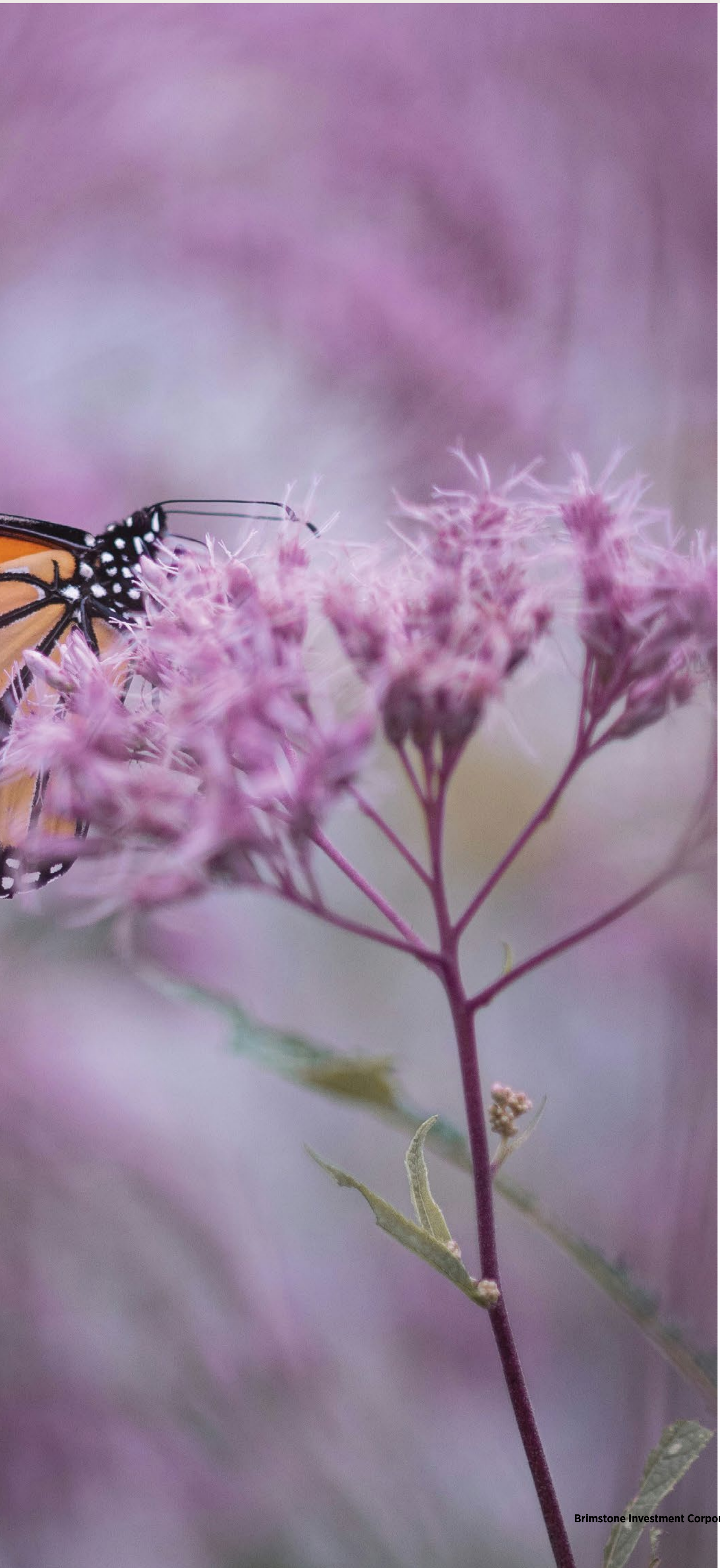
BRIMSTONE
INVESTMENT CORPORATION LIMITED

# AUDITED ANNUAL FINANCIAL STATEMENTS 2024

BRIMSTONE
INVESTMENT CORPORATION LIMITED

# ANNUAL FINANCIAL STATEMENTS

for the year ended 31 December 2024



# Contents

# Approval, declarations and Reports

## Directors' Approval of Consolidated Annual Financial Statements

The directors of Brimstone Investment Incorporation Limited (the Group or the Company or Brimstone) are responsible for the preparation, integrity and objectivity of the consolidated and separate[1] annual financial statements. To fulfil this responsibility, the Group and Company maintain controls to provide reasonable assurance that assets are safeguarded and that records accurately reflect the transactions of the Group and Company.

The Group and Company annual financial statements are prepared in terms of International Financial Reporting Standards ("IFRS® Accounting Standards") and have been reported on by our auditors in conformity with International Standards on Auditing and the Companies Act of South Africa. The Group and Company annual financial statements for the year ended 31 December 2024 which appear on pages 7 to 114 were approved by the Board and authorised for issue on 17 April 2025.

On behalf of the Board:

**F Robertson**
**EXECUTIVE CHAIRMAN**

**MA Brey**
**CHIEF EXECUTIVE OFFICER**

## Preparation of Annual Financial Statements

The Group and Company annual financial statements of Brimstone Investment Corporation Limited for the year ended 31 December 2024 have been prepared under the supervision of Financial Director, GG Fortuin, BCom (Acc) (Hons) CA(SA).

## Chief Executive Officer and Financial Director Responsibility Statement

Each of the directors, whose names are stated below, hereby confirm that:

- the consolidated and separate annual financial statements set out on pages 7 to 114 fairly present, in all material respects, the financial position, financial performance and cash flows of the issuer in terms of IFRS® Accounting Standards;
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for 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 remediated the deficiencies; and
- we are not aware of any fraud involving directors.

**MA Brey**
**CHIEF EXECUTIVE OFFICER**

**GG Fortuin**
**FINANCIAL DIRECTOR**

## Certificate by Secretary

In terms of section 88(2)(e) of the Companies Act, I certify that the Company has lodged with the Commissioner all such returns and notices as are required by the Companies Act and that all such returns and notices are true, correct and up to date.

**T Moodley**
**COMPANY SECRETARY**

[1] Separate and Company are used interchangeably.

# Independent Auditor's Report

to the Shareholders of Brimstone Investment Corporation Limited

## Report on the Audit of the Consolidated and Separate Financial Statements

### Opinion

We have audited the consolidated and separate financial statements of Brimstone Investment Corporation Limited and its subsidiaries ('the Group') set out on pages 10 to 107, which comprise the consolidated and separate statements of financial position as at 31 December 2024, and the consolidated statement of profit or loss, consolidated and separate statements of 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 material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group and Company as at 31 December 2024, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and the requirements of the Companies Act of South Africa.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the group 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 of the group and company and 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 of the group and company and 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.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (the EAR rule) we report:

### Final Materiality

The ISAs recognise that:

- Misstatements, including omissions, are considered to be material if the misstatements, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements;
- Judgements about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both; and
- Judgements about matters that are material to users of the financial statements consider users as a group rather than as specific individual users, whose needs may vary greatly.

The amount we set as materiality represents a quantitative threshold used to evaluate the effect of misstatements to the financial statements as a whole based on our professional judgement. Qualitative factors are also considered in making final determinations regarding what is material to the financial statements.

#### Group Final Materiality

We determined final materiality for the Group to be R42.7 million, which is based on 1.3% of net asset value. We have identified net asset value as the most appropriate basis. We have identified a capital-based measure to be most appropriate as Brimstone's value is derived for shareholders by building equity value over time. Given that the entity is neither profit orientated nor activity based, both performance and significant disclosures are capital orientated by means of net asset value. Our review of information provided to users by the entity confirms our view.

#### Company Final Materiality

We determined final materiality for the Company to be R33 million, which is based on 1.3% of net asset value. We have identified that the same measure will be used for company materiality as for Group. We believe a capital-based measure to be the most appropriate given that the primary focus of the users of the financial statements relates to the growth in equity through fluctuations in share price, which correspond to the activities of the Group overall. Our review of information provided to users by the entity confirms our view.

### Group Audit Scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each component within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements. We take into account the size and risk profile of the components in the Group. In addition, we further consider the organisation of the Group and effectiveness of Group wide controls, changes in the business environment, and other factors such as our experience in prior years and recent internal audit results when assessing the level of work to be performed at each component of the Group. Our process focuses on identifying and assessing the risk of material misstatements of the Group financial statements as a whole including, with respect to the consolidation process.

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the primary audit engagement team, or by component auditors under our instruction.

In selecting components, we perform risk assessment activities across the Group and its components to identify risks of material misstatement. We then identify how the nature and size of the account balances at the components contribute to those risks and thus determine which account balances require an audit response. We then consider for each component the degree of risk identified (whether pervasive or not) and the number of accounts requiring audit responses to assign either a full or specific scope (including specified procedures) to each component. We involved component auditors in this risk assessment process.

# Independent Auditor's Report (continued)

to the Shareholders of Brimstone Investment Corporation Limited

In our assessment of the residual account balances not covered by the audit procedures, we considered whether these could give rise to a risk of material misstatement of the Group financial statements. This assessment included performing overall analytical procedures at Group level.

Of the four components selected, we identified:

- Four components ("full scope components") which were selected based on the pervasiveness of risk in those components and for which we therefore performed procedures on what we considered to be the entire financial information of the component.

At a Group level we tested the consolidation process.

## 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. For each matter identified, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

In terms of the EAR rule, we are required to report key audit matters and the outcome of audit procedures or key observations with respect to the key audit matters and these are included below.

The key audit matter relates to the consolidated financial statements only.

**KEY AUDIT MATTER DESCRIPTION**

**Deemed disposal of Subsidiary and deconsolidation**

For the year under review, the Brimstone Group announced an acquisition by its subsidiary, Sea Harvest, of certain subsidiaries of the Terrasan Group Limited.

The above transaction which was initiated by Brimstone Group's subsidiary Sea Harvest Group, was partially funded by the issue of additional Sea Harvest Group shares resulted in Brimstone's ownership in Sea Harvest Group being diluted below 50%.

Consequently, Brimstone ceased to have control of Sea Harvest Group in terms of IFRS 10 Consolidated financial Statements from the effective date of the transaction being 14 May 2024, triggering a deemed disposal of the Sea Harvest Group subsidiary.

The retained investment resulted in significant influence over Sea Harvest Group, by Brimstone Group requiring the derecognition of the Sea Harvest at fair value and the application of the equity method of accounting applied to the retained investment.

The deconsolidation involved complex transactions, including the sale of a subsidiary, loss of control and change in ownership interests. The process in determining the fair value of the subsidiary, assessing the impact on the consolidated financial statements and recognizing any gains or losses resultant from the deemed disposal. Additionally, it involved judgments regarding the timing of the subsidiary's deconsolidation, fair value applied and the recognition of the equity-accounted investment.

The deconsolidation has a substantial impact on the financial statements, but not limited to the changes in revenue, expenses, and equity. The deconsolidation required the recycling of Other Comprehensive Income to Profit or Loss. There is specific disclosure requirements related to deconsolidation events, including the nature of the transaction, the financial impact and any associated timing risks, such as cut-off given the timing of the deconsolidation.

Given the complexity and judgment involved in evaluating the application of the various components of the IFRS standard required to affect the transaction, there is a heightened risk of misstatement in the financial statements related to deconsolidation.

Due to these factors, the deconsolidation of a subsidiary was identified as a KAM in the auditor's report, highlighting its significance and the need for scrutiny during the audit process.

Refer to deemed disposal of subsidiary note 19.

**Key observations**

Based on the procedures performed on the deemed disposal of Subsidiary and deconsolidation we identified areas of discussions with management and after resolution we were able to conclude on our procedures.

**HOW THE MATTER WAS ADDRESSED IN THE AUDIT**

We performed the following audit procedures, amongst others, relating to the deconsolidation of the Sea Harvest Group:

- We evaluated the appropriateness of the date of loss of control based on the contractual agreements between the respective parties and effective date;
- We evaluated management's assessment of the valuation principles applied in determining the fair value measurement of the retained investment in the former subsidiary.
- We evaluated the derecognition of the assets and liabilities of the subsidiary from the consolidated financial statements.
- We performed a recalculation of the loss on deemed disposal of subsidiary from the above derecognition, recognised in the consolidated profit and loss statement, for mathematical accuracy.
- We evaluated the carrying amount of the retained investment being 47.58% of the net asset value.
- We recalculated the fair value of the retained investment in Sea Harvest Group at the date of deemed disposal.
- We recalculated the loss on remeasurement of the investment retained. We assessed the appropriateness of the reclassification of any items in other comprehensive income relating to the subsidiary.
- We conducted a sensitivity analysis to assess the timing risk associated with profit recognised and retained earnings derecognised, focusing on cutoff and the percentage of holdings accounted for before and after the deemed disposal.
- We assessed the presentation and disclosure of the deemed disposal of subsidiary as well as the equity accounting of Sea Harvest Group as an associate to comply with IFRS requirements.

## Other Information

The directors are responsible for the other information. The other information comprises the information included in the 114-page document titled "Brimstone Investment Corporation  Limited Annual Financial Statements for the year ended 31 December 2024", which includes the Directors' report, the Audit and Risk Committee report and the Certificate of the Company Secretary as required by the Companies Act of South Africa, which we obtained prior to the date of this report, and the documents titled "Brimstone Investment Corporation Limited Integrated Report 2024 which are expected to be made available to us after that date. The other information does not include the consolidated or the 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Directors for the Consolidated and Separate Financial Statements

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

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

# **Independent Auditor's Report** (continued)

to the Shareholders of Brimstone Investment Corporation Limited

### Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 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 and company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence, regarding the financial information of the entities or business units within the group, as a basis for forming an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated 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 Ernst & Young Inc. has been the auditors of Brimstone Investment Corporation Limited for 4 years.

*Ernst & Young Inc.*

**Ernst & Young Inc.**
**DIRECTOR: PIERRE DU PLESSIS**
**REGISTERED AUDITOR**

Cape Town, South Africa

17 April 2025

# Directors' Report

for the year ended 31 December 2024

## Principal activities of the Group

Brimstone is an investment holding company. It has a sector-based approach to investments backed by research and focussing on food, healthcare, property, restricted B-BBEE and enterprise development.

## Review of operations

The results for the year under review are set out in the attached financial statements.

## Declaration of a cash dividend

Brimstone's board (the "Board") declared a final gross cash dividend of 40 cents per Brimstone share for the year ended 31 December 2024 (2023: 40 cents) payable on Tuesday, 22 April 2025.

