act, the Company's Memorandum of Incorporation and the JSE Listings Requirements."

Reason for and effect, if passed, of special resolution number 1

The reason for and effect, if passed, of special resolution number 1 is to grant the Directors of the Company a general authority in terms of the Memorandum of Incorporation of the Company and the JSE Listings Requirements for the acquisition by the Company or by a subsidiary of the Company of shares issued by the Company, which authority shall be valid until the earlier of the next Annual General Meeting of the Company or the variation or revocation of such general authority by special resolution by any subsequent general meeting of the Company, provided that the general authority to repurchase shares shall not extend beyond 15 months from the date of this Annual General Meeting. The passing and registration of this special resolution will have the effect of authorising the Company or any of its subsidiaries to acquire shares issued by the Company.

Shareholders are notified that, although no arrangements have been put in place, a general repurchase of shares is being contemplated. The Company's share price is currently not in line with Executive management's valuation of the Company. This authority will provide the Board with the necessary flexibility to repurchase shares in the market, should the Board believe that it is in the interest of the Company to do so.

Shareholders are referred to the explanatory notes attached to this Notice of AGM for further disclosures in respect of this general authority to repurchase shares in terms of paragraph 11.26 of the JSE Listings Requirements.

12. Special Resolution Number 2: Remuneration of Non-Executive Directors

"Resolved in terms of section 66(9) of the Companies Act, that the fees paid to the Non-Executive Directors of the Company set out below, be and is hereby approved on the following basis up and to the date of the next Annual General Meeting of the Company:

Category	**Remuneration 2025**	Remuneration 2024
Chairman	**R327 500 annual retainer R50 000 per meeting attended**	R310 000 annual retainer R47 750 per meeting attended
Lead Independent	**R265 000 annual retainer**	R250 000 annual retainer
Board Member	**R222 500 annual retainer R31 500 per meeting attended**	R210 000 annual retainer R29 750 per meeting attended
Audit and Risk Committee		
Chairman	**R45 000 per meeting attended**	R42 500 per meeting attended
Member	**R28 500 per meeting attended**	R27 000 per meeting attended
Remuneration and Nomination Committee		
Chairman	**R39 500 per meeting attended**	R37 000 per meeting attended
Member	**R26 000 per meeting attended**	R24 750 per meeting attended
Social and Ethics Committee		
Chairman	**R39 500 per meeting attended**	R37 000 per meeting attended

Reason for and effect, if passed, of special resolution number 2

Special resolution number 2 is proposed in order to comply with section 66(9) of the Companies Act, which requires the approval of Directors' fees prior to the payment of such fees.

The effect of special resolution number 2 is that, if approved by the shareholders at the Annual General Meeting, the fees payable to Non-Executive Directors until the next Annual General Meeting of the Company will be on the basis set out above.

13. Special Resolution Number 3: Financial assistance to related and inter-related companies

"Resolved, in terms of section 45(3)(a)(ii) of the Companies Act, as a general approval, that the Board 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 may deem fit to any company or corporation that is related or inter-related ("related" and "inter-related" will herein have the meanings attributed thereto in section 2 of the Companies Act) to the Company, on the terms and conditions and for amounts that the Board may determine, provided that the aforementioned approval shall be valid until the date of the next Annual General Meeting of the Company."

Reasons for and effect, if passed, of special resolution number 3
The reason for and effect, if passed, of special resolution number 3 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.

Shareholders are referred to the explanatory note attached to this Notice of AGM for further information in respect of special resolution number 3.

14. Special Resolution Number 4: Financial assistance for the subscription and/or purchase of shares in the Company or a related or inter-related company

"Resolved, in terms of section 44(3)(a)(ii) of the Companies Act, as a general approval, that the Board 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 may deem fit to any person, including any company or corporation that is related or inter-related to the Company ("related" and "inter-related" will herein have the meanings attributed thereto in section 2 of the Companies Act) and/or to any financier who provides funding by subscribing for preference shares or other securities in the Company or in any company or corporation that is related or inter-related to the Company, on the terms and conditions and for amounts that the Board may determine for the purpose of, or in connection with the subscription for any option, or any shares or other securities, issued or to be issued by the Company or by a related or inter-related company or corporation, or for the purchase of any shares or securities of the Company or of 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."

