2022 INTEGRATED REPORT

AFINE INVESTMENTS

ANNUAL REPORT OVERVIEW

SPECIALISED REIT

Afine Investments Limited is a property entity classified as a specialised REIT, managed by its Board, and holds a portfolio of income generating immovable properties focused primarily in the petroleum sector, strategically located in four of South Africa's nine provinces.

Afine was incorporated as a private company on 12 November 2020 under the name “Domanolor Proprietary Limited”, which was changed to “Afine Investments Proprietary Limited” on 10 March 2021 and converted to a public company on 11 May 2021.

The Company was incorporated as the holding company for the purpose of listing on the AltX.

FINANCIAL HIGHLIGHTS
as at 28 February 2022

Market Capitalisation
R 278,4 m

Gearing ratio
32%

Profit from operating activities
R 28,374 m

Distribution per share
Interim dividend 25 cents
Final dividend 27.8 cents

PORTFOLIO

7 Petrol Filling Station Properties
Investment property value of circa
R 301,7 m

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ABOUT THIS REPORT

Afine Investments Limited ("Afine" or "the company") is delighted to present its first integrated report to shareholders and stakeholders for the year ended 28 February 2022.

THE COMPANY

Afine Investments Limited
Registration number: 2020/852422/06
JSE share code: ANI
ISIN: ZAE000303947
(Approved as REIT by the JSE)

Afine is incorporated as a holding company of property entities constituting a portfolio of income generating immovable properties focused primarily in the petroleum sector. The company has been established in compliance with the Companies Act, No 71 of 2008, of South Africa, and operates in conformity with its Memorandum of Incorporation.

The executive directors are the CEO, Anton Loubser and the Financial Director, JT Loubser, located in Cape Town. The company's website is: www.afineinvestments.com.

This integrated report is primarily aimed at shareholders and stakeholders with its aim being to present an integrated assessment of the company's ability to create value over time.

Afine welcomes feedback and any suggestions for the company's future reports.

Please forward any comments to:
info@afineinvestments.co.za.

ASSURANCE

The company's external auditor, PKF Pretoria Inc., has provided assurance on the Financial Statements and expressed an unmodified audit opinion.

The annual financial statements have been prepared by JT Loubser, the financial director of Afine.

The content of the integrated report has been reviewed by the board of directors of the company ("board") and audit and risk committee, as well as AcaciaCap, the company's designated advisors but has not been externally assured.

BASIS FOR PREPARATION

This report, including the Annual Financial Statements, has been prepared taking account of the following:

- International Financial Reporting Standards ("IFRS")
- Companies Act, No. 71 of 2008, of South Afria ("Companies Act")
- JSE Listings Requirements
- King IV Report on Corporate Governance™ for South Africa, 2016 ("King IV™")
- Consideration of certain principles contained in the IIRC's Integrated Reporting Framework

MATERIALITY

Materiality assessments have been applied in determining the content and disclosure in the report, ensuring that the report is both concise and relevant to Afine's shareholders.

Material issues are considered to be those that could affect the company's ability to create value over time and are likely to have a significant impact on the current and projected revenue and profitability of the business.

The company has adopted the guidelines outlined in the International Integrated Reporting Council's ("IIRC") Framework as appropriate in future years. The IIRC Framework includes reporting in terms of the six capitals of value creation, being;

1. Financial capital;
2. Intellectual capital;
3. Human capital;
4. Manufactured capital;
5. Social and relationship capital; and
6. Natural capital.

FORWARD-LOOKING STATEMENTS

This integrated report includes forward-looking statements that take account of inherent risks and uncertainties and, if one or more of these risks materialise, or should the underlying assumptions prove incorrect, actual results may be different from those anticipated.

Words such as believe, anticipate, intend, seek, will, plan, could, may, endeavour, project and similar expressions are intended to identify such forward- looking statements, but are not the exclusive means of identifying such statements. Forward-looking statements apply only as of the date on which they are made, and Afine does not undertake to update or revise any of them, whether as a result of new information, future events, or otherwise.

RESPONSIBILITY STATEMENT

The audit and risk committee and the board acknowledge their responsibility to ensure the integrity of this integrated report. The annual financial statements included in this integrated report have been audited by the external auditors.

Mike Watters
Chairman

Anton Loubser
CEO

Darryl Kohler
Chairman
Audit and Risk Committee

GROUP OVERVIEW

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

JT (Anton) Loubser

JT (JT) Loubser

NON-EXECUTIVE DIRECTORS

Michael John Watters (Chairman)

Darryl Kohler (Lead Independent)

Peter McAllister Todd

AUDIT AND RISK COMMITTEE

CHAIRMAN: D Kohler
MEMBER: PM Todd
MEMBER: MJ Watters

SOCIAL AND ETHICS COMMITTEE

CHAIRMAN: D Kohler
MEMBER: A Loubser
MEMBER: JT Loubser

REMUNERATION COMMITTEE

CHAIRMAN: MJ Watters
MEMBER: D Kohler
MEMBER: PM Todd

INVESTMENTS COMMITTEE

CHAIRMAN: MJ Watters
MEMBER: D Kohler
MEMBER: PM Todd
MEMBER: A Loubser
MEMBER: JT Loubser

OPERATIONAL STRUCTURE

On 4 November 2021, Afine entered into the Petroland Administration Agreement in terms of which Petroland Group Proprietary Limited will provide administration services to Afine, and also providing the Company with the CEO and CFO, who will manage Afine on a part-time basis.

The part time role was preapproved by the JSE ahead of the listing of Afine due to the limited time required to manage the business.

STRATEGIC OVERVIEW

HOW DO WE OPERATE

The Board as a whole is responsible for approving new investment opportunities that fall within the Group's investment policy and objectives.

The Executive Directors shall be responsible for identifying, researching and evaluating potential investment opportunities for Afine, together with input from the Group's Investment Committee where such opportunities are to be considered.

The Executive Directors are also responsible for monitoring and evaluating current Afine investments and making recommendations to the Board regarding any investment decision.

Following the identification of a potential new investment opportunity and approval by the Group's Investment Committee, the CEO will be responsible for negotiating the terms of investment.

ALL ABOUT INVESTMENTS

The Group's investment policy, investment process and gearing targets as extracted from the Petroland Administration Agreement, are set out below.

INVESTMENT POLICY

To provide investors with strong investment returns and a balanced exposure to lower risk, income generating petrol filling stations in South Africa, and limited development opportunities that will provide a higher capital return.

The Group will focus on petrol filling station property investments which provide a stable, predictable and low risk income stream, with opportunities to enhance value through active management.

INVESTMENT PROCESS

The Directors are responsible for identifying the availability of new investment opportunities that fall within the investment policy and objectives.

Following the identification of a potential new investment opportunity and approval by the Group's Investment Committee, the CEO will be responsible for negotiating the terms of investment.

GEARING TARGETS

The Directors intend that the Group's level of borrowing will be between 20% and 35% of the gross value of its total assets through the cycle. The Group's maximum level of gearing will not exceed 40% of the gross value of the Group's total assets at any point in time.

NATURE OF REVENUE

CONTRACTED WITH OIL MAJORS

Land rental

Received from an oil major for the site.

Development rental

Received from an oil major for the developed property.

Volumetric rental also referred to as rebates

Calculated on fuel sales, being additional income received above a base fixed rental streams (note that the petrol pump price is based on the RAS, which price includes the profit on fuel sales, Volumetric rental can be a fixed portion or a percentage of RAS).

Refurbishment Rental

Being applied when the project needs to be upgraded.

CONTRACTED WITH OTHER PARTIES

Other rental

Comprising income from alternative profit opportunities, which is immaterial, such as ATM rentals, food offerings, E-Toll Offices and car washes.

PORTFOLIO OVERVIEW

Afine holds a portfolio of income generating immovable properties focused primarily in the petroleum sector, strategically located in four of South Africa's nine provinces.

The Company's first investments involved the acquisition of an interest in five Petrol Filling Station ("PFS") properties from the PFS Vendors in February 2021, namely Sasol Piet Retief, Sasol Somerset West, Sasol Grassnyers, Sasol Protea Park and Sasol Parkdene. Additional PFS properties were acquired in two phases with 50% of Lizalor Investments being acquired in February 2021 and the remaining 50% of that company (which holds the leasehold rights in Engen Platinum One Stop), and 100% of Coral Lagoon Investments, in May 2021, which holds Engen Riverside Nelspruit. More information can be found on pages 63 - 65 of the Consolidated Annual financial st86 - 88 of the Integrated Report).

PROPERTY PORTFOLIO

GAUTENG AND NORTH WEST

Company Name	Property Name	Location	Value (R)
Lizalor Investments (Pty) Ltd	Engen Doornpoort	Pretoria	116 500 000
Investment Facility Company Three Three Six (Pty) Ltd	Sasol Parkdene	Boksburg	9 900 000
Investment Facility Company Three Three Six (Pty) Ltd	Sasol Protea Park	Rustenburg	19 100 000

MPUMALANGA

Company Name	Property Name	Location	Value (R)
Coral Lagoon Investments 163 (Pty) Ltd	Engen Riverside	Nelspruit	48 000 000
Clifton Dunes Investments 10 (Pty) Ltd	Sasol Piet Retief	Piet Retief	44 397 980
Thunder Cats Investments 78 (Pty) Ltd	Sasol Grassnyers	Witbank	21 972 496

WESTERN CAPE

Company Name	Property Name	Location	Value (R)
Clifton Dunes Investments 10 (Pty) Ltd	Sasol Somerset West	Somerset West	41 820 606

CHAIRMAN AND CEO REPORT

The financial year to end February 2022 continued along the same lines as set out in the pre-listing statement.

Although the Covid-19 pandemic had a severe impact on retail industries world wide none of the Oil Companies that have contracted with Afine approached the company for rental relief. This is primarily because Afine's properties generated excellent profits for the Oil Company tenants.

INVESTMENT STRATEGY

The South African retail oil industry as a principle traditionaly focuses on fuel volume growth, and in a declining market such as in the case with Covid and low GDP growth, Oil Companies tend to invest more in new service stations to secure that growth. Inevitably this strategy generates opportunities for Afine.

Afine is consistently on the lookout for new viable service station opportunities, new and existing developments, that comply with the company's investment criteria, namely return on investment, excellent locations, and diversifying exposure in terms of brand and location.

RESULTS

Afine’s balance sheet comprised assets of R 309.6 million at year-end, consisting of 7 service stations valued at circa R 302 million. The properties were funded with a Shareholders Loan of R42.3 million and an RMB loan of R36.2 million.

Operating profit before fair value adjustments and tax amounted to R48.7 million. After allowing for fair value adjustments, the net cost of finance and tax, resulted in a total comprehensive income of R239.3 million. Basic earnings were 469.06 cents per share with Headline earnings of 46.23 cents per share.

Total dividends for the year amounted to 52.8 cents per share, comprised as follows:

- An interim dividend of 25 cents per share for the six months to August 2021, which was paid in November 2021,
- A final dividend of 27.8 cents per share for the six months ended 28 February 2022.

Afine’s net asset value per share equated to R3.55 at financial year-end.

PORTFOLIO PERFORMANCES

Afine did not experience any vacancies in the reporting period. All Afine’s leases with the Oil Companies are long terms leases, linked to annual escalation clauses. More information relating to the portfolio can be found on pages 65 - 66 of the Annual Financial Statements (pages 87 - 88 of the Integrated Report).

FUNDING

During the year under review, Afine reduced the RMB loan from R44.9 million in 2021 to R36.2 million at 28 February 2022. The shareholders loan remains in place at the same value.

FUTURE DISTRIBUTIONS

Afine’s Board believes that the forecast for distribution for the 2023 financial year as set out in the pre-listing statement, notwithstanding the current economic circumstances, will be met in 2023.

We wish to thank all shareholders and other stakeholders for their support during the reporting period.

A LOUBSER
CEO

MJ WATTERS
Chairman

CORPORATE GOVERNANCE REPORT

Afine complies broadly with the principles and spirit of the Code of Corporate Practices and Conduct contained in King IV™

BOARD OF DIRECTORS

Structure and role of the board

The Board has a unitary structure which comprises five members, three of whom are non-executive, of which two are independent non-executive directors. Determination of independence is guided by King VI, the Companies Act, the Johannesburg Stock Exchange ("JSE") Listings Requirements ("JSELR ") and corporate best practice. The profiles of the members of the Board are set out on pages 3 - 4 of the Annual Financial Statements (pages 26 - 27 of the Integrated Report).

The directors have a fiduciary duty to act in good faith, with due diligence and care and in the best interests of the company and all stakeholders. The Board of Directors accepts these duties and responsibilities.

A Board Charter, which is reviewed every two years, has been adopted to guide the Board in governance issues and sets a framework within which the Board functions. The Board Charter was recently reviewed during 2022 and will be due for review in 2024.

The Board Charter sets out the Board's duties and obligations, which include, inter alia, to:

- act as the focal point for, and custodian of, corporate governance by managing its relationship with shareholders, management and other stakeholders of the company along sound corporate governance principles;
- give effect to the acknowledged inseparability of strategy, risk, performance and sustainability by:
  - contributing to and approving the strategy of the Company, including the short, medium and long-term strategic direction;
  - satisfying itself that the strategy and business plans do not give rise to risks that have not been thoroughly assessed by management;
  - identifying key performance and risk areas;
  - ensuring that the strategy will result in sustainable outcomes; and
  - considering sustainability as a business opportunity that guides strategy formulation.

Executive directors are appointed by the Board to oversee the day-to-day running of the company. Executive directors are held accountable through regular reporting to the Board, and their performance is evaluated regularly.

Non-executive directors provide the Board with advice and experience that is independent of management and the executives. The presence of independent non-executive directors on the Board, and the critical role they play as Board representatives on key committees, ensures that the company' s interests are served by impartial views that are separate from those of management and shareholders. Non-executive directors enjoy unrestricted access to executive management.

During the period under review to the date of this report, the Board composition was as follows:

DIRECTOR	APPOINTED
Mr MJ Watters	01/06/2021
Mr D Kohler	01/06/2021
Mr PM Todd	01/06/2021
Mr A Loubser *	01/06/2021
Mr JT Loubser *	01/06/2021

* Appointed via the Petroland Management Agreement.

Non-executive directors do not have service contracts with the company. One third of the non-executive directors retire annually by rotation in accordance with the company's Memorandum of Incorporation.

Details on the remuneration of executive and non-executive directors are provided on pages 4 and 54 of the Annual Financial Statements (pages 27 and 76 of the Integrated Report).

CHAIRMAN AND CEO

In terms of paragraph 3.84 (b) of the JSELR, the positions of Chairman and Chief Executive Officer ("CEO") are fulfilled by two different persons, in order to ensure a balance of power and authority so that no one person has unfettered decision making powers. The roles of chairman and CEO are therefore separated, with the chairman being an independent non-executive director.

Mr Watters was the Chairman of Afine during the period under review and was considered to be independent. Mr JT (Anton) Loubser is the CEO.

CORPORATE GOVERNANCE REPORT (CONTINUED)

DIRECTORS: APPOINTMENT AND RETIREMENT BY ROTATION

Directors are appointed and re-appointed, by shareholders on the basis of one third of the non-executive directors resigning at each Annual General Meeting ("AGM"). Interim appointments during the year are also confirmed at the immediately following General Meeting or AGM.

OTHER DIRECTORSHIPS

The Board believes that other directorships held by directors do not affect their ability to fully discharge their responsibilities as directors of Afine.

CHANGES TO THE BOARD

Following the resignation of Mrs S Vosloo as the sole director of Afine on 31 May 2021, all the non-executive as well as executive directors were appointed on 1 June 2021.

COMPANY SECRETARY

All directors have unrestricted access to the advice and services of the Company Secretary and to company records, information, documents and premises. The Company Secretary minutes all Board and sub-committee meetings and maintains the registers required by statute. The Company Secretary is also responsible for keeping directors abreast of regulatory or legislative changes which may affect the company. S Vosloo had originally been appointed as the company secretary of Afine with effect from 1 June 2021 in terms of the Petroland Administration Agreement.

A separate agreement was subsequently entered into between S Vosloo and Afine directly which governs S Vosloo' s appointment as Afine' s company secretary, which agreement was effective from 1 October 2021.

In compliance with paragraph 3. 84 (h) of the JSELR, the Board considered and satisfied itself on the competence, experience and qualifications of the Company Secretary. This evaluation was undertaken by considering her BComm qualification obtained from a tertiary institution as well as her recent completion of Board exams at the Chartered Governance Institute of Southern Africa. S Vosloo maintains an arm' s length relationship with the Board and is not a director of Afine.

CONFLICTS OF INTEREST

The directors declare actual and possible conflicts of interest to their co-directors at each quarterly board meeting and ensure that declarations are included in the minutes of the Board Meeting. The directors, with an interest in any matter, also recuse themselves from the relevant Board meeting, while their co-directors take a decision on the matter.

SUCCESSION PLANNING

The Board participates in the review of succession planning for key senior executive positions. The directors periodically discuss succession planning and are comfortable that, in the event of any executive and senior management transition, plans will be in place to ensure smooth transition. The Board and its committees will apply time to identify training needs and governance matters.

ATTENDANCE AT MEETINGS

During the year under review the Board meets on a quarterly basis, via electronic participation. All directors are encouraged to attend the AGM. Details of Board attendance since listing of Afine on 9 December 2021, are included below:

	03/03/2022	30/05/2022
EXECUTIVE		
Mr A Loubser	✓	✓
Mr JT Loubser	✓	✓
NON EXECUTIVE		
Mr MJ Watters	✓	✓
Mr D Kohler	✓	✓
Mr PM Todd	✓	✓

RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

The Board is responsible and accountable for risk management and internal control. Executive management, under the Board' s oversight, assumes responsibility for the integration of risk practices into operational activities.

The Board is satisfied that management is attuned to both the negative and positive aspects of business risk. The Board believes it has adequate information to facilitate the balanced assessment and management of significant Risks.

CORPORATE GOVERNANCE REPORT (CONTINUED)

RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

The Board believes that, in the year under review and up to the date of approval of the Annual Report and the Annual Financial Statements, Afine operated an adequate system of internal controls to minimise operational and financial risks. The system of internal controls, which is risk based, is regularly reviewed. The Board believes that the system of internal control provides reasonable, but not absolute, assurance of the effectiveness and efficacy of controls, throughout the business.

The outsourced internal audit function is sufficient and effective and the board is satisfied that it will continue outsourcing this function. Managerial responsibility for monitoring and reviewing controls lies with the CEO and CFO.

AUDIT AND RISK COMMITTEE

The Board has an Audit and Risk Committee ("ARC"), the members of which are non-executive directors with the majority being independent.

Members:
Mr D Kohler (Chairman),
Mr PM Todd; and
Mr MJ Watters

Invitees: CEO, FD, company secretary, external auditors and designated advisors

The executive directors attend by invitation. The composition of the Committee has remained unchanged until the last practicable date.

The Board is satisfied that the Committee has satisfactorily fulfilled its responsibilities, in line with its respective terms of reference, during the period under review. New Terms of Reference were approved on 3 March 2022.

The ARC is constituted as a statutory committee of Afine in respect of its statutory duties in terms of section 94 (7) of the Companies Act, and a committee of the Board in respect of all other duties assigned to it by the Board. The duties and responsibilities of the committee members are in addition to those duties and responsibilities that they have as members of the Board.

The committee has an independent role with accountability to both the Board and shareholders. It does not, however, assume the functions of management, which remain the responsibility of the executive directors, prescribed officers and other members of senior management.

The ARC ensures that appropriate financial reporting procedures exist and are working for not only Afine but also all entities included in the consolidated group IFRS financial statements. The ARC has access to all the financial information of Afine in order to effectively prepare and report on the financial statements of the Company;

A detailed report by the ARC is set out on pages 9-12 of the Annual Financial Statements (pages 32 - 35 of the Integrated Report).

ATTENDANCE AT MEETINGS

During the year under review, the committee met on three occasions and meetings were scheduled in line with Afine's financial reporting cycle. Meeting attendance is recorded in the table below.

DIRECTOR	17/02/2022	12/05/2022	30/05/2022
Mr MJ Watters	✓	✓	✓
Mr D Kohler	✓	✓	✓
Mr PM Todd	✓	✓	✓

INVESTMENT COMMITTEE

Members:
Mr MJ Watters (Chairman),
Mr PM Todd;
Mr D Kohler;
Mr A Loubser; and
Mr JT Loubser.

Invitees: The company secretary

The members of this committee have extensive business experience and technical expertise in the real esate and finance sectors.

The investment committee considers all possible acquisitions, disposals and capital expenditure for recommendation to the board. The investment committee did not meet during the financial period under review as all the properties were purchased prior to the appointment of the new board.

CORPORATE GOVERNANCE REPORT (CONTINUED)

REMUNERATION COMMITTEE

Members:
Mr MJ Watters (Chairman);
Mr D Kohler;
Mr PM Todd.

Invitees: CEO and the Company Secretary

The Remuneration Committee (" Remco") is a committee of the board and is governed by terms of reference approved by the board. These terms of reference are reviewed on an annual basis. The Remco is responsible for the group's remuneration policy and practices. The Remco ensures the remuneration policy is aligned with Afine' s strategic objectives.

Afine is internally managed with the executive directors remunerated in terms of an administration agreement with Petroland (Pty) Ltd.

The Remco is satisfied that the remuneration structure creates a performance-based culture by aligning performance with the creation of sustainable returns to shareholders while meeting the needs of other stakeholders.

Other than the CEO, CFO and the company secretary there are no other full-time employees within the group.

Afine welcomes engagement with shareholders on remuneration issues to inform the voting process at the annual general meeting. In line with King IV, Afine is required to engage directly with shareholders should remuneration policy, the implementation report, or both be voted against by 25% or more votes exercised. Through this engagement process management will endeavour to determine reasons for the dissenting votes and address legitimate objections and take reasonable measures to address shareholder concerns.

As the business matures into a larger organisation it is envisaged that the remuneration policy will adapt and change accordingly. During the course of the 2023 financial period the Remco will continue to monitor the appropriateness of the remuneration policy and how it is applied.

As a responsible corporate citizen Afine strives to improve employment conditions across the business and implement initiatives that will over time realise the concept of fair and reasonable remuneration. This includes the promotion of employment equity and diversity in the workplace, skills development and remuneration benchmarking to ensure internal equity and equal pay for equal work. Afine' s current remuneration structure consists of a guaranteed remuneration only.

REMUNERATION IMPLEMENTATION REPORT

The Remco confirms that Afine' s remuneration structure with its policies and procedures has been consistently applied in the year under review. There was no short-term incentive plan nor long-term incentive plan for the period.

For emoluments paid to non-executive directors during the financial year, please refer to page 4 of the Annual Financial Statements. The proposed emoluments for the executive and non-executive directors for the 2023 financial year are set out in the table below.

	TOTAL (R)
NON-EXECUTIVE DIRECTORS	
Mr MJ Watters	60 000
Mr D Kohler	60 000
Mr PM Todd	60 000
EXECUTIVE DIRECTORS	
Mr A Loubser *	300 000
Mr JT Loubser *	180 000

* Fees payable in accordance with the Petroland Management Agreement.

ATTENDANCE AT MEETINGS

During the year under review the Remco met once on 3 March 2022. Meeting attendance is recorded in the table below.

DIRECTOR	03/03/2022
Mr MJ Watters	✓
Mr D Kohler	✓
Mr PM Todd	X

MJ WATTERS
Remuneration Committee Chairman

CORPORATE GOVERNANCE REPORT (CONTINUED)

SOCIAL AND ETHICS COMMITTEE

Members:
Mr D Kohler (Chairman);
Mr A Loubser;
Mr JT Loubser.

Invitees: Board Chairman, the Company Secretary and the designated advisors.

The Social and Ethics Committee (" SEC") is a committee of the board and is governed by terms of reference approved by the board. These terms of reference are reviewed on an annual basis.The SEC is a statutory committee which assists the board of directors in monitoring the group's corporate citizenship, sustainability and ethics.