## Voting rights

Ordinary shares carry 100 votes per share, while "N" Ordinary shares carry one vote per share. "N" Ordinary shares rank pari passu with Ordinary shares in all other respects, including receipt of dividends and proceeds on the winding up of the Company.

## Share capital

The following share movements occurred during the year under review:

| | ORDINARY | "N" ORDINARY |
|---|---|---|
| **Treasury shares** | | |
| Acquired during the year | 38 725 | 4 474 275 |

There were no changes to the authorised Ordinary and "N" Ordinary share capital.

The unissued shares are the subject of a general authority granted to the directors in terms of the Companies Act, No. 71 of 2008 (as amended) (the "Companies Act"), which authority remains valid only until the forthcoming Annual General Meeting ("AGM").

## General authority

The Board is proposing that the general authority granted at the last AGM held in May 2024, to permit the Company or a subsidiary to acquire the Company's own shares and to permit the Company to issue shares for cash, be renewed at the forthcoming AGM. Full details are set out in the Notice of Annual General Meeting ("Notice of AGM").

## Directors' interests in contracts

Details of relevant transactions during the year are included in note 48 to the financial statements.

## Interests of directors in the shares of the Company

The details of directors' interest in the shares of the Company are set out on page 110. Details of the directors' interest in forfeitable shares in terms of the Company's share incentive scheme are set out in note 46.

## Interest rate and currency risk management

The Board utilises appropriate expertise in controlling and managing material identified risks in asset holdings, borrowings and foreign currency exposure both in the holding company and in advising and assisting subsidiaries, associates and joint ventures.

## Going concern

The directors believe that the Group and Company will be a going concern for the foreseeable future. Refer to pages 78 and 106 for further details.

## The Companies Act

The Board confirms that Brimstone has complied with the provisions of the Companies Act, specifically relating to its incorporation and has operated in conformity with its memorandum of incorporation during the year under review.

## Directors and secretary

The names of the directors in office at the date of this report appear on the inside back cover of the financial statements. T Moodley, M Ndlovu, F Robertson and LAD Wort are due to retire by rotation in terms of the Company's memorandum of incorporation and, being eligible, offer themselves for re-election at the Company's forthcoming AGM. Their appointments will be tabled at the Company's forthcoming AGM.

The company secretary's name and her business and postal address appear on the inside back cover.

## Events subsequent to 31 December 2024

Details of all events subsequent to 31 December 2024 are included in note 49 to the financial statements.

## Litigation

There is no material litigation outstanding against the Company or its subsidiaries.

# Audit and Risk Committee Report

The Audit and Risk Committee (the "Committee") is a formal committee of the Board. The responsibilities of the Committee are outlined in its written terms of reference which are reviewed annually and are in line with the Companies Act, the King IV Report on Corporate Governance for South Africa, 2016 ("King IV") and the JSE Limited ("JSE") Listings Requirements. The Committee has an independent role with accountability to the Board and shareholders.

This report of the Committee is presented to the shareholders in terms of section 94(7)(f) of the Companies Act and as recommended by King IV.

The members of the Committee were recommended by the Board and appointed by shareholders for the 2024 financial year.

## Membership and composition of the Committee

The Committee comprises six independent non-executive directors and is chaired by Mr N Khan. All the Committee members are suitably skilled and experienced. The Committee meets at least three times per year.

The executive directors and senior management make themselves available to attend meetings and answer questions.

## Roles and responsibilities

The Committee has a charter, approved by the Board, which is annually reviewed and ensures alignment with King IV.

The Committee's roles and responsibilities include its statutory and regulatory duties in accordance with the Companies Act and the JSE Listings Requirements, as well as the responsibilities assigned to it by the Board.

The finance committee of operating subsidiary company, Obsidian Health, reports to this Committee at each meeting by way of report back by the chairperson of the finance committee.

## Statutory and regulatory duties

In the conduct of its duties, the Committee has in respect of the 2024 financial year performed the following statutory and regulatory duties:

- Ernst & Young Inc. ("EY") were appointed as Brimstone's external auditors at the Company's AGM in May 2024. Mr Pierre du Plessis is currently the designated individual partner. He has confirmed to the Committee that EY have complied with the independence requirements in terms of the Independent Regulatory Board for Auditors ("IRBA") and the South African Institute of Chartered Accountants standards;
- Evaluated the information required to be provided by paragraph 3.84(g)(iii) of the JSE Listings Requirements in its assessment of the suitability for appointment of the audit firm and the designated individual partner;
- Ensured that the appointment of the external auditors complies with the provisions of the Companies Act and any other legislation relating to the appointment of external auditors;
- Determined the fees to be paid to the external auditors and their terms of engagement;
- Determined the nature and extent of any non-audit services;
- Pre-approved any proposed agreement with the auditors for the provision of non-audit services; and
- Considered the Group structure and the nature and size of the components forming part thereof, to ensure that management have established appropriate procedures to ensure that all relevant components have submitted audited or reviewed financial reporting packages, prepared in accordance with IFRS® Accounting Standards, which have been included in the consolidated financial statements of Brimstone using an appropriate accounting treatment, as required by paragraph 3.84(g)(iii) of the JSE Listings Requirements.

## Independence of external auditors

The Committee is satisfied that the Company's external auditors are independent of the Company and are able to conduct their audit functions without any influence from the Company. The Committee has rules contained in its Policy on Use of External Auditors for Non-Audit Services, regulating the services and conditions of use of non-audit services provided by the external auditors. The Committee has furthermore been provided with the latest IRBA audit firm and registered auditors review findings which were used in the consideration of the external auditor's appointment.

## Interaction with external and internal auditors

In terms of its charter this Committee is responsible for the appointment of the Company's internal auditors. Nexia SAB&T performed this function for the past year and were reappointed as internal auditors for the 2024 financial year.

The Committee meets at least three times a year with the Company's internal and external auditors together with management to review accounting, internal and external auditing, internal control and financial reporting matters. Both the internal and external auditors enjoy unrestricted access to the Committee and vice versa.

The Committee's chairman meets at least three times per year with both internal and external audit without management being present. In addition, they are also provided with the opportunity to meet with the full Committee without management being present, at every Audit and Risk Committee meeting.

The Committee approves the fees and scope of external and internal audit services. It is responsible for the maintenance of a professional relationship with both the external and internal auditors and oversees co-operation between these two parties.

## Expertise and experience of the Financial Director and finance function

The Committee has satisfied itself of the appropriateness of the expertise and experience of the Financial Director, Mr Geoffrey George Fortuin. The Committee has furthermore considered and has satisfied itself of the appropriateness of the expertise and adequacy of resources of the Company's finance function and the experience of the senior members of management responsible for the finance function.

## Internal financial controls

Brimstone is responsible for ensuring that a sound system of internal control exists to safeguard shareholders' investments and the assets of the Group. The Group's internal controls, systems and procedures are designed to provide reasonable, but not absolute assurance as to the integrity and reliability of the annual financial statements, that assets are adequately safeguarded against material loss and that transactions are properly authorised and recorded.

The Committee has considered the approach adopted by management to ensure that the CEO and FD responsibility statement sign-off on the consolidated and separate annual financial statements and internal financial reporting controls in terms of the JSE Listings Requirement 3.84(k) is appropriately supported. In satisfying itself in this regard, the Committee has evaluated:

- The risk assessment and scoping framework, including the determination of materiality, applied to ensure that significant areas of risk, complexity and judgement are included for the evaluation of internal financial reporting controls;
- The process followed for the evaluation of the design of existing internal financial reporting controls and the need for amending and/or supplementing those controls;
- The ongoing implementation of the aforementioned controls and whether they have operated effectively during the reporting period under review; and
- The findings of assurance providers, including management declarations and internal audit findings, following their assessment of the operating effectiveness of internal financial reporting controls.

The Committee will continue to monitor progress in the implementation of amended and supplementary controls over financial reporting and formal remediation plans that have been developed to address control deficiencies identified in design and operating effectiveness.

The Committee has discussed and documented the basis for its conclusion, which includes discussions with internal and external auditors as well as management.

The Committee believes that the Group's internal financial reporting controls can be relied upon as a reasonable basis for the preparation of the consolidated and separate annual financial statements.

## Financial statements

The Committee reviewed the consolidated and separate annual financial statements and is satisfied that they comply with IFRS® Accounting Standards and the requirements of the Companies Act, and that the accounting policies used are appropriate.

## Key audit matter

The Independent Auditor's Report on pages 3 to 6 details the matter considered by the Committee and the external auditors to be significant in relation to the consolidated annual financial statements for the year under review and the manner in which this key audit matter was addressed. The key audit matter was:

- Deemed disposal of subsidiary and deconsolidation.

The Committee is satisfied that the key audit matter was adequately and appropriately addressed in the context of the audit.

## JSE proactive monitoring reports

The Committee has received and considered the findings in the following reports on the JSE's proactive monitoring of financial statements for compliance with IFRS® Accounting Standards:

1. Report on Proactive Monitoring of Financial Statements in 2024 (issued 7 November 2024).
2. Financial instruments: Disclosures
    a. The IFRS 7 items on pages 11 to 18 of the 2023 report;
    b. Section 8: Liquidity Risk (pages 21 to 24) from the October 2022 Proactive Monitoring Limited Scope Thematic review: Cash flow information and disclosures of liquidity and going concern;.
3. The following sections from the Combined Findings Report (issued October 2024):
    a. Disclosure of judgements and estimates (page 20);
    b. Interim Financial Reporting (page 53);
    c. Statement of Cash Flows (page 28);
    d. Revenue from Contracts with Customers (page 42); and
    e. Fair Value Measurement disclosures (page 87).
4. Fair value disclosures, from the November 2020 report called: "Investment property: Common findings"

The Committee has ensured that where applicable, the contents of these reports have been appropriately actioned in the preparation of the consolidated and separate annual financial statements for the year ended 31 December 2024.

## Going concern

The Committee has reviewed a documented assessment by management of the going concern premise of the Group and the Company, before recommending to the Board that the Group and the Company will be a going concern for the foreseeable future.

## Risk management

In giving effect to risk management responsibilities, the Group has implemented a continuous risk management review programme to ensure a coherent governance approach throughout the Group.

The Group has ensured that no undue, unexpected or unusual risks have been undertaken in pursuit of reward.

## Compliance

The Committee is responsible for reviewing any major breach of relevant legal, regulatory and other responsibilities. The Committee is satisfied with the compliance to these standards and with the applicable laws and regulations. Furthermore, the Committee is satisfied that it has complied with all its legal, regulatory and other responsibilities during the year under review.

## IT and Technology Governance

The Committee has oversight responsibility for IT governance and risk management.

## Recommendation of the Integrated Report for approval by the Board

The Committee has reviewed and considered the Integrated Report, the consolidated annual financial statements and the separate annual financial statements and has recommended it for approval by the Board.

**N Khan**

**CHAIRMAN OF THE AUDIT AND RISK COMMITTEE**

17 April 2025

# GROUP ANNUAL FINANCIAL STATEMENTS

**for the year ended 31 December 2024**

# Consolidated Statement of Profit or Loss

for the year ended 31 December 2024

| R'000 | NOTES | 2024 | 2023 |
|---|---|---|---|
| **Revenue** | 2 | **2 227 262** | 6 528 963 |
| Sales and fee income | | **2 195 642** | 6 460 762 |
| Dividends received | | **31 620** | 68 201 |
| Operating expenses | 3 | **(2 164 208)** | (6 073 867) |
| **Operating profit** | | **63 054** | 455 096 |
| Fair value gains/(losses) | 4 | **159 036** | (37 220) |
| Other investment gains | 5 | **59 987** | 95 522 |
| Net loss on deemed disposal of subsidiary | 19.1 | **(562 093)** | – |
| Share of profits of associates and joint ventures | | **433 215** | 428 331 |
| **Profit before net finance costs** | | **153 199** | 941 729 |
| Interest income | 8 | **30 913** | 29 866 |
| Finance costs | 9 | **(298 190)** | (471 843) |
| **(Loss)/profit before taxation** | | **(114 078)** | 499 752 |
| Taxation | 10 | **(74 684)** | (77 878) |
| **(Loss)/profit for the period** | | **(188 762)** | **421 874** |
| (Loss)/profit attributable to: | | | |
| Equity holders of the parent | | **(200 407)** | 291 267 |
| Non-controlling interests | | **11 645** | 130 607 |
| | | **(188 762)** | **421 874** |
| **(Loss)/earnings per share (cents)** | | | |
| Basic | | **(82.5)** | 117.9 |
| Diluted | | **(82.5)** | 116.6 |

# Consolidated Statement of Comprehensive Income

for the year ended 31 December 2024

| R'000 | 2024 | 2023 |
|---|---|---|
| **(Loss)/profit for the year** | **(188 762)** | 421 874 |
| **Other comprehensive (loss)/income, net of tax** | **(251 587)** | 91 258 |
| **Items that may be reclassified subsequently to profit or loss** | | |
| Cash flow hedges | | |
| Profit/(loss) arising during the year | **49 540** | (62 974) |
| Recycled to operating expenses | **1 104** | 716 |
| Recycled to net loss on deemed disposal of subsidiary | **(40 470)** | – |
| Cost of hedging reserve | | |
| Loss arising during the year | **–** | (6 301) |
| Recycled to operating expenses | **–** | 4 682 |
| Recycled to net loss on deemed disposal of subsidiary | **31 777** | – |
| Foreign currency translation | | |
| (Loss)/profit arising during the year | **(29 040)** | 85 677 |
| Recycled to net loss on deemed disposal of subsidiary | **(74 378)** | – |
| Share of other comprehensive (loss)/income of associates | | |
| Current year movement | **(181 184)** | 69 351 |
| **Items that will not be reclassified subsequently to profit or loss** | | |
| Movement in investment at fair value through other comprehensive income | **1 623** | (2 242) |
| Measurement of defined benefit plans | **–** | 1 513 |
| Share of other comprehensive income of associates | **1 973** | 836 |
| Transferred to retained earnings on deemed disposal of subsidiary | **(12 532)** | – |
| **Total comprehensive (loss)/income for the year** | **(440 349)** | **513 132** |
| Total comprehensive (loss)/income attributable to: | | |
| Equity holders of the parent | **(462 552)** | 372 948 |
| Non-controlling interests | **22 203** | 140 184 |
| | **(440 349)** | 513 132 |