Reasons for and effect, if passed, of special resolution number 4
The reason for and effect, if passed, of special resolution number 4 is to grant the Directors the authority, until the next Annual General Meeting of the Company, to provide financial assistance to any person, including any company or corporation which is related or inter-related to the Company 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 wholly owned subsidiary raises 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 wholly owned subsidiary to the third-party funder arising from the issue of the preference shares.

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 resolution numbers 3 and 4 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); and
- 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.

In addition, the Board will only approve the provision of any financial assistance contemplated in special resolution numbers 3 and 4 above, where:

- the Board is satisfied that 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.

Other business

To transact such other business as may be transacted at an Annual General Meeting or raised by shareholders with or without advance notice to the Company.

Information relating to the resolutions

1. Information relating to Special Resolution Number 1

The Directors of the Company or its subsidiaries will only utilise the general authority to repurchase shares of the Company as set out in special resolution number 1 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 Company and 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 AGM and for a period of 12 months thereafter;
- the assets of the Company and the Group (fairly valued) will at the date of the Notice of the AGM, and at the time of making such determination and for a period of 12 months after the date of the Notice of AGM be in excess of the liabilities of the Company and the Group (fairly valued). 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 Company and the Group for a period of 12 months after the date of the Notice of the AGM and after the date of the share repurchase; and
- the working capital available to the Company and the Group after the repurchase will be sufficient for the Company and the Group's ordinary business purposes for a period of 12 months after the date of the Notice of the AGM and for a period of 12 months after the date of the share repurchase.

Other disclosures in terms of section 11.26 of the Listings Requirements of the JSE

In compliance with paragraph 11.26 of the Listings Requirements, the information listed below has been included in the Integrated Annual Report, in which this Notice of AGM is included, at the places indicated below:

- Major shareholders: page 81 of this Notice of AGM.
- Share capital of the Company: page 67, note 5 of the notes to the Annual Financial Statements.

Directors' responsibility statement

The Directors, whose names are given on page 48 of the Corporate Governance report on the Company's website and pages 34 to 36 of this Integrated Annual Report, collectively and individually accept full responsibility for the accuracy of the information given in this Notice of AGM and certify 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, that all reasonable enquiries to ascertain such facts have been made, and that the Notice of AGM contains all information required by law and the JSE Listings Requirements.

Material changes

There has been no material change in the financial or trading position of the Company and its subsidiaries subsequent to the Company's financial year-end, being 29 February 2024, and the date of this Notice of AGM.

2. Information relating to Special Resolution Number 3

For purposes of special resolution number 3, the Board will only utilise the general authority bestowed upon them to provide direct or indirect financial assistance related to inter-related companies to the extent that the Directors, after considering the amount of financial assistance to be granted, are of the opinion that:

- immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test (as defined in the Companies Act);
- the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company; and
- all conditions or restrictions regarding the granting of financial assistance as set out in the Memorandum of Incorporation of the Company have been satisfied and the Board has passed a resolution authorising the grant of the said financial assistance ("the Board resolution") under their general authority so granted, the Company which will then provide written notice of the Board resolution to all shareholders:
  - within 10 days after adoption of the Board resolution, if the total value of all loans, debts, obligations or assistance contemplated in that resolution, together with any previous such resolution(s) during the financial year, exceeds one-tenth of 1% of the Company's net worth at the time of the Board resolution; or
  - within 30 business days after the end of the financial year, in any other case.

Electronic participation

1. If any shareholders of the Company wish to participate at the AGM electronically ("electronic facility"), they:
   - must contact the Company Secretary on 010 593 3310 or sirkien@juba.co.za, five business days prior to the AGM in order to obtain details on using the electronic facility;
   - will be required to provide reasonably satisfactory identification in terms of section 63(1) of the Companies Act; and
   - will not be able to vote at the AGM using the electronic facility and will still need to appoint a proxy to attend the AGM and to vote on their behalf.
2. The Company cannot guarantee there will not be a break in communication which is beyond the control of the Company.
3. The participant acknowledges that the electronic facility is provided by a third-party and indemnifies the Company against any loss or claim arising in any way from the use of the electronic facility, regardless of the cause, and agrees that the Company will have no liability for any damages resulting from the use of the electronic facility or any failure of the electronic facility during the AGM.