Afine values its reputation and is committed to maintaining the highest level of ethical standards in the conduct of its business affairs. The actions and conduct of the Company as well its representatives remain key to maintaining these standards.

To this end, and in accordance with Section 72(4) of the Companies Act, Section 43(2) and (5) of the Companies Regulations and King IV, the Committee was established by the Board to consider and monitor the moral and ethical conscience of Afine.

SEC REPORT

During the year, the committee focused on the following matters:

- Maintaining appropriate policies and ensuring that initiatives emanating from these policies are appropriately implemented within Afine.
- Monitoring compliance with the Broad Based Black Economic Empowerment Act.

ROLE OF THE SEC

The Committee acts in terms of the delegated authority of the Board and assists the directors in monitoring the group's activities and disclosures in terms of legislation, regulation and codes of best practices relating to:

- ethics;
- good corporate citizenship;
- social and economic development;
- sustainable development and sustainability;
- stakeholder engagement, including employees, customers, suppliers, communities and the environment; and
- strategic empowerment and transformation.

The Committee performs an oversight, monitoring and reporting role to ensure that the Company's business is conducted in an ethical and properly governed manner and to develop and review policies, governance structures and existing practices which guide the Company's approach to new and emerging challenges.

ETHICAL CONDUCT

The Committee has reviewed a Code of Ethics ("the Code") that reflects the Company's core values and also embraces the principles as set out in King IV, where applicable. The Code, which is designed to ensure the effective management of ethics, commits all directors, employees, contractors and other representatives of the Company to the highest ethical standards of conduct and amongst others regulates aspects of confidentiality, non-discrimination and the acceptance of gifts and bribes.

ACTIVITIES OF THE COMMITTEE

The responsibilities and functions of the Committee, which are aligned with the Committee's statutory functions as set out in the Act, formed the basis of the work plan for 2021. These activities are as follows:

To monitor the Company's activities, having regard to any relevant legislation, other legal requirements or prevailing codes of best practice, with regard to matters relating to:

- Social and economic development, including the Company's standing in terms of the goals and purposes of:
  - the 10 principles set out in the United Nations Global Compact Principles ("UNGCP");
  - the Organisation for Economic Co-operation and Development ("OECD") recommendations regarding corruption;
  - the Employment Equity Act (No. 55 of 1988);
  - the Broad-Based Black Economic Empowerment Act (No. 53 of 2003), as amended.

CORPORATE GOVERNANCE REPORT (CONTINUED)

ACTIVITIES (CONTINUED)

- Good corporate citizenship, including the Company's:
  - promotion of equality, prevention of unfair discrimination, and zero tolerance to corruption;
  - contribution to development of the communities in which its activities are predominantly conducted or within which its products or services are predominantly marketed.

- The environment, health and public safety, including the impact of the Company's activities and of its products or services.

- Consumer relationships, including the Company's advertising, public relations and compliance with consumer protection laws; and

- Labour and employment, including:
  - the Company's standing in terms of the International Labour Organization Protocol on decent work and working conditions;
  - the Company's employment relationships and its contribution toward the educational development of its employees;
  - to draw matters within its mandate to the attention of the Board as occasion requires;
  - to report, through one of its members, to shareholders at the Company's annual general meeting on the matters within its mandate.

During the year under review, the Committee attended to the matters relating to the work plan above and reported to the Board. Afine has realised that the monitoring of the above and conforming to the above will be ongoing work in progress within the Company structure.

However, Afine has also adhered to the following matters, as mentioned above, with formal policies being implemented to address these: -

- Social and economic development. Afine adheres to the principles set out in the UNGCP and the OECD recommendations on corruption. Afine meets the labour law requirements of the Employment Equity Act (No. 55 of 1988) and has formal policies on bribery and corruption and protected disclosures. Afine has zero tolerance for corruption. No incidents have been reported.
- Good corporate citizenship. Afine subscribes to the provisions of the Promotion of Equality and Prevention of Unfair Discrimination Act. No incidents have been reported.
- The environment, health and public safety. Afine subscribes to and is compliant with the Occupational Health and Safety Act. No incidents have been reported during the period.
- Consumer relations. Afine subscribes to and is compliant with the Consumer Protection Act (No. 68 of 2008).
  No incidents have been reported.
- PAIA. Afine is compliant with the requirements of the Promotion of Access to Information Act (No.2 of 2000) and recently updated it PAIA declaration on the website. No requests for information were received during the year under review.
- Protection of Personal Information. Afine subscribes to the Protection of Personal Information Act (No. 4 of 2013) and this has become a standing agenda item. Various policies and procedures have been introduced. No incidents have been reported.
- COVID-19. Afine introduced appropriate COVID-19 health and safety protocols at all of its sites during 2020 onwards, and also at its head office. No incidents have been reported during the reporting year.
- Labour and employment. Afine supports and adheres to the terms of the International Labour Organisation Protocol. Afine is compliant with the following acts:
  - Basic Conditions of Employment Act (No. 75 of 1997);
  - Labour Relations Act (No. 66 of 1995);
  - Skills and Development Levies Act (No. 9 of 1999); and
  - the Unemployment Insurance Act (No. 63 of 2001).

In addition to the above, Afine has a procurement policy for its service providers and is compliant with the necessary by-laws, statutes and regulations for the property industry.

PUBLIC REPORTING AND ASSURANCE

The Committee, together with the Audit and Risk Committee, is responsible for reviewing and approving the sustainability content included in the Corporate Governance Report contained in the Integrated Annual Report and published on the Company's website.

CORPORATE GOVERNANCE REPORT (CONTINUED)

PUBLIC REPORTING AND ASSURANCE (CONTINUED)

These committees also determine and make recommendations regarding the need for external assurance of the group's public reporting on its sustainable performance. The Committee is of the view that, given the nature and size of the Company, external assurance is not required at present.

The Committee is also required to report through one of its members to the Company's shareholders on the matters within its mandate at the Company's Annual General Meeting to be held on 11 August 2022. The Committee has elected to provide this written report to be included in the Integrated Annual Report as opposed to reporting verbally at the AGM.

Any specific questions to the Committee may be sent to the Company Secretary prior to the meeting.

CONCLUSION

No substantive non-compliance with legislation or regulation, or non– adherence with codes of best practice, relevant to the areas within the Committee's mandate, has been brought to its attention.

The Committee has no reason to believe that any such non-compliance or non-adherence has occurred during the year under review. Furthermore, the Committee is satisfied that it has operated in terms of its Board-approved charter.

ATTENDANCE AT MEETINGS

During the year under review the SEC met once on 03 March 2022.

Meeting attendance is recorded in the table below.

DIRECTOR	03/03/2022
Mr D Kohler	✓
Mr A Loubser	✓
Mr JT Loubser	✓

D KOHLER
Social and Ethics Committee Chairman

INFORMATION TECHNOLOGY GOVERNANCE

The board is ultimately responsible for IT governance. The FD oversees this function, attends the executive committee meetings and also report to the CEO.The risks and controls over information technology assets and data are considered by the audit and risk committee.

DIRECTORS DEALINGS IN SECURITIES

The dealing in securities of the group by directors as well as group officials is monitored and regulated as required by the JSELR and the group's policy. Afine maintains a closed period from the end of a financial reporting period to the date of publication of the financial results, and any other period when the company is under a cautionary announcement.

PROMOTION OF ACCESS TO INFORMAION ACT

No requests for information were lodged with the group in terms of the Promotion of Access to Information Act, No. 2 of 2000, during the period under review.

DIVERSITY POLICY

Afine is committed to actively managing diversity as a means of enhancing the company' s performance by recognising as well as utilising the contribution of diverse skills and talent of its directors.

Diversity may result from a range of factors including age, gender, ethnicity, cultural background, race or other personal factors such as knowledge, skills and experience.

The policy applies to the Board. It does not apply to diversity in relation to employees of Afine as Afine appointed only its Company Secretary as well as executive directors under service agreements. The social and ethics committee will review the policy annually, which will include an assessment of the effectiveness of the policy. The Board has not set any voluntary targets in relation to the year ending 28 February 2023.

SHARE REPURCHASES

There were no share repurchases during the year under review.

RISK MANAGEMENT

The board retains overall responsibility for risk management and for the definition of the company's overall risk strategy and tolerance, having considered the recommendations of the audit and risk committee.

Material Risks can be found on pages 160 - 161 of Afine's Pre-Listing Statement published on the company's website at: www.afineinvestments.com.

RISK	RISK CONTROL	MONITORING PLAN	RESPONSIBLE PARTY
Weakening lease renewal position Risk.	Robust lease renewal negotiotions - deal with all Oil Companies.	Monitor as appropriate.	Board
Adverse interest rate movements - Current borrowings.	Monitor gearing and adjust appropriately.	Monitor.	CFO
Transition to alternate fuel sources - Electric Vehicles ("EV").	Keep abrest of trends and investigate accomodating EV charging.	Annual review.	Board
Inflationary pressure.	Ensure new lease renewals appropriate.	Monitor as appropriate.	Board
Decline in market conditions in SA - reduced demand for fuel.	Additional revenue sources from alternate profit opportunities car washes, drive thru resturants etc.	Annual review.	Board
Regulatory changes in the fuel industry - licenses, ownership.	Monitor developments and ensure up to date obligations. Ensure up to date site licences (Landlords obligation).	Annual review.	CEO
Volume interruption due to new pandemic event.	No mitigating control.	No mitigation.	-
CSR (Corporate Social Responsibility).	Monitor company obligation.	Annual review.	Board
Health and Safety.	Ensure Oil Co's police operator compliance.	Annual review.	Board
SA political risk.	Monitor and mitigate/adapt as appropriate.	Annual review.	Board
BEE ownership.	Reformulate/reconstitue as required.	Annual review.	Board
EMP (Environmental Management Plan).	Ensure Oil Co and operator compliance.	Annual review.	Board

KING IV™ COMPLIANCE

Afine Investments Limited ("Afine" or "the Company") is a recently incorporated company listed on the Alternative Exchange (AltX) of the JSE Limited ("JSE"). The board, in its capacity as custodian of the Company's corporate governance, is committed to upholding, and endorses the application of, the principles of transparency, integrity and accountability as recommended in King IV™. The board is satisfied that the Company applies King IV™ in all material respects.

APPLICATION OF THE KING IV™ PRINCIPLES

PRINCIPLE	COMPLIANCE STATUS	EXTENT OF COMPLIANCE
1. The Board as the governing body should lead ethically and effectively	Comply	The Company is newly established and the Board has only recently been appointed. The Board has taken cognisance of the approach contained in both the Companies Act and King IV™ that the Company has a role to play in society and has an obligation to conduct itself as a responsible corporate citizen. The Company is committed to ethical behaviour throughout its business, adopting the principles of integrity, competence, responsibility, accountability, fairness and transparency in order to offer effective leadership that achieves the Company' s strategic objectives and positive outcomes over time. The Board will ensure that the Company's leadership will operate in an ethical manner in accordance with a Code of Ethics for the Group.
2. The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.	Comply	The Board supports the establishment of an ethical culture throughout the Group and the Directors recognise that they are ultimately responsible for the governance of ethics within the Company and for setting the direction for how ethics are approached and addressed. The Directors further recognise that it is their role to set the tone for an ethical organisational culture where the above characteristics are cultivated across the business and adopted by all employees. For this purpose, the Company has adopted a Code of Ethics that provides for arrangements that familiarise employees and other stakeholders with the Company' s ethical standards to ensure that the Company maintains the highest ethical standard and complies with all applicable legislation, rules, and regulations.
3. The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.	Comply	The Board is recognised that the Company is an integral part of the communities in which it operates and is committed to building sound relationships, based on trust, honesty, and fairness. The Board sets the direction for good corporate citizenship, including compliance with the laws of South Africa, leading standards, its own policies and procedures, as well as congruence with the Company's purpose, strategy and conduct. The Board furthermore oversees and monitors the Company's status as a good corporate citizen in such areas as the workplace, economic behaviours and results, societal and environmental short and long-term impacts. The concept of responsible corporate citizenship is integrated into the group strategy, and its principles.

KING IV™ COMPLIANCE (CONTINUED)

APPLICATION OF THE KING IV™ PRINCIPLES

PRINCIPLE	COMPLIANCE STATUS	EXTENT OF COMPLIANCE
4. The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.	Comply	The Board assumes responsibility for the Group's performance by steering the strategy and setting its core purpose and values. The formulation and development of the Group' s strategy is delegated to management, but the strategy is constructively challenged by the Board with due reference to, inter alia, risks and opportunities, resources, the legitimate expectations of shareholders and the long-term sustainability of the organisation.
5. The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance and its short, medium and long-term prospects.	Comply	The Board takes responsibility for setting the direction, approach and conduct for the Company' s reporting and approves the reporting frameworks to be used. It furthermore oversees compliance with legal reporting requirements and aims to ensure that reports meet the reasonable and legitimate needs of material stakeholders to enable them to make informed assessments of the Company's performance and its short, medium and long-term prospects.
6. The governing body should serve as the focal point and custodian of corporate governance in the organisation.	Comply	The Board exercises its leadership role by: steering the organisation and setting its strategic direction; - approving policy and planning that gives effect to the direction provided; - overseeing and monitoring implementation and execution by management; and - ensuring accountability for organisational performance by means of, amongst others, reporting and disclosure.
7. The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively	Comply	The board aims to ensure that its composition comprises a majority of independent non-executive directors. When considering appointments or re-election of directors the board gives consideration to the knowledge, skills and resources required for conducting the business as well as considering its size, diversity and demographics to ensure effectiveness. The company has not appointed a nomination committee as of yet. The board has adopted a diversity policy which promotes gender and race diversity at board level. The board is satisfied that there is a balance of skills, experience, diversity and knowledge required to discharge its roleand responsibilities.

KING IV™ COMPLIANCE (CONTINUED)

APPLICATION OF THE KING IV™ PRINCIPLES

PRINCIPLE	COMPLIANCE STATUS	EXTENT OF COMPLIANCE
8. The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.	Comply	Committees have been established to assist the board in discharging its responsibilities. The committees of the board comprise of an audit and risk committee, a social and ethics committee, investment committee and a remuneration committee. The committees are appropriately constituted and members are appointed by the board. External advisors, executive directors and members of management attend committee meetings by invitation. Formal terms of reference have been adopted by each committee and will be reviewed on an annual basis.
9. The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness	Comply	The Board is responsible for evaluating its own performance, that of its committees, chair and individual members, and determines how such evaluation is to be approached and conducted in terms of a formal process undertaken at least every two years where performance is considered, reflected on and discussed so as to ensure that performance and effectiveness is always improving.
10. The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities.	Comply	Service level agreements have been established for the executive Directors through the Service contract signed with Petroland. The contract sets out roles and responsibilities and the effective exercise of authority by each executive Director. The Board has furthermore satisfied itself that key management functions are led by competent and appropriately authorised individuals and are adequately resourced. The Board will in due course ensure that an adequate succession plan is developed and approved.
11. The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.	Comply	The Company treats risk as integral to the way it makes decisions and executes its duties. The board has direct responsibility for the governance of risk and approves Afines's risk matrix that gives effect to its set direction on risk. The board is responsible for the approval of the risk profile and financial risk appetite and tolerance levels, ensuring that risks are managed within these levels. Management continuously identifies, assess, mitigate and manage risks within the existing operating environment. Mitigating controls are put in place to address these risks.To support the board in ensuring risk management oversight, the audit and risk committee is responsible for ensuring effective monitoring of the relevant top risks.

KING IV™ COMPLIANCE (CONTINUED)

APPLICATION OF THE KING IV™ PRINCIPLES

PRINCIPLE	COMPLIANCE STATUS	EXTENT OF COMPLIANCE
12. The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.	Partially Compliant	The Board, together with the Audit and Risk Committee, oversees the governance of information technology. The Board is aware of the importance of technology and information in relation to the Group' s strategy. The company's systems are appropriate for the nature and size of the business.
13. The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.	Comply	The Company is governed by the Companies Act and the JSE Listings Requirements. Afine requires that all associated companies and their directors and employees comply with all applicable laws. Legal compliance is continuously reviewed, to mitigate the risk of non-compliance with the laws. The board has delegated the responsibility for implementing compliance to management.
14. The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.	Comply	The board believes that Afine has an appropriate remuneration strategy for the current size of the company. The remuneration report, including the remuneration implementation report, is set out in on page 12 of the Integrated Report.
15. The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.	Comply	The audit and risk committee is responsible for the quality and integrity of Afine' s reporting. As the company grows and the complexity of the business increases, the audit and risk committee will ensure that appropriate systems are put in place to ensure the integrity of information.
16. In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder- inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.	Comply	Afine strives to ensure an integrated and systematic approach to stakeholder engagement ensuring that all stakeholder issues are identified, prioritised and appropriately addressed.
17. The governing body of an institutional investor organisation should ensure that responsible investment is practiced by the organisation to promote the good governance and the creation of value by the companies in which it invests.	Not applicable	This principle applies to institutional investors only and therefore does not apply to the Company.

CREATING VALUE

INPUTS	OUTPUTS
FINANCIAL CAPITAL - Equity of R 227m - Net borrowings R79m - Cash generated from operations of R34m - External financial function appointed	- Income and capital growth for shareholders
MANUFACTURED CAPITAL - 7 Filling station properties	- Specialised proerty portfolio
INTELLECTUAL CAPITAL - Executive and non-executive directors with extensive knowledge and experience in the indusrty. - Regulatory compliance. - Sound Governance structures.	- Rewarding and optimal investment decisions - Transparent disclosure.
HUMAN CAPITAL - Properly constituted board as well as board sub-committees with appropriate experience and independence.	- Balance of knowledge and power.
SOCIAL AND RELATIONSHIP CAPITAL - Established relationships with Oil Companies. - Established social and ethics committee.	- Enduring relationships with tenants.
NATURAL CAPITAL - Encourage efficient use of constrained resources	- Only have blue chip tenants.

CEO & FINANCIAL DIRECTOR RESPONSIBILITY STATEMENT

Each of the directors, whose names are stated below, after due, careful and proper consideration, hereby confirm that:

- the annual financial statements, which appear on pages 24 - 88 of the Integrated Report, fairly present in all material respects the financial position, financial performance and cash flows of Afine Investments Limited (“Afine”) in terms of IFRS;
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the consolidated annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to Afine and its consolidated subsidiaries has been provided to prepare the financial statements of Afine effectively;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibilityfor implementation and execution of controls;
- where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have taken steps to remedy the deficiencies; and
- we are not aware of any fraud involving directors.

A LOUBSER
CEO

JT LOUBSER
Financial Director

AFINE INVESTMENTS LIMITED

(Registration Number 2020/852422/06)

CONSOLIDATED AND SEPERATE FINANCIAL STATEMENTS OF AFINE INVESTMENTS LTD AND ITS SUBSIDIARIES

for the year ended 28 February 2022

CONTENTS

Level of assurance
These consolidated financial statements included in the annial financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.

Directors' Responsibilities

The directors of Afine Investments Limited (the "Company") are responsible for the preparation and integrity of the consolidated and separate annual financial statements (the "consolidated financial statements") and the related information included in the consolidated financial statements of the Company and all its subsidiaries (the "Group"). In order for the Board of Directors (the "Board") to discharge its responsibilities, management has developed and continues to maintain a system of internal control. The Board has ultimate responsibility for the system of internal control and reviews its operation, primarily through the Audit and Risk Committee.

The Board acknowledges that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the Board to meet these responsibilities, the Board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The external auditors are responsible for reporting on the consolidated financial statements in conformity with International Standards on Auditing, and their opinion is included on pages 13 to 17. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act, No. 71 of 2008, and incorporate disclosures in line with the accounting practices of the Group and the Company. They are based on appropriate accounting policies consistently applied, except where otherwise stated, and are supported by reasonable judgements and estimates.

The Board believes that the Group and the Company will be a going concern in the year ahead. Accordingly, in preparing the consolidated financial statements, the going concern basis has been adopted.

The consolidated financial statements for the year ended 28 February 2022 as set out on pages 2 to 65 were approved by the Board on 30 May 2022 and are signed on its behalf by:

D Kohler

JT Loubser (Jnr)

JT Loubser (Snr)

PM Todd

MJ Watters

Declaration by the Company Secretary in respect of section 88(2)(e) of the Companies Act, 71 of 2008, as amended (Companies Act)

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

S Vosloo
Company Secretary
Unit 4602, Greenways,
Strand, 7140
30 May 2022

Directors' Report

The Board of Directors (the "Board") report on the consolidated and separate annual financial statements (the "consolidated financial statements") of Afine Investments Limited (the "Company" or "Afine") and all its subsidiaries (the "Group") for the year ended 28 February 2022.

The Company was incorporated on 12 November 2020 and commenced operations on 1 February 2021.

1. Review of activities

Main business and operations
The Company (Company registration: 2020/852422/06) is a Johannesburg Stock Exchange ("JSE")-listed Real Estate Investment Trust ("REIT") which owns a property portfolio of directly owned properties in petrol filling station located primarily in the major metropolitan areas of South Africa.

Review of financial results and activities
The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 2008 of South Africa. The accounting policies have been applied consistently compared to the prior period, except for new standards and interpretations adopted in the current year as per note 2 of the consolidated financial statements.

Full details of the financial position, results of operations and cash flows of the Company are set out in these consolidated financial statements.

Business combinations
On 1 March 2021, the Group has acquired an additional 50% interest in Lizalor Investments (Pty) Ltd thereby changing the investment from a joint venture to a wholly-owned subsidiary of the Group. The Group obtained the additional 50% at a consideration of R17 189 688. Refer to note 5 for additional information hereon.

The Group has also acquired a 50% interest in Coral Lagoon Investments (Pty) Ltd on 1 March 2021 at the consideration of R7 001 514. Lizalor Investments (Pty) Ltd also holds 50% interest in Coral Lagoon Investments (Pty) Ltd, thereby making Coral Lagoon Investments (Pty) Ltd a wholly-owned subsidiary of the Group. Refer to note 5 for additional information hereon.

During the year under review, the Board decided to list the Company on a suitable South African stock exchange as a REIT entity in order to generate public interest and gain additional capital in order to fund future investments. In preparation for the listing Afine Investment (Pty) Ltd was converted from a private company to a public company on 26 May 2021 and the Company listed on the Alternative Exchange of the JSE on 9 December 2021.

2. Capital structure

The authorised share capital comprises 1 000 000 000 ordinary shares with no par value. There were 64 000 000 shares in issue at 28 February 2022. The Company did not issue any shares during the year under review. The Group has no unlisted securities in issue and no treasury shares are held.

3. Investment in subsidiaries

The Company's beneficial ownership of shares in property companies is listed in note 5.

4. Dividends

Dividends of R16 000 000 (2021: Rnil) were declared during the year under review as an interim dividend. Subsequent to year end, the Board has declared a final dividend of R17 792 000 or 27.80 cents per share.

Directors' Report (continued)

5. Directors

The composition of the Board and its sub-committees is detailed below:

Board of directors

Composition of board	Date of appointment	Audit and risk committee	Social and ethics committee	Remuneration committee	Investment committee
Independent non-executive directors					
MJ Watters (Chairman)	1 June 2021	Member		Chairman	Chairman
D Kohler (Lead Independent)	1 June 2021	Chairman	Chairman	Member	Member
Non-executive director					
PM Todd	1 June 2021	Member			Member
Executive directors					
JT Loubser (Snr) (CEO)	1 June 2021		Member		Member
JT Loubser (Jnr) (CFO)	1 June 2021		Member	Member	Member
S Vosloo (resigned 31 May 2021)	12 November 2020				

Below is a short brief summary of each directors background experience and qualifications:

MJ Watters
BSc Eng (Civil), GOE, MBA
CEO of ROI REIT PLC from 2006 to 2020 (dual listed on London Stock Exchange and JSE). Formerly CEO of Corovest Property Group; CFO of Nels Bliss Group; Manager, Corporate Finance Standard Corporate and Merchant Bank; Retail Developer BP Southern Africa. Non-executive directorships on Redefine Properties Limited, Hyprop Investments Limited and Sycom Property Fund (all JSE-listed) and Cromwell Property Group (listed on ASX).