# Consolidated Statement of Financial Position

as at 31 December 2024

| R'000 | NOTES | 2024 | 2023 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | **4 950 073** | 9 368 582 |
| Property, plant, equipment and vehicles | 13.1 | **13 088** | 2 450 740 |
| Investment property | 13.2 | **—** | 79 432 |
| Right-of-use assets | 14 | **10 896** | 209 658 |
| Biological assets | 15 | **—** | 71 410 |
| Goodwill | 16 | **—** | 1 036 759 |
| Intangible assets | 17 | **2 678** | 1 484 135 |
| Investments in associate companies and joint ventures | 20 | **4 330 757** | 2 927 839 |
| Investments | 21 | **549 297** | 883 421 |
| Loans and receivables | | **6 868** | 21 052 |
| Loans to supplier partners | 22 | **—** | 103 590 |
| Deferred taxation | 38 | **32 156** | 64 521 |
| Other financial assets | | **4 333** | 36 025 |
| **Current assets** | | **259 930** | 2 623 348 |
| Inventories | 23 | **72 095** | 1 089 380 |
| Biological assets | 15 | **—** | 118 266 |
| Trade and other receivables | 24 | **58 459** | 985 097 |
| Loans and receivables | | **1 947** | 2 385 |
| Other financial assets | | **—** | 55 |
| Taxation | | **13** | 6 336 |
| Cash and cash equivalents | 25 | **127 416** | 421 829 |
| **Non-current assets held for sale** | 50 | **72 538** | 263 774 |
| **Total assets** | | **5 282 541** | **12 255 704** |

| R'000 | NOTES | 2024 | 2023 |
|---|---|---|---|
| **Equity and liabilities** | | | |
| **Capital and reserves** | | **3 291 127** | 5 104 476 |
| Share capital | 26 | **39** | 39 |
| Capital reserves | 27 | **663 204** | 627 487 |
| Revaluation reserves | 28 | **14 097** | 18 734 |
| Cash flow hedging reserve | 29 | **–** | 11 125 |
| Cost of hedging reserve | 30 | **–** | (31 777) |
| Foreign currency translation reserve | 31 | **–** | 91 205 |
| Changes in ownership | 32 | **–** | 489 918 |
| Retained earnings | | **2 561 017** | 2 370 897 |
| Attributable to equity holders of the parent | | **3 238 357** | 3 577 628 |
| Non-controlling interests | 33 | **52 770** | 1 526 848 |
| **Non-current liabilities** | | **1 759 339** | 5 642 336 |
| Long-term interest bearing borrowings | 34 | **1 629 687** | 4 436 309 |
| Long-term non-interest bearing borrowings | 47.2 | **45 069** | – |
| Employee related liabilities | | **–** | 29 791 |
| Lease liabilities | 37 | **13 876** | 216 647 |
| Deferred grant income | | **–** | 30 990 |
| Other financial liabilities | 36 | **–** | 3 252 |
| Deferred taxation | 38 | **70 707** | 925 347 |
| **Current liabilities** | | **232 075** | 1 508 892 |
| Short-term interest bearing borrowings | 34 | **86 535** | 395 473 |
| Short-term provisions | | **–** | 4 704 |
| Bank overdrafts | 39 | **–** | 56 116 |
| Trade payables | | **52 341** | 598 869 |
| Other payables | 35 | **47 137** | 245 175 |
| Deferred grant income | | **–** | 4 367 |
| Lease liabilities | 37 | **2 305** | 34 101 |
| Other financial liabilities | 36 | **42 602** | 166 975 |
| Taxation | | **1 155** | 3 112 |
| **Total equity and liabilities** | | **5 282 541** | **12 255 704** |
| NAV per share (cents) | | **1 341** | 1 457 |
| Shares in issue at end of period (000's) | | **241 544** | 245 512 |

# Consolidated Statement of Changes in Equity

for the year ended 31 December 2024

| R'000 | SHARE CAPITAL | CAPITAL RESERVES | REVALUATION RESERVES |
|---|---|---|---|
| **Balance 1 January 2023 – audited** | 39 | 572 786 | 19 989 |
| Attributable profit for the year | — | — | — |
| Other comprehensive income/(loss) | — | 70 729 | (1 299) |
| Total comprehensive income/(loss) | — | 70 729 | (1 299) |
| Recognition of share-based payments | — | 38 671 | — |
| Further investment in subsidiary | — | — | — |
| Arising on disposal of subsidiaries | — | — | — |
| Dividends paid | — | — | — |
| Share of other net asset changes of associate | — | (15 153) | — |
| Shares repurchased by subsidiaries | — | (17 935) | 44 |
| Shares repurchased | — | (21 611) | — |
| **Balance 31 December 2023 – audited** | **39** | **627 487** | **18 734** |
| | | | |
| **Balance 1 January 2024 – audited** | **39** | **627 487** | **18 734** |
| Attributable (loss)/profit for the year | **—** | **—** | **—** |
| Other comprehensive (loss)/income | **—** | **(186 955)** | **(4 637)** |
| Total comprehensive (loss)/income | **—** | **(186 955)** | **(4 637)** |
| Recognition of share-based payments | **—** | **18 002** | **—** |
| Arising on disposal of subsidiaries | **—** | **—** | **—** |
| Transfer of reserves | **—** | **10 206** | **—** |
| Dividends paid | **—** | **—** | **—** |
| Share of other net asset changes of associate | **—** | **216 183** | **—** |
| Shares repurchased* | **—** | **(21 719)** | **—** |
| **Balance 31 December 2024 – audited** | **39** | **663 204** | **14 097** |

* Refer to 26.4

| CASH FLOW HEDGING RESERVE | COST OF HEDGING RESERVE | FOREIGN CURRENCY TRANSLATION RESERVE | CHANGES IN OWNERSHIP | RETAINED EARNINGS | ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT | NON-CONTROLLING INTERESTS | TOTAL |
|---|---|---|---|---|---|---|---|
| 47 457 | (30 731) | 41 417 | 508 419 | 2 164 128 | 3 323 504 | 1 479 703 | 4 803 207 |
| — | — | — | — | 291 267 | 291 267 | 130 607 | 421 874 |
| (36 352) | (937) | 49 540 | — | — | 81 681 | 9 577 | 91 258 |
| (36 352) | (937) | 49 540 | — | 291 267 | 372 948 | 140 184 | 513 132 |
| — | — | — | — | — | 38 671 | 6 574 | 45 245 |
| — | — | — | (21 328) | — | (21 328) | 9 882 | (11 446) |
| — | — | — | — | — | — | (26 722) | (26 722) |
| — | — | — | — | (84 498) | (84 498) | (63 314) | (147 812) |
| — | — | — | — | — | (15 153) | — | (15 153) |
| 20 | (109) | 248 | 2 827 | — | (14 905) | (19 459) | (34 364) |
| — | — | — | — | — | (21 611) | — | (21 611) |
| **11 125** | **(31 777)** | **91 205** | **489 918** | **2 370 897** | **3 577 628** | **1 526 848** | **5 104 476** |
| | | | | | | | |
| **11 125** | **(31 777)** | **91 205** | **489 918** | **2 370 897** | **3 577 628** | **1 526 848** | **5 104 476** |
| **—** | **—** | **—** | **—** | **(200 407)** | **(200 407)** | **11 645** | **(188 762)** |
| **(11 125)** | **31 777** | **(91 205)** | **—** | **—** | **(262 145)** | **10 558** | **(251 587)** |
| **(11 125)** | **31 777** | **(91 205)** | **—** | **(200 407)** | **(462 552)** | **22 203** | **(440 349)** |
| **—** | **—** | **—** | **—** | **—** | **18 002** | **5 003** | **23 005** |
| **—** | **—** | **—** | **—** | **—** | **—** | **(1 433 045)** | **(1 433 045)** |
| **—** | **—** | **—** | **(489 918)** | **492 244** | **12 532** | **—** | **12 532** |
| **—** | **—** | **—** | **—** | **(101 717)** | **(101 717)** | **(68 239)** | **(169 956)** |
| **—** | **—** | **—** | **—** | **—** | **216 183** | **—** | **216 183** |
| **—** | **—** | **—** | **—** | **—** | **(21 719)** | **—** | **(21 719)** |
| **—** | **—** | **—** | **—** | **2 561 017** | **3 238 357** | **52 770** | **3 291 127** |

# Consolidated Statement of Cash Flows

for the year ended 31 December 2024

| R'000 | NOTES | 2024 | 2023 |
|---|---|---|---|
| **Operating activities** | | | |
| (Loss)/profit for the year | | **(188 762)** | 421 874 |
| Adjustments for non-cash and other items | 40.1 | **302 361** | 322 724 |
| Operating cash flows before movements in working capital | | **113 599** | 744 598 |
| Increase in inventories | | **(14 693)** | (8 762) |
| Increase in trade and other receivables | | **(83 260)** | (77 689) |
| Decrease in trade and other payables | | **(76 619)** | (25 979) |
| Cash (used in)/generated from operations | | **(60 973)** | 632 168 |
| Interest received | | **28 101** | 33 896 |
| Proceeds from receipt of a government grant | | **–** | 2 353 |
| Dividends received from associates and joint ventures | | **189 827** | 174 208 |
| Dividends received from other equity investments | | **31 620** | 68 201 |
| Income taxes paid | 40.2 | **(40 037)** | (37 674) |
| Finance costs paid | 40.3 | **(633 911)** | (411 545) |
| **Net cash (used in)/generated by operating activities** | | **(485 373)** | **461 607** |
| **Investing activities** | | | |
| Loans receivables repaid | | **(8 461)** | – |
| Loans receivables advanced | | **–** | (3 330) |
| Proceeds on disposal of property, plant, equipment and vehicles | | **174** | 64 184 |
| Proceeds on disposal of investments | | **556 107** | – |
| Insurance proceeds | | **–** | 9 410 |
| Acquisition of property, plant, equipment and vehicles | | **(159 385)** | (466 654) |
| Acquisition of biological assets | | **(24 187)** | (76 872) |
| Acquisition of intangible assets | | **–** | (286) |
| Acquisition of investments | 21 | **(50 000)** | – |
| Deemed disposal of subsidiary | 19.1 | **68 000** | – |
| Disposal of subsidiary | 19.2 | **117 500** | 6 158 |
| Disposal of investment at fair value through other comprehensive income | | **14 180** | – |
| Supplier partner loans repaid | | **457** | 3 330 |
| Supplier partner loans advanced | | **(725)** | (250) |
| **Net cash generated by/(used in) investing activities** | | **513 660** | **(464 310)** |
| **Financing activities** | | | |
| Dividends paid by Company and subsidiaries | | **(169 956)** | (147 812) |
| Redemption/repayment of borrowings and lease liabilities | 40.4 | **(451 358)** | (175 379) |
| Proceeds from borrowings | 40.4 | **377 608** | 392 966 |
| Shares repurchased | 27 | **(21 719)** | (21 611) |
| Shares repurchased by subsidiaries | | **–** | (34 364) |
| (Decrease)/increase in bank overdrafts | 40.4 | **(56 116)** | 31 401 |
| **Net cash (used in)/generated by financing activities** | | **(321 541)** | **45 201** |
| Net (decrease)/increase in cash and cash equivalents | | **(293 254)** | 42 498 |
| Cash and cash equivalents at beginning of year | | **421 829** | 375 133 |
| Foreign exchange differences | | **(1 159)** | 4 198 |
| Cash and cash equivalents at end of year | | | |
| **Bank balances and cash** | | **127 416** | **421 829** |

# Notes to the Consolidated Financial Statements

for the year ended 31 December 2024

## 1. Presentation of financial statements

### (a) Basis of preparation

#### Statement of compliance

The consolidated (or "Group") annual financial statements (or "financial statements") are prepared in accordance with IFRS® Accounting Standards of the International Accounting Standards Board ("IASB"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Pronouncements issued by the Financial Reporting Standards Council, the requirements of the JSE Limited ("JSE") Listings Requirements and the Companies Act of South Africa.

#### Basis of measurement

The consolidated financial statements have been prepared in accordance with the underlying assumption of going concern on the historical cost basis except for the revaluation of certain financial instruments, investment properties and biological assets that are measured at fair values or fair values less costs to sell at the end of each reporting period, as explained in the accounting policies.

The principal accounting policies set out below and in the individual notes, have been applied on a basis consistent with the previous year.

#### Functional and presentation currency

The consolidated financial statements are presented in South African Rand, which is the Group's functional currency, rounded to the nearest thousand, unless otherwise stated.

#### Disclosure of accounting policies

The Group discloses only those accounting policies which relate to material transactions, other events or conditions and:

- was changed during the reporting period because the Group was required to or chose to change its policy and this change resulted in a material change to the amounts included in the financial statements;
- was chosen from one or more alternatives in an IFRS® Accounting Standard;
- was developed in accordance with paragraphs 10 to 12 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* in the absence of an IFRS® Accounting Standard that specifically applies;
- relates to an area for which the Group is required to make significant judgements or assumptions in applying an accounting policy and discloses those judgements or assumptions; or
- applies the requirements of an IFRS® Accounting Standard in a way that reflects the Group's specific circumstances.

### (b) Basis of consolidation

The consolidated financial statements include the total comprehensive income or loss, the financial position and the cash flows of the Company and its subsidiaries, associates and joint ventures. Details of the Company's related undertakings are presented in Appendices 1 and 2. In the case of associates and joint ventures, those entities are presented as single line items in the statement of profit or loss, statement of comprehensive income and statement of financial position (see note 20). Intercompany transactions and balances are eliminated on consolidation. Consistent accounting policies have been applied across the Group in the preparation of the consolidated financial statements.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company under the heading "changes in ownership".

### (c) Foreign currency translation

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign currency translation reserve (attributed to non-controlling interests as appropriate).

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

# **Notes** (continued)

for the year ended 31 December 2024

## 1. Presentation of financial statements (continued)

### (d) Critical accounting judgements and key sources of estimation uncertainty

In applying the Group's accounting policies, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These judgements and estimates are described within the notes and identified under the heading "significant judgements and estimates". The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### (e) Intrinsic net asset value ("INAV")

INAV which is presented in the report appearing in Appendix 4, is a key valuation tool used to measure the Brimstone Group's performance and compliance with financial covenants. In determining INAV,

- the intrinsic gross asset value of listed assets is valued using quoted market prices, whereas unlisted assets are valued using appropriate valuation methods as indicated in the fair value hierarchy note 47.12 to the financial statements. These values will not necessarily correspond with the carrying amounts in the consolidated statement of financial position since the latter are measured using the relevant IFRS® Accounting Standards which include historical cost, consolidation and the equity method of accounting;
- debt outstanding and ring fenced with the specific asset is deducted from the intrinsic gross asset value; and
- capital gains tax ("CGT") calculated on changes in the intrinsic gross asset value of the asset in relation to its base cost in terms of the Income Tax Act, No. 58 of 1962 (the "Act"), is deducted from the intrinsic gross asset value of the asset and added if a capital loss will be allowed to be off-set against other capital gains for tax purposes. In addition, where the Group is able to utilise any tax relief in the so-called Corporate Rules of the Act, it has been taken into account in the determination of CGT.