By order of the Board

Sirkien van Schalkwyk
Company Secretary

13 May 2024

Sandton

Form of proxy

Calgro M3 Holdings Limited
(Incorporated in the Republic of South Africa)
(Registration number: 2005/027663/06)
Share code: CGR ISIN: ZAE000109203
("Calgro M3" or "the Company")

For use by the holders of certificated shares and/or dematerialised shares held through a central securities depository participant ("CSDP") or broker who have selected "own-name" registration, registered as such at the close of business on the voting record date, at the Annual General Meeting ("AGM") to be held at 10:00 on Friday, 28 June 2024 at the Calgro M3 Boardroom, Calgro M3 Building, Ballywoods Office Park, 33 Ballyclare Drive, Bryanston, Sandton or any postponement or adjournment thereof.

Dematerialised shareholders who have not selected "own-name" registration must inform their CSDP or broker timeously of their intention to attend and vote at the AGM or be represented by proxy thereat in order for the CSDP or broker to issue them with the necessary letter of representation to do so or provide the CSDP or broker timeously with their voting instruction, should they not wish to attend the AGM in order for the CSDP or broker to vote in accordance with their instructions at the AGM.

I/We (FULL NAMES IN BLOCK LETTERS PLEASE)

of (ADDRESS)

Telephone number: Cellphone number:

Email address:

being the registered holder/s of ordinary shares in Calgro M3 hereby appoint:

(see note 1 below) or failing him/her,

(see note 1 below) or failing him/her,

the Chairperson of the AGM, as my/our proxy to act for me/our behalf at the AGM and at each adjournment thereof in accordance with the following instructions (see note 3 below)

	Number of votes		
	For	**Against**	**Abstain**
Ordinary resolution number 1: Re-election of Non-Executive Director (ME Gama)			
Ordinary resolution number 2: Re-election of Non-Executive Director (TP Baloyi)			
Ordinary resolution number 3: Re-appointment of auditor			
Ordinary resolution number 4: Re-appointment of Audit and Risk Committee member (ME Gama)			
Ordinary resolution number 5: Re-appointment of Audit and Risk Committee member (RB Patmore)			
Ordinary resolution number 6: Re-appointment of Audit and Risk Committee member (GS Hauptfleisch)			
Ordinary resolution number 7: General payments to shareholders			
Ordinary resolution number 8: Placing unissued shares under Directors' control			
Ordinary resolution number 9: General authority to issue shares for cash			
Ordinary resolution number 10.1: Non-binding advisory vote on Calgro M3's Remuneration Policy			
Ordinary resolution number 10.2: Non-binding advisory vote on Calgro M3's Implementation Report on the Remuneration Policy			
Special resolution number 1: General authority to repurchase shares			
Special resolution number 2: Remuneration of Non-Executive Directors			
Special resolution number 3: Financial assistance to related and inter-related companies			
Special resolution number 4: Financial assistance for the subscription and/or purchase of shares in the Company or a related or inter-related company			

* *One vote per share held by shareholders recorded in the register on the voting record date.*

Date

Signed at on 2024

Signature

Assisted by me (where applicable) (state capacity and full name)

Notes to the form of proxy

1. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space(s) provided, with or without deleting "the Chairperson of the AGM". The person whose name appears first on this form of proxy and who is participating in the AGM will be entitled to act as proxy to the exclusion of those whose names follow.

2. A proxy appointed by a shareholder in terms hereof may not delegate his authority to act on behalf of the shareholder to any other person.

3. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the shareholder in the appropriate box provided or by the insertion of a cross if all shares should be voted on behalf of that shareholder. Failure to comply with the above will be deemed to authorise the proxy to vote or abstain from voting at the AGM as he deems fit in respect of all the shareholder's votes exercisable thereat.

4. Forms of proxy must be lodged at or posted to Computershare Investor Services (Pty) Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, 2132, South Africa) or sent via email to proxy@computershare.co.za to be received by not later than 10:00 on Wednesday, 26 June 2024, provided that any form of proxy not delivered to the transfer secretaries by that time may still be provided to the transfer secretaries in the aforementioned manner or handed to the Chairperson of the AGM, at any time before the appointed proxy exercises any shareholder rights at the AGM, subject to the transfer secretaries verifying the form of proxy and proof of identification before any shareholder rights are exercised.

5. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so. 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 transfer secretaries via proxy@computershare.co.za. 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.