Mr. Watters is the Chairman of Afine.

JT (Anton) Loubser (Snr)
B.Comm (Financial Management)
Started his commercial property career in 1986 as a Financial Manager for Department of Trade and Industry, dealing with all financial management aspects relating to the development and relocation of factories. Joined Trek Petroleum (Pty)Ltd in 1988 as a new service station developer and thereafter Engen Petroleum (Pty) Ltd in the same position. During his Oil Company years, he development many new service stations. During 1993 he founded Petroland Group of companies, specialising in the development and redevelopment service stations. As a specialist in the field of service stations he also assisted valuers, financial institutions as well as individuals or companies with the service station property related matters.

Mr. Loubser (Snr) is the Chief Executive Officer of Afine.

JT Loubser (Jnr)
B.Comm (Financial Management and Financial Accounting)
Financial director for a multitude of SME's operating within the oil industry of South Africa as well as executive director of the consolidated Petroland group of companies from 2012 until present. JT manages the financial function of more than 10 SME's within the Petroland group of companies, which company's financial structure is directly simulated by Afine, and which he formed an integral part of during the inception stage. JT has also been responsible for the daily financial management of Petroland group of companies since 2012.

Mr. Loubser (Jnr) is the Financial Director of Afine.

Directors' Report (continued)

5. Directors (continued)

PM Todd
B.Comm LLB, HDip Tax
Peter is a qualified attorney and began his career as the senior tax manager at Arthur Andersen and Associates in Johannesburg. He joined TWS Rubin Ferguson in 1993 as a tax partner and was instrumental in listing several companies on the JSE. In 2000, Peter established Osiris Group in the British Virgin Islands and Mauritius to provide international corporate finance and administrative services to global clients. Peter has significant understanding of the property industry in the UK, South Africa and the rest of Africa. He is currently the chairman of Grit Real Estate Limited and is a former director of Redefine International Limited (now subsequently called ROI REIT PLC).

D Kohler
BSc Eng (Civil), GOE
Darryl is a professional civil engineer with over 25 years' experience in property development. He was the Group Development Manager at ROI REIT PLC from 2009 to 2021. Owner of Finlake Developments (development of petrol filling stations and residential developments). From 2003 to 2009, partner at Pegasus III Properties (development of office buildings, retail centres and petrol filling stations). From 1998 to 2002, Chief Engineer at Johannesburg Council Roads & Works Division (design and construction of roads and related infrastructure - 1980 to 1997).

Directors' interests in material contracts

During the year under review, the directors had no interest in material contracts or transactions, other than those directors involved in the operations of the Company as set out in this report. There have been no bankruptcies or voluntary arrangements of the abovementioned persons.

The directors have not been the subject of public criticism by statutory or regulatory authorities (including professional bodies) and have not been disqualified by a court from acting as directors of a company or from acting in the management or conduct of the affairs of any company. There have been no offences involving dishonesty by the directors.

Executive directors' service contracts

The executive directors do not have fixed-term contracts with the Company. A three and six-month notice period is required of the executive directors and the CEO respectively for the termination of services. Details of remuneration and incentive bonuses are set out in the following tables:

Directors emoluments (audited)

Non-executive directors' remuneration

Rand	Directors' fees	**2022 Total remuneration**	2021 Total remuneration
PM Todd	15 000	**15 000**	15 000
MJ Watters	15 000	**15 000**	15 000
D Kohler	15 000	**15 000**	15 000
Total	45 000	**45 000**	45 000

Directors' Report (continued)

5. Directors (continued)

Directors' interests in shares as at 28 February 2022

Rand*	Direct beneficial	Indirect beneficial	Indirect non-beneficial	**2022 Total**
Non-executive directors				
MJ Watters (Chairman)	565 500	-	-	**565 500**
PM Todd	-	200 797 395	44 077 477	**244 874 872**
D Kohler	-	-	-	-
Executive directors				
JT Loubser (Snr) (CEO)	-	81 201	-	81 201
JT Loubser (Jnr) (CFO)	30 994	-	-	30 994
Total	596 494	200 878 596	44 077 477	**245 552 567**

* Closing price as at 28 February 2022 was R4.35.

Indirect beneficial

Shares	Held at 1 March 2021	Acquired during the year	Disposed of during the year	**Held at 28 February 2022**
Non-executive directors				
MJ Watters (Chairman)	-	-	-	-
PM Todd**	64 000	*63 936 000	17 839 679	**46 160 321**
D Kohler	-	-	-	-
Executive directors				
JT Loubser (Snr) (CEO)	-	18 667	-	**18 667**
JT Loubser (Jnr) (CFO)	-	-	-	-
Total	64 000	63 954 667	17 839 679	**46 178 988**

* The issued share capital comprising 64 000 shares at the time was sub-divided and increased on a 1 000 to 1 basis into 64 000 000 issued shares in accordance with a special resolution passed by shareholders on 14 May 2021.

** PM Todd indirect shares are held by KSP Offshore Limited and he is the representative.

As detailed in the Company's Pre-listing Statement, KSP Offshore Limited placed 10% of its shares ahead of the listing for Afine to meet the JSE's public shareholder spread requirements. In addition, KSP Offshore Limited undertook to place up to 5% of its shares into the market to assist with the liquidity of the Afine shares on the JSE.

There was no change in any of the directors' direct shareholdings from close of business on 28 February 2022 until the date of the issue of these consolidated financial statements.

Directors' Report (continued)

5. Directors (continued)

Directors' interests in shares (continued)

Direct beneficial

Shares	Held at 1 March 2021	Acquired during the year	Disposed of during the year	**Held at 28 February 2022**
Non-executive directors				
MJ Watters (Chairman)	-	130 000	-	**130 000**
PM Todd	-	-	-	-
D Kohler	-	-	-	-
Executive directors				
JT Loubser (Snr) (CEO)	-	-	-	-
JT Loubser (Jnr) (CFO)	-	7 125	-	**7125**
Total	-	137 125	-	**137 125**

6. Investments in subsidiaries

The interest of the Company in the profits and losses of its subsidiaries and joint arrangements are as follows:

	2022	**2021**
	Percentage shareholding %	
Lizalor Investments (Pty) Ltd	100%	50%
Thunder Cats Investments 78 (Pty) Ltd	100%	100%
Clifton Dunes Investments 10 (Pty) Ltd	100%	100%
Clifton Dunes Investments 79 (Pty) Ltd	100%	100%
Investment Facility Company Three Three Six (Pty) Ltd	100%	100%
Coral Lagoon Investments (Pty) Ltd	50%	

7. Special resolutions

Since the listing of the Company no special resolutions, the nature of which might be significant to the shareholders in their appreciation of the state of affairs of the company were passed during the period covered by this report other than the resolutions stated below.

The following special resolutions were passed by Shareholders on the date on which such resolutions were taken:

- the special resolution passed on 9 March 2021 required to change the name of the Company from "Domanolor Proprietary Limited" to "Afine Investments Proprietary Limited";
- the special resolution passed on 12 April 2021 required to increase the authorised Shares from 100 000 000 no par value Shares to 1 000 000 000 no par value Shares;
- the special resolution passed on 12 April 2021 required to convert the Company from a private company to a public company;
- the special resolution passed on 14 May 2021 required for the sub-division and increase of the issued Shares on a 1 000 to 1 basis from 64 000 issued Shares into 64 000 000 issued;
- the special resolution passed on 1 June 2021 required to approve the remuneration of non-executive Directors for the year ending 28 February 2022;
- the special resolution passed on 23 September 2021 required to grant a general authority to the Directors to allot and issue Shares for cash;
- the special resolution passed on 23 September 2021 required to grant Directors the authority to issue Shares, securities convertible into Shares or rights that may exceed 30% of the voting power of the current issued share capital;

Directors' Report (continued)

7. Special resolutions (continued)

- the special resolution passed on 23 September 2021 required to grant Directors the general authority to provide financial assistance to related and inter-related companies and corporations in terms of section 45 of the Companies Act;

  Pursuant to the general authority provided in terms of section 45 above the board approved a resolution to provide security for certain obligations owed by Lizalor Investments (Pty) Ltd; and
- the special resolution passed on 8 October 2021 required for the adoption of the MOI.

8. Investment Property

Valuation technique

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

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

Fair values are determined every 3 years by professional, JSE accredited, property valuer, independent and not related to the Company, with appropriate and recognised professional qualifications and recent experience in the location and category of the property being valued. Valuations are done on the open-market value basis and the valuators use either the discounted cash flow method or the capitalisation of net income method or a combination of the methods. Gains or losses arising from changes in the fair values are included in profit or loss for the period in which they arise. Immediately prior to disposal of investment property, the investment property is revalued to the net sales proceeds and such revaluation is recognised in profit or loss during the period in which it occurs. Investment property is maintained, upgraded, and refurbished, where necessary, in order to preserve and/or to improve the capital value. Maintenance and repairs which neither materially add value to the properties nor prolong their useful lives are recognised in profit or loss.

Investment property was acquired through business combinations of R164 500 000 (2021: R10 946 000). Fair value adjustments were performed during the year ended 28 February 2022, resulting in a total fair value adjustment of R130 410 646. A straight-line rental accrual was also recognised at R4 165 564 (2021: Rnil) during year ended 28 February 2022.

The total fair value of investment properties is R301 691 082 (2021: R10 946 000).

The operating results and statement of financial position of the Group are fully set out in the attached consolidated financial statements and do not in our opinion require any further comment.

9. Going concern

The consolidated financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Board believe that the Group has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated financial statements have been prepared on a going concern basis.

The Board have satisfied themselves that the Group is in a sound financial position, has considered the solvency and liquidity of the Group and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

The Board are not aware of any new material changes that may adversely impact the Group. The Board are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation that may affect the Group.

10. Auditors

PKF Pretoria Incorporated will continue in office in accordance with section 90 of the Companies Act No. 71 of 2008.

11. Company Secretary

The Company designated secretary is Mrs S Vosloo.

Directors' Report (continued)

12. Shareholders

Total number of shares held by the directors and related shareholders in which they have declared a personal financial interest as at 28 February 2022

	Direct		Indirect		Related	
	Shares	%	**Shares**	%	**Shares**	%
Non-Executive						
MJ Watters	130 000	0.20	-	-	-	-
PM Todd	-	-	46 160 321	72.13	-	-
D Kohler	-	-	-	-	-	-
Executive directors						
JT Loubser (Snr)	18 667	0.03	-	-	-	-
JT Loubser (Jnr)	7 125	0.01	-	-	-	-
Subtotal for directors	**155 792**	**0.24**	**46 160 321**	**72.13**	**-**	**-**
Other shareholders	**63 844 208**	**99.76**				
Total	**64 000 000**	**100.00**				

13. Events after the reporting date

The Board are not aware of any matter or circumstance arising since the end of the financial period to the date of this report that could have a material effect on the financial position of the Group and Company.

14. Liquidity and solvency

The Board declares that it has considered the solvency and liquidity of the Company and that, in its opinion, the payment of the dividend in June 2022 will not lead to the Company not being able to meet its commitments, in the ordinary course of business.

15. Compilers

IQ EQ South Africa (Pty) Ltd compiled the consolidated financial statements for the year under review.

16. Designate Advisor

The Company has appointed AcaciaCap Advisors as its designated advisor.

Audit and risk committee report

The summary below reflects the activities undertaken by the Afine Investments Limited (the "Company" or "Afine") and all its subsidiaries (the "Group") audit and risk committee ("ARC") during the year in terms of its terms of reference and in support of the Board of Directors (the "Board"). The key activities and relevant outcomes are as follows:

KEY ACTIVITIES	OUTCOME
Engagement with the Group's external auditors	> Nominated and recommended the appointment of PKF Pretoria Incorporated as external auditor of Afine Investments Limited, after considering and concluding that they are independent. > Determined the fees to be paid to the external auditor. > Ensured that the appointment of the auditor complies with the Companies Act, the applicable JSE Listings Requirements and any other legislation relating to the appointment of the auditor. > Prepared this report in compliance with section 94(7)(f) of the Companies Act, which report has been included in the consolidated financial statements by reference.
Internal financial controls, outsourced financial control function and combined assurance	> Considered and confirmed its satisfaction with the effectiveness of the outsourced financial control function. > Assessed internal financial controls and concluded that no material breakdowns in the functioning of the internal financial controls were noted during the year under review. > Are satisfied that the internal financial controls provided a sound basis for the preparation of financial statements. > Ensured that a comprehensive combined assurance model was applied to the Group's key risks to ensure a coordinated approach to all assurance activities.
Oversight of risk management	> Reviewed and considered the risks as included in the risk management matrix. > Considered and monitored the key risks facing the Group and the various mitigating controls thereof. > Oversaw compliance with the risk management requirements in accordance with the JSE Listings Requirements in respect of REITs.
Integrated reporting and assurance in respect of the financial expertise of the Financial Director and finance function	> Reviewed and recommended the Group's integrated annual report and consolidated financial statements for approval by the Board. > Confirmed the expertise and experience of the Financial Director and the Group's outsourced financial control function.
Compliance with Companies Act requirements and JSE Listings Requirements	> The ARC stands ready to receive and deal with any concerns or complaints relating to the accounting practices or the content or auditing of the Group consolidated financial statements. > Reported to the Board on the Group's outsourced financial control function, financial controls, records and reporting. > The ARC confirms that the Group's risk management policy has been complied with, in all material respects, as further disclosed in the governance review included in the integrated annual report.

Audit and risk committee report (continued)

Terms of reference

The ARC has adopted formal terms of reference which have been approved by the Board. The terms of reference are reviewed as necessary. The ARC has conducted its affairs in compliance with these terms of reference and has discharged its responsibilities contained therein, as well as in the Companies Act.

Membership, meeting attendance and evaluation

The ARC consists of three non-executive directors. On 28 February 2022, the ARC comprised the following members:

DIRECTOR	PERIOD SERVED
PM Todd	1 June 2021 to date
MJ Watters	1 June 2021 to date
D Kohler (Chairman of ARC)	1 June 2021 to date

The CEO, the CFO, other members of senior management and representatives from the external auditors attend ARC meetings by invitation only. The external auditors have unrestricted access to the Chairman and other members of the ARC. The Company Secretary is the secretary of the ARC.

In accordance with the terms of reference, the ARC meets at least two times annually, but more often if needed. Details of the ARC meeting attendance are set out in the governance review of the integrated annual report. The overall average attendance for the ARC meetings held during the year was 100%.

Roles and responsibilities

The ARC has an independent role with accountability to both the Board and our shareholders. The ARC does not assume the functions of management, which remain the responsibility of the executive directors, officers and other senior members of management.

The ARC is responsible for assisting the Board in discharging its duties in respect of the safeguarding of assets, accounting systems and practices, internal control processes and the preparation of the Group's consolidated financial statements in line with the relevant financial reporting standards as applicable from time to time. The execution of the ARC's responsibilities, which comprises both statutory duties and duties delegated by the Board, is detailed more fully below.

External auditor

In accordance with paragraphs 3.84(g)(iii) and 22.15(h) of the JSE Listings Requirements, the ARC has satisfied itself that the external auditor, PKF Pretoria Incorporated, is independent of the Group, as required by the Companies Act, which includes consideration of compliance with criteria relating to independence or conflicts of interest as prescribed by the Independent Regulatory Board for Auditors. Requisite assurance was sought and provided by both auditors that internal governance processes within the audit firm support and demonstrate its claim to independence.

The ARC has also satisfied itself with the quality of the external audit work being performed by PKF Pretoria Incorporated in respect of the financial year-end under review.

No non-audit services are provided to the Company by the external auditors.

Audit and risk committee report (continued)

Internal financial controls

The key internal financial controls in operation for all significant business operations within the Group have been formalised and are maintained and updated by management when required. The Board has approved a delegation of authority to ensure good governance and an appropriate level of oversight.

Expertise and experience of the financial director and the finance function

The ARC has considered and is satisfied with the expertise and experience of JT Loubser, the CFO who performs the duties of the Company's Financial Director.

In addition, the ARC has considered, and has satisfied itself with the appropriateness of the expertise and adequacy of resources of the Group's finance function and the experience of the senior members of management responsible for the Group's finance function.

Annual financial statements

The ARC assists the Board with all financial reporting and reviews the consolidated financial statements, as well as results announcements and interim financial information.

The ARC has reviewed the consolidated financial statements, results announcements and interim financial information of the Group and is satisfied that they comply with International Financial Reporting Standards.

The following significant matters were considered by the ARC in relation to the consolidated financial statements for the year ended 28 February 2022:

- The property valuations as at 28 February 2022.
- Leases for the period ending 28 February 2022.

The ARC was satisfied with the adequate accounting treatment of the matters listed above.

Going concern

The ARC reviewed a documented assessment by management of the going concern premise of the Group before recommending to the Board that the Group is a going concern and will remain so for the foreseeable future.

Integrated reporting

The Committee will evaluate the integrity of the Integrated Annual Report for 2022 and ensure that it is prepared using the appropriate reporting standards, which meet the requirements of King IV and the JSE Listing Requirements in order to recommend it to the Board for approval.

Tax and treasury oversight

The ARC receives regular feedback on both tax compliance and tax risk matters of the Group from management. The ARC is satisfied that the Group faces no material tax risks or that a material non-compliance event has occurred.

The ARC is satisfied that treasury risks are adequately managed within the parameters of the Group's risk management requirements in accordance with the JSE Listings Requirements in respect of REITs.

Audit and risk committee report (continued)

Outsourced Financial Control Function

The ARC is responsible for overseeing the outsourced financial control function.

During the year under review, the financial control function was outsourced to HGG Paarl (Pty) Ltd. Effectively from 1 March 2022, IQ EQ South Africa (Pty) Ltd was appointed to replace HGG Paarl (Pty) Ltd. IQ EQ South Africa (Pty) Ltd is tasked with providing accounting and financial management services on a monthly basis. The outsourced financial control function follows a one-year cycle and is revised regularly in accordance with the risk profiles as discussed and tabled at the ARC meetings.

Combined assurance

The Committee has the overall responsibility to ensure the combined assurance model is effective. It is based on three levels of defense and assurance for all key risks identified. Level one is management-based assurance. Level two is assurance achieved through the oversight of the Board and its committees and level three is independent assurance provided by third parties such as the external auditors, valuers, advisers and regulators.

The Committee is satisfied that the combined assurance framework appropriately addresses all the significant risks and material matters.

Risk governance

The Committee is an integral component of the risk management process and specifically the Committee must oversee:

- Financial reporting risks;
- Internal financial controls;
- Fraud risks as it relates to financial reporting; and
- Information and Technology risks as it relates to financial reporting.

The Board is responsible for the governance of risk across the Group, for setting the risk appetite and for monitoring the effectiveness of our risk management processes.

The Group's risk management model considers strategic, operational, financial and compliance risks. Reputational risks and uncertain risks, which are inherent to our business and to the real estate industry in general, are also identified, monitored, recorded and appropriately managed.

IT governance

The ARC periodically reviews the Group's maturity in respect of IT governance by considering reports from the Executive Management and Company Secretary.

The ARC is satisfied that it has complied with its statutory responsibilities and the responsibilities assigned to it by the Board.

Darryl Kohler
Chairman of the ARC
Strand
30 May 2022

Independent Auditor's report

To the Shareholders of Afine Investments Limited

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of Afine Investments Limited (the group and the company) set out on pages 18 to 62, which comprise the Consolidated and Separate Statements of Financial Position as at 28 February 2022, and the Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income, the Consolidated and Separate Statements of Changes in Equity and the Consolidated and Separate Statements of Cash Flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant account policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Afine Investments Limited as at 28 February 2022, and its consolidated and separate financial performance and consolidated and separate cashflows for the year ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008.

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 and company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa.

We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

The following key audit matters relates to the consolidated and separate annual financial statements:

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Emwil House West | 15 Pony Street | Tijger Vallei Office Park | Silver Lakes | South Africa, 0081
Private Bag X35 | Lynnwood Ridge | South Africa, 0040

Members: PR Smith - B Robinson - C Van Zijl

PKF PRETORIA INC.

Consolidated Annual Financial Statements

<table>
<tr><th>Key audit matter</th><th>How the key audit matter was addressed in the audit</th></tr>
<tr><td>
<u>Valuation of Investment Properties</u>

As disclosed in note 3, the consolidated financial statements includes Investment Property. The Group recognises investment property of R301,6m as at 28 February 2022.

Investment property are required to be measured in accordance with IAS 40 Investment Property. The Group therefore measures its Investment property at fair value less cost to sell with any gains or losses recognised through profit or loss. Refer to accounting policy 1.4 for further details on the valuation method.

The investment property received significant attention from senior personnel within the audit team. The group used external independent valuers to value the investment property. The valuation process involves making significant assumptions and judgements.

The Group determines the fair value of investment property using the discounted cash flow method. This method is complex, highly judgemental, and subject to significant assumptions. These assumptions include unobservable inputs which results in the fair value measurement being categorised as a Level 3 within the Fair value Hierarchy in terms of IFRS 13 - Fair Value Measurement.

The most significant of these assumptions applied in the discounted cash flow model includes:
1. The amount of the forecast cashflows.
2. Determination of a discount rate which is calculated based on market research performed.
3. Determination of a capitalisation rate which is calculated based on the SAPOA capitalisation rate report.
4. Determination of the throughput of fuel in litres based on a historic 3 year average;
5. Determination of the rental growth rate based on historic and expected actual escalation rates.
6. Determination of the Regulatory Accounts System (RAS) rates prescribed by the Fuel Retailers Association applied in the calculation of the terminal value.

The valuation of investment property is considered to be a key audit matter due to the significant assumptions, judgements and estimations required which include:
- The valuation being subject to complexity, significant judgement and assumptions made by management;
- The magnitude of the balance in relation to the consolidated financial position.
</td><td>
Our audit included the following procedures to address the key audit matter:

We evaluated the competence, and objectivity of the external valuers. This assessment included but was not limited to assessing their professional qualifications experience and independence from the group.

Through discussions with the external valuers and reading of their valuation reports we obtained an understanding of the valuation process, assumptions used and judgements applied including capitalisation rates, throughput litres and the rental growth rates.

We considered the adequacy and completeness of the disclosure in accordance with IAS 40, Investment property associated with investment property valuation.

The audit team challenged the assumptions used and assessed the information provided by the valuers by performing the following:

- We evaluated the fair value methodology against the allowable criteria of IFRS 13 Fair Value Measurement.

- We assessed the reasonableness of forecasted cash flows by assessing the input data such as the rental revenue, property expenses, rental and expense growth rates, discount rates and capitalisation rates used in the calculation. We found the expert's inputs to be within the range of our calculation.

- We assessed the throughput litres by comparing the assumptions used in the valuation to actual historical amounts.

- We compared the RAS model and inputs used by the valuator to the model currently prescribed by the Fuel Retailers Association.

- We recalculated the investment property value at year end by applying the inputs to the cash flows over the expected periods

- We assessed the valuation calculation for arithmetical accuracy.
</td></tr>
</table>

PKF PRETORIA INC.