The balance outstanding on the Group's preference share funding facility utilised to fund all other assets is also deducted from the intrinsic gross asset value, in determining INAV.

INAV per share is determined by dividing INAV by the number of shares in issue at the reporting date after deducting treasury shares. Fully diluted INAV per share is determined by dividing INAV by the number of shares in issue at the reporting date after deducting treasury shares which have been adjusted for treasury shares which are likely to vest.

The INAV information presented has been prepared on a basis consistent with that used in the prior year.

### (f) New standards, interpretations, and amendments effective and adopted

In the current year, the Group has applied amended IFRS® Accounting Standards and Interpretations issued by the IASB that are effective for an annual period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

### (g) Standards that are issued but not yet effective

IFRS 18 *Presentation and Disclosure in Annual Financial Statements* will replace IAS 1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 January 2027.

IFRS 18 introduces two newly required subtotals and requires all income and expense items to be classified into operating, investing, financing, income taxes or discontinued operations categories. In addition, the standard defines "management-defined performance measures" ("MPMs") and requires that an entity provide disclosures regarding its MPMs in a single note to the financial statements. The standard provides further guidance on grouping of information in the financial statements so that it is more useful.

The impact of this standard on the Group is currently being assessed.

## 2. Revenue

### Accounting policy

**Recognition and measurement**

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer, excluding value added tax. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customer, which is normally on delivery. Delivery in the case of export sales is determined by reference to the sales contract and application of Incoterms. The normal credit terms in the Group ranges from 30 to 90 days after delivery.

The Group considers whether there are other promises in the sales order that are separate performance obligations to which a portion of the transaction price needs to be allocated such as warranties and customer loyalty points. The impact of warranties and customer loyalty points is insignificant.

Revenue from ship repairs and maintenance is recognised over time as the customer simultaneously receives and consumes the benefits provided by the entity's performance.

Dividend income is recognised when the right to receive payment has been established, which is normally the last date to trade.

| R'000 | 2024 | 2023 |
|---|---|---|
| Revenue for the year is analysed as follows: | | |
| Revenue recognised at a point in time | **2 161 588** | 6 338 979 |
| Revenue recognised over time | **34 054** | 121 783 |
| | **2 195 642** | 6 460 762 |
| The Group's revenue comprises the following: | | |
| Food products | **1 868 268** | 6 204 776 |
| Healthcare products | **325 216** | 253 053 |
| | **2 193 484** | 6 457 829 |
| Fee and other income | **2 158** | 2 933 |
| **Total sales and fee income** | **2 195 642** | 6 460 762 |
| **Dividends received** | | |
| ■ listed investments | **25 963** | 63 899 |
| ■ unlisted investments | **5 657** | 4 302 |
| **Total dividends received** | **31 620** | 68 201 |
| **Total revenue** | **2 227 262** | **6 528 963** |
| Revenue per food product mix comprises: | | |
| Wild-caught fish | **1 132 419** | 3 387 715 |
| Shellfish | **117 939** | 559 516 |
| Convenience foods | **48 311** | 490 213 |
| Traded | **53 991** | 180 361 |
| Dairy | **515 608** | 1 586 971 |
| | **1 868 268** | **6 204 776** |

# Notes (continued)

for the year ended 31 December 2024

| R'000 | 2024 | 2023 |
|---|---|---|
| **2. Revenue** (continued) | | |
| **Business and geographic segments:** | | |
| The food products products mentioned above were processed and manufactured in the Group's factories in the Western Cape and Australia. The table below shows the geographical breakdown of the food and healthcare product sales. | | |
| **Total sales revenue by geographical market** | | |
| South Africa | **1 238 729** | 3 435 373 |
| Australia | **286 651** | 1 107 539 |
| Europe | **501 767** | 1 347 646 |
| Other markets | **166 738** | 567 484 |
| | **2 193 885** | **6 458 042** |
| **3. Operating expenses** | | |
| Production, selling and administration expenses[1] | **537 762** | 1 191 248 |
| Raw materials and consumables used | **1 626 446** | 4 882 619 |
| **Total operating expenses** | **2 164 208** | **6 073 867** |

[1] Includes holding company administration expenses of R70.7 million (2023: R80.6 million), after deducting external fee income, but before recoveries from subsidiary companies of R5.1 million (2023: R4.6 million) which have been eliminated on consolidation.

| R'000 | 2024 | 2023 |
|---|---|---|
| **4. Fair value gains/(losses)** | | |
| Changes in fair value of financial assets and liabilities and non-financial assets, at fair value through profit or loss and fair value less costs to sell: | | |
| ▪ mark-to-market revaluation of listed investments | **12 754** | (106 917) |
| ▪ mark-to-market revaluation of unlisted investments | **84 149** | 55 515 |
| ▪ revaluation of options | **440** | 2 748 |
| ▪ revaluation of financial liability with contingent settlement provisions | **59 934** | – |
| ▪ biological assets | **–** | 14 592 |
| ▪ other financial instruments | **1 759** | (3 158) |
| **Total fair value gains/(losses)** | **159 036** | **(37 220)** |
| **5. Other investment gains** | | |
| **Other investment gains** | | |
| ▪ gain on disposal of subsidiary | **73 094** | 2 912 |
| ▪ gain on disposal of brands | **4 000** | – |
| ▪ gain on purchased loans | **–** | 93 310 |
| **Total gains** | **77 094** | 96 222 |
| **Other investment losses** | | |
| ▪ deal costs incurred | **(17 107)** | (95) |
| ▪ loss on disposal of subsidiary | **–** | (578) |
| ▪ impairment of investment | **–** | (27) |
| **Total losses** | **(17 107)** | (700) |
| **Total other investment gains** | **59 987** | **95 522** |

| R'000 | 2024 | 2023 |
|---|---|---|

## 6. Profit before net finance costs

Profit before net finance costs includes the following items of income and expenditure not shown separately in the statement of profit or loss:

### 6.1 Income

| R'000 | 2024 | 2023 |
|---|---|---|
| Profit on disposal of property, plant, equipment and vehicles (excluding fishing trawlers) | – | 89 |
| Government grant income | **1 208** | 4 189 |
| Insurance proceeds | **2 704** | 64 863 |
| Foreign exchange gains | **7 962** | 13 852 |

### 6.2 Expenditure

| R'000 | 2024 | 2023 |
|---|---|---|
| Auditors' remuneration | **6 450** | 12 444 |
| External statutory audit – current year | **6 020** | 11 551 |
| Other services | **430** | 893 |
| Loss on disposal of property, plant, equipment and vehicles (excluding fishing trawlers) | **129** | 1 114 |
| Foreign exchange losses | **14 491** | 12 662 |
| Employee related expenses | **721 722** | 1 389 663 |
| Staff costs | **695 683** | 1 324 208 |
| Post-employment benefits | **26 039** | 65 455 |
| Write down of inventory to net realisable value | – | 1 700 |

## 7. Directors' emoluments

| R'000 | 2024 | 2023 |
|---|---|---|
| **Paid by Company** | | |
| **Fees for services as directors** | | |
| Non-executive directors | **3 833** | 4 329 |
| **Management and other services** | | |
| Executive directors | **37 998** | 38 174 |
| **Total paid by Company** | **41 831** | **42 503** |
| **Paid by subsidiaries** | | |
| **Fees for services as directors** | | |
| Executive directors | **344** | 1 343 |
| **Total paid by subsidiary companies** | **344** | **1 343** |
| **Total paid by Company and subsidiaries** | **42 175** | **43 846** |

Executive directors do not have fixed term contracts. They have employment agreements with the Company which are subject to a one month notice period by either party. Directors' emoluments do not include non-performance related remuneration. Refer to note 46 for detailed information.

## 8. Interest income

| R'000 | 2024 | 2023 |
|---|---|---|
| Interest received on bank deposits and loans to associates and joint ventures | **30 346** | 27 197 |
| Other | **567** | 2 669 |
| | **30 913** | **29 866** |

# Notes (continued)

for the year ended 31 December 2024

| | R'000 | 2024 | 2023 |
|---|---|---|---|
| **9.** | **Finance costs** | | |
| | Interest on borrowings | **92 618** | 222 448 |
| | Interest on lease liabilities | **7 335** | 19 899 |
| | Preference dividends | **198 108** | 224 064 |
| | Other | **129** | 5 432 |
| | | **298 190** | **471 843** |
| **10.** | **Taxation** | | |
| **10.1** | **Taxation charge** | | |
| | **SA normal taxation** | **74 684** | 77 878 |
| | Current – current year | **39 728** | 43 998 |
| | – under provision prior year | **643** | 4 422 |
| | Deferred – current year | **33 450** | 27 653 |
| | – under provision prior year | **863** | 1 805 |
| | Unutilised computed tax losses carried forward | **384 001** | 326 921 |
| | Saving in taxation attributable thereto at current rate | **103 680** | 88 269 |
| | No deferred tax asset was raised in respect of estimated tax losses in subsidiaries amounting to[1] | **330 858** | 273 778 |
| **10.2** | **Reconciliation of taxation charge** | | |
| | (Loss)/profit before taxation | **(114 078)** | 499 752 |
| | Tax at statutory rates (27%) (2023: 27%) | **(30 801)** | 134 933 |
| | Adjustment for entities with different tax rates to the statutory company rate | **(1 437)** | (1 403) |
| | Over provided previous year | **1 506** | 6 227 |
| | Tax effect of share of results of associates and joint ventures | **(116 968)** | (114 418) |
| | Tax effect of fair value adjustments | **(42 746)** | 14 500 |
| | Tax effect of non-deductible expenses[2] | **212 945** | 92 759 |
| | Tax effect of non-taxable income[3] | **(28 764)** | (61 402) |
| | Tax effect of utilisation of prior year losses | **—** | (1 810) |
| | Deferred tax asset not raised | **25 356** | 9 375 |
| | Capital gains tax | **55 593** | (883) |
| | **Taxation** | **74 684** | **77 878** |

1 Deferred tax assets are recognised on deductible temporary differences to the extent that it is probable that future taxable income will be generated against which to utilise the deductible temporary differences.

2 Non-deductible expenses consists primarily of preference dividends included in finance costs and the non-deductible portion of expenditure relating to an investment holding company. In the current year, the tax effect of the loss on deemed disposal of subsidiary is also included in non-deductible expenses.

3 Non-taxable income relates mainly to dividends received, and reversal of prior year provisions (2023: gain on purchased loans, dividends received, reversal of prior year provisions and learnership incentives received).

## 11. Dividends

On 4 March 2025, a final gross cash dividend of 40 cents per share (2023: 40 cents per share) was declared out of income reserves.

## 12. Earnings per share

The following is a reconciliation of the earnings figures used in the earnings and headline earnings per share calculations:

| R'000 | 2024 | 2023 |
|---|---|---|
| **Basic earnings** | | |
| (Loss)/profit attributable to equity holders of the parent | **(200 407)** | 291 267 |

| R'000 | 2024 GROSS | 2024 NET[1] | 2023 GROSS | 2023 NET[1] |
|---|---|---|---|---|
| **Headline earnings calculation** | | | | |
| (Loss)/profit attributable to equity holders of the parent | | **(200 407)** | | 291 267 |
| Net loss on deemed disposal of subsidiary | **562 093** | **562 093** | – | – |
| Impairment of property, plant and equipment and vehicles | **–** | **–** | 26 | 26 |
| Insurance proceeds | **–** | **–** | (9 410) | (3 922) |
| (Gain)/loss on disposal of subsidiary | **(73 094)** | **(73 094)** | 578 | 293 |
| Profit on disposal of property, plant, equipment and vehicles | **–** | **–** | (1 887) | (434) |
| Adjustments relating to results of associates | **(30 872)** | **(26 246)** | (467 000) | (110 252) |
| **Headline earnings** | **no total** | **262 346** | **no total** | **176 978** |
| **Headline earnings per share (cents)** | | | | |
| Basic | | **108.0** | | 71.6 |
| Diluted | | **106.4** | | 70.8 |

| NUMBER OF SHARES (000'S) | 2024 | 2023 |
|---|---|---|
| **Calculation of weighted average number of shares ("WANOS")** | | |
| WANOS on which basic earnings and basic headline earnings per share is based | **242 818** | 247 071 |
| Dilutive effect of treasury shares (forfeitable share plan) | **3 637** | 2 760 |
| **WANOS on which diluted earnings and diluted headline earnings per share is based** | **246 455** | **249 831** |

[1] Net of tax and non-controlling interests

# Notes (continued)

for the year ended 31 December 2024

## 13. Property, plant, equipment and vehicles and Investment properties

### 13.1 Property, plant, equipment and vehicles

**Accounting policy**

**Recognition and measurement**
Property, plant, equipment and vehicles are stated at historical cost less accumulated depreciation and accumulated impairment losses.

**Cost**
Historical cost includes expenditure that is directly attributable to the acquisition of the item.

The cost of fishing trawler refits (major overhauls) includes expenditure on materials, direct labour and an allocated proportion of project overheads. Subsequent costs are included in the asset's carrying amount, or recognised as a separate asset, only when it is probable that the future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit or loss in the period in which they are incurred.

Gains or losses on disposals of property, plant, equipment and vehicles are determined by comparing proceeds with the carrying amount and are included in operating profit in the statement of profit or loss.

**Depreciation**
Property, plant, equipment and vehicles are depreciated to its estimated residual value on a straight-line basis over its expected useful life. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Land and buildings comprise mainly factories and office buildings. Owned land is not depreciated. Leasehold improvements are depreciated over the lesser of the period of the lease and the useful life of the asset.

**Impairment**
The Group reviews the carrying amount of its property, plant, equipment and vehicles annually and if events occur which call into question the carrying amount of the assets to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated, being the higher of the asset's fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash generating units). Where the carrying amount exceeds the estimated recoverable amount, such assets are written down to their recoverable amount.