6. The Chairperson of the AGM 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, he is satisfied as to the manner in which the shareholder(s) concerned wish(es) to vote.

7. Each shareholder is entitled to appoint one or more proxies (none of whom need be a shareholder of Calgro M3) to attend, speak and vote in place of that shareholder at the AGM.

8. 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 Calgro M3 or Computershare Investor Services (Pty) Limited or waived by the Chairperson of the AGM.

9. Any alteration or correction made to this form of proxy must be initialled by the signatory(ies).

10. Where there are joint holders of shares:
    10.1 any one holder may sign the form of proxy; and
    10.2 the vote of the senior (for that purpose seniority will be determined by the order in which the names of shareholders appear in the register of members) who tenders a vote (by the shareholder or by his/her proxy) will be accepted to the exclusion of the vote(s) of the other joint holder(s) of Calgro M3 shares.

11. This form of proxy may be used at any adjournment or postponement of the AGM, including any postponement due to a lack of quorum, unless withdrawn by the shareholder.

12. Summary of the rights of a shareholder to be represented by proxy, as set out in section 58 of the Companies Act:
    - a proxy appointment must be in writing, dated and signed by the shareholder appointing a proxy, and, subject to the rights of a shareholder to revoke such appointment (as set out below), remains valid only until the end of the relevant shareholders' meeting;
    - a proxy may delegate the proxy's authority to act on behalf of a 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 rights as a 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 the later of (a) the date stated in the revocation instrument if any; and (b) the date on which the revocation instrument is delivered to the company as required in the first sentence of this paragraph; and
    - 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 of the company 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.

Shareholder diary

Financial year-end	29 February 2024
Results released on SENS	13 May 2024
Annual general meeting	28 June 2024
Half-year interim report	14 October 2024

Analysis of shareholders

Shareholders' spread analysis as at 29 February 2024:

	Number of shareholders	%	Number of shares	%
Total shares in issue	5 602	100.00	114 381 575	100.00
Non-public shares	8	0.15	27 908 544	24.40
Public shares	5 594	99.85	86 473 031	75.60
Analysis of non-public shareholders				
Directors of the Company or any subsidiary	5	0.09	9 586 095	8.38
Calgro M3 Developments (Pty) Ltd	1	0.02	7 896 631	6.90
Calgro M3 Employee Benefit Trust	1	0.02	5 212 909	4.56
Calgro M3 Educational Benefit Trust	1	0.02	5 212 909	4.56
	8	0.15	27 908 544	24.40

	Number of shareholders	%
Shareholders with an interest of 5% or more in shares		
Pershing LLC	11 527 386	10.08
DNS Trust	7 989 999	6.99
Calgro M3 Developments (Pty) Limited	7 896 631	6.90
BPM Family Trust	7 829 862	6.85
Mr WJ Lategan	7 250 746	6.34
Mr LCH Chou	6 200 000	5.42
	48 694 624	42.58

General information

Calgro M3 Holdings Limited
Incorporated in the Republic of South Africa

Registration number
2005/027663/06

Share code
CGR

ISIN
ZAE000109203

Registered office and business address
Calgro M3 Building
Ballywoods Office Park
33 Ballyclare Drive
Bryanston
2196

Postal address
Private Bag X33
Craighall
2024

Published
13 May 2024

Transfer secretaries
Computershare Investor Services

Bankers
First National Bank
Standard Bank
Nedbank

Auditor
Mazars
Registered Auditor

Debt and equity sponsors
PSG Capital

Appointed debt officer
WA Joubert

Secretary
Juba Statutory Services, represented by Sirkien van Schalkwyk

Directors

W Williams	Executive
WA Joubert	Executive
WJ Lategan	Executive
SU Naicker	Executive
GS Hauptfleisch	Independent Non-Executive
H Ntene	Independent Non-Executive Chairman
ME Gama	Independent Non-Executive
RB Patmore	Independent Non-Executive
TP Baloyi	Independent Non-Executive
TC Moodley	Non-Executive

Preparer
The financial statements were internally compiled by R van Maarleveld CA(SA) under the supervision of SU Naicker CA(SA).

Level of assurance
These financial statements have been audited by our external auditor Mazars in accordance with the applicable requirements of the Companies Act 71 of 2008.

maxx


Fleurhof


Nasrec Memorial Park

CALGRO M3
Group

www.calgrom3.com