Key audit matter	How the key audit matter was addressed in the audit
Gain on bargain purchase As disclosed in note 5, the consolidated financial statements includes Investments in subsidiaries. The Group recognised a gain on bargain purchase of R25m for the year which is included in other income. A gain on bargain purchase is required to be measured in accordance with IFRS 3 *Business Combinations*. The Group therefore determines its bargain purchase as the consideration paid, plus the fair value of any shareholding held prior to obtaining control, plus non-controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree. Refer to accounting policy 1.3 for further details on the method. The gain on bargain purchase received significant attention from senior personnel within the audit team. Executive management of the Group was directly involved in the assumptions, estimation and judgements made. The most significant input into the calculation of the bargain purchase, is the fair value of the investment property acquired in the business combinations. Refer to the key audit matter: Valuation of Investment Property above for an understanding of how the fair value of the investment property was addressed. The calculation of the gain on bargain purchase is considered to be a key audit matter due to the significant assumptions, judgements and estimations required to calculate the fair value of investment property which include: - The valuation being subject to complexity, significant judgement and assumptions made by management; - The magnitude of the gain on bargain purchase in relation to the consolidated financial performance.	Our audit included the following procedures to address the key audit matter: We evaluated the bargain purchase calculation based on IFRS 3. We evaluated all inputs in the calculations and ensured it meets the requirements of IFRS 3 We considered the adequacy and completeness of the disclosure in accordance with IFRS 3, Business Combinations. We evaluated the appropriateness and consistency of the significant assumptions and judgements applied by management by performing the following procedures: - We independently recalculated the fair value of identifiable assets and liabilities and the fair value of shareholding held prior to obtaining control. - We assessed the appropriateness of the fair value of investment property used in the calculation of the bargain purchase, as set out under the above key audit matter: Valuation of Investment Property. - We confirmed the consideration paid on the calculations to the purchase agreements. - We assessed the business combinations calculations for arithmetical accuracy. Based on the results of our work performed, we accepted management's inputs and calculation.

Separate Annual Financial Statements

We have determined that there were no key audit matters in respect of the separate annual financial statements.

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Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Consolidated and Separate Financial Statements of Afine Investments Limited and its Subsidiaries" which includes the Directors' Report, Declaration by The Secretary and the Report of the Audit and Risk Committee as required by the Companies Act 71 of 2008, as well as Appendix A and B, which we obtained prior to the date of this report, and the Integrated Report, which is expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

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

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

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards, and the requirements of the Companies Act 71 of 2008, 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 misstatements, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a 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 and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group and the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or the company to cease to continue as a going concern.

PKF PRETORIA INC.

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

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

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

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

Report on Other Legal and Regulatory Requirements
In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PKF Pretoria Incorporated has been the auditor of Afine Investments Limited for 1 year.

PKF PRETORIA INC.

PKF Pretoria Incorporated
Brendan Robinson
Director
Registered Auditor

30 May 2022

Emwil House West
Ground Floor
15 Pony Street
Tijger Vallei Office Park
Silver Lakes
0081

Consolidated and Separate Statements of Financial Position as at 28 February 2022

		Group		Company	
Figures in Rand	**Notes**	**2022**	**2021**	**2022**	**2021**
Assets					
Non-current assets					
Investment properties	3	281 516 820	10 946 000	-	-
Straight line rental accrual	3	20 174 262	-	-	-
Investment in joint venture	4	-	13 237 836	-	17 189 688
Investments in subsidiaries	5	-	-	47 006 757	5 625 867
Total non-current assets		**301 691 082**	**24 183 836**	**47 006 757**	**22 815 555**
Current assets					
Trade and other receivables	6	305 021	6 065 436	555 457	6 002 000
Dividends receivable		-	-	13 840 542	-
Cash and cash equivalents	7	7 663 890	228 412	5 868 074	-
Total current assets		**7 968 911**	**6 293 848**	**20 264 073**	**6 002 000**
Total assets		**309 659 993**	**30 477 684**	**67 270 830**	**28 817 556**
Equity and liabilities					
Equity					
Share capital	8	5 202 000	6 002 000	5 202 000	6 002 000
Retained income / (accumulated loss)		222 201 727	(1 195 848)	17 855 624	-
Total equity		**227 403 727**	**4 806 152**	**23 057 624**	**6 002 000**
Liabilities					
Non-current liabilities					
Loan from subsidiary	9	-	-	136 607	-
Borrowings	10	26 600 994	-	567 853	-
Deferred tax	11	-	2 358 101	-	-
Loans from related parties	12	42 340 319	-	42 340 319	-
Total non-current liabilities		**68 941 313**	**2 358 101**	**43 044 779**	-
Current liabilities					
Trade and other payables	13	2 399 933	100 524	853 427	-
Provisions	14	315 000	-	315 000	-
Loans from related parties	12	-	22 815 555	-	22 815 555
Borrowings	10	10 324 196	382 616	-	-
Current tax payable		275 824	14 736	-	-
Total current liabilities		**13 314 953**	**23 313 431**	**1168 427**	**22 815 555**
Total liabilities		**82 256 266**	**25 671 532**	**44 213 206**	**22 815 555**
Total equity and liabilities		**309 659 993**	**30 477 684**	**67 270 830**	**28 817 555**

Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income for year ended 28 February 2022

		Group		Company	
Figures in Rand	**Notes**	**2022**	**2021***	**2022**	**2021***
Revenue from contracts with customers	15	3 642 471	-	-	-
Lease income	15	29 685 956	-	-	-
Dividend income	15	-	-	31 719 763	-
Other income	16	268 510	-	6 412 033	-
Other expenses		(5 222 261)	-	(3 379 950)	-
Profit from operating activities		**28 374 676**	-	**34 751 846**	-
Gain on bargain purchase in a business combination	5	25 151 661	2 756 004	-	-
Share of loss from equity accounted investments	4	-	(3 951 852)	-	-
Investment income	17	282 496	-	263 391	-
Fair value adjustments	18	160 885 989	-	-	-
Finance costs	19	(5 063 176)	-	(1 159 613)	-
Profit/ (loss) before tax		**209 631 646**	**(1 195 848)**	**33 855 624**	-
Income tax	20	29 765 929	-	-	-
Profit/ (loss) for the year / period		**239 397 575**	**(1 195 848)**	**33 855 624**	-
Earnings per share from continuing and discontinuing operations attributable to owners of the parent during the year/period					
Basic earnings per share**					
Basic earnings/ (loss) per share	22.1	469.06	(1 868.51)	66.33	-
Diluted earnings per share**					
Diluted earnings/ (loss) per share	22.2	469.06	(1 868.51)	66.33	-
Headline earnings per share**					
Headline earnings per share	22.3	46.23	-	66.33	-
Dividends per share**					
Interim dividends per share		25.00	-	25.00	-

* For the period from 1 February 2021 to 28 February 2021.

** Dividends and earnings per share are presented in cents per share.

Consolidated and Separate Statements of Changes in Equity for year ended 28 February 2022

Group

Figures in Rand	Notes	Share capital	Retained income / (accumulated loss)	Total
Balance at 1 February 2021		-	-	-
Changes in equity				
Loss for the period		-	(1 195 848)	(1 195 848)
Total comprehensive income for the period		-	(1 195 848)	(1 195 848)
Issue of shares		6 002 000	-	6 002 000
Balance at 28 February 2021		**6 002 000**	**(1 195 848)**	**4 806 152**
Balance at 1 March 2021		**6 002 000**	**(1 195 848)**	**4 806 152**
Changes in equity				
Profit for the year		-	239 397 575	239 397 575
Total comprehensive income for the year		-	239 397 575	239 397 575
Listing expenses paid from equity		(800 000)	-	(800 000)
Dividend distributions		-	(16 000 000)	(16 000 000)
Balance at 28 February 2022	8	**5 202 000**	**222 201 727**	**227 403 727**

Company

Figures in Rand	Notes	Share capital	Retained income / (accumulated loss)	Total
Balance at 1 February 2021		-	-	-
Changes in equity				
Loss for the period		-	-	-
Total comprehensive income for the period		-	-	-
Issue of shares		6 002 000	-	6 002 000
Balance at 28 February 2021		**6 002 000**	-	**6 002 000**
Balance at 1 March 2021		**6 002 000**	-	**6 002 000**
Changes in equity				
Profit for the year		-	33 855 624	33 855 624
Total comprehensive income for the year		-	33 855 624	33 855 624
Listing expenses paid from equity		(800 000)	-	(800 000)
Dividend distributions		-	(16 000 000)	(16 000 000)
Balance at 28 February 2022	8	**5 202 000**	**17 855 024**	**23 057 624**

Consolidated and Separate Statements of Cash Flows for year ended 28 February 2022

		Group		Company	
Figures in Rand	**Notes**	**2022**	**2021***	**2022**	**2021***
Cash generated from operations	21	34 077 813	-	4 222 857	-
Interest received		282 496	-	263 391	-
Dividends received		-	-	17 590 343	-
Net cash flows generated from operating activities		**34 360 309**	**-**	**22 076 591**	**-**
Cash flows from investing activities					
Acquisition of subsidiaries		(24 191 202)	-	(24 191 202)	-
Cash acquired through business combinations		2 501 810	228 412	-	-
Cash flows (used in)/ generate from investing activities		**(21 689 392)**	**228 412**	**(24 191 202)**	**-**
Cash flows from financing activities					
Proceeds from issue of shares		-	-		
Listing expenses paid from equity		(800 000)	-	(800 000)	
Advances to shareholder		-	-	-	
Proceeds from subsidiary loans		-	-	39 107	
Proceeds of loans from related parties		41 000 000	-	41 000 000	
Repayment of loans from related parties		(22 815 555)	-	(22 815 555)	
Issue of shares**		6 002 000	-	6 002 000	
Proceeds from borrowings		-	-	567 853	
Repayment of borrowings		(8 418 722)	-	-	
Finance costs paid		(4 203 162)	-	(10 720)	
Dividends paid		(16 000 000)	-	(16 000 000)	
Cash flows (used in) / generated from financing activities		**(5 235 439)**	**-**	**7 982 685**	**-**
Net increase in cash and cash equivalents		**7 435 478**	**228 412**	**5 868 074**	**-**
Cash and cash equivalents at beginning of the year / period		228 412	-	-	-
Cash and cash equivalents at end of the year / period	7	**7 663 890**	**228 412**	**5 868 074**	**-**

* For the period from 1 February 2021 to 28 February 2021.

** Shares issued on 23 February 2021 was paid on 1 March 2021 therefore the receivable relating to the issue of shares in the prior year was cleared in the current financial year. The financing of the share issue was in compliance with the Companies Act.

Notes to the Consolidated and Separate Financial Statements

1. General accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These consolidated financial statements consist of Afine Investments Limited (the "Company") and its subsidiaries (together the "Group") established in the Republic of South Africa, is a Real Estate Investment Trust ("REIT"). The Company is listed on the Johannesburg Stock Exchange ("JSE").

The Company is incorporated as a public company. The address of its registered office is Unit 4602, Greenways, Strand, Western Cape, 7140.

1.1 Basis of preparation and summary of significant accounting policies

The consolidated financial statements have been prepared on a going concern basis, in accordance with International Financial Reporting Standards ("IFRS"), the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the Companies Act of South Africa, 2008, as amended.

The consolidated financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. These accounting policies are consistent with the prior period, except for new standards and interpretations adopted in the current year per note 2.

They consolidated financial statements are presented in Rands, which is the Group and Company's functional currency.

1.2 Basis of consolidation

The consolidated financial statements incorporate the Company and all subsidiaries. Subsidiaries are entities which are controlled by the Group. The Company has control of an entity when it is exposed to or has rights to variable returns from involvement with the entity and it has the ability to affect those returns through use its power over the entity.

The results of subsidiaries are included in the consolidated financial statements from the effective date of acquisition to the effective date of disposal. All the subsidiaries have the same financial year-end as the holding company except Investment Facility Three Three Six (Pty) Ltd whose year-end is 30 September, in preparing the consolidated financial statements, financial information for 1 March 2021 to 28 February 2022, were prepared and is included in this consolidated financial statement.

Adjustments are made when necessary to the consolidated financial statements of subsidiaries to bring their accounting policies in line with those of the Group.

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

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

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions and are recognised directly in the Statement of Changes in Equity.

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

Where a subsidiary is disposed of and a non-controlling shareholding is retained, the remaining investment is measured to fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Notes to the Consolidated and Separate Financial Statements (continued)

1. General accounting policies (continued)

1.3 Business combinations

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

Any contingent consideration is included in the cost of the business combination at fair value as at the date of acquisition. Subsequent changes to the assets, liability or equity which arise as a result of the contingent consideration are not affected against goodwill, unless they are valid measurement period adjustments. Otherwise, all subsequent changes to the fair value of contingent consideration that is deemed to be an asset or liability are recognised in either profit or loss or in other comprehensive income, in accordance with relevant IFRS's. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

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

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at the acquisition date.

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

Non-controlling interests in the acquiree are measured on an acquisition-by-acquisition basis either at fair value or at the non-controlling interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This treatment applies to non-controlling interests which are present ownership interests, and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation. All other components of non-controlling interests are measured at their acquisition date fair values, unless another measurement basis is required by IFRS's.

In cases where the Group held a non-controlling shareholding in the acquiree prior to obtaining control, that interest is measured to fair value as at acquisition date. The measurement to fair value is included in profit or loss for the period. Where the existing shareholding was classified as a financial asset at fair value through other comprehensive income, the cumulative fair value adjustments recognised previously to other comprehensive income and accumulated in equity are recognised in profit or loss as a reclassification adjustment.

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

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

1.4 Investment properties

Investment properties include land and buildings and undeveloped land held either to earn rental income or for capital appreciation, or both, but not for sale in the ordinary course of business or for administration purposes.

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

Notes to the Consolidated and Separate Financial Statements (continued)

1. General accounting policies (continued)

1.4 Investment properties (continued)

Investment property is initially recognised at cost. Transaction costs and other directly attributable expenditure are included in the initial measurement.

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

The cost of investment property comprises the purchase price and directly attributable expenditure. Subsequent expenditure incurred to extend or refurbish investing property and cost of any development rights is capitalised to investment property. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

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

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

Fair values are determined every 3 years by professional, JSE accredited, property valuer, independent and not related to the Company, with appropriate and recognised professional qualifications and recent experience in the location and category of the property being valued.

Properties will be revalued due to significant changes in economic conditions more regularly than the 3 year policy, in order for the carrying value not to differ materially from the fair value.

Valuations are performed using either the discounted cash flow method or the capitalisation of net income method or a combination of both methods. Gains or losses arising from changes in the fair values are included in profit or loss for the period in which they arise. Immediately prior to disposal of investment property, the investment property is revalued to the net sales proceeds and such revaluation is recognised in profit or loss during the period in which it occurs.

The straight-lining of lease income is deducted from investment property as the discounted value of future rental cash flows forms part of the valuation methodology of investment property.

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

1.5 Investments in joint ventures

Investments in joint ventures are accounted for using the equity method. This excludes investments that are held for sale and are consequently accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

Joint arrangements

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

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

Joint ventures

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

Notes to the Consolidated and Separate Financial Statements (continued)

1. General accounting policies (continued)

1.5 Investments in joint ventures (continued)

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

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

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

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

In the Company's separate financial statements, investments in joint ventures are carried at cost less any accumulated impairment losses.

1.6 Investments in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are carried at cost less any accumulated impairment losses.

1.7 Financial instruments

Financial instruments held by the Group and Company are classified in accordance with the provisions of IFRS 9 Financial Instruments. The classification of financial instruments, which are adopted by the Group and Company, are as follows:

Financial assets which are debt instruments:
- Amortised cost.

Financial liabilities:
- Amortised cost

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost.

Recognition and measurement

Trade and other receivables are recognised when the Group and Company become a party to the contractual provisions of the receivables. They are measured, at initial recognition, at contract value plus transaction costs, if any.

Trade and other receivables are subsequently measured at amortised cost.

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

Notes to the Consolidated and Separate Financial Statements (continued)

1. General accounting policies (continued)

1.7 Financial instruments (continued)

Impairment

The Group and Company recognises a loss allowance for expected credit losses ("ECL") on trade and other receivables, excluding VAT and prepayments. The amount of ECL is updated at each reporting date.

The Group and Company measures the loss allowance for trade and other receivables at an amount equal to lifetime ECL, which represents the ECL that will result from all possible default events over the expected life of the receivable. The entity therefore applies the simplified approach per IFRS 9. For the year ended no significant judgements and estimates were made and no ECL provision was raised.

Measurement and recognition of expected credit losses

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

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

Derecognition

Financial assets

The Group and Company derecognised a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Financial liabilities

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

Borrowings and loans from subsidiaries and related parties

Classification

Borrowings and loans from subsidiaries and related parties are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

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

Borrowings and loans from subsidiaries and related parties are subsequently measured at amortised cost using the effective interest method.

Notes to the Consolidated and Separate Financial Statements (continued)

1. General accounting policies (continued)

1.7 Financial instruments (continued)

Recognition and measurement (continued)

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

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

Trade and other payables

Classification

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

Recognition and measurement

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

Trade and other payables are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

The Group and Company derecognise financial liabilities when, and only when, the Group's and Company's obligations are discharged, cancelled or they expire.

Cash and cash equivalents

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

Cash and cash equivalents are measured at amortised cost.

1.8 Taxation

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

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

Deferred tax assets and liabilities

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

Notes to the Consolidated and Separate Financial Statements (continued)

1. General accounting policies (continued)

1.8 Taxation (continued)

Deferred tax assets and liabilities (continued)

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

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

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:
- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

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

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

1.10 Distributions

The Group is required to distribute no less than 75% of is distributable income to its shareholders in terms of 2588(1) of the Income Tax Act 58 of 1962. Effective from the date of the REIT conversion on 9 December 2021, the dividends payable were recognised as liabilities in the period in which the dividends are declared.

1.11 Segmental reporting

Information reported to the Group's chief operating decision-makers, being the executive directors, for the purposes of resource allocation and assessment of its performance, is based on the economic sectors in which the investment properties operate.

On a primary basis, the Group operates in the following geographical segments:
- Gauteng and North-West
- Mpumalanga
- Western Cape

1.12 Leases

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

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

Notes to the Consolidated and Separate Financial Statements (continued)

1. General accounting policies (continued)

1.12 Leases (continued)

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

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

Company as lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Lease classification is made at inception and is only reassessed if there is a lease modification.

The Group only has operating leases.

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated by applying IFRS 16 Leases.

Operating leases

Lease payments from operating leases are recognised on a straight-line basis over the term of the relevant lease. Operating lease income is included in revenue. The difference between the contractual cash flows and the straight-lining revenue is recognised as an operating lease asset/liability as part of the fair value of the investment property.

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

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

1.13 Revenue

The Group recognises revenue from the following major source:
- Lease income (refer to the policy in Note 1.12 for the recognition of revenue from leases)
- Recovery of costs related to operating leases
- Dividend income
- Commission income - (recorded in accordance with IFRS 15: Revenue from contracts with customers)

Recovery of costs related to operating leases

The recovery of expenses represents the recovery of costs by the Group for the provision of services as stipulated in the lease agreement and is recognised in the month in which the tenant incurs the cost. The Group manages the relationships with its suppliers and is responsible for the payment of services regardless of whether the property is fully let or not. In the event that the expense is not recoverable from tenants, the Group continues to have an obligation to the suppliers for the settlement of the amount due. The Group is responsible for providing the services to tenants. The Group acts as a principal on its own account when recovering operating costs from tenants.

Notes to the Consolidated and Separate Financial Statements (continued)

1. General accounting policies (continued)

1.13 Revenue (continued)

Dividend income

Dividend income is recognised in profit or loss on the date the Group's right to receive payment is established. The right to receive payment at interim date is when the dividends is paid. The right to receive payment for final dividends is established when dividends is declared.

Commission income - (recorded in accordance with IFRS 15: Revenue from contracts with customers)
Commissions is earned based on the contractual agreed rate or fee on the litres of fuel which are delivered to the petrol filling stations and recognised at the end of the month in which it occurs. These contractual agreements form part of the lease agreements as stipulated in note 1.12. These variable lease payments do not depend on an index or rate as required in IFRS 16 and therefore are disclosed in terms of IFRS 15.

Performance obligations related to commission income

a) When the entity typically satisfies its performance obligation	Following the delivery of fuel at the petrol filling station, the entity becomes entitled to variable rental at the end of the month in which the fuel can be determined.
b) The significant payment terms	Payment from customer is due in at the end of the month when fuel delivered is determinable.
c) Variability of the consideration payable	Commission income is charged on an agreed upon rate or fee per litre.
d) The nature of the goods or services that the entity has undertaken/agreed to transfer	Variable lease payments not based on an index or rate as per IFRS 16.

1.14 Management fees

Fees charged for management services provided are recognised as revenue in the statement of profit or loss and other comprehensive income as the services are provided.

1.15 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred, and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

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

All other borrowing costs are recognised as an expense in the period in which they are incurred.

Notes to the Consolidated and Separate Financial Statements (continued)

1. General accounting policies (continued)

1.16 Fair value

Fair value determination

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

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

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

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

1.17 Related parties

A related party is a person or entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control. As a minimum, the following are regarded as related parties of the reporting entity:

- A person or a close member of that person's family is related to a reporting entity if that person:
  has control or joint control of the reporting entity;
  has significant influence over the reporting entity; or
  is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

Notes to the Consolidated and Separate Financial Statements (continued)

1. General accounting policies (continued)

1.17 Related parties (continued)

- An entity is related to the reporting entity if any of the following conditions apply:
  - The entity and the reporting entity are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Group of which the other entity is a member);
  - Both entities are joint ventures of the same third party;
  - One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - The entity is a post-employment benefit plan for the benefit of employees of either thereporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
  - The entity is controlled or jointly controlled by a person identified as a related party;
  - A person identified as having control or joint control over the reporting entity has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
  - The entity, or any member of a Group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

1.18 Provisions

Provisions are recognised when the Company and Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

1.19 Accounting estimates and judgements

The preparation of consolidated financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses and related disclosures. Use of available information and the application of judgment is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the consolidated financial statements. Significant estimates and judgments include:

Estimate of the fair value of investment properties

The revaluation of investment property requires judgement in the determination of an appropriate discount rate and market capitalisation rate. Note 3 sets out further details of the fair measurement of investment property.

Notes to the Consolidated and Separate Financial Statements (continued)

1. General accounting policies (continued)

1.19 Accounting estimates and judgements (continued)

Deferred tax and taxation

As the Company has obtained REIT status effective 9 December 2021, the Company and its controlled property company subsidiaries are not liable for capital gains tax on the disposal of directly held properties and local REIT securities. In addition, the following must be noted:

- Deferred tax is not recognised on the fair value of investment property as capital gains tax on investment property is not applicable to REITs in terms of section 258B of the Income Tax Act.
- Deferred tax is not calculated on the straight-line rental income accrual as it affects neither the Group's distributable income nor taxable profit.
- Deferred tax is not recognised on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit.
- Deferred tax is not recognised on the temporary differences relating to investments in subsidiaries or jointly controlled entities to the extent that the Group is able to control the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Critical judgments in determining the lease term

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

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

In determining if the lease terms of the lease agreements are representative of the time pattern of how the benefit from the lease asset will be diminish, management has used judgement in setting the lease terms of certain lease agreements from the effective date of the lease agreement and others from the date of signing of the lease agreement. This resulted in certain lease agreements having a shorter period for recognition of the straight lining of the rental income. Management consider the impact of their decision and believes the lease terms of their lease agreements provides a representative basis of how the benefits from the lease assets will be diminish.

2. New standards and interpretations

2.1 New and revised IFRS not yet adopted

At the date of approval of these consolidated financial statements, certain new accounting standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Group.

2.2 Standards and interpretations effective and adopted in the current period

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 March 2021 that have a material effect on the consolidated financial statements of the Group.