**Significant judgements and estimates**

**Depreciation and residual values**
The Group depreciates its assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore, requires a significant degree of judgement to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, operating conditions and maintenance programmes. These depreciation rates represent management's current best estimate of the useful lives of these assets.

Significant judgement is applied by management when determining the residual values for property, plant, equipment and vehicles. When determining the residual value, the following factors are taken into account:
- external residual value information (if available); and
- internal technical assessments for specialised plant and machinery.

The Group has reviewed the residual values and useful lives of its assets. No material adjustments resulted from the review in the current year.

The useful lives for classes of property, plant, equipment and vehicles are as follows:

| | |
|---|---|
| Freehold buildings | 5 – 50 years |
| Leasehold improvements | Term of lease |
| Plant and machinery | 2 – 40 years |
| Fishing trawlers | 5 – 45 years |
| Office furniture, equipment and computers | 2 – 26 years |
| Motor vehicles | 2 – 14 years |

| R'000 | LAND AND BUILDINGS – FREEHOLD | LAND AND BUILDINGS – LEASEHOLD IMPROVE-MENTS | PLANT AND MACHINERY | FISHING TRAWLERS (INCLUDING REFITS) | OFFICE FURNITURE, EQUIPMENT AND COMPUTERS | MOTOR VEHICLES | TOTAL |
|---|---|---|---|---|---|---|---|
| **2024** | | | | | | | |
| Cost | 379 926 | 70 230 | 1 265 174 | 1 959 742 | 158 388 | 56 179 | 3 889 639 |
| Accumulated depreciation and impairment losses | (137 601) | (42 461) | (435 929) | (701 723) | (99 697) | (21 488) | (1 438 899) |
| **Carrying amount at 1 January 2024** | 242 325 | 27 769 | 829 245 | 1 258 019 | 58 691 | 34 691 | 2 450 740 |
| Additions | 338 | 2 432 | 48 244 | 89 255 | 5 579 | 785 | 146 633 |
| Disposals – cost | — | (531) | (327) | (79) | (1 398) | (739) | (3 074) |
| Deemed disposal of subsidiary – cost | (349 848) | (67 991) | (1 224 092) | (1 895 304) | (138 155) | (60 770) | (3 736 160) |
| Effect of foreign currency differences on cost | (770) | — | (1 614) | (11 071) | (1 067) | (229) | (14 751) |
| Depreciation for the year | (2 467) | (1 866) | (23 170) | (54 120) | (5 402) | (2 177) | (89 202) |
| Accumulated depreciation on disposals | — | 531 | 275 | 37 | 1 153 | 292 | 2 288 |
| Deemed disposal of subsidiary – accumulated depreciation | 110 126 | 39 863 | 382 037 | 610 391 | 81 089 | 28 127 | 1 251 633 |
| Effect of foreign currency differences on depreciation | 296 | — | 788 | 2 872 | 876 | 149 | 4 981 |
| **Carrying amount at 31 December 2024** | — | 207 | 11 386 | — | 1 366 | 129 | 13 088 |
| Carrying amount comprises: | | | | | | | |
| Cost | 29 646 | 4 140 | 87 385 | 142 543 | 23 347 | (4 774) | 282 287 |
| Accumulated depreciation and impairment losses | (29 646) | (3 933) | (75 999) | (142 543) | (21 981) | 4 903 | (269 199) |
| | — | 207 | 11 386 | — | 1 366 | 129 | 13 088 |

# Notes (continued)

for the year ended 31 December 2024

## 13. Property, plant, equipment and vehicles and Investment properties (continued)

### 13.1 Property, plant, equipment and vehicles (continued)

| R'000 | LAND AND BUILDINGS – FREEHOLD | LAND AND BUILDINGS – LEASEHOLD IMPROVE-MENTS | PLANT AND MACHINERY | FISHING TRAWLERS (INCLUDING REFITS) | OFFICE FURNITURE, EQUIPMENT AND COMPUTERS | MOTOR VEHICLES | TOTAL |
|---|---|---|---|---|---|---|---|
| **2023** | | | | | | | |
| Cost | 458 364 | 66 694 | 1 140 009 | 1 711 258 | 138 536 | 51 697 | 3 566 558 |
| Accumulated depreciation and impairment losses | (60 896) | (37 782) | (323 055) | (631 381) | (85 842) | (18 951) | (1 157 907) |
| **Carrying amount at 1 January 2023** | 397 468 | 28 912 | 816 954 | 1 079 877 | 52 694 | 32 746 | 2 408 651 |
| Additions | 4 169 | 6 613 | 161 354 | 270 891 | 20 242 | 12 573 | 475 842 |
| Disposals – cost | (61 583) | (1 145) | (4 996) | (43 546) | (1 391) | (3 888) | (116 549) |
| Disposal of subsidiary – cost | (23 166) | (1 932) | (37 183) | (4 283) | (2 339) | (4 581) | (73 484) |
| Effect of foreign currency differences on cost | 2 142 | — | 5 990 | 25 422 | 3 340 | 378 | 37 272 |
| Transfers between classes of assets – cost | 7 205 | (3) | (63 281) | 52 740 | 2 373 | 966 | — |
| Depreciation for the year | (7 872) | (5 667) | (68 937) | (158 582) | (14 399) | (6 849) | (262 306) |
| Accumulated depreciation on disposals | (3 417) | 796 | 2 684 | 40 334 | 801 | 2 617 | 43 815 |
| Disposal of subsidiary – accumulated depreciation | 3 849 | 195 | 16 894 | 883 | 369 | 905 | 23 095 |
| Transfer to investment property | (75 732) | — | — | — | — | — | (75 732) |
| Effect of foreign currency differences on depreciation | (738) | — | (234) | (5 717) | (2 999) | (176) | (9 864) |
| **Carrying amount at 31 December 2023** | **242 325** | **27 769** | **829 245** | **1 258 019** | **58 691** | **34 691** | **2 450 740** |
| Carrying amount comprises: | | | | | | | |
| Cost | 379 926 | 70 230 | 1 265 174 | 1 959 742 | 158 388 | 56 179 | 3 889 639 |
| Accumulated depreciation and impairment losses | (137 601) | (42 461) | (435 929) | (701 723) | (99 697) | (21 488) | (1 438 899) |
| | **242 325** | **27 769** | **829 245** | **1 258 019** | **58 691** | **34 691** | **2 450 740** |

Cost of fully depreciated property, plant, equipment and vehicles still in use at 31 December 2024 is R25.8 million (2023: R162.5 million).

The registers containing details of land and buildings are available for inspection by shareholders or their duly authorised representatives at the registered offices of the companies to which the relevant properties belong.

## 13.2 Investment properties

### Accounting policy

Investment properties, which are held to earn rentals and for capital appreciation, are measured initially at cost, including transaction costs. Subsequent to initial recognition, the investment property is measured at fair value. Gains or losses arising from changes in the fair value of an investment property are included in profit or loss in the period in which they arise.

| R'000 | 2024 | 2023 |
|---|---|---|
| Balance at the beginning of the year | **79 432** | 3 700 |
| Transfer from property, plant, equipment and vehicles | **—** | 75 732 |
| Deemed disposal of subsidiary | **(79 432)** | — |
| **Balance at the end of the year** | **—** | **79 432** |

Investment property consisted of commercial offices at The Estuaries in Century City, Cape Town and commercial and industrial property occupied by BM Foods Manufacturing Proprietary Limited ("BMFM") in Montague Gardens, Cape Town. In the prior year, subsequent to the sale of 5% of BMFM, and the consequential loss of control, the property occupied by BMFM was no longer owner occupied and was held as investment property. The fair value was determined by an independent valuer, using the income capitalisation approach.

The fair value estimate for investment property was classified as a Level 3 measurement within the fair value hierarchy. There were no transfers between fair value hierarchy levels in the prior period. The unobservable input applied in the valuation model was the capitalisation rate of 9%, taking into account the rental income potential, nature of the property, and prevailing market conditions.

In the prior year, a 10% increase in the capitalisation rate used would result in a decrease in fair value of R8.5 million, and a 10% decrease in the capitalisation rate used would result in an increase in fair value of R10.4 million.

# Notes (continued)

for the year ended 31 December 2024

## 14. Right-of-use assets

**Accounting policy**

**Right-of-use assets**
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

**Lease liabilities**
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

**Short-term leases and leases of low-value assets**
The Group applies the short-term lease recognition exemption to its short-term leases of certain properties and motor vehicles (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below R100 000). Lease payments on short-term leases and leases of low-value assets are recognised as expenses on a straight-line basis over the lease term.

**Significant judgement in determining the lease term of contracts with renewal options**
The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. Judgement is required in determining whether the Group is reasonably certain to exercise its option to extend the lease or terminate the lease at inception of the lease. This is based on various factors including terms for renewal in relation to market rates, whether there has been significant leasehold improvements and the costs relating to termination.

In the prior year, the Group had entered into agreements to lease land and manufacturing/office buildings and retail shops, with lease terms between three and 15 years. The Group had the option, under some leases, to lease the assets for additional terms of three to five years. The likelihood of exercising the options were assessed on a lease-by-lease basis.

| R'000 | 2024 | 2023 |
|---|---|---|
| Cost | **371 017** | 332 910 |
| Accumulated depreciation | **(161 359)** | (127 982) |
| **Carrying amount at 1 January** | **209 658** | 204 928 |
| New leases acquired | **6 080** | 42 104 |
| Deemed disposal of subsidiary – cost | **(324 294)** | (9 513) |
| Effect of foreign currency exchange differences on cost | **(1 976)** | 5 516 |
| Depreciation for the year | **(13 100)** | (37 991) |
| Terminated leases | **–** | (3 355) |
| Accumulated depreciation on terminated leases | **–** | 2 483 |
| Deemed disposal of subsidiary – accumulated depreciation | **134 047** | 5 068 |
| Effect of foreign currency exchange differences on depreciation | **481** | 418 |
| **Carrying amount at 31 December** | **10 896** | **209 658** |
| Carrying amount comprises: | | |
| Cost | **50 827** | 371 017 |
| Accumulated depreciation | **(39 931)** | (161 359) |
| | **10 896** | **209 658** |
| Amounts recognised in profit or loss: | | |
| Depreciation expense on right-of-use assets | **(13 100)** | (37 573) |
| Expenses relating to leases of low-value assets | **–** | (9 671) |
| Gain on modification of leased asset | **–** | 194 |
| Interest expense on lease liabilities | **(7 335)** | (19 899) |
| Expenses relating to short-term leases | **(311)** | (12 649) |

## 15. Biological assets

### Accounting policy

**Recognition and measurement**

Biological assets include abalone cultivated at aquaculture farms and are measured at their fair value less estimated point-of-sale costs. Fair value is determined based on the market prices of biological assets of similar age, breed and genetic merit. Point-of-sale costs include all costs that would be incurred in order to get the biological assets to the customer. Gains or losses arising from measurement on initial recognition or from a subsequent change in fair value less estimated point-of-sale costs is included in profit or loss in the period in which it arises.

### Significant judgements and estimates

The fair value is determined based on market prices of biological assets of a similar age, breed, and genetic merit. In the absence of an active market, due to early stages of biological assets transformation, the capitalised costs are deemed to be the best estimate of fair value. Subsequent expenditure incurred in the development of abalone from a certain size up to the point of maturity, is capitalised in the cost.

In order to measure and value biological assets, management uses growth-formula and drip-and-purge-loss factors to determine the weight of animals at the reporting date. These formulas are based on empirical evidence and confirmed industry norms.

In the prior year, included in inventory finished goods was an amount of R6.3 million relating to canned, dried and frozen biological assets. The operating cycle is more than one year and therefore only abalone above and including 40 – 50g and oysters above and including 50 – 60g size categories were classified as current assets.

In the prior year, the fair value adjustment to biological assets of R14.6 million consisted of an upward revaluation of R6.3 million relating to physical change in size and an upward revaluation of R8.3 million relating to change in market price. A change in unobservable inputs would not have had a significant change in fair value.

# Notes (continued)

for the year ended 31 December 2024

## 15. Biological assets (continued)

### 15.1 Reconciliation of biological assets

| R'000 | ABALONE | MUSSELS AND OYSTERS | TOTAL |
|---|---|---|---|
| **2024** | | | |
| Balance at 1 January | **189 676** | **–** | **189 676** |
| Increase due to additions and cost capitalised[1] | **24 187** | **–** | **24 187** |
| Decrease due to harvest and mortalities | **(15 422)** | **–** | **(15 422)** |
| Deemed disposal of subsidiary | **(198 441)** | **–** | **(198 441)** |
| Fair value adjustment | **–** | **–** | **–** |
| **Balance at 31 December** | **–** | **–** | **–** |
| **2023** | | | |
| Balance at 1 January | 148 556 | 16 640 | 165 196 |
| Increase due to additions and cost capitalised[1] | 73 696 | 9 116 | 82 812 |
| Decrease due to harvest and mortalities | (52 842) | (13 779) | (66 621) |
| Disposal of subsidiary | – | (6 303) | (6 303) |
| Fair value adjustment | 20 266 | (5 674) | 14 592 |
| Balance at 31 December | 189 676 | – | 189 676 |
| Transferred to current | (118 266) | – | (118 266) |
| **Total non-current** | **71 410** | **–** | **71 410** |

### 15.2 Risk management strategy related to aquacultural activities

**Exchange rate risks**

The Group was subject to changes in the exchange rate as abalone sales prices are denominated in US dollar and biological assets are measured at fair value which is also based on the US dollar market price. The Group's currency risk management is described in note 47.5.

**Assumption sensitivity analysis**

In the prior year, the Group performed a sensitivity analysis relating to its exposure to a change in exchange rates used in the valuation of abalone. The sensitivity analysis demonstrated the increase/(decrease) on the biological assets, which could result from a change in this assumption.

| | EXCHANGE RATE | FAIR VALUE ADJUSTMENT R'000 |
|---|---|---|
| **2023** | | |
| -10% (weakening of the Rand against the USD) | $1/R20.27 | 15 889 |
| +10% (strengthening of the Rand against the USD) | $1/R16.59 | (15 889) |

1 The additions and cost capitalised to biological assets include non-cash costs of Rnil (2023: R5.9 million).

## 16. Goodwill

**Accounting policy**

**Recognition and measurement**

Goodwill arising on the acquisition of subsidiaries or businesses is presented separately in the statement of financial position and carried at cost less accumulated impairment losses.

**Cost**

Goodwill is initially measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest, the acquisition date fair value of any previously held equity interest over the net identifiable assets acquired and liabilities assumed. If the cost of the acquisition is less than the fair value of the net assets of the subsidiary or business acquired, the difference (gain on bargain purchase) is recognised in profit or loss.

The gain or loss recognised in profit or loss on the loss of control of a subsidiary is calculated after taking into account the carrying amount of any related goodwill.

**Impairment**

For the purposes of impairment testing, goodwill is allocated to the lowest level of cash generating unit (or "CGU"). Each of those cash generating units represents the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination in which the goodwill arose. Impairment assessments are performed annually, or more frequently if there are indicators that the carrying amount might be impaired. Impairment testing is performed by comparing the value-in-use of the cash generating unit to the carrying amount. Impairment testing is only performed on cash generating units that are considered to be significant in comparison to the total carrying amount of goodwill. In addition, the carrying values of intangible assets with an indefinite useful life have been included in the carrying amounts and fair values of the CGU's and therefore forms part of the overall impairment consideration.

**Significant judgement and estimates**

The value-in-use calculation used in the Australia, Aquaculture and Cape Harvest Foods CGU's requires management to estimate future cashflows and a discount rate in order to calculate present value. The South African Fishing CGU's recoverable amount is the fair value less costs to sell which requires earnings projections and price earnings multiple estimates.

**Value-in-use**

Key assumptions relating to this valuation include the discount rate and cash flows used to determine the value-in-use. Future cash flows are estimated based on the most recent budgets and forecasts approved by management covering a period of up to five years and are extrapolated over the useful life of the asset to reflect the long-term plans of the Group using the estimated growth rate for the specific business or product. The estimated future cash flows and discount rates used are pre-tax based on an assessment of the current risks applicable to the specific asset and/or entity and country in which it operates or the product is sold.

Management determines the expected performance of the assets based on the following:

- an assessment of existing products against past performance and market conditions;
- an assessment of existing products against existing market conditions; and
- the pipeline of existing products under development, applying past experiences of launch success, existing market conditions and new markets

The growth rate used to extrapolate cash flow projections beyond the period covered by the budgets and forecasts takes into account the long-term average rates of the industry in which the cash generating unit is operating. Estimations are based on a number of key assumptions such as volume, price and product mix which will create a basis for future growth and gross margin. These assumptions are set in relation to historic figures and external reports on market growth. If necessary, these cash flows are then adjusted to take into account any changes in assumptions or operating conditions that have been identified subsequent to the preparation of the budgets and forecasts.

The weighted average cost of capital is derived from a pricing model based on credit risk and the cost of debt. The variables used in the model are established on the basis of management judgement and current market conditions. Management judgement is also applied in estimating the future cash flows of the cash generating units. These values are sensitive to the cash flows projected for the periods for which detailed forecasts are not available and to the assumptions regarding the long-term sustainability of the cash flows thereafter.

Impairment losses recognised in respect of goodwill are not reversed in subsequent periods.

# Notes (continued)

for the year ended 31 December 2024

| R'000 | 2024 | 2023 |
|---|---|---|
| **16. Goodwill** (continued) | | |
| Balance at 1 January | **1 036 759** | 1 017 694 |
| Deemed disposal of subsidiary | **(1 030 162)** | — |
| Foreign currency translation adjustment | **(6 597)** | 19 065 |
| **Balance at 31 December** | **–** | **1 036 759** |

**Allocation of goodwill to cash-generating units for the purpose of impairment reviews and testing**

Goodwill is allocated to the consolidated entity's cash-generating units identified according to geographical segments.

The carrying amount of goodwill was allocated to CGU's as follows:

| R'000 | 2024 | 2023 |
|---|---|---|
| South African Fishing operations | **–** | 463 325 |
| Australian operations | **–** | 272 870 |
| Cape Harvest Foods | **–** | 230 581 |
| Aquaculture operations | **–** | 69 983 |
| | **–** | **1 036 759** |

**South African Fishing**

In the prior year, the recoverable amount of the CGU was determined on the basis of fair value less costs to sell. The fair value less costs to sell calculation used an average of actual 2023 earnings and 2024 projected earnings. A price earnings multiple of 9.28 was used in the valuation, which was an average of listed companies operating in the same industry adjusted by a 15% risk factor for size and the unlisted nature of the CGU, and the completion of the Fishing Rights Allocation Process. The valuation resulted in a surplus over the carrying value of the CGU and thus the directors believed that a reasonably possible change in the multiple would not result in an impairment of the carrying value of goodwill.

In the prior year, the inputs applied in the valuation techniques to determine the recoverable amount were categorised as level 3 inputs in terms of IFRS 13 *Fair Value Measurement*.

**Australian operations (including MG Kailis)**

In the prior year, the recoverable amount of this CGU was determined based on a value-in-use calculation which requires the use of certain assumptions. The calculation used cash flow projections based on financial budgets approved by the Sea Harvest board, covering a five-year period. The below key estimates were used in the value-in-use calculation:

| % | 2024 | 2023 |
|---|---|---|
| Pre-tax discount rate | **n/a** | 11.88 |
| Revenue growth per annum | **n/a** | 3.00 |
| Inflation[1] | **n/a** | 3.00 |
| Terminal growth rate | **n/a** | 3.00 |

1 In line with the inflation rate in Australia.

In the prior year, the valuation resulted in a surplus over the carrying values of the CGU and thus the directors believed that a reasonably possible change in the assumptions would not result in an impairment of the carrying value of goodwill.

**Cape Harvest Foods**

In the prior year, the recoverable amount of this CGU was determined based on a value-in-use calculation which requires the use of certain assumptions. The calculation used cash flow projections based on financial budgets approved by the Sea Harvest board, covering a five-year period. The below key estimates were used in the value-in-use calculation:

| % | 2024 | 2023 |
|---|---|---|
| Pre-tax discount rate | **n/a** | 15.37 |
| Revenue growth per annum (five-year average) | **n/a** | 8.20 |
| Inflation[1] | **n/a** | 6.00 |
| Terminal growth rate | **n/a** | 6.00 |

1 In line with the inflation rate in South Africa.

In the prior year, the valuation resulted in a surplus over the carrying value of the CGU and thus the directors believed that a reasonably possible change in the assumptions would not result in an impairment of the carrying value of goodwill.

The carrying values of intangible assets with indefinite useful lives were included in the carrying amounts and fair values of the Australian and Cape Harvest Foods CGUs.

**Aquaculture operations**

In the prior year, the recoverable amount of this CGU was determined based on a value-in-use calculation which requires the use of certain assumptions. The calculation used cash flow projections based on financial budgets approved by the Sea Harvest board, covering a five-year period. The below key estimates are used in the value-in-use calculation:

| % | 2024 | 2023 |
|---|---|---|
| Pre-tax discount rate | **n/a** | 16.36 |
| Revenue growth per annum (five-year average)[1] | **n/a** | 13.70 |
| Inflation[2] | **n/a** | 6.00 |
| Terminal growth rate | **n/a** | 6.00 |

1 The increase in the growth rate is based on forecasting larger average-sized abalone, driving an enhanced higher margin of dried product in the sales mix.

2 In line with the inflation rate in South Africa.

In the prior year, the valuation resulted in a significant surplus over the carrying values of the CGU and thus the directors believed that a reasonably possible change in the assumptions would not result in an impairment of the carrying value of goodwill.

# Notes (continued)

for the year ended 31 December 2024

## 17. Intangible assets

### Accounting policy

**Recognition and measurement**

Intangible assets acquired separately are initially measured at cost. Intangible assets acquired separately include long-term fishing rights and permits, retail agency rights, trade names and brands, aquaculture-related intangibles and computer software. Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy either the separability criterion or contractual legal criterion in IFRS 3 *Business Combinations*. The cost of such intangible assets is their fair value at the acquisition date. Identifiable acquired intangible assets relating to business combinations include long-term fishing rights and permits, trade names and brands and aquaculture-related intangibles.

**Accumulated amortisation**

Subsequent to initial recognition, intangible assets with finite useful lives, are carried at cost less accumulated amortisation. Amortisation is charged on a straight-line basis over the assets estimated useful lives, and is recognised as expenses in the statement of profit or loss. The estimated useful lives and amortisation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

**Impairment**

An indefinite useful life intangible asset is an intangible asset where there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Group.

An impairment assessment is performed on indefinite useful life intangible assets at the end of each reporting period, or more frequently if there are impairment indicators. Intangible assets with finite useful lives are reviewed at the end of each reporting period, but only assessed for impairment when there are impairment indicators. Impairment testing is performed by comparing the recoverable amount to the carrying amount of the intangible asset.

The recoverable amounts of the intangible assets are determined as the higher of value-in-use and fair value less costs to sell.

**Value-in-use**

Key assumptions relating to this valuation include the discount rate and cash flows used to determine the value-in-use. Future cash flows are estimated based on the most recent budgets and forecasts approved by management covering a period of up to five years and are extrapolated over the useful life of the asset to reflect the long-term plans of the Group using the estimated growth rate for the specific business or product. The estimated future cash flows and discount rates used are pre-tax based on an assessment of the current risks applicable to the specific asset and/or entity and country in which it operates or the product is sold.

Management determines the expected performance of the assets based on the following:
- an assessment of existing products against past performance and market conditions;
- an assessment of existing products against existing market conditions; and
- the pipeline of products under development, applying past experiences of launch success and existing market conditions.

The growth rate used to extrapolate cash flow projections beyond the period covered by the budgets and forecasts takes into account the long-term average rates of the industry in which the cash generating unit is operating. Estimations are based on a number of key assumptions such as volume, price and product mix which will create a basis for future growth and gross margin. These assumptions are set in relation to historic figures and external reports on market growth. If necessary, these cash flows are then adjusted to take into account any changes in assumptions or operating conditions that have been identified subsequent to the preparation of the budgets and forecasts.

The weighted average cost of capital is derived from a pricing model based on credit risk and the cost of debt. The variables used in the model are established on the basis of management judgement and current market conditions. Management judgement is also applied in estimating the future cash flows of the cash generating units. These values are sensitive to the cash flows projected for the periods for which detailed forecasts are not available and to the assumptions regarding the long-term sustainability of the cash flows thereafter.

Intangible assets that have been impaired in past financial years are reviewed for possible reversal of impairment at each reporting date.

### Significant judgements and estimates

**Intangible assets as a result of contractual or legal rights**

Significant judgement is applied by management when determining the classification of long-term fishing rights and permits as finite or indefinite useful life intangible assets and in determining the amortisation period for finite useful life intangible assets.

*Perpetual fishing licences*

Australian fishing licences held in perpetuity by the Group subject to compliance with regulatory and financial obligations, which are probable of being complied with, are classified as indefinite useful life intangible assets.

*Long-term fishing rights*

Fishing rights allocated by the South African Department of Forestry, Fisheries and the Environment for a period of time in terms of its Fishing Rights Allocation Process ("FRAP") are classified as finite useful life intangible assets.

Indefinite useful life intangible assets constituted 93% of total intangible assets in the prior year.

*Amortisation of long-term fishing rights*

The Group amortises long-term fishing rights over a longer period than the original term of the right, after considering the following factors:

- whether the Group intends and is able to renew the fishing rights;
- whether there are substantial costs associated with renewal; and
- whether there will be any material modifications to existing terms of the right.

The expectation of renewal of the long-term fishing rights is based on the Group's:

- transformation credentials;
- history of compliance with permit conditions and fishing responsibly;
- significant capital investment in order to conduct deep sea fishing operations;
- socio-economic impact on the communities in which it operates;
- assessment of the impact of new entrants on the FRAP;

and therefore requires a significant degree of judgement to be applied by management.

Due to the nature of the Group's intangible assets, management do not apply residual values to them.

**Amortisation useful lives**

The anticipated useful lives used to amortise the Group's intangible assets are as follows:

| | |
|---|---|
| Long-term fishing rights and permits (finite) | 2 allocation cycles |
| Perpetual fishing licences | Indefinite |
| Retail agency rights | Indefinite |
| Brands | 8 years – indefinite |
| Trade names and customer relationships | 5 – 10 years |
| Aquaculture-related intangibles | 8 – 14 years |
| Computer software | 1 – 3 years |

# **Notes** (continued)

for the year ended 31 December 2024

## 17. **Intangible assets** (continued)

| R'000 | LONG TERM FISHING RIGHTS AND PERMITS | RETAIL AGENCY RIGHTS | TRADE NAMES AND BRANDS | AQUACULTURE RELATED INTANGIBLES | COMPUTER SOFTWARE DEVELOPMENT | TOTAL |
|---|---|---|---|---|---|---|
| **2024** | | | | | | |
| Cost | **1 598 275** | **3 822** | **61 425** | **2 991** | **35 973** | **1 702 486** |
| Accumulated amortisation and impairment losses | **(171 503)** | **(87)** | **(9 565)** | **(1 243)** | **(35 953)** | **(218 351)** |
| **Carrying amount at 1 January 2024** | **1 426 772** | **3 735** | **51 860** | **1 748** | **20** | **1 484 135** |
| Deemed disposal of subsidiary | **(1 392 072)** | **(3 645)** | **(47 956)** | **(1 673)** | **–** | **(1 445 346)** |
| Effect of foreign currency differences on cost | **(32 096)** | **(90)** | **(21)** | **–** | **–** | **(32 207)** |
| Amortisation | **(2 604)** | **–** | **(1 212)** | **(75)** | **(13)** | **(3 904)** |
| **Carrying amount at 31 December 2024** | **–** | **–** | **2 671** | **–** | **7** | **2 678** |
| Carrying amount comprises: | | | | | | |
| Cost | **174 107** | **87** | **13 448** | **1 318** | **35 973** | **224 933** |
| Accumulated amortisation and impairment losses | **(174 107)** | **(87)** | **(10 777)** | **(1 318)** | **(35 966)** | **(222 255)** |
| | **–** | **–** | **2 671** | **–** | **7** | **2 678** |
| **2023** | | | | | | |
| Cost | 1 505 625 | 3 562 | 86 974 | 2 991 | 35 944 | 1 635 096 |
| Accumulated amortisation and impairment losses | (163 689) | (87) | (8 152) | (1 017) | (35 944) | (208 889) |
| **Carrying amount at 1 January 2023** | 1 341 936 | 3 475 | 78 822 | 1 974 | – | 1 426 207 |
| Additions | 257 | – | – | – | 29 | 286 |
| Disposal of subsidiary | – | – | (25 609) | – | – | (25 609) |
| Effect of foreign currency differences on cost | 92 393 | 260 | 60 | – | – | 92 713 |
| Amortisation | (7 733) | – | (1 413) | (226) | (9) | (9 381) |
| Effect of foreign currency differences on amortisation | (81) | – | – | – | – | (81) |
| **Carrying amount at 31 December 2023** | **1 426 772** | **3 735** | **51 860** | **1 748** | **20** | **1 484 135** |
| Carrying amount comprises: | | | | | | |
| Cost | 1 598 275 | 3 822 | 61 425 | 2 991 | 35 973 | 1 702 486 |
| Accumulated amortisation and impairment losses | (171 503) | (87) | (9 565) | (1 243) | (35 953) | (218 351) |
| | **1 426 772** | **3 735** | **51 860** | **1 748** | **20** | **1 484 135** |

In the prior year, the fishing licences and retail agency rights in Australia were held in perpetuity and were classified as indefinite useful life intangible assets. The licences represented 10 of 18 licences, issued by the Western Australia Department of Fisheries for the Shark Bay Prawn Managed Fishery and 20 Spanish Mackerel licences. The licences relating to the MG Kailis acquisition included 15 Exmouth prawn licences, five Pilbara fish trawl licences, two Pilbara wet line licences and one Western Deepwater trawl licence. There were no breaches of financial or regulatory obligations. Fishing licences with a carrying value of R1.3 billion were pledged to secure long-term borrowings with the Bank Commonwealth of Australia ("CBA").