Notes to the Consolidated and Separate Financial Statements (continued)

2. New standards and interpretations (continued)

2.3 Standards and interpretations not yet effective

The Group has chosen not to early adopt the following standard and interpretations, which have been published and are mandatory for the Group's accounting periods beginning on or after 01 March 2022 or later periods:

Standard/interpretation	**Effective date:** Years beginning on or after	**Expected Impact**
Initial application of IFRS 17 and IFRS 9 - Comparative Information	01 January 2023	Unlikely there will be a material impact
Deferred Tax related to Assets and Liabilities arising from a Single Transaction	01 January 2023	Unlikely there will be a material impact
Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	01 January 2023	Unlikely there will be a material impact
Disclosure of accounting policies (Amendments to IAS1 and IFRS Practice Statement 2)	01 January 2023	Unlikely there will be a material impact
Definition of Accounting Estimates (Amendments to IAS 8)	01 January 2023	Unlikely there will be a material impact
Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37	01 January 2022	Unlikely there will be a material impact
Reference to the Conceptual Framework: Amendments to IFRS 3	01 January 2022	Unlikely there will be a material impact

Notes to the Consolidated and Separate Financial Statements (continued)

	Group		Company	
Figures in Rand	**2022**	**2021**	**2022**	**2021**

3. Investment properties

3.1 Balances at year end and movements for the year/period

Reconciliation for the year/period				
Balance at the beginning of the year/period				
At fair value	10 946 000	-	-	-
Carrying amount	**10 946 000**	-	-	-
Movements for the year/period				
Acquisitions through business combinations	164 500 000	10 946 000	-	-
Gains (losses) on fair value adjustment	130 410 646	-	-	-
Straight-line rental accrual	(4 165 564)	-	-	-
Total movement for the year/period	**290 745 082**	**10 946 000**	-	-
Closing balance at the end of the year/period				
At fair value	301 691 082	10 946 000	-	-
Carrying amount	**301 691 082**	**10 946 000**	-	-

Straight-lining of rental income accrual

Balance at the beginning of the year				
Straight-line adjustments from business combinations	24 339 826	-	-	-
Movements of the year	(4 165 564)	-	-	-
Balance at the end of the year	**20 174 262**	-	-	-

3.2 Valuation techniques used to derive level 3 fair values

Investment property was acquired through business combinations of R164 500 000 (2021: R10 946 000). Fair value adjustments were performed during the year ended 28 February 2022, resulting in a total fair value adjustment of R130 410 646. A straight-line rental accrual was also recognised at R4 165 564 (2021: Rnil) during year ended 28 February 2022.

The most recent valuation was performed by Appraisal Corporation on 1 May 2021. Valuations are performed using the income approach comprising of the determination of the net rental income for the remaining lease period, discounted to the date of valuation. A capitalisation exit value is further calculated on the estimated market rental reversion at the end of the lease period, discounted to the date of valuation. Gains or losses arising from changes in the fair values are included in profit or loss for the period in which they arise. Investment property is maintained, upgraded, and refurbished, where necessary, in order to preserve and/or to improve the capital value. Maintenance and repairs which neither materially add value to the properties nor prolong their useful lives are recognised in profit or loss.

The significant fair value adjustment during the year resulted mainly from the new lease agreements entered into on 1 April 2021, as well as the appointment of the independent valuator using more updated information on current and future market conditions.

The total fair value of investment properties are R301 691 082 (2021: R10 946 000).

The straight-lining debtor or creditor of lease income is deducted from investment property as the discounted value of future rental cash flows forms part of the valuation methodology of investment property.

Notes to the Consolidated and Separate Financial Statements (continued)

	Group		Company	
Figures in Rand	**2022**	**2021**	**2022**	**2021**

3. Investment properties (continued)

3.3 Information about fair value measurements using significant unobservable inputs (level 3)

	Group Assets
Fair value at 28 February 2022	
Valuation technique	Income Approach
Unobservable inputs - Discount rates used	10.5% - 15.0%
Unobservable inputs - Capitalisation rates used	9.5% - 10.5%
Fair value at 28 February 2021	
Valuation technique	Income Approach
Unobservable inputs - Average discount rate	9%
Unobservable inputs - Average capitalisation rate	9%

Fair value sensitivity analysis

The average discount and capitalisation rates used in the property valuation are dependent on a number of factors such as location, condition of improvements, current market conditions, lease covenants and the risk inherent in the property. These rates are assessed for each individual property based on its specific circumstances.

The valuations of investment properties are sensitive to changes in the unobservable inputs used in such valuations. Changes to one of the unobservable inputs, while holding other inputs constant, would have the following effects on the fair value of the investment property in the statement of profit or loss and other comprehensive income:

	Group 2022	Group 2021	Company 2022	Company 2021
Increase in discount rates 0.5% change (2021: 0.5% change)	(8 524 316)	(575 718)	-	-
Decrease in discount rates 0.5% change (2021: 0.5% change)	9 069 668	643 449	-	-
Increase in capitalisation rates 0.5% change (2021: 0.5% change)	(4 307 955)	(575 718)	-	-
Decrease in capitalisation rates 0.5% change (2021: 0.5% change)	4 747 862	643 449	-	-

3.3 Details of properties

3.4.1 Erf 1 Thandekile Township

	Group 2022	Group 2021	Company 2022	Company 2021
IT Division, Mpumalanga, Piet Retief				
Purchase price	96 900	96 900	-	-
Fair value adjustments	45 691 188	2 321 100	-	-
Straight-lining of lease income	(1 390 108)	-	-	-
	44 397 980	**2 418 000**	-	-

A first covering mortgage bond has been registered over Erf 1 Thandekile Township in favour of Investec Bank Limited South Africa to the amount of R20 000 000, to provide limited guarantee to Investec Bank (Mauritius) Limited as security for a loan from Investec Bank (Mauritius) Limited to KSP Offshore Limited.

3.4.2 Stand 15848 and Stand 15851

	Group 2022	Group 2021	Company 2022	Company 2021
Somerset West, Province of Western Cape				
Purchase price	114 000	114 000	-	-
Fair value adjustments	43 306 943	2 306 000	-	-
Straight-lining of lease income	(1 600 337)	-	-	-
	41 820 606	**2 420 000**	-	-

Notes to the Consolidated and Separate Financial Statements (continued)

	Group		Company	
Figures in Rand	**2022**	**2021**	**2022**	**2021**

3. Investment properties (continued)

3.4 Detail of properties (continued)

A first covering mortgage bond has been registered over Erf 15848 and 15851 Somerset West in favour of Investec Bank Limited South Africa to the amount of R21 000 000, to provide limited guarantee to Investec Bank (Mauritius) Limited as security for a loan from Investec Bank (Mauritius) Limited to KSP Offshore Limited.

3.4.3 Portion 4 of Erf 34 Riverside Park Extension 4 and the remainder of Erf 34 Riverside Park Extension 4

JT Division, Mpumalanga				
Purchase price	1 366 000	-	-	-
Improvements	7 942 496	-	-	-
Fair value adjustments	38 140 715	-	-	-
Straight-lining of lease income	550 789	-	-	-
	48 000 000	-	-	-

A first covering mortgage bond has been registered over Erf 34 Riverside Park Extension 4 in favour of Investec Bank Limited South Africa to the amount of R8 500 000.

A third covering mortgage bond has been registered over Erf 34 Riverside Park Extension 4 in favour of Investec Bank Limited South Africa to the amount of R600 000.

A fourth covering mortgage bond has been registered over the remaining extent of Erf 34 Riverside Park Extension 4 in favour of Investec Bank Limited South Africa to the amount of R3 900 000.

3.4.4 Portion 2 of Erf 654 Parkdene Ext 3 Township and Erf 1439 Protea Park Ext 1

IR Division, Gauteng				
Purchase price	158 000	158 000	-	-
Fair value adjustments	28 842 000	3 532 000	-	-
	29 000 000	**3 690 000**	-	-

3.4.5 Portion 150 and 151 of Farm Doornpoort

JR Division, Gauteng				
Purchase price	57 787 694	-	-	-
Fair value adjustments	35 279 640	-	-	-
Straight-lining of lease income	23 432 666	-	-	-
	116 500 000	-	-	-

The service stations have been built as an improvement on the following lease properties:
Portion 150 of the Farm Doornpoort, measuring 9 157 square meters and 21 877 square meters respectively.
Portion 151 of the Farm Doornpoort, measuring 18 042 square meters.

The revenue stream received from the rental income has been ceded to Rand Merchant Bank as security for the outstanding liability as disclosed in note 10.

3.4.6 Erf 2490 Witbank Ext 13 Township

JS Division, Mpumalanga				
Purchase price	51 300	51 300	-	-
Fair value adjustments	22 739 944	2 366 700	-	-
Straight-lining of lease income	(818 748)	-	-	-
	21 972 496	**2 418 000**	-	-

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand

4. Investment in joint venture

The following table lists the joint venture of the Group and Company:

	Group		Company	
	2021		2021	
	Percentage shareholding	Carrying value	Percentage shareholding	Carrying value
Lizalor Investments (Pty) Ltd	50.00%	13 237 836	50.00%	17 189 688

The percentage ownership interest of the above joint venture is equal to the percentage voting rights, and the Group does not have significant influence over this company.

Lizalor Investments (Pty) Ltd is incorporated in South Africa with interest in the investment property industry. The issued share capital of Lizalor Investment (Pty) Ltd is R100. The financial year-end of Lizalor Investments (Pty) Ltd is 28 February. The financial information below is based on independently reviewed financial statements.

Summarised financial information of material joint venture

Summarised Statement of Financial Position at 28 February 2021	Lizalor Investments (Pty) Ltd
Assets	
Non-current	
Investment property at fair value	71 100 000
Investments in jointly controlled entities	7 086 735
Total non-current assets	**78 186 735**
Current	
Cash and cash equivalents	1 589 810
Total current assets	**1 589 810**
Liabilities	
Non-current	
Other financial liabilities	32 626 642
Deferred tax	7 097 497
Total non-current liabilities	**39 724 139**
Current	
Trade and other payables	961 160
Other financial liabilities	12 334 654
Current tax payable	280 919
Total current liabilities	**13 576 733**
Total net assets	**26 475 673**
Proportionate share of net assets	**13 237 836**

Reconciliation of net assets to equity accounted investments in joint ventures	
Carrying value of prior year investment in joint venture	13 237 836
Acquisitions	17 189 688
Share of loss from equity accounted investments	(3 951 852)
Investment at end of 28 February 2021	**13 237 836**

Refer to note 5, the Group has acquired an additional 50% interest in Lizalor Investments (Pty) Ltd thereby changing the investment from a joint venture to a wholly-owned subsidiary of the Group during the year ended 28 February 2022.

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand

4. Investment in joint venture (continued)

Summarised financial information of material joint venture (continued)

Summarised Statement of Profit or Loss and Other Comprehensive Income for the year ended 28 February 2021

	Lizalor Investments (Pty) Ltd
Revenue	16 257 302
Operating profit	**12 442 287**
Investment revenue	145 419
Finance costs	(4 838 791)
Loss before tax	**(2 078 855)**
Tax expense	(1 333 868)
Total comprehensive income for the year	**(3 412 723)**

5. Investments in subsidiaries

Investments in subsidiaries consisted of the following:

Name of subsidiary [1]	Held by	% Per Separate Annual Financial Statements	2022	2021
Lizalor Investments (Pty) Ltd	Afine Investments Ltd	100.00%	34 379 376	-
Coral Lagoon Investments 163 (Pty) Ltd	Afine Investments Ltd	50.00%	7 001 514	-
Thunder Cats Investments 78 (Pty) Ltd	Afine Investments Ltd	100.00%	1 878 860	1 878 860
Clifton Dunes Investments 10 (Pty) Ltd	Afine Investments Ltd	100.00%	1 898 038	1 898 038
Clifton Dunes Investments 79 (Pty) Ltd	Afine Investments Ltd	100.00%	1 678 969	1 678 969
Investment Facilities Company 336 (Pty) Ltd	Afine Investments Ltd	100.00%	170 000	170 000
			47 006 757	**5 625 867**

[1] All the listed subsidiaries are incorporated in South Africa

The percentage ownership interest of the above subsidiaries is equal to the percentage voting rights, and the Group does have control over these Companies.

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand

5. Investments in subsidiaries (continued)

Business combinations

Details of acquisition

Name of acquiree	Principal activity	Date of acquisition	Proportion of voting equity interests acquired	Consideration paid
			%	R
Lizalor Investments (Pty) Ltd	Investment Property	1 March 2021	50	17 189 688
Coral Lagoon Investments 163 (Pty) Ltd	Investment Property	1 March 2021	50	7 001 514
Thunder Cats Investments 78 (Pty) Ltd	Investment Property	28 February 2021	100	1 878 860
Clifton Dunes Investments 10 (Pty) Ltd	Investment Property	28 February 2021	100	1 898 038
Clifton Dunes Investments 79 (Pty) Ltd	Investment Property	28 February 2021	100	1 678 969
Investment Facilities Company 336 (Pty) Ltd	Investment Property	28 February 2021	100	170 000

For the year ended 28 February 2022

The Group has acquired an additional 50% interest in Lizalor Investments (Pty) Ltd thereby changing the investment from a joint venture to a wholly-owned subsidiary of the Group. The Group obtained the additional 50% at a consideration of R17 189 688. The Group has also acquired a 50% interest in Coral Lagoon Investments (Pty) Ltd on 1 March 2021 at the consideration of R7 001 514. Lizalor Investments (Pty) Ltd also holds 50% interest in Coral Lagoon Investments (Pty) Ltd, thereby making Coral Lagoon Investments (Pty) Ltd a wholly-owned subsidiary of the Group.

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand

5. Investments in subsidiaries (continued)

Assets acquired and liabilities recognised at the date of acquisition

Lizalor Investments (Pty) Ltd

The fair values of assets acquired and liabilities assumed summarised by each major category are as follow:

Other assets	122 493 506
Cash and cash equivalents	1 589 810
Total liabilities	(63 470 472)
Net identifiable assets	**60 612 844**
Net identifiable assets acquired at 100%	60 612 844
Less: consideration paid in cash	(17 189 688)
Less: Investment previously held at fair value	(30 306 367)
Gain on bargain purchase on business combination	**13 116 789**

Summary of profit and loss

Revenue	16 257 302
Loss before tax	**(2 078 555)**
Tax expense	(1 333 868)
Loss after tax	**(3 412 423)**

Coral Lagoon Investments 163 (Pty) Ltd

The fair values of assets acquired and liabilities assumed summarised by each major category are as follow:

Other assets	48 024 884
Cash and cash equivalents	912 000
Total liabilities	(10 864 211)
Net identifiable assets	**38 072 673**
Net identifiable assets acquired at 100%	38 072 673
Less: Consideration paid in cash	(7 001 514)
Less: Investment previously held at fair value	(19 036 287)
Gain on bargain purchase on business combination	**12 034 872**

Summary of profit and loss

Revenue	3 029 702
Profit before tax	**2 933 170**
Tax expense	(558 705)
Profit after tax	**2 374 465**

Gain recognised in bargain purchase transaction

Recognised in comprehensive income as follows:

Description	**Line item in comprehensive income**	
Subsidiaries and joint ventures combined	Other income - Gain from bargain Purchase	25 151 661

The fair value of investment property according to the Company's valuation was higher than the valuation performed by the Directors of Lizalor Investments (Pty) Ltd and Coral Lagoon Investments (Pty) Ltd, and it gave rise to the gain on bargain purchase.

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand

5. Investments in subsidiaries (continued)

Assets acquired and liabilities recognised at the date of acquisition

For the period ended 28 February 2021

During the period ended 28 February 2021, the Group acquired 100% of the issued share capital of Thundercats Investments 78 (Pty) Ltd, Clifton Dunes 10 (Pty) Ltd, Clifton Dunes 79 (Pty) Ltd and Investment Facility Company Three Six (Pty) Ltd, all real-estate investment companies. The interest was acquired to further expand the investment holding of the Company in order to list on a suitable South African stock exchange. The gain on acquisition of the interest has been recognised in accordance with IFRS 10 Consolidated Financial Statements in profit and loss at the date of acquisition.

Thundercats Investments 78 (Pty) Ltd

The fair values of assets acquired and liabilities assumed summarised by each major category are as follow:

Other assets	2 420 582
Cash and cash equivalents	11 785
Total liabilities	(553 405)
Net identifiable assets	**1 878 962**
Net identifiable assets acquired at 100%	1 878 962
Less: considerations to be paid	(1 878 861)
Gain on bargain purchase on business combination	**101**

Summary of profit and loss

Revenue	16 257 302
Loss before tax	**(2 078 555)**
Tax expense	(1 333 868)
Loss after tax	**(3 412 423)**

Clifton Dunes 10 (Pty) Ltd

The fair values of assets acquired and liabilities assumed summarised by each major category are as follow:

Other assets	2 461 697
Cash and cash equivalents	15 091
Total liabilities	(547 651)
Net identifiable assets	**1 929 137**
Net identifiable assets acquired at 100%	1 929 137
Less: considerations to be paid	(1 898 038)
Gain on bargain purchase on business combination	**31 099**

Summary of profit and loss

Revenue	438 935
Profit before tax	**465 606**
Tax expense	(130 370)
Profit after tax	**335 236**

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand

5. Investments in subsidiaries (continued)

Assets acquired and liabilities recognised at the date of acquisition (continued)

Clifton Dunes 79 (Pty) Ltd

The fair values of assets acquired and liabilities assumed summarised by each major category are as follow:

Other assets	2 433 797
Cash and cash equivalents	199 745
Total liabilities	(943 675)
Net identifiable assets	**1 689 867**
Net identifiable assets acquired at 100%	1 689 867
Less: considerations to be paid	(1 678 969)
Gain on bargain purchase on business combination	**10 898**

Summary of profit and loss

Revenue	199 075
Profit before tax	**75 634**
Tax expense	(21 178)
Profit after tax	**54 456**

Investment Facility Company Three Six (Pty) Ltd

The fair values of assets acquired and liabilities assumed summarised by each major category are as follow:

Other assets	3 695 943
Cash and cash equivalents	1 791
Total liabilities	(813 828)
Net identifiable assets	**2 883 906**
Net identifiable assets acquired at 100%	2 883 906
Less: considerations to be paid	(170 000)
Gain on bargain purchase on business combination	**2 713 906**

Summary of profit and loss

Revenue	150 000
Profit before tax	**67 775**
Tax expense	(14 037)
Profit after tax	**53 738**

Gain recognised in bargain purchase transaction

Recognised in comprehensive income as follows:

Description	**Line item in comprehensive income**	
Subsidiaries and joint ventures combined	Other income - Gain from bargain purchase	2 756 004

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand

5. Investments in subsidiaries (continued)

2022

Summarised statement of financial position	Non-Current assets	Current assets	Total assets	Non-Current liabilities	Current liabilities	Total liabilities
Thundercats Investments 78 (Pty) Ltd	21 972 496	54 217	**22 026 713**	-	1 050 950	**1 050 950**
Clifton Dunes 10 (Pty) Ltd	44 397 980	105 259	**45 503 239**	-	1 901 197	**1 901 197**
Clifton Dunes 79 (Pty) Ltd	41 820 606	102 877	**41 923 483**	-	2 180 296	**2180 296**
Investment Facility Company Three Three Six (Pty) Ltd	29 003 125	163 583	**29 166 708**	-	247 893	**247 893**
Lizalor Investments (Pty) Ltd	122 143 506	1 512 193	**123 655 699**	25 878 914	21 329 301	**47 208 215**
Coral Lagoon Investments 163 (Pty) Ltd	48 154 111	340 417	**48 494 528**	154 227	108 664	**262 891**
	307 491 824	**2 278 546**	**310 770 370**	**26 033 141**	**26 818 301**	**52 851 442**

2021

Summarised statement of financial position	Non-Current assets	Current assets	Total assets	Non-Current liabilities	Current liabilities	Total liabilities
Thundercats Investments 78 (Pty) Ltd	2 418 000	14 367	**2 432 367**	530 141	23 264	**553 405**
Clifton Dunes 10 (Pty) Ltd	2 418 000	58 788	**2 476 788**	519 861	27 790	**547 651**
Clifton Dunes 79 (Pty) Ltd	2 420 000	213 542	**2 633 542**	899 547	44 128	**943 675**
Investment Facility Company Three Three Six (Pty) Ltd	158 000	7 733	**165 733**	-	22 660	**22 660**
	7 414 000	**294 430**	**7 708 430**	**1 949 549**	**117 842**	**2 067 391**

The net assets recognised in the individual financial statements of the acquired companies are at fair value as at the acquisition date and due to the fact that no other identifiable assets were identified, no goodwill was raised and a gain on bargain purchase originated.

	Group		Company	
	2022	**2021**	**2022**	**2021**
6. Trade and other receivables				
Trade receivables	-	63 436	555 457	-
VAT receivable	270 481	-	-	-
Other receivables	34 540	6 002 000	-	6 002 000
	305 021	**6 065 436**	**555 457**	**6 002 000**
7. Cash and cash equivalents				
Cash and bank balances	1 978 389	228 412	182 573	-
Money market investments and call accounts	5 685 501	-	5 685 501	-
	7 663 890	**228 412**	**5 868 074**	-

Notes to the Consolidated and Separate Financial Statements (continued)

	Group		Company	
Figures in Rand	**2022**	**2021**	**2022**	**2021**

8. Share capital

Authorised				
Ordinary shares	1 000 000 000	100 000	1 000 000 000	100 000
Reconciliation of number of shares issued:				
Opening balance	64 000	-	64 000	-
Additions	63 936 000	64 000	63 936 000	64 000
Closing balance	**64 000 000**	**64 000**	**64 000 000**	**64 000**

During the year ended 28 February 2022, the Group increased its authorised ordinary shares to 1 000 000 000 with no par value. There were 64 000 000 (2021: 64 000) shares issued at 28 February 2022. The Company issued an additional 63 936 000 (2021: 64 000) ordinary shares in the year under review.

Share capital value				
Ordinary shares	6 002 000	6 002 000	6 002 000	6 002 000
Listing expenses paid from equity	(800 000)	-	(800 000)	-
	5 202 000	**6 002 000**	**5 202 000**	**6 002 000**

9. Loan from subsidiary

Non-current liabilities				
Coral Lagoon Investments 163 (Pty) Ltd	-	-	**136 607**	-

The loan is unsecured, bears interest at prime minus 0.05% and is repayable with the repayment of the Investec Access Bond (refer note 10). The Company pays the monthly interest instalments of the Investec Access Bond on behalf of the Coral Lagoon Investments 163 (Pty) Ltd, with repayment as noted above.

10. Borrowings

Non-current liabilities				
Investec Access Bond [1]	722 080	-	567 853	-
Rand Merchant Bank [2]	25 878 914	-	-	-
	26 600 994	-	**567 853**	-
Current liabilities				
Rand Merchant Bank [2]	10 324 196	-	-	-
Katherine Street Properties (Pty) Ltd [3]	-	88 120	-	-
Petroland Group (Pty) Ltd [3]	-	224 000	-	-
Lyndham Trust [3]	-	70 496	-	-
	10 324 196	**382 616**	-	-

[1] The Group entered into a 60-month access facility agreement with Investec Bank Limited during the year ended 28 February 2022, where Investec Bank Limited made available a drawdown facility amount of R13 000 000. The Group shall pay instalments representing interest only monthly in arrears for 36 months. Thereafter, the Group shall repay the principal debt (including accrued interest) in instalments representing interest and capital monthly in arrears, amortising the facility to the residual amount of R11 700 000, which is payable on expiry of the term. Interest will be charged at prime minus 0.50%.

[2] The loan bears interest at 10.254% per annum and has fixed monthly repayments of R981 157, subject to a 7% yearly increase each April. The revenue stream received from the rental income of the investment property disclosed in note 3.4.5 has been ceded to Rand Merchant Bank as security for the outstanding liability.

[3] These loans were unsecured, interest free and were repaid during the year.