Refer to note 16 for the impairment assessment of the Australian operation.

In the prior year, fishing licenses and permits with finite useful lives had a remaining useful life of 12.8 years.

## 18. Interest in subsidiaries

Details of non-wholly owned subsidiaries that have material non-controlling interests

| % | 2024 | 2023 |
|---|---|---|
| **Name of subsidiary** | | |
| **Sea Harvest Group Limited**[1] | **n/a** | 42.1 |

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intra-group eliminations. At the reporting date, Sea Harvest is no longer a subsidiary of the Group. Refer to note 19.1 for further information.

| R'000 | 2024 | 2023 |
|---|---|---|
| **Statement of financial position** | | |
| **Assets** | | |
| Non-current assets | **n/a** | 5 659 961 |
| Current assets | **n/a** | 2 364 584 |
| **Total assets** | **n/a** | **8 024 545** |
| **Equity and liabilities** | | |
| Non-current liabilities | **n/a** | 3 393 701 |
| Current liabilities | **n/a** | 1 253 432 |
| Equity attributable to owners of the company | **n/a** | 3 354 351 |
| Non-controlling interests | **n/a** | 23 061 |
| **Total equity and liabilities** | **n/a** | **8 024 545** |
| **Statement of profit or loss** | | |
| Revenue | **1 868 268** | 6 204 776 |
| (Loss)/profit for the year | **(14 561)** | 269 359 |
| (Loss)/profit attributable to owners of the company | **(12 758)** | 282 139 |
| Loss attributable to the non-controlling interests | **(1 803)** | (12 780) |
| **Statement of comprehensive income** | | |
| Other comprehensive income, net of tax | **23 227** | 21 071 |
| Total comprehensive income for the year | **8 666** | 290 430 |
| Total comprehensive income attributable to owners of the company | **10 469** | 302 546 |
| Total comprehensive loss attributable to the non-controlling interests | **(1 803)** | (12 116) |
| Dividends paid to non-controlling interests | **68 239** | 50 399 |
| **Cash flow information** | | |
| Net cash (outflow)/inflow from operating activities | **(93 667)** | 450 184 |
| Net cash outflow from investing activities | **(159 358)** | (524 340) |
| Net cash (outflow)/inflow from financing activities | **(38 804)** | 75 896 |
| Net cash (outflow)/inflow | **(291 829)** | 1 740 |

1 Calculation of interest excludes treasury shares

# Notes (continued)

for the year ended 31 December 2024

## 19. Disposals

### 19.1 Deemed disposal of subsidiary

During the current year, Sea Harvest concluded its acquisition of certain subsidiaries of Terrasan Group Limited ("Terrasan"), which resulted in Sea Harvest issuing 60 million fresh shares to Terrasan. Consequently, Sea Harvest is no longer a subsidiary of Brimstone, and is now accounted for as an associate, with effect from 14 May 2024.

Upon the loss of control of Sea Harvest, Brimstone recognised a net loss on deemed disposal of R562.1 million, which comprises, a loss on deemed disposal of R337.5 million, a loss of R307.7 million on the remeasurement to fair value of the portion of the investment retained, and a gain of R83.1 million relating to the recycling of other comprehensive income ("OCI").

| R'000 | 31 DECEMBER 2024 |
|---|---|
| **Portion of investment "disposed of"** | |
| Consideration | – |
| Less: carrying value of investment "disposed of" | **337 511** |
| Loss on deemed disposal | **(337 511)** |
| **Portion of investment retained** | |
| Fair value | **1 241 368** |
| Less: carrying value of investment retained | **1 549 022** |
| Remeasurement loss | **(307 654)** |
| Recycling of OCI | **83 072** |
| **Net loss on deemed disposal** | **(562 093)** |

The carrying amount of the assets and liabilities at the date of deemed disposal were:

| R'000 | 14 MAY 2024 |
|---|---|
| Property, plant, equipment and vehicles | 2 484 527 |
| Investment property | 79 432 |
| Right-of-use assets | 190 247 |
| Biological assets | 198 441 |
| Goodwill | 1 030 162 |
| Intangible assets | 1 445 346 |
| Investments in associate companies and joint ventures | 126 275 |
| Investments | 14 180 |
| Loans and other receivables | 59 115 |
| Loans to supplier partners | 106 636 |
| Deferred taxation | 5 225 |
| Other financial assets | 37 806 |
| Inventories | 1 054 155 |
| Trade receivables | 1 007 053 |
| Taxation | 14 487 |
| Cash and cash equivalents | 64 873 |
| Total assets | 7 917 960 |
| | |
| Interest bearing borrowings | 2 654 503 |
| Employee related liabilities | 25 774 |
| Lease liabilities | 226 878 |
| Deferred grant income | 34 706 |
| Deferred taxation | 870 403 |
| Short-term provisions | 18 897 |
| Bank overdrafts | 132 873 |
| Trade payables | 446 434 |
| Other payables | 218 455 |
| Other financial liabilities | 57 |
| Taxation | 11 870 |
| Total liabilities | 4 640 850 |
| | |
| Non-controlling interest | 21 258 |
| | |
| **Net assets attributable to Brimstone** | **3 255 852** |
| | |
| **Total consideration received** | |
| Cash | — |
| | |
| **Net cash flow on disposal of subsidiary** | |
| Consideration received in cash | — |
| Add: net overdraft "disposed of" | 68 000 |
| | **68 000** |
| | |
| **Loss on deemed disposal and remeasurement loss** | |
| Consideration | — |
| Net assets "disposed of" | (3 255 852) |
| Non-controlling interests "disposed of" | 1 369 319 |
| Investment in associate (formerly a subsidiary) recognised at fair value | 1 241 368 |
| | **(645 165)** |

# **Notes** (continued)

for the year ended 31 December 2024

## 19. Other transactions (continued)

### 19.2 Disposal of subsidiary

During the current year, Brimstone disposed of its 51% holding in Newshelf 1409 Proprietary Limited (which held the investment in Milpark Investments SPV Proprietary Limited) to STADIO Holdings Limited, for a total consideration of R117.5 million. The Group realised a profit of R73.1 million on the disposal.

| R'000 | 31 DECEMBER 2024 |
|---|---|
| **Portion of investment disposed of** | |
| Consideration | 117 500 |
| Less: carrying value of investment disposed of | (44 406) |
| Gain on disposal | 73 094 |
| The carrying amount of the assets and liabilities at the date of disposal were: | |
| Investments | 87 499 |
| Total assets | 87 499 |
| Other payables | 830 |
| Total liabilities | 830 |
| **Net assets attributable to Brimstone** | **86 669** |
| **Net cash flow on disposal of subsidiary** | |
| **Consideration received in cash** | **117 500** |

## 20. Investments in associate companies and joint ventures

### Accounting policy

**Recognition and measurement**

Associates are entities in which the Group has an interest directly or indirectly and over which it has significant influence, but not control or joint control, through participation in the financial and operating policy decisions of the entity. Where the Group holds at least an 20% equity interest it is presumed to have significant influence.

Joint ventures are entities in which the Group has an interest where it, along with one or more of the other shareholders, has contractually agreed to share control of the business and where the major decisions require the unanimous consent of the joint partners.

In both cases, the Group applies the equity method of accounting, under which the investments are initially recognised at the fair value of the purchase consideration, including acquisition related costs and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. The Group's share of any other changes of the investee's net assets, other than profit or loss or other comprehensive income and distributions received, is recognised in the Group's equity. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the investee, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the investee.

The most recent available financial statements of the associate or joint venture are used in applying the equity method. When the reporting period of the associate or joint venture is different to that of the Group by more than three months, the associate or joint venture prepares, for the use of the Group, financial statements as of the same date as the financial statements of the Group unless it is impracticable to do so. When the reporting period of the associate or joint venture is different to that of the Group by less than three months, adjustments are made for significant transactions occurring between the respective year ends.

**Discontinuing the use of the equity method**

The Group discontinues the use of the equity method where the investment in the investee becomes a subsidiary (the Group gains control), a financial asset (the Group loses significant influence) or is disposed of. The Group reclassifies to profit or loss the cumulative amount of other net asset changes previously recognised in the Group's equity when it discontinues the use of the equity method for any reason.

| R'000 | 2024 | 2023 |
|---|---|---|
| Cost of investment in associate companies and joint ventures | **2 752 419** | 1 678 960 |
| Loans to associate companies and joint ventures | **66 882** | 154 029 |
| Share of other comprehensive income of associates | **356 539** | 535 750 |
| Share of distributions made by associates and joint ventures | **(82 267)** | (82 267) |
| Share of other net asset changes of associate | **116 117** | (100 067) |
| Share of retained earnings since acquisition, net of dividends received | **1 121 067** | 828 933 |
| | **4 330 757** | 3 015 338 |
| Transferred to non-current assets held for sale | **—** | (87 499) |
| | **4 330 757** | **2 927 839** |

# Notes (continued)

for the year ended 31 December 2024

## 20. Investments in associate companies and joint ventures (continued)

**Associates**

Refer to Appendix 2 for full details of associate companies. The aggregate assets, liabilities and results of operations of associate companies are summarised below:

### 20.1 Details of material associate

| DETAILS OF THE GROUP'S MATERIAL ASSOCIATE ARE AS FOLLOWS: | PROPORTION OF OWNERSHIP INTEREST AND VOTING POWER HELD BY THE GROUP | |
|---|---|---|
| % | 2024 | 2023 |
| **Oceana Group Limited**[1] | **27.29** | 27.20 |

The above associate is accounted for using the equity method in these consolidated financial statements. Oceana Group Limited is incorporated and operates in South Africa.

The financial year end of Oceana Group Limited is 30 September. Brimstone does not have the authority to change this date. For purposes of applying the equity method of accounting, the financial statements of Oceana Group Limited for the year ended 30 September 2024 have been used and appropriate adjustments have been made for the effects of significant transactions between that date and 31 December 2024. As at 31 December 2024, the fair value of the Group's interest in Oceana Group Limited, which is listed on the JSE, was R2.2 billion (2023: R2.3 billion) based on the quoted market price available on the JSE, which is a level 1 input in terms of IFRS 13. The fair value is below the carrying amount of R2.6 billion (2023: R2.7 billion), however, no impairment was considered necessary as there was no objective evidence that the net investment was impaired (in terms of IAS 28 *Investments in Associates and Joint Ventures* paragraph 41A).

| R'000 | 2024 | 2023 |
|---|---|---|
| **Statement of financial position** | | |
| Non-current assets | **8 714 000** | 8 840 000 |
| Current assets | **5 421 000** | 4 634 000 |
| Assets held for sale | **—** | 9 000 |
| Total assets | **14 135 000** | 13 483 000 |
| Non-current liabilities | **3 309 000** | 2 733 000 |
| Current liabilities | **3 108 000** | 2 781 000 |
| Non-controlling interests | **141 000** | 187 000 |
| Net assets | **7 577 000** | 7 782 000 |
| **Statement of comprehensive income** | | |
| Revenue | **10 061 000** | 9 987 000 |
| Profit for the year | **1 114 000** | 1 343 000 |
| Other comprehensive income for the year | **(677 000)** | 228 000 |
| Total comprehensive income for the year | **437 000** | 1 571 000 |
| Dividend received from associate during the year | **162 034** | 142 393 |
| Reconciliation of the above summarised financial information to the carrying amount of the interest in Oceana Group Limited recognised in the consolidated financial statements. | | |
| Net assets of the associate | **7 577 000** | 7 782 000 |
| Proportion of the Group's ownership interest in Oceana Group Limited (%) | **27.29** | 27.20 |
| Share of net assets | **2 067 391** | 2 117 057 |
| Goodwill (notional) | **658 178** | 658 178 |
| Dividend received after 30 September | **(98 202)** | (99 839) |
| **Carrying amount of the Group's interest in Oceana Group Limited** | **2 627 367** | **2 675 396** |

[1] Calculation of interest excludes treasury shares

| DETAILS OF THE GROUP'S MATERIAL ASSOCIATE ARE AS FOLLOWS: | PROPORTION OF OWNERSHIP INTEREST AND VOTING POWER HELD BY THE GROUP | |
|---|---|---|
| % | 2024 | 2023 |
| **Sea Harvest Group Limited**[1] | **47.38** | n/a |

The above associate is accounted for using the equity method in these consolidated financial statements. Sea Harvest Group Limited is incorporated and operates in South Africa.