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand	Group		Company	
	2022	2021	2022	2021

11. Deferred tax

Deferred tax liability

Revaluation of investment properties	-	(2 358 101)	-	-
Deferred tax liability	-	**(2 358 101)**	-	-

Reconciliation of deferred tax liability

Balance at the beginning of the year	(2 358 101)	-	-	-
Acquired through business combination	(27 412 299)	(2 358 101)	-	-
Reversal of deferred tax liability	29 770 400	-	-	-
	-	**(2 358 101)**	-	-

The Group qualified as a REIT, with effect from 9 December 2021. In determining the aggregate capital gain or capital loss of a REIT or a controlled property company for purposes of the Eighth Schedule of the Income Tax Act of 1958, as amended, any capital gain or capital loss determined in respect of the disposal of immovable property; or a share in a controlled property company, must be disregarded.

12. Loans from related parties

Non-current liabilities				
KSP Offshore Limited [1]	**42 340 319**	-	**42 340 319**	-
Current liabilities				
Kathrine Street Properties (Pty) Ltd [2]	-	504 742	-	504 742
Lyndham Trust [2]	-	17 694 430	-	17 694 430
Petroland Group [2]	-	4 616 383	-	4 616 383
	-	**22 815 555**	-	**22 815 555**

[1] The loan is for a period of 36 months, unsecured and bears interest at 2.82% plus the three month Jibar rate. The full capital outstanding and any accrued interest may be repaid at any point in time.

[2] These loans were unsecured, interest free and were repaid during the year.

13. Trade and other payables

Trade payables	71 056	100 524	25 063	-
Amounts received in advance	1 108 971	-	-	-
VAT payable	665 688	-	639 364	-
Accrued expenses	554 218	-	189 000	-
	2 399 933	**100 524**	**853 427**	-

14. Provisions

Audit fees				
Balance at the beginning of the year	-	-	-	-
Provision raised	315 000	-	315 000	-
Balance at the end of the year	**315 000**	-	**315 000**	-

Notes to the Consolidated and Separate Financial Statements (continued)

	Group		Company	
Figures in Rand	**2022**	**2021**	**2022**	**2021**
15. Revenue				
Revenue from rental agreements				
Rental income	29 471 727	-	-	-
Recoveries of costs related to operating leases	214 229	-	-	-
	29 685 956	**-**	**-**	**-**
Revenue from contracts with customers				
Commissions earned	3 642 471	-	-	-
	3 642 471	**-**	**-**	**-**
Revenue from subsidiaries				
Dividend income	-	-	31 719 763	-
	-	-	**31 719 763**	-
16. Other income				
Management fees	-	-	6 321 010	-
Recovery expenses	177 487	-	-	-
Foreign exchange gain	91 023	-	91 023	-
	268 510	**-**	**6 412 033**	**-**
17. Investment income				
Interest income				
Cash and bank balances	20 884	-	1 779	-
Money market investments and call accounts	261 612	-	261 612	-
	282 496	**-**	**263 391**	**-**
18. Fair value adjustments				
Investment properties	130 410 646	-	-	-
Investments in subsidiaries revaluation	30 475 343	-	-	-
	160 885 989	**-**	**-**	**-**

Properties were revalued in the current period in preparation of the Group being listed. As a result, due to new lease agreements being negotiated in the current period, a significant increase in the fair value of the properties was realized

The fair value remeasurement on investments is a remeasurement of the existing investment held at business combination date in compliance with IFRS 3.

	Group 2022	Group 2021	Company 2022	Company 2021
19. Finance costs				
Unsecured loans	(860 014)	-	(1 148 893)	-
Borrowings	(4 202 735)	-	(10 720)	-
Other	(787)	-	-	-
	(5 063 176)	**-**	**(1 159 613)**	**-**
20. Income tax				
South African normal tax				
Deferred tax	(29 765 929)	-	-	-
	(29 765 929)	**-**	**-**	**-**

Deferred taxation is not provided on the revaluation of properties. Refer to note 11.

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand	Group 2022	Group 2021	Company 2022	Company 2021

20. Income tax (continued)

Reconciliation of the tax expense

Reconciliation between accounting profit and tax expense.

	Group 2022	Group 2021	Company 2022	Company 2021
Accounting profit	**209 631 646**	-	33 855 624	-
Tax at the applicable tax rate of 28% (2021: 28%)	**58 696 861**	-	9 479 574	-
REIT qualifying distribution [1]	(7 005 997)	-	(9 567 774)	-
Fair value adjustments not taxable due to REIT status	(45 048 077)	-	-	-
Revenue received in advance	311 478	-	-	-
Non-deductible expenses	88 200	-	88 200	-
Gain on bargain purchase in a business combination	(7 042 465)	-	-	-
Prior year deferred tax reversed as a result of REIT status	(29 765 929)	-	-	-
	(29 765 929)	**-**	**-**	**-**

[1] No taxation is provided for against operating profit, to the extent that it is declared as tax deductible distributions in terms of section 258B of the Income Tax Act.

21. Cash flows from operating activities

	Group 2022	Group 2021	Company 2022	Company 2021
Cash generated from operations				
Profit/ (loss) before tax:	209 631 646	(1 195 848)	33 855 624	-
Adjustments for:				
Investment income	(282 496)	-	(263 391)	-
Finance costs	5 063 176	-	1 159 613	-
Dividends income	-	-	(31 719 763)	-
Fees on loan accounts	480 305	-	577 805	-
Fair value adjustments	(160 885 989)	-	-	-
Straight-line rental income adjustment	4 165 564	-	-	-
Share loss from equity accounted investments	-	3 951 852	-	-
Gain on bargain purchase in a business combination	(25 151 661)	(2 756 004)	-	-
Change in operating assets and liabilities:				
Trade and other receivables	(241 585)	-	(555 457)	-
Trade and other payables	983 853	-	853 426	-
Provisions	315 000	-	315 000	-
Net cash flows from operations	**34 077 813**	-	**4 222 857**	-

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand	Group 2022	Group 2021

22. Earnings per share

22.1 Basic earnings per share

	2022	2021
The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:		
Profit/(loss) for the year/period attributable to owners of the Company for continuing operations	239 397 575	(1 195 848)
Weighted average number of ordinary shares used in the calculation of basic earnings per share	51 037 633	64 000

22.2 Diluted earnings per share

	2022	2021
The earnings used in the calculation of diluted earnings per share are as follows:		
Earnings used in the calculation of basic earnings per share for continuing operations	239 397 575	(1 195 848)

22.3 Headline earnings per share

	2022	2021
The earnings and weighted average number of ordinary shares used in the calculation of headline earnings per share are as follows:		
Profit/(loss) for the year/period attributable to owners of the Company for continuing operations	239 397 575	(1 195 848)
IAS33 earnings	239 397 575	(1 195 848)
Fair value adjustments	(160 885 989)	-
Share of loss from equity accounted investments	-	3 951 852
Total tax effects of adjustments	(29 765 929)	-
Gain on bargain purchase in a business combination	(25 151 661)	(2 756 004)
Earnings used in the calculation of headline earnings per share for continuing operations	**23 593 996**	-
Weighted average number of ordinary shares used in the calculation of headline earnings per share	51 037 633	64 000

23. Segment information

23.1 General information

Factors used to identify the Group's reportable segments, as determined by management that chose to organise the Group around different geographical areas, where certain operating segments have been aggregated together.

Operating segments that have been aggregated together are less than the 10% margin as per IAS34.13 (Quantitative threshold). Each reportable segment derives its revenues mainly from rental income, commissions and reimburse expensive.

23.2 Segment revenues

	Gauteng and North-West	Mpumalanga	Western Cape	Revenue from external customers
Year ended 28 February 2022				
Revenue	**15 641 113**	**11 848 387**	**5 838 928**	**33 328 428**

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand

23. Segment information (continued)

23.3 Other incomes and expenses

	Finance costs	Fair value adjustments	Interest income	Other expenses	Gain on bargain purchase	Share of profit or loss from joint ventures	Other income	Income tax expense - Deferred tax
Year ended 28 February 2022								
Gauteng and North-West	(4 187 833)	25 631 968	19 105	(823 827)	-	-	-	24 363 426
Mpumalanga	(4 609)	63 777 734	-	(991 935)	-	-	177 487	4 094 404
Western Cape	-	41 000 943	-	(83 239)	-	-	-	1 308 099
Head Office	(870 734)	30 475 344	263 391	(3 323 260)	25 151 661	-	91 023	-
Total other incomes and expenses	**(5 063 176)**	**160 885 989**	**282 496**	**(5 222 261)**	**25 151 661**	-	**268 510**	**29 765 929**
Year ended 28 February 2021								
Gauteng and North-West	-	-	-	-	-	-	-	-
Head Office	-	-	-	-	2 756 004	(3 951 852)	-	-
Total other incomes and expenses	-	-	-	-	2 756 004	(3 951 852)	-	-

The table below indicates single customers with 10% or more of Group's revenue.

	Total Revenue	Revenue from customer	% of total revenue
Engen	33 328 428	17 982 214	54%
Sasol	33 328 428	14 330 962	43%

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand

23. Segment information (continued)

23.4 Assets and liabilities

	Segment profit / (loss) before discontinued operations and tax	Total assets	Total liabilities
Group			
Year ended 28 February 2022			
Gauteng and North-West	39 912 980	147 026 982	37 914 872
Mpumalanga	74 807 064	114 841 454	241 397
Western Cape	46 756 632	41 923 483	23 397
Head Office	48 154 970	5 868 074	44 076 600
Total assets and liabilities	**209 631 646**	**309 659 993**	**82 256 266**
Year ended 28 February 2021			
Gauteng and North-West	-	3 697 733	813 828
Mpumalanga	-	4 906 573	1 098 474
Western Cape	-	2 633 542	943 675
Head Office	(1 195 848)	19 239 836	22 815 555
Total assets and liabilities	**(1 195 848)**	**30 477 684**	**25 671 532**

	Group		Company	
	2022	**2021**	**2022**	**2021**

24. Operating lease arrangements

The minimum undiscounted future lease payments receivable under non-cancellable operating leases are as follows:

	Group 2022	Group 2021	Company 2022	Company 2021
Not later than 1 year:	27 759 751	-	-	-
Later than one year and not later than 5 years	134 250 300	-	-	-
Later than 5 years	214 132 275	-	-	-
Total future contractual lease income	**376 142 326**	-	-	-

25. Related parties

Group companies

Ultimate holding company	KSP Offshore Limited
Holding company	Afine Investments Limited
Subsidiaries	Lizalor Investments (Pty) Ltd Thunder Cats Investments 78 (Pty) Ltd Clifton Dunes Investments 10 (Pty) Ltd Clifton Dunes Investments 79 (Pty) Ltd Investment Facility Company Three Three Six (Pty) Ltd Coral Lagoon Investments 163 (Pty) Ltd

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand	Group 2022	Group 2021	Company 2022	Company 2021

25. Related parties (continued)

Other related parties

Entity name	Nature of relationship
Petroland Group (Pty) Ltd	Common Management
Katherine Street Properties (Pty) Ltd	Common Management
Lyndham Trust	Common Management
Petroland Developments (Pty) Ltd	Common Management
KSP Offshore Limited	Shareholder
PM Todd	Director and Shareholder
JT Loubser (Jnr)	Director and Shareholder
JT Loubser (Snr)	Director with Indirect shareholding through family member
MJ Watters	Director and Shareholder

Related party balances

	Group 2022	Group 2021	Company 2022	Company 2021
Investment in joint venture				
Lizalor Investments (Pty) Ltd	-	13 237 836	-	17 189 687
Investments in subsidiaries				
Coral Lagoon Investments 163 (Pty) Ltd	-	-	7 001 514	-
Clifton Dunes Investments 10 (Pty) Ltd	-	-	1 898 038	1 898 038
Clifton Dunes Investments 79 (Pty) Ltd	-	-	1 678 969	1 678 969
Investment Facility Company Three Three Six (Pty) Ltd	-	-	170 000	170 000
Lizalor Investments (Pty) Ltd	-	-	34 379 375	17 189 687
Thunder Cats Investments 78 (Pty) Ltd	-	-	1 878 861	1 878 861
Dividends receivable				
Clifton Dunes Investments 10 (Pty) Ltd	-	-	1 771 890	-
Clifton Dunes Investments 79 (Pty) Ltd	-	-	2 049 718	-
Lizalor Investments (Pty) Ltd	-	-	9 049 544	-
Thunder Cats Investments 78 (Pty) Ltd	-	-	969 390	-
Trade receivables				
Clifton Dunes Investments 10 (Pty) Ltd	-	-	100 637	-
Clifton Dunes Investments 79 (Pty) Ltd	-	-	107 181	-
Coral Lagoon Investments 163 (Pty) Ltd	-	-	46 740	-
Investment Facility Company Three Three Six (Pty) Ltd	-	-	5 185	-
Lizalor Investments (Pty) Ltd	-	-	239 637	-
Thunder Cats Investments 78 (Pty) Ltd	-	-	56 077	-
Other receivables				
KSP Offshore Limited	-	6 002 000	-	6 002 000
Loans from subsidiary				
Coral Lagoon Investments 163 (Pty) Ltd	-	-	136 607	-

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand	Group 2022	Group 2021	Company 2022	Company 2021
25. Related parties (continued)				
Related party balances (continued)				
Loans from related parties				
KSP Offshore Limited	42 340 319	-	42 340 319	-
Kathrine Street Properties (Pty) Ltd	-	504 742	-	504 742
Lyndham Trust	-	17 694 430	-	17 694 430
Petroland Group	-	4 616 383	-	4 616 383
Borrowings				
Katherine Street Properties (Pty) Ltd	-	88 120	-	-
Petroland Group (Pty) Ltd	-	224 000	-	-
Lyndham Trust	-	70 496	-	-
Related party transactions				
Management fees received				
Lizalor Investments (Pty) Ltd	-	-	2 962 996	-
Thunder Cats Investments 78 (Pty) Ltd	-	-	597 656	-
Clifton Dunes Investments 10 (Pty) Ltd	-	-	1 062 620	-
Clifton Dunes Investments 79 (Pty) Ltd	-	-	1 130 910	-
Investment Facility Company Three Three Six (Pty) Ltd	-	-	79 108	-
Coral Lagoon Investments 163 (Pty) Ltd	-	-	487 720	-
Management fees paid				
Petroland Group (Pty) Ltd	950 000	-	950 000	-
Petroland Developments (Pty) Ltd	803 636	-	-	-
Directors fees				
PM Todd	15 000	-	15 000	-
MJ Watters	15 000	-	15 000	-
D Kohler	15 000	-	15 000	-
Finance costs				
KSP Offshore Limited	860 014	-	860 014	-
Clifton Dunes Investments 10 (Pty) Ltd	-	-	90 135	-
Clifton Dunes Investments 79 (Pty) Ltd	-	-	101 233	-
Coral Lagoon Investments 163 (Pty) Ltd	-	-	16 628	-
Lizalor Investments (Pty) Ltd	-	-	29 402	-
Thunder Cats Investments 78 (Pty) Ltd	-	-	51 481	-
Dividend distributions				
KSP Offshore Limited	16 000 000	-	16 000 000	-

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand	Group 2022	Group 2021	Company 2022	Company 2021
25. Related parties (continued)				
Related party transactions (continued)				
Dividends received from Subsidiaries				
Clifton Dunes Investments 10 (Pty) Ltd	-	-	7 732 794	-
Clifton Dunes Investments 79 (Pty) Ltd	-	-	8 190 568	-
Coral Lagoon Investments 163 (Pty) Ltd	-	-	877 059	-
Investment Facility Company Three Three Six (Pty) Ltd	-	-	229 961	-
Lizalor Investments (Pty) Ltd	-	-	10 413 373	-
Thunder Cats Investments 78 (Pty) Ltd	-	-	4 276 008	-

Total number of shares held by the directors and related shareholders in which they have declared a personal financial interest as at 28 February 2022

	Direct Shares	Direct %	Indirect Shares	Indirect %	Related Shares	Related %
Non-Executive						
MJ Watters	130 000	0.20	-	-	-	-
PM Todd	-	-	46 160 321	72.13	-	-
D Kohler	-	-	-	-	-	-
Executive directors						
JT Loubser (Snr)	18 667	0.03	-	-	-	-
JT Loubser (Jnr)	7 125	0.01	-	-	-	-
Subtotal for directors	**155 792**	**0.24**	**46 160 321**	**72.13**	**-**	**-**
Other shareholders	**63 844 208**	**99.76**				
Total	**64 000 000**	**100.00**				

Directors' interests in shares as at 28 February 2022

Rand*	Direct beneficial	Indirect beneficial	Indirect non-beneficial	**2022 Total**
Non-executive directors				
MJ Watters (Chairman)	565 500	-	-	**565 500**
PM Todd	-	200 797 395	44 077 477	**244 874 872**
D Kohler	-	-	-	-
Executive directors				
JT Loubser (Snr) (CEO)	-	81 201	-	81 201
JT Loubser (Jnr) (CFO)	30 994	-	-	30 994
Total	596 494	200 878 596	44 077 477	**245 552 567**

* Closing price as at 28 February 2022 was R4.35.

Notes to the Consolidated and Separate Financial Statements (continued)

	Group		Company	
Figures in Rand	**2022**	**2021**	**2022**	**2021**

26. Capital risk management

The Group's and Company's capital comprise shareholders' equity and interest-bearing borrowings. Capital is actively managed to ensure that the Group and Company are properly capitalised and funded at all times, having regard to its regulatory needs, prudent management and the needs of their stakeholders. The Board has overall responsibility for the establishment and oversight of the Group's and Company's risk management framework. The Audit and Risk Committee is responsible for developing and monitoring the Group's and Company's risk management policies. The Audit Risk Committee reports regularly to the Board on its activities.

The Group and Company have a business planning process that runs on an annual cycle with regular updates to projections. It is through this process, which includes risk and sensitivity analysis of forecasts, that the Group's and Company's capital is managed. Specifically, the Group and Company have adopted the following capital management policies:

- Maintenance, as a minimum, of capital sufficient to meet the statutory requirements and such additional capital as management believes is necessary.
- Maintenance of an appropriate level of liquidity at all times. The Group and Company further ensure that they can meet their expected capital and financing needs at all times, having regard to the business plans, forecasts and any strategic initiatives.
- Maintenance of an appropriate level of issued shares based on approval from the shareholders and the Board.

The Group and Company have both qualitative and quantitative risk management procedures to monitor the key risks and sensitivities of the business. This is achieved through scenario analysis and risk assessments. From an understanding of the principal risks, appropriate risk limits and controls are defined. The Group's and Company's capital risk management strategy has remained unchanged from the prior year.

Loans from related parties	42 340 319	22 815 555	42 340 319	22 815 555
Loans from subsidiary companies	-	-	136 607	-
Other financial liabilities	36 925 190	382 616	567 853	-
Trade and other payables	625 273	100 524	214 063	-
Total borrowings	**79 890 782**	**23 298 695**	**43 258 842**	**22 815 555**
Cash	(7 663 890)	(228 412)	(5 868 074)	-
Net borrowings	**72 226 892**	**23 070 283**	**37 390 768**	**22 815 555**
Equity	222 201 727	4 806 152	17 855 624	6 002 000
Gearing ratio	32%	480%	162%	380%

Notes to the Consolidated and Separate Financial Statements (continued)

	Group		Company	
Figures in Rand	**2022**	**2021**	**2022**	**2021**

27. Financial instruments

27.1 Financial risk management objectives

In the normal course of operations, the Group and Company are exposed to interest rate risk, credit risk and liquidity risk arising from its financial instruments. In order to manage these risks, the Group and Company may enter into transactions which make use of derivatives. The Group and Company do not speculate in or engage in the trading of derivative instruments.

Interest rate risk management

Interest rate movements impact on the net cost of the Group's and Company's short term cash balances and interest-bearing borrowings. The risk is managed by the Group and Company by maintaining an appropriate mix between fixed and floating rate borrowings, monitoring cash flows and investing surplus cash at negotiated rates.

Interest rate sensitivity analysis

The sensitivity analysis is based on the exposure to interest rates at the reporting date. For floating rate assets and liabilities, the analysis assumes that the amount of asset or liability outstanding at the reporting date was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rates internally to key management personnel and represents management's reasonable assessment of the possible change in interest rates. If interest rates were 50 basis points higher or lower and all other variables were constant, the Group's and Company's net profit for the year ended 28 February 2022 would decrease or increase by R358 008 (2021: increase or decrease by R771) and R25 818 (2021: nil) respectively.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and Company. The Group's and Company's financial assets that are subject to credit risk are cash and cash equivalents, trade and other receivables, dividends receivable and loans to shareholders. The maximum exposure to credit risk at the end of the year was:

Trade and other receivables	34 540	6 065 436	555 457	6 002 000
Dividends receivable	-	-	13 840 542	-
Cash and cash equivalents	7 663 890	228 412	5 868 074	-
	7 698 430	**6 293 848**	**20 264 073**	**6 002 000**

Credit risk attached to the Group's and Company's cash and cash equivalents is minimised by its cash resources being placed in money market investments with a financial institution of high credit standing, in terms of pre-determined exposure limits. Exposure limits and underlying money market exposures are assessed bi-annually.

The Group and Company do not have any significant credit risk exposure to any single tenant counterparty.

Trade receivables consist of two main tenants, Sasol and Engen. Management has established a credit policy in terms of which each new tenant is analysed individually for creditworthiness before the Group's standard payment terms and conditions are offered which include, in the majority of cases, the provision of a deposit of at least one month's rental. When available, the Group's credit review includes external ratings.

The Group and Company measure credit risk and ECL using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any ECL. Management considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on lifetime ECL as any such impairment would be wholly insignificant to the Group and Company.

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand	Group 2022	Group 2021	Company 2022	Company 2021

27. Financial instruments (continued)

27.1 Financial risk management objectives (continued)

Liquidity risk management

Liquidity risk is the risk that the Group and Company will not be able to meet its financial obligations as they fall due. The Group's and Company's policy is to limit its exposure to liquidity risk by ensuring that the Group and Company have a material amount of undrawn access facilities at any given time. Although the Group's current liabilities temporarily exceed current assets at 28 February 2022, the Group's liquidity is adequately managed by means of undrawn facilities at 28 February 2022 amounting to R13 million, refer to note 10.

In effect, the Group and Company seek to borrow for as long as possible at the lowest acceptable cost. The Group and Company regularly reviews the maturity profile of its interest-bearing debt and other financial liabilities and seeks to avoid concentration of maturities through the regular replacement of facilities well in advance of maturity dates. The Group's and Company's objective in managing liquidity risk is to ensure that it has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. Forecast cash flows based on anticipated rentals net of operating expenses, finance costs, other income, corporate expenditure and capital expenditure are reviewed on a regular basis.

The tables below set out the maturity analysis of the Group's and Company's financial liabilities based on the undiscounted contractual cash flows.

Figures in Rand	Group 2022	Group 2021	Company 2022	Company 2021
Less than 3 months				
Borrowings	3 381 613	-	9 148	-
Trade and other payables	625 273	100 524	214 063	-
	4 006 886	**100 524**	**538 211**	-
Between 3 months and 1 year				
Loans from related parties	-	22 815 555	-	22 815 555
Borrowings	10 223 473	382 616	27 443	-
	10 223 473	**23 198 171**	**27 443**	**22 815 555**
Between 1 year and five years				
Loans from related parties	46 227 990	-	46 227 990	-
Loans from subsidiary	-	-	136 607	-
Borrowings	29 520 269	-	680 673	-
	75 748 259	-	**43 157 599**	-

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand

27. Financial instruments (continued)

27.1 Financial risk management objectives (continued)

Categories of financial instruments

Group

At 28 February 2022	Amortised costs	Non-financial assets and liabilities	Total
Non-current assets			
Investment property at fair value	-	281 516 820	281 516 820
Straight-line rental accrual	-	20 174 262	20 174 262
Total non-current assets	**-**	**301 691 082**	**301 691 082**
Current assets			
Trade and other receivables	34 540	270 481	305 021
Cash and cash equivalents	7 663 890	-	7 663 890
Total current assets	**7 698 430**	**270 481**	**7 968 911**
Total assets	**7 698 430**	**301 961 563**	**309 659 993**
Equity and liabilities			
Equity			
Share capital	-	5 202 000	5 202 000
Retained income	-	222 201 727	222 201 727
Total Equity	**-**	**227 403 727**	**227 403 727**
Liabilities			
Non-current liabilities			
Loans from related parties	42 340 319	-	42 340 319
Other financial liabilities	26 600 994	-	26 600 994
Total non-current liabilities	**68 941 313**	**-**	**68 941 313**
Current liabilities			
Trade and other payables	1 734 243	665 690	2 399 933
Provisions	-	315 000	315 000
Other financial liabilities	10 324 196	-	10 324 196
Current tax payable	-	275 824	275 824
Total current liabilities	**12 058 439**	**1 256 514**	**13 314 953**
Total liabilities	**80 999 752**	**1 256 514**	**82 256 266**
Total equity and liabilities	**80 999 752**	**228 660 241**	**309 659 993**

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand

27. Financial instruments (continued)

27.1 Financial risk management objectives (continued)

Categories of financial instruments

Group

At 28 February 2021	Amortised costs	Non-financial assets and liabilities	Total
Non-current assets			
Investment property at fair value	-	10 946 000	10 946 000
Investments in joint ventures	-	13 237 836	13 237 836
Total non-current assets	-	**24 183 836**	**24 183 836**
Current assets			
Trade and other receivables	6 065 436	-	6 065 436
Cash and cash equivalents	228 412	-	228 412
Total current assets	**6 293 848**	-	**6 293 848**
Total assets	**6 293 848**	**24 183 836**	**30 477 684**
Equity and liabilities			
Equity			
Share capital	-	6 002 000	6 002 000
Retained income	-	(1 195 848)	(1 195 848)
Total Equity	-	**4 806 152**	**4 806 152**
Liabilities			
Non-current liabilities			
Deferred tax liability	-	2 358 101	2 358 101
Total non-current liabilities	-	**2 358 101**	**2 358 101**
Current liabilities			
Trade and other payables	100 524	-	100 524
Loans from related parties	22 815 555	-	22 815 555
Other financial liabilities	382 616	-	382 616
Current tax payable	-	14 736	14 736
Total current liabilities	**23 298 695**	**14 736**	**23 313 431**
Total liabilities	**23 298 695**	**2 372 837**	**25 671 532**
Total equity and liabilities	**23 298 695**	**7 178 989**	**30 477 684**

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand

27. Financial instruments (continued)

27.1 Financial risk management objectives (continued)

Categories of financial instruments

Company

At 28 February 2022	Amortised costs	Non-financial assets and liabilities	Total
Non-current assets			
Investment in subsidiaries	-	47 006 757	47 006 757
Total non-current assets	-	**47 006 757**	**47 006 757**
Current assets			
Trade and other receivables	555 457	-	555 457
Dividends receivable	13 840 542	-	13 840 542
Cash and cash equivalents	5 868 074	-	5 868 074
Total current assets	**20 264 073**	**-**	**20 264 073**
Total assets	**20 264 073**	**47 006 757**	**67 270 830**
Equity and liabilities			
Equity			
Share capital	-	5 202 000	5 202 000
Retained income	-	17 855 624	17 855 624
Total Equity	-	**23 057 624**	**23 057 624**
Liabilities			
Non-current liabilities			
Loans from related parties	42 340 319	-	42 340 319
Loans from subsidiary companies	136 607	-	136 607
Other financial liabilities	567 853	-	567 853
Total non-current liabilities	**43 044 779**	-	**43 044 779**
Current liabilities			
Trade and other payables	214 063	639 364	853 427
Provisions	-	315 000	315 000
Total current liabilities	**214 063**	**954 364**	**1168 427**
Total liabilities	**43 258 842**	**954 364**	**44 213 206**
Total equity and liabilities	**43 258 842**	**24 011 988**	**67 270 830**

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand

27. Financial instruments (continued)

27.1 Financial risk management objectives (continued)

Categories of financial instruments

Company

At 28 February 2021	Amortised costs	Non-financial assets and liabilities	Total
Non-current assets			
Investments in joint ventures	-	17 189 688	17 189 688
Investment in subsidiaries	-	5 625 868	5 625 868
Total non-current assets	-	**22 815 556**	**22 815 556**
Current assets			
Trade and other receivables	6 002 000	-	6 002 000
Total current assets	**6 002 000**	-	**6 002 000**
Total assets	**6 002 000**	**22 815 556**	**28 817 556**
Equity and liabilities			
Equity			
Share capital	6 002 000	-	6 002 000
Total Equity	**6 002 000**	-	**6 002 000**
Liabilities			
Current liabilities			
Loans from related parties	22 815 555	-	22 815 555
Total current liabilities	**22 815 555**	-	**22 815 555**
Total liabilities	**22 815 555**	-	**22 815 555**
Total equity and liabilities	**22 815 555**	**6 002 000**	**28 817 555**

28. Guarantees

Clifton Dunes Investments 10 (Pty) Ltd has bound itself as guarantor by way off a first covering mortgage bond that has been registered over Erf 1 Thandekile Township in favour of Investec Bank Limited South Africa to the amount of R20 000 000, to provide limited guarantee to Investec Bank (Mauritius) Limited as security for a loan from Investec Bank (Mauritius) Limited to KSP Offshore Limited.

Clifton Dunes Investments 10 (Pty) Ltd has bound itself as guarantor by way off a first covering mortgage bond that has been registered over Erf 15848 and 15851 Somerset West in favour of Investec Bank Limited South Africa to the amount of R21 000 000, to provide limited guarantee to Investec Bank (Mauritius) Limited as security for a loan from Investec Bank (Mauritius) Limited to KSP Offshore Limited.

Notes to the Consolidated and Separate Financial Statements (continued)

Figures in Rand

28. Guarantees (continued)

Coral Lagoon Investments 163 (Pty) Ltd has bound itself as guarantor by way off a first covering mortgage bond that has been registered over Erf 34 Riverside Park Extension 4 in favour of Investec Bank Limited South Africa to the amount of R8 500 000, a third covering mortgage bond that has been registered over Erf 34 Riverside Park Extension 4 in favour of Investec Bank Limited South Africa to the amount of R600 000 and a fourth covering mortgage bond that has been registered over the remaining extent of Erf 34 Riverside Park Extension 4 in favour of Investec Bank Limited South Africa to the amount of R3 900 000.

Petroland Developers (Pty) Ltd, Finlake Developments CC, Darryl Kohler and Johannes Theodorus Loubser (the "Guarantors"), provide an irrevocable and unconditional, joint and several, guarantee and undertaking, limited to an amount of R35 500 000 in favour of Rand Merchant Bank.

29. Contingent Liabilities

A first covering mortgage bond that has been registered over Erf 1 Thandekile Township in favour of Investec Bank Limited South Africa to the amount of R20 000 000, to provide limited guarantee to Investec Bank (Mauritius) Limited as security for a loan from Investec Bank (Mauritius) Limited to KSP Offshore Limited.

A first covering mortgage bond that has been registered over Erf 15848 and 15851 Somerset West in favour of Investec Bank Limited South Africa to the amount of R21 000 000, to provide limited guarantee to Investec Bank (Mauritius) Limited as security for a loan from Investec Bank (Mauritius) Limited to KSP Offshore Limited.

KSP Offshore Limited has sufficient cashflow to settle the above guarantees therefore the possibility of the guarantee provided by Afine Group being exercised by the counterparty, and thus requiring Afine Group to settle the liability in cash, is remote.

30. Events after the reporting date

In line with IAS 10 - Events after the Reporting Period, the declaration of the final dividend occurred after the end of the reporting period, resulting in a non-adjusting event that is not recognised in the financial statements. The board approved a final dividend on 30 May 2022 of 27.80 cents per share for the year ended 28 February 2022.

The Board are not aware of any matter or circumstance arising since the end of the financial period to the date of this report that could have a material effect on the financial position of the Group and Company.

31. Going concern

The consolidated financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Board believe that the Group has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated financial statements have been prepared on a going concern basis.

The Board have satisfied themselves that the Group is in a sound financial position, has considered the solvency and liquidity of the Group and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

The Board are not aware of any new material changes that may adversely impact the Group. The Board are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation that may affect the Group.

Appendix A: Property Portfolio Review

Information regarding the Group's property portfolio

The properties, specific information in respect of each is included in Appendix B, have been valued by the Independent Valuer. A summarised valuation report is set out in Appendix B.

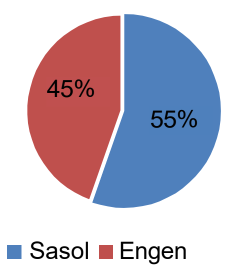
Set out below and based on the Property Forecast Information, are the following profiles of the properties referred to in Appendix B:

Tenant	Tenant profile (Note 1)	Sector	Forecast Contracted Rental Income	Tenant profile by GLA
Engen	A	Oil major	55%	62%
Sasol	A	Oil major	45%	38%
Total			**100%**	**100%**

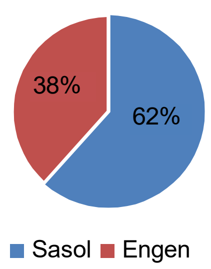
Note 1 - "A": large national tenants, large listed tenants, government and major franchisees;

No uncontracted or near contracted rental has been included in the property forecast. There are no vacancies.

Tenant profile by forecast rental income



Tenant profile by GLA



Details of the geographic area, rentable area, material revenue and lease expiry profile are set out below.

The tenant profile per geographic area is set out below, based on monthly revenue, noting that the oil major rents out the entire site and thus weighted average rental and escalation per square metre is not disclosed as the information is not meaningful and is not used in this sector.

Province	Percentage	Tenants	Expiry profile	Rentable area (m2)	Revenue
Gauteng	49%	Engen Platinum One Stop Sasol Parkdene	February 2028 October 2027	65 105	902 121
Mpumalanga	27%	Sasol Piet Retief Sasol Grassnyers Engen Riverside	December 2029 December 2029 November 2023	14 357	494 733
Western Cape	21%	Sasol Somerset West	December 2029	3 476	352 201
North West	3%	Sasol Protea Park	March 2029	2 737	67 718
Total	**100%**			**85 675**	**1 816 773**

Appendix A: Property Portfolio Review (continued)

Information regarding the Group's property portfolio (continued)

The lease expiry profiles, based on existing leases, by province, are set out in the table above. All the above leases, totaling a monthly revenue of R1 816 773 over a rentable area of 85 675 m2, have a lease expiry profile of between November 2023 to December 2029. All the leases are in the petroleum sector.

A table setting out the lease expiry profile per annum is set out below:

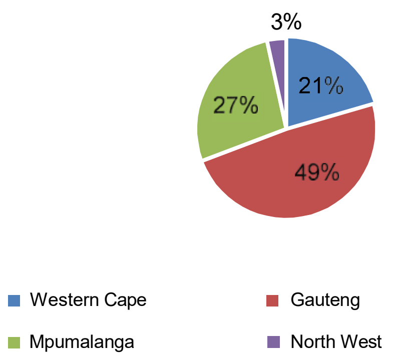
Lease expiry profile	Total GLA (%)	Total Revenue (%)
Vacant	0	0
February 2022	0	0
February 2023	0	0
February 2024	4.39	9.99
February 2025	0	0
February 2026	0	0
February 2027	0	0
February 2028	71.60	39.66
February 2029	24.01	50.35
Total	**100.0**	**100.0**

The weighted average rental per square meter by rentable area for the filling station sector is R21.21. It should be noted that this metric is not used in the rental of filling stations as they are typically rented based on the volume generated per site, irrespective of the size of the site.

The weighted average rental escalation for the total portfolio, based on existing leases, by rentable area, for the filling station sector is an average of 5%.

The average annualised property yield for the total portfolio is 10.46%.

Tenant profile by geography based on revenue



The Group's portfolio of income generating immovable properties focuses primarily in the petroleum sector. Accordingly, all of the above properties are used as service stations.

Appendix B: Property Portfolio

Commercial - Gauteng and North West

Property company/name	Property address	Location	Site area (m2)	Value R
Sasol Parkdene, Johannesburg	Erf 654 Parkdene Extension No.3, IR Division Gauteng	Boksburg	2 274	9 900 000
Sasol Protea Park, Rustenburg	Erf 1439 Proteapark Extension No.1, IQ Division NorthWest	Rustenburg	2 737	19 100 000
Engen, Doornpoort, Pretoria	Portion 150 and Portion 151 Doorpost No.295, JR Division	Pretoria	49 076	116 500 000

Commercial - Mpumalanga

Property company/name	Property address	Location	Site area (m2)	Value R
Engen Riverside, Nelspruit	Erf 34 Riverside Park Extension No.4, JT Division Mpumalanga	Nelspruit	2 732	48 000 000
Sasol Piet Retief	Erf 1 Thandekile, IT Division Mpumalanga	Piet Retief	12 334	44 397 980
Sasol Grassnyers, Witbank	Erf 2490 Witbank Extension No.13, JS Division Mpumalanga	Witbank	2 023	21 972 496

Commercial - Western Cape

Property company/name	Property address	Location	Site area (m2)	Value R
Sasol Somerset West	Erven 15848 and 15851 Somerset West	Somerset West	3 476	41 820 606

ANALYSIS OF SHAREHOLDERS

Afine's shareholder spread as at 28 February 2022 is set out below:

Category	No. of Shareholders	No. of Shares	% Holding
Companies and Other Institutions	19	62 673 403	97.93%
Close Corporations	1	12 000	0.02%
Trusts	1	9 600	0.02%
Individuals	1 497	1 304 997	2.04%
TOTAL	**1 518**	**64 000 000**	**100.00%**

Size of Shareholding	No. of Shareholders	No. of Shares	% Holding
1 - 1 000	1 380	105 637	0.17%
1 001 10 000	106	400 061	0.63%
10 001 - 25 000	21	349 684	0.55%
25 001 - 500 000	10	515 544	0.81%
500 001 and over	1	62 629 074	97.86%
TOTAL	**1 518**	**64 000 000**	**100.00%**

Public vs. Non-Public	No. of Shares	% Holding
Shareholders holding more than 10% of the issued share capital		
SCB Mauritius A/C Afrasia Bank Limited	62 629 074	97.86%
Directors and Associates	155 792	0.24%
Public	1 215 134	1.90%
TOTAL	**64 000 000**	**100.00%**

Public vs. Non-Public	No. of Shares	% Holding
Shareholders holding more than 5% of the issued share capital		
KSP Offshore Limited (*)	56 293 074	87.96%
Black Gold Trust (*)	6 336 000	9.90%
TOTAL	**62 629 074**	**97.86%**

(*) - Breakdown of shareholding held in SCB Mauritius A/C Afrasia Bank Limited

NOTICE OF ANNUAL GENERAL MEETING

AFINE INVESTMENTS LIMITED
Incorporated in the Republic of South Africa)
(Registration number 2020/852422/06)
JSE share code: ANI ISIN: ZAE000303947
(Approved as a REIT by the JSE)
("Afine" or "the Company" or "the Group")

DIRECTORS
MJ Watters (Chairman) *#
JT (Anton) Loubser (Chief Executive Officer)
JT (JT) Loubser (Financial Director)
D Kohler *#
PM Todd *
(*Non-executive, #Independent)

Notice is hereby given that the Annual General Meeting ("AGM") of shareholders of the Company will be held at 13:00 on Thursday, 11 August 2022, to pass, with or without modifications, the resolutions set out below.

The AGM will be conducted entirely by electronic communication as contemplated in Section 63(2)(a) of the Companies Act, 2008. Shareholders or their proxies may only participate in the AGM by way of electronic participation.

Record Date to Attend and Vote at the AGM

The Board has determined, in terms of section 62(3)(a), as read with sections 59(1)(a) and (b) of the Companies Act, the following dates in respect of the AGM.

	2022
Record date for determining those shareholders entitled to receive the notice of AGM	Friday, 24 June
Last day to trade in order to be eligible to participate in, and vote at the AGM	Tuesday, 2 August
Record date (for voting purposes at the AGM)	Friday, 5 August

Who May Attend

1. If you are the registered holder of certificated shares or you hold dematerialised shares with "own name" registration:
    - you may attend the AGM in person; or
    - you may appoint a proxy to represent you at the AGM by completing the attached form of proxy in accordance with the instructions contained therein and by returning it to the transfer secretaries, being JSE Investor Services Proprietary Limited, formerly known as Link Market Services South Africa Proprietary Limited, ("Transfer Secretary") to be received no later than Monday, 8 August 2022;
    - A proxy need not be a shareholder of the Company.

    Certificated shareholders or own-name dematerialised shareholders may attend and vote at the AGM, or alternatively appoint a proxy to attend, speak and, in respect of the applicable resolutions, vote in their stead by completing the attached form of proxy and returning it to the Transfer Secretary at 13th Floor, 19 Ameshoff Street, Braamfontein, Johannesburg, 2001, or posting to the Transfer Secretary at PO Box 4844, Johannesburg, 2000, to be received by no later than Monday, 8 August 2022.

2. If you hold dematerialised shares which are not registered in your name:

- and you wish to attend the AGM, you must obtain the necessary Letter of Representation from your Central Securities Depository Participant ("CSDP") or broker or nominee (as the case may be); or
- if you do not wish to attend the AGM but would like your vote to be recorded at the meeting, you should contact your CSDP or broker or nominee (as the case may be) and furnish them with your voting instructions; and
- you must not complete the attached proxy form.

Electronic Participation at the AGM

In accordance with the provisions of section 61 (10) of the Companies Act, No. 71 of 2008 ("the Companies Act"), the Company intends to make provision for shareholders and their proxies to participate in the AGM by way of a telephone or video conference call. Shareholders wishing to do so:

- must contact the Company Secretary at +27 21 853 7956 by not later than Monday, 8 August 2022, to obtain a personal identification number (PIN) and dial-in details for the video conference call;
- will be required to provide reasonably satisfactory identification;
- will be billed separately by their own telephone service providers for the telephone call to participate in the AGM; and
- must submit their voting proxies to the Transfer Secretary at 13th Floor, 19 Ameshoff Street, Braamfontein, Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000) (Tel: (011) 713 0800) by no later than Monday, 8 August 2022. No changes to voting instructions after this time and date can be accepted,unless the Chairman of the meeting is satisfied as to the identification of the electronic participant.

Purpose of the AGM

The purpose of the AGM is to present to the shareholders of the Company:

- the Group audited financial statements for the year ended 28 February 2022;
- the directors' report;
- the report of the Audit and Risk Committee; and
- to deal with any other business that may lawfully be dealt with at the AGM, and to consider and, if deemed fit, to pass, with or without modification, the resolutions set out below:

ORDINARY RESOLUTIONS:

1. ORDINARY RESOLUTION NUMBER 1 – PRESENTATION AND ACCEPTANCE OF ANNUAL FINANCIAL STATEMENTS

"**RESOLVED THAT** the consolidated annual financial statements for the year ended 28 February 2022, including the directors' report, the independent auditors' report, the Audit and Risk Committee report, and the Social and Ethics Committee report thereon, be and are hereby received and accepted."

Explanatory Note:

Ordinary resolution number 1 is proposed to receive and accept the Group audited annual financial statements for the year ended 28 February 2022, including the directors' report, the independent auditors' report, the Audit and Risk Committee report and the Social and Ethics Committee report thereon.

In order for this ordinary resolution to be adopted, the support of more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution is required.

2. ORDINARY RESOLUTION NUMBER 2 – DIRECTOR RETIREMENT AND RE-ELECTION – D KOHLER

"**RESOLVED THAT**, D Kohler, who retires in terms of the Company's MOI and, being eligible, offers himself for re-election as a director of the Company, be and is hereby approved."

Mr Kohler's curriculum vitae is set out on page 27 of this Integrated Annual Report.

Explanatory note for ordinary resolution number 2:

In accordance with the MOI of the Company, one-third of the non-executive directors for the time being are required to retire at each meeting and may offer themselves for re-election.

In order for this resolution to be adopted, the support of more than 50% of the voting rights exercised on this resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolutions is required.

3. ORDINARY RESOLUTION NUMBER 3 – RE-APPOINTMENT AND REMUNERATION OF AUDITORS

"**RESOLVED THAT** PKF Pretoria Incorporated be and is hereby re-appointed as external auditor of the Company and of the Group for the ensuing year on the recommendation of the Audit and Risk Committee of the Company."

Explanatory Note:

Ordinary resolution number 3 is proposed to approve the appointment of PKF Pretoria Incorporated as the external auditor of the Company and the Group for the financial year ending 28 February 2023 and to remain in office until the conclusion of the next AGM, and to authorise the Audit and Risk Committee to determine its remuneration.

Subject to the passing of this ordinary resolution, Mr B Robinson will be the individual registered auditor who will undertake the audit for the financial year ending 28 February 2023.

In order for this ordinary resolution to be adopted, the support of more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution is required.

4. ORDINARY RESOLUTION NUMBER 4 – REAPPOINTMENT OF AUDIT AND RISK COMMITTEE MEMBER D KOHLER

"**RESOLVED THAT** Mr D Kohler be and is hereby re-elected as a member of the Audit and Risk Committee and to hold office until the next AGM in terms of section 94(2) of the Companies Act."

Mr Kohler's curriculum vitae is set out on page 27 of this Integrated Annual Report.

5. ORDINARY RESOLUTION NUMBER 5 – REAPPOINTMENT OF AUDIT AND RISK COMMITTEE MEMBER MJ WATTERS

"**RESOLVED THAT** Mr Watters be and is hereby re-elected as a member of the Audit and Risk Committee and to hold office until the next AGM in terms of section 94(2) of the Companies Act."

Mr Watters' curriculum vitae is set out on page 26 of this Integrated Annual Report.

6. ORDINARY RESOLUTION NUMBER 6 – APPOINTMENT OF AUDIT AND RISK COMMITTEE MEMBER – PM TODD

"**RESOLVED THAT** Mr PM Todd be and is hereby elected as a member of the Audit and Risk Committee and to hold office until the next AGM in terms of section 94(2) of the Companies Act."

Mr Todd's curriculum vitae is set out on page 27 of this Integrated Annual Report.

Explanatory Note for ordinary resolutions number 4 to 6:

Ordinary resolutions number 4 to 6 are proposed to elect an audit committee in terms of section 94(2) of the Companies Act and the King Report on Corporate Governance for South Africa, 2016 ("King IV").

Section 94 of the Companies Act requires that, at each AGM, shareholders of the Company elect an audit committee comprising at least three non-executive members to perform the duties and responsibilities stipulated in section 94(7) of the Companies Act and in King IV and to perform such other duties and responsibilities as may from time to time be delegated to it by the Board.

The Board is also satisfied that the proposed members meet the requirements of section 94(4) of the Companies Act and that they possess the required qualifications and experience as prescribed in Regulation 42 of the Companies Act Regulations, 2011, which requires that at least one third of the members of a company's audit committee at any particular time must have academic qualifications or experience in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resource management.

In order for these ordinary resolutions to be adopted, the support of more than 50% of the voting rights exercised on the resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution is required.

7. ORDINARY RESOLUTION NUMBER 7 – ENDORSEMENT OF AFINE’S REMUNERATION POLICY

“**RESOLVED THAT** the Company’s remuneration policy, as set out on page 12 of the Integrated Annual Report, be and is hereby endorsed.”

Explanatory Note:
The reason for ordinary resolution number 7 is that King IV recommends, and the JSE Listings Requirements require, that the remuneration policy of a company be tabled for a non-binding advisory vote by shareholders at each annual general meeting of the company. This vote enables shareholders to express their views on the remuneration policies adopted. The effect of ordinary resolution number 7, if passed, will be to endorse the Company’s remuneration policy.

Ordinary resolution number 7 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing arrangements. However, the Board will take the outcome of the vote into consideration when considering amendments to the Company’ s remuneration policy.

8. ORDINARY RESOLUTION NUMBER 8 – ENDORSEMENT OF THE IMPLEMENTATION OF AFINE’S REMUNERATION POLICY

“**RESOLVED THAT**, the implementation of the Company’s remuneration policy, as set out on page 12 of the Integrated Annual Report, be and is hereby endorsed.”

Explanatory Note:
The reason for ordinary resolution number 8 is that King IV recommends that the implementation report on a Company’s remuneration policy be tabled for a non-binding advisory vote by shareholders at each annual general meeting of the company. This vote enables shareholders to express their views on the implementation of a company’ s remuneration policy. The effect of ordinary resolution number 8, if passed, will be to endorse the Company’s implementation report in relation to its remuneration policy.

Ordinary resolution 8 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing arrangements. However, the board will take the outcome of the vote into consideration when considering amendments to the Company’s remuneration policy and its implementation.

Should more than 25% of the total votes cast be against either ordinary resolution number 7 or 8, the Company will issue an announcement on the Stock Exchange News Services (“SENS”) inviting shareholders who voted against the resolution (s) to meet with members of the Remuneration Committee. The process to be followed will be set out in the SENS announcement.

SPECIAL RESOLUTIONS:

9. SPECIAL RESOLUTION NUMBER 1 – GENERAL AUTHORITY TO ALLOT AND ISSUE SHARES FOR CASH

“**RESOLVED THAT** subject to the provisions of the Companies Act, the Listings Requirements of the JSE and the Company’s MOI, as a general authority valid until the next AGM of the Company, and provided that it shall not extend past 15 months from the date of this AGM, the authorised but unissued ordinary shares of the Company be and are hereby placed under the control of the directors who are hereby authorised to allot, issue, grant options over or otherwise deal with or dispose of these shares to such persons at such times and on such terms and conditions and for such consideration whether payable in cash or otherwise, as the directors may think fit, provided that:

- the shares which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such equity securities or rights that are convertible into a class already in issue;
- this authority shall not endure beyond the next AGM of the Company, nor shall it endure beyond 15 months from the date of this meeting;
- the shares must be issued only to public shareholders (as defined in the Listings Requirements of the JSE) and not to related parties (as defined in the Listings Requirements of the JSE);
- upon any issue of shares for cash which represent, on a cumulative basis within a financial year, 5% (five percent) of the number of shares in issue prior to that issue, the Company shall publish an announcement containing full details of the issue, (including the number of shares issued, the average discount to the weighted average traded price of the shares over the 30 days prior to the date that the price of the issue is agreed in writing between the Company and the party/(ies) subscribing for the shares and the effects of the issue on the Statement of Financial Position, net asset value per share, net tangible asset value per share, the Statement of Comprehensive Income, earnings per share, headline earnings per share, and if applicable diluted earnings per share and diluted headline earnings per share), or an explanation, including supporting information (if any), of the intended use of the funds, or any other announcements that may be required in such regard in terms of the Listings Requirements which may be applicable from time to time;

- the number of ordinary shares issued for cash shall not, in the current financial year, in aggregate, exceed 50% or 32 000 000 shares (including securities which are compulsorily convertible into shares of that class and excluding treasury shares) provided that;

  a) any equity securities issued under the authority during the period contemplated above must be deducted from the 32 000 000 ordinary shares; and
  b) in the event of a sub-division or consolidation of issued equity securities during the period contemplated above, the existing authority must be adjusted accordingly to represent the same allocation ratio; and

- the maximum discount at which shares may be issued is 10% of the weighted average traded price of the Company's shares over the 30 business days prior to the date that the price of the issue is determined or agreed by the directors of the Company."

Explanatory Note:

An ordinary resolution is required in terms of the Listings Requirements of the JSE in order for shareholders to place the authority to issue shares for cash under the control of the directors. A special resolution is required in terms of the Companies Act to issue more than 30% new shares. Accordingly, this resolution is proposed as a special resolution.

In order for this special resolution to be adopted, it must be approved by 75% (seventy five percent) of the voting rights exercised on special resolution 1 by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution is required.

10. SPECIAL RESOLUTION NUMBER 2 – AUTHORITY TO ISSUE SHARES, SECURITIES CONVERTIBLE INTO SHARES OR RIGHTS THAT MAY EXCEED 30% OF THE VOTING POWER OF THE CURRENT ISSUED SHARE CAPITAL

"**RESOLVED THAT** the authorised but unissued shares of the Company be and are hereby placed under the control of the directors (to the extent that this is necessary in terms of the Company's MOI) and the directors be and are hereby authorised, to the extent required in terms of section 41 (3) of the Companies Act, to allot and issue such number of shares in the authorised but unissued share capital of the Company as may be required for purposes of issuing shares, securities convertible into shares, or rights exercisable for shares in a transaction or series of integrated transactions notwithstanding the fact that such number of ordinary shares may have voting power equal to or in excess of 30% of the voting rights of all ordinary shares in issue immediately prior to such issue.

This authority specifically includes the authority to allot and issue any ordinary shares in the authorised but unissued share capital of the Company to any underwriter(s) of a rights or claw-back offer (whether or not such underwriter is a related party to Afine (as defined for purposes of the Listings Requirements) and/or person falling within the ambit of section 41(1) of the Companies Act, being a director, future director, prescribed officer or future prescribed officer of the Company or a person related or inter-related to the Company or related or inter-related to a director or prescribed officer of the Company or a nominee of any of the foregoing persons."

Reason for and effect of Special Resolution Number 2

The reason for special resolution number 2 is to:

a. obtain approval from the shareholders of the Company, in terms of the provisions of sections 41(1) and (3) of the Companies Act (to the extent required), to issue additional ordinary shares in the authorised but unissued share capital of the Company to enable the Company to issue shares, securities convertible into shares, or rights exercisable for shares in a transaction or series of integrated transactions notwithstanding the fact that such number of ordinary shares may have voting power equal to or in excess of 30% of the voting rights of all ordinary shares in issue immediately prior to such issue; and
b. to provide for the possibility of such shares being issued to persons and parties considered to be related and/or inter-related parties as defined in section 2 of the Companies Act, 2008 and the Listings Requirements of the JSE, which issue will be subject to the JSE Listings Requirements.

In order for this special resolution to be adopted, the support of at least 75% of the voting rights exercised on the resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution is required.

11. SPECIAL RESOLUTION NUMBER 3 – NON-EXECUTIVE DIRECTORS' REMUNERATION

"**RESOLVED THAT** that the fees payable to the non-executive directors for their services to the board and committees of the board for a 12-month period beginning 1 March 2022, be approved as follows:

NON-EXECUTIVE DIRECTORS	TOTAL (R)
Mr Michael John Watters	60 000
Mr Darryl Kohler	60 000
Mr Peter McAllister Todd	60 000

Explanatory Note:

Section 66(8) (read with section 66(9)) of the Companies Act provides that, to the extent permitted in the Company's MOI, the Company may pay remuneration to its directors for their services as directors provided that such remuneration may only be paid in accordance with a special resolution approved by shareholders within the previous two years. The Company's MOI does not limit, restrict or qualify the power of the Company to pay remuneration to its directors for their service as directors in accordance with section 66(9) of the Companies Act.

The Remuneration Committee has considered the remuneration for non-executive directors and the Board has accepted the recommendations of the Remuneration Committee.

In order for this special resolution to be adopted, the support of at least 75% of the voting rights exercised on the resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution is required."

12. SPECIAL RESOLUTION NUMBER 4 – GENERAL AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE FOR THE SUBSCRIPTION AND/OR PURCHASE OF SECURITIES IN THE COMPANY OR IN RELATED OR INTER-RELATED COMPANIES IN TERMS OF SECTION 44 OF THE COMPANIES ACT

"**RESOLVED THAT**, in terms of section 44 of the Companies Act, the shareholders of the Company hereby approve of the Company providing, at any time and from time to time during the period of 2 (two) years commencing on the date of this special resolution, any direct or indirect financial assistance as contemplated in section 44 of the Companies Act to any person for the purpose of, or in connection with, the subscription for any option, or any securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any option or securities of the Company or a related or inter-related company, provided that the Board may not authorise the Company to provide any financial assistance pursuant to this special resolution unless the Board meets all those requirements of section 44 of the Companies Act which it is required to meet in order to authorise the Company to provide such financial assistance."

Explanatory Note:
In terms of section 44 of the Companies Act, a company is required to approve the provision of financial assistance to any person for the purpose of, or in connection with, the subscription for any option or securities issued or to be issued by the company or a related or inter-related company by means of passing a special resolution in terms of section 44 of the Companies Act.

In order for this special resolution to be adopted, the support of at least 75% of the voting rights exercised on the resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution is required.

13. SPECIAL RESOLUTION NUMBER 5 – GENERAL AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE TO RELATED AND INTER-RELATED COMPANIES AND CORPORATIONS IN TERMS OF SECTION 45 OF THE COMPANIES ACT

"**RESOLVED THAT**, in terms of section 45 of the Companies Act, the shareholders of the Company hereby approve of the Company providing, at any time and from time to time during the period of 2 (two) years commencing on the date of this special resolution, any direct or indirect financial assistance as contemplated in section 45 of the Companies Act to any 1 (one) or more related or inter-related companies or corporations of the Company and/or to any 1 (one) or more members of any such related or inter-related company or corporation and/or to any 1 (one) or more persons related to any such company or corporation, provided that:

(i) the Board may not authorise the Company to provide any financial assistance pursuant to this special resolution unless the Board meets all those requirements of section 45 of the Companies Act which it is required to meet in order to authorise the Company to provide such financial assistance;

(ii) the Board is satisfied that:
- immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test; and
- the terms under which the financial assistance is proposed to be given are fair and reasonable to the company; and

(iii) such financial assistance to a recipient thereof is, in the opinion of the Board, required for the purpose of:
  (a) meeting all or any of such recipient's operating expenses (including capital expenditure); and/or
  (b) funding the growth, expansion, reorganisation or restructuring of the businesses or operations of such recipient; and/or
  (c) funding such recipient for any other purpose which in the opinion of the Board is directly or indirectly in the interest of the Company."

In terms of section 45 of the Companies Act, a company is required to approve the provision of financial assistance to a company within its group by means of passing a special resolution. As part of the Company's current Group operations, it provides financial assistance to subsidiaries and other related companies in the Group.

Notice in terms of section 45(5) of the Companies Act in respect of special resolution number 5.

Notice is hereby given to shareholders of the Company in terms of section 45(5) of the Companies Act of a resolution adopted by the Board authorising the Company to provide such direct or indirect financial assistance in respect of special resolution number 5:

(a) by the time that this notice of AGM is delivered to shareholders of the Company, the Board will have adopted a resolution ("Section 45 Board Resolution") authorising the Company to provide, at any time and from time to time during the period of 2 (two) years commencing on the date on which the special resolution is adopted, any direct or indirect financial assistance as contemplated in section 45 of the Companies Act to any one or more related or inter-related companies or corporations of the Company and/or to any one or more members of any such related or inter-related company or corporation and/or to any one or more persons related to any such company or corporation;

(b) the Section 45 Board Resolution will be effective only if and to the extent that the special resolution number 5 is adopted by the shareholders of the Company, and the provision of any such direct or indirect financial assistance by the Company, pursuant to such resolution, will always be subject to the Board being satisfied that:
  (i) immediately after providing such financial assistance, the Company will satisfy the solvency and liquidity test as referred to in section 45(3)(b)(i) of the Companies Act; and that
  (ii) the terms under which such financial assistance is to be given are fair and reasonable to the Company as referred to in section 45(3)(b)(ii) of the Companies Act; and

(c) in as much as the Section 45 Board Resolution contemplates that such financial assistance will in the aggregate exceed one-tenth of 1% (one percent) of the Company's net worth at the date of adoption of such resolution, the Company hereby provides notice of the section 45 Board resolution to shareholders of the Company. Such notice will also be provided to any trade union representing any employees of the Company.

In order for this special resolution to be adopted, the support of at least 75% of the voting rights exercised on the resolution by shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution is required.

Voting Rights
Each shareholder, whether present in person or represented by proxy, is entitled to attend and vote at the AGM. On a poll, every shareholder present in person or by proxy shall have one vote for each share held by him/her.

By order of the Board

S VOSLOO
CAPE TOWN
COMPANY SECRETARY

AFINE INVESTMENTS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2020/852422/06)
("Afine" or "the Company")

FORM OF PROXY (for use by certificated and own name dematerialised shareholders only)

For use by certificated and "own name" registered dematerialised shareholders of the Company ("shareholders") at the Annual General Meeting ("the AGM") of Afine to be held at 13:00 on Thursday, 11 August 2022 through electronic communication.

I/We (please print) ____
of (address) ____
being the holder/s of _______________________ ordinary shares of No Par Value in Afine, appoint (see note 1):

1. ____or failing him,

2. ____or failing him,

3. the chairperson of the annual general meeting,

as my/our proxy to act for me/us and on my/our behalf at the annual general meeting which will be held for the purpose of considering, and if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at any adjournment thereof; and to vote for and/or against the resolutions and/or abstain from voting in respect of the ordinary shares registered in my/our name/s, in accordance with the following instructions (see note 2):

	NUMBER OF VOTES		
	FOR	AGAINST	ABSTAIN
Ordinary resolution number 1 – Presentation and acceptance of annual financial statements("Afine" or "the Company")			
Ordinary resolution number 2 – Director retirement and re-election: D Kohler			
Ordinary resolution number 3 – Re-appointment and remuneration of auditors			
Ordinary resolution number 4 – Re-appointment of Audit and Risk Committee member: D Kohler			
Ordinary resolution number 5 – Re-appointment of Audit and Risk Committee member: MJ Watters			
Ordinary resolution number 6 – Appointment of Audit and Risk Committee member: PM Todd			
Ordinary resolution number 7 – Endorsement of Afine's Remuneration Policy			
Ordinary resolution number 8 – Endorsement of the implementation of Afine's Remuneration Policy			
Special resolution number 1 – General authority to allot and issue shares for cash			
Special resolution number 2 – Authority to issue shares, securities convertible into shares or rights that may exceed 30% of the voting power of the current issued share capital			
Special resolution number 3 – Non-executive directors' remuneration			
Special resolution number 4 – General authority to provide financial assistance for the subscription and/or purchase of securities in the company or in related or inter-related companies			
Special resolution number 5 – General authority to provide financial assistance to related and inter-related companies and corporations			

Signed at ________________________________ on ____________________________ 2022

Signature ________________________________

Assisted by me (where applicable) ____

Name ____________________________________ Capacity ___________________________

Signature ________________________________

1. **Certificated shareholders and dematerialised shareholders with "own name" registration**
   If you are a certificated shareholder or have dematerialised your shares with "own name" registration and you are unable to attend the AGM of Afine shareholders to be held at 13:00 on Thursday, 11 August 2022 via electronic communication, and wish to be represented thereat, you must complete and return this form of proxy in accordance with the instructions contained herein and lodge it with, or post it to, the transfer secretaries, namely JSE Investor Services Proprietary Limited, formerly known as Link Market Services South Africa Proprietary Limited, at 13th Floor, 19 Ameshoff Street, Braamfontein, Johannesburg, 2000 (PO Box 4844, Johannesburg, 2000), so as to be received by them no later than 10:00 on Monday, 8 August 2022.

2. **Dematerialised shareholders other than those with "own name" registration**
   If you hold dematerialised shares in Afine through a CSDP or broker other than with an "own name" registration, you must timeously advise your CSDP or broker of your intention to attend and vote at the AGM or be represented by proxy thereat, in order for your CSDP or broker to provide you with the necessary authorisation to do so, you must timeously provide your CSDP or broker with your voting instruction in order for the CSDP or broker to vote in accordance with your instruction at the AGM.

NOTES

1. This form is for use by certificated shareholders and dematerialised shareholders with "own-name" registration whose shares are registered in their own names on the voting record date, being Friday, 5 August 2022 ("Voting Record Date") and who wish to appoint another person to represent them at the meeting. If duly authorised, companies and other corporate bodies who are shareholders having shares registered in their own names may appoint a proxy using this form or may appoint a representative in accordance with the last paragraph below.

   Other shareholders should not use this form. All beneficial holders who have dematerialised their shares through a Central Securities Depository Participant ("CSDP") or broker, and do not have their shares registered in their own name, must provide the CSDP or broker with their voting instructions. Alternatively, if they wish to attend the meeting in person, they should request the CSDP or broker to provide them with a letter of representation in terms of the custody agreement entered into between the beneficial owner and the CSDP or broker.

2. This proxy form will not be effective at the meeting unless received by the transfer secretaries of the Company, JSE Investor Services Proprietary Limited, formerly known as Link Market Services South Africa Proprietary Limited, 13th Floor, 19 Ameshoff Street, Braamfontein, Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000), so as to be received by them no later than 10:00 on Monday, 8 August 2022.

3. This proxy shall apply to all the ordinary shares registered in the name of shareholders on the Voting Record Date unless a lesser number of shares are inserted.

4. A shareholder may appoint one person as his proxy by inserting the name of such proxy in the space provided. Any such proxy need not be a shareholder of the Company. If the name of the proxy is not inserted, the Chairman of the meeting will be appointed as proxy. If more than one name is inserted, then the person whose name appears first on the form of proxy and who is present at the meeting will be entitled to act as proxy to the exclusion of any persons whose names follow. The proxy appointed in this proxy form may delegate the authority given to him in this proxy by delivering to the Company, in the manner required by these instructions, a further proxy form which has been completed in a manner consistent with the authority given to the proxy of this proxy form.

5. Unless revoked, the appointment of proxy in terms of this proxy form remains valid until the end of the meeting even if the meeting or a part thereof is postponed or adjourned.

6. If
   6.1 a shareholder does not indicate on this instrument that the proxy is to vote in favour of or against or to abstain from voting on any resolution; or
   6.2 the shareholder gives contrary instructions in relation to any matter; or
   6.3 any additional resolution/s which are properly put before the meeting; or
   6.4 any resolution listed in the proxy form is modified or amended, the proxy shall be entitled to vote or abstain from voting, as he thinks fit, in relation to that resolution or matter. If, however, the shareholder has provided further written instructions which accompany this form and which indicate how the proxy should vote or abstain from voting in any of the circumstances referred to in 6.1 to 6.4, then the proxy shall comply with those instructions.

7. If this proxy is signed by a person (signatory) on behalf of the shareholder, whether in terms of a power of attorney or otherwise, then this proxy form will not be effective unless:

    7.1 it is accompanied by a certified copy of the authority given by the shareholder to the signatory; or
    7.2 the Company has already received a certified copy of that authority.

8. The Chairman of the meeting may, at his discretion, accept or reject any proxy form or other written appointment of a proxy which is received by the Chairman prior to the time when the meeting deals with a resolution or matter to which the appointment of the proxy relates, even if that appointment of a proxy has not been completed and/or received in accordance with these instructions. However, the Chairman shall not accept any such appointment of a proxy unless the Chairman is satisfied that it reflects the intention of the shareholder appointing the proxy.

9. Any alterations made in this form of proxy must be initialled by the authorised signatory/ies.

10. This proxy form is revoked if the shareholder who granted the proxy:

    10.1 delivers a copy of the revocation instrument to the Company and to the proxy or proxies concerned, so that it is received by the Company by no later than 10:00 on Monday, 8 August 2022; or

    10.2 appoints a later, inconsistent appointment of proxy for the meeting; or

    10.3 attends the meeting in person.

11. If duly authorised, companies and other corporate bodies who are shareholders of the Company having shares registered in their own name may, instead of completing this proxy form, appoint a representative to represent them and exercise all of their rights at the meeting by giving written notice of the appointment of that representative. This notice will not be effective at the meeting unless it is accompanied by a duly certified copy of the resolution/s or other authorities in terms of which that representative is appointed and is received by the transfer secretaries of the Company, JSE Investor Services Proprietary Limited, formerly known as Link Market Services South Africa Proprietary Limited, 13th Floor, 19 Ameshoff Street, Braamfontein, Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000), not later than 10:00 on Monday, 8 August 2022.

Summary of rights established by section 58 of the Companies Act, 71 of 2008 ("Companies Act"), as required in terms of subsection 58(8)(b)(i)

1. A shareholder may at any time appoint any individual, including a non-shareholder of the Company, as a proxy to participate in, speak and vote at a shareholders' meeting on his or her behalf (section 58 (1)(a)), or to give or withhold consent on behalf of the shareholder to a decision in terms of section 60 (shareholders acting other than at a meeting) (section 58(1)(b)).

2. A proxy appointment must be in writing, dated and signed by the shareholder and remains valid for one year after the date on which it was signed or any longer or shorter period expressly set out in the appointment, unless it is revoked in terms of paragraph 6.3 or expires earlier in terms of paragraph 10.4 below (section 58(2)).

3. A shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder (section 58(3)(a)).

4. A proxy may delegate his or her authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy ("proxy instrument") (section 58(3)(b)).

5. A copy of the proxy instrument must be delivered to the Company, or to any other person acting on behalf of the Company, before the proxy exercises any rights of the shareholder at a shareholders' meeting (section 58(3)(c)) and in terms of the memorandum of incorporation ("MOI") of the Company before the commencement of the meeting.

6. Irrespective of the form of instrument used to appoint a proxy:

    6.1 the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder (section 58)4)(a));

    6.2 the appointment is revocable unless the proxy appointment expressly states otherwise (section 58(4)(b)); and

6.3 if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or by making a later, inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company (section 58(4)(c)).

7. 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 the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered as contemplated in paragraph 6.3 above (section 58(5)).

8. If the proxy instrument has been delivered to a Company, as long as that appointment remains in effect, any notice required by the Companies Act or the Company's MOI to be delivered by the Company to the shareholder must be delivered by the Company to the shareholder (section 58(6)(a)), or the proxy or proxies, if the shareholder has directed the Company to do so in writing and paid any reasonable fee charged by the Company for doing so (section 58(6)(b)).

9. A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the MOI or proxy instrument provides otherwise (section 58(7)).

10. If a Company issues an invitation to shareholders to appoint one or more persons named by the Company as a proxy, or supplies a form of proxy instrument:

10.1 the invitation must be sent to every shareholder entitled to notice of the meeting at which the proxy is intended to be exercised (section 58(8)(a));

10.2 the invitation or form of proxy instrument supplied by the Company must:

10.2.1 bear a reasonably prominent summary of the rights established in section 58 of the Companies Act (section 58(8)(b)(i));

10.2.2 contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a shareholder to write the name, and if desired, an alternative name of a proxy chosen by the shareholder (section 58(8)(b)(ii)); and

10.2.3 provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s) to be put at the meeting, or is to abstain from voting (section 58(8)(b)(iii));

10.3 the Company must not require that the proxy appointment be made irrevocable (section 58(8)(c)); and

10.4 the proxy appointment remains valid only until the end of the meeting at which it was intended to be used, subject to paragraph 7 above (section 58(8)(d)).

SHAREHOLDERS' DIARY

FINANCIAL YEAR END	28 FEBRUARY 2022
ANNOUNCEMENT OF ANNUAL RESULTS	MAY 2022
INTEGRATED REPORT RELEASED	JUNE 2022
ANNUAL GENERAL MEETING	AUGUST 2022
ANNOUNCEMENT OF INTERIM RESULTS	OCTOBER 2022

CORPORATE INFORMATION

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Afine Investments Limited
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(Registration number 2006/033725/07)
20 Stirrup Lane
Woodmead Office Park
Woodmead, 2191
(Suite #439, Private Bag X29, Gallo Manor, 2052)

Independent Reporting Accountant
PKF Octagon Incorporated
(Registration number 2018/515503/21)
21 Scott Street
Waverley,
2090
(Private Bag X02, Highlands North, 2037)

Independent Property Valuer
Appraisal Corporation CC
(Registration number 1988/017639/23)
Registered Property Valuer
35 Kloof Street
Cape Town, 8001
(PO Box 4157, Cape Town, 8000)

Transfer Secretary
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(formerly known as Link Market Services South Africa Proprietary Limited)
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Company Secretary
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