The financial year end of Sea Harvest Group Limited is 31 December. As at 31 December 2024, the fair value of the Group's interest in Sea Harvest Group Limited, which is listed on the JSE, was R1.3 billion (2023: n/a) based on the quoted market price available on the JSE, which is a level 1 input in terms of IFRS 13. The fair value is below the carrying amount of R1.6 billion (2023: n/a), however, no impairment was considered necessary as there was no objective evidence that the net investment was impaired (in terms of IAS 28 paragraph 41A).

| R'000 | 2024 | 2023 |
|---|---|---|
| **Statement of financial position** | | |
| Non-current assets | **6 647 313** | n/a |
| Current assets | **3 179 910** | n/a |
| Assets held for sale | **20 000** | n/a |
| Total assets | **9 847 223** | n/a |
| Non-current liabilities | **4 198 277** | n/a |
| Current liabilities | **1 688 596** | n/a |
| Non-controlling interests | **(9 935)** | n/a |
| **Net assets** | **3 970 285** | **n/a** |
| **Statement of comprehensive income** | | |
| Revenue | **7 177 534** | n/a |
| Profit for the year | **229 788** | n/a |
| Other comprehensive income for the year | **29 297** | n/a |
| **Total comprehensive income for the year** | **7 436 619** | **n/a** |
| Reconciliation of the above summarised financial information to the carrying amount of the interest in Sea Harvest Group Limited recognised in the consolidated financial statements. | | |
| Net assets of the associate | **3 970 285** | n/a |
| Proportion of the Group's ownership interest in Sea Harvest Group Limited (%) | **47.38** | n/a |
| Share of net assets | **1 881 025** | n/a |
| Remeasurement loss | **(307 654)** | n/a |
| **Carrying amount of the Group's interest in Sea Harvest Group Limited** | **1 573 371** | |

1 Calculation of interest excludes treasury shares

# Notes (continued)

for the year ended 31 December 2024

| | R'000 | 2024 | 2023 |
|---|---|---|---|
| **20.** | **Investments in associate companies and joint ventures** (continued) | | |
| **20.2** | **Aggregate information of associates that are not individually material** | | |
| | Group's share of (losses)/profits | **(6 387)** | 30 148 |
| | Group's share of other comprehensive income | **507** | 836 |
| | **Group's share of total comprehensive (losses)/income** | **(5 880)** | **30 984** |
| | Dividends received from associates during the year | **27 794** | 30 819 |
| | Aggregate carrying amount of the Group's interest in these associates | **122 065** | 267 102 |
| | **Joint ventures** | | |
| | Refer to Appendix 2 for full details of joint venture companies. The aggregate assets, liabilities and results of operations of joint ventures are summarised below: | | |
| **20.3** | **Aggregate information of joint ventures that are not individually material** | | |
| | Group's share of profits/(losses) | **1 930** | (33) |
| | **Group's share of total comprehensive income/(losses)** | **1 930** | **(33)** |
| | Dividends received from joint ventures during the year | **996** | 996 |
| | Aggregate carrying amount of the Group's interest in these joint ventures | **7 954** | 72 840 |

## 21. Investments

### Accounting policy

The Group holds financial assets including listed and unlisted equities and derivatives to support the Group's capital strategies and hedge market risks, including loans to external parties, associates and joint ventures.

**Classification and measurement in accordance with IFRS 9 *Financial Instruments***

The Group initially records all financial assets at fair value. The Group subsequently holds each financial asset at fair value ("fair value through profit or loss" ("FVTPL") or "fair value through other comprehensive income" ("FVTOCI")) or at amortised cost. Fair value is the price that would be received to sell an asset or paid to transfer a liability between market participants. Amortised cost is the amount determined based on accreting the initial amount recognised for the financial instrument to the maturity value on a systematic basis using a fixed interest rate (effective interest rate), taking account of repayment dates and initial premiums or discounts.

**Financial assets at amortised cost**

Financial assets are measured at amortised cost when their contractual cash flows represent solely payments of principal and interest and they are held within a business model designed to collect cash flows. This classification typically applies to the Group's loans and trade receivables. The carrying value of amortised cost financial assets is adjusted for impairment under the expected loss model (see notes 22 and 24).

**Financial assets at fair value through other comprehensive income**

Financial assets are held at FVTOCI if it is an investment in an equity instrument within the scope of IFRS 9 that is neither held for trading nor contingent consideration recognised in a business combination to which IFRS 3 applies, and the Group has at initial recognition made an irrevocable election to present subsequent changes in the fair value in other comprehensive income.

**Financial assets at fair value through profit or loss**

All other financial assets are held at FVTPL. The Group's financial assets at FVTPL principally comprise investments in equities and derivatives.

| R'000 | 2024 | 2023 |
|---|---|---|
| **Investments at FVTOCI** | | |
| **Unlisted investments** | | |
| Shares at fair value (non-current) | – | 28 360 |
| **Investments at FVTPL** | | |
| **Unlisted investments** | | |
| Shares at fair value (non-current) | **535 849** | 401 700 |
| **Listed investments** | | |
| Shares at fair value (non-current) | **13 448** | 453 361 |
| **Total investments** | **549 297** | **883 421** |

Refer to Appendix 3 for full details on the investments.

Unlisted investments are regarded as Level 3 financial instruments for fair value purposes.

| **Reconciliation of level 3 fair value measurements** | | |
|---|---|---|
| Opening balance | **430 060** | 377 405 |
| Total gains or losses – in profit or loss | **84 150** | 55 514 |
| Total gains or losses – in other comprehensive income | **(245)** | (2 859) |
| Acquisitions | **50 000** | – |
| Deemed disposal of subsidiary | **(28 116)** | – |
| **Closing balance** | **535 849** | **430 060** |

# **Notes** (continued)

for the year ended 31 December 2024

## 22. Loans to supplier partners

| | 2024 | 2023 |
|---|---|---|
| Balance at 1 January | **114 145** | 101 664 |
| Advances to supplier partners | **725** | 6 962 |
| Interest charged | **2 906** | 8 470 |
| Interest repaid | **(128)** | (2 129) |
| Loans repaid | **(457)** | (822) |
| Deemed disposal of subsidiary – current portion | **(10 555)** | — |
| Deemed disposal of subsidiary – non current portion | **(106 636)** | — |
| **Balance at 31 December** | **–** | **114 145** |
| | | |
| Non-current | **–** | 103 590 |
| Current[1] | **–** | 10 555 |
| | **–** | **114 145** |

In the prior year the balance related mainly to loans advanced to Nalitha Investments Proprietary Limited and South African Fishing Empowerment Corporation Proprietary Limited. These loans had no fixed terms of repayment, incurred interest at JIBAR plus 2.65% and were repayable in equal quarterly instalments. The remaining loans related to various supplier partners where loans were granted for the sale of part shares in vessels. These loans were interest free and had repayments terms of between 5 and 7 years. The Group had considered the expected credit losses on these loans and the impact was insignificant.

[1] Current portion of supplier partner loans was included in trade and other receivables.

## 23. Inventories

**Accounting policy**

**Recognition and measurement**

The Group recognises inventories initially at cost when it has control of the inventories, expects it to provide future economic benefits and the cost can be measured reliably. Cost is determined on the first-in-first-out basis. Cost includes expenditure incurred in acquiring, manufacturing and transporting the inventory to its present location. Inventories are subsequently measured at the lower of cost and net realisable value. The carrying amounts of finished goods and work-in-progress include raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity), but exclude borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

A provision for obsolete inventories is established when there is evidence that no future economic benefits will be obtained for such inventories. The carrying amount of the inventories is reduced and the amount of the loss is recognised in profit or loss within raw materials and consumable used, if insignificant in amount, otherwise within net operating expenses.

| R'000 | 2024 | 2023 |
|---|---|---|
| Raw materials | **–** | 45 247 |
| Work-in-progress | **–** | 34 370 |
| Finished goods | **72 095** | 804 492 |
| Consumable stores | **–** | 205 271 |
| | **72 095** | **1 089 380** |

## 24. Trade and other receivables

### Accounting policy

**Recognition and measurement**

Receivables (except for trade receivables which are initially measured at transaction price) are initially recognised at fair value and subsequently measured at amortised cost, less impairments, using the effective interest rate method. No fair value adjustment is made for the effect of time value of money where receivables have a short-term profile. The Group applies the IFRS 9 simplified approach to measuring expected credit losses ("ECLs") which uses an expected credit loss allowance for all trade receivables.

IFRS 9 allows an entity to use a simplified "provision matrix" for calculating ECLs as a practical expedient for trade receivables, if consistent with the general principles for measuring ECLs. The provision matrix is based on an entity's historical default rates over the expected life of the trade receivables and is adjusted for forward looking factors specific to the debtors and economic environment by looking at the future prospects of the industries that the Group's debtors operate in, obtained from financial analysts and various forecast economic information relating to the debtors' core operations. We considered the ECLs on receivables other than trade receivables under the general model and the impact is not considered significant.

This provision is recognised through the use of an allowance account for losses. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss within administrative expenses. When a trade receivable is uncollectible, it is written off against the allowance account for losses.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the failure of a debtor to engage in a repayment plan with the Group for a period of greater than 180 days past due.

For corporate customer's management have made the assumption that a customer is in default when the debt is 180 days past due. This is on the basis of billing disputes taking time to resolve resulting in a high cure rate.

If, in a subsequent period, the amount of the impairment loss, decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is credited against administrative expenses in profit or loss.

| R'000 | 2024 | 2023 |
|---|---|---|
| Gross trade receivables | **55 534** | 788 594 |
| Less: Allowance for expected credit losses | **(4 947)** | (27 844) |
| Trade receivables | **50 587** | 760 750 |
| Other receivables | **7 872** | 224 347 |
| Prepayments | **–** | 65 691 |
| VAT receivable | **89** | 96 856 |
| Current portion of loans to supplier partners | **–** | 10 555 |
| Other receivables[1] | **7 783** | 51 245 |
| | **58 459** | **985 097** |

1 Other receivables consist of non-trade debtors and other sundry receivables.

No interest is charged on the trade receivables within agreed credit terms. Thereafter, interest is charged at prime bank overdraft rates on the overdue balance.

The granting of credit is controlled by application and credit-vetting procedures, which are reviewed and updated on an ongoing basis. Credit risk is reduced by other measures, such as credit guarantee insurance.

# **Notes** (continued)

for the year ended 31 December 2024

## 24. Trade and other receivables (continued)

The following table shows the movement in lifetime ECLs that have been recognised for trade receivables in accordance with the simplified approach set out in IFRS 9. The decrease in the ECL allowance compared to the prior year is due to the deemed disposal of subsidiary.

| R'000 | 2024 | 2023 |
|---|---|---|
| **Movement in the allowance for ECLs** | | |
| Balance at beginning of the year | **27 844** | 14 707 |
| Amounts written off during the year | **(1 462)** | (6 890) |
| Increase in allowance recognised in profit or loss | **1 020** | 20 864 |
| Disposal of subsidiary | **—** | (864) |
| Deemed disposal of subsidiary | **(22 450)** | — |
| Effect of foreign currency differences on the allowance | **(5)** | 27 |
| **Balance at end of the year** | **4 947** | **27 844** |

| R'000 | GROSS TRADE RECEIVABLES | ALLOWANCE FOR ECLs | EXPECTED LOSS RATE (%) |
|---|---|---|---|
| **2024** | | | |
| Current | **25 190** | **320** | **1.3** |
| 31 to 60 days | **16 787** | **243** | **1.4** |
| 61 to 90 days | **4 259** | **67** | **1.6** |
| 91 to 120 days | **6 714** | **176** | **2.6** |
| over 120 days | **9 717** | **4 141** | **42.6** |
| | **62 667** | **4 947** | |
| **2023** | | | |
| Current | 656 688 | — | — |
| 31 to 60 days | 57 778 | 1 | — |
| 61 to 90 days | 14 328 | 24 | 0.2 |
| 91 to 120 days | 6 718 | 5 | 0.1 |
| over 120 days | 53 082 | 27 814 | 52.4 |
| | **788 594** | **27 844** | |

In determining the recoverability of trade receivables, the Group considers any change in the credit quality of trade receivables from the date credit was initially granted up to the reporting date. The Group considers a financial asset in default when contractual payments are 90 days (2023: 60 days) and more past due. However, in certain cases, the Group also considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. This definition of default is consistent with the procedures required to comply with credit guarantee insurance. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. For material debtors, this will be once liquidation proceedings are finalised.

Included in the Group's trade receivables balance are receivables with a carrying value of R26 million (2023: R71.8 million) which are past due at the reporting date for which the Group has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances.

## 25. Cash and cash equivalents

### Accounting policy

Actual bank balances are reflected. Outstanding cheques and deposits are included in accounts payable and accounts receivable respectively. For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand and deposits held with banks. Bank overdraft is considered to be a financing activity.

| R'000 | 2024 | 2023 |
|---|---|---|
| Cash at banks and on hand | **127 416** | 421 829 |

Cash at banks earns interest at floating rates based on daily bank deposit rates.

| | Number of shares 2024 | Number of shares 2023 | R'000 2024 | R'000 2023 |
|---|---|---|---|---|
| **26. Share capital** | | | | |
| **26.1 Authorised** | | | | |
| Ordinary shares of 0.1 cents each | **500 000 000** | 500 000 000 | **500** | 500 |
| "N" Ordinary shares of 0.001 cents each | **1 000 000 000** | 1 000 000 000 | **10** | 10 |
| | | | **510** | **510** |
| **26.2 Issued and fully paid** | | | | |
| Ordinary shares of 0.1 cents each | **39 874 146** | 39 874 146 | **40** | 40 |
| "N" Ordinary shares of 0.001 cents each | **224 975 962** | 224 975 962 | **2** | 2 |
| **26.3 Held as treasury shares** | | | | |
| Ordinary shares of 0.1 cents each | **(3 295 673)** | (3 256 948) | **(3)** | (3) |
| "N" Ordinary shares of 0.001 cents each | **(20 010 064)** | (16 080 679) | **—** | — |
| **Total share capital** | | | | |
| Ordinary shares of 0.1 cents each | | | **37** | 37 |
| "N" Ordinary shares of 0.001 cents each | | | **2** | 2 |
| | | | **39** | 39 |
| **26.4 Movement in treasury shares** | | | | |
| **Ordinary shares of 0.1 cents each** | | | | |
| Balance at the beginning of the year | **(3 256 948)** | (3 127 570) | | |
| Repurchased for cash | **(38 725)** | (129 378) | | |
| Net movement on forfeitable share plan | **—** | — | | |
| Transferred to forfeitable share plan | **—** | — | | |
| **Balance at the end of the year** | **(3 295 673)** | **(3 256 948)** | | |
| **"N" Ordinary shares of 0.001 cents each** | | | | |
| Balance at the beginning of the year | **(16 080 679)** | (13 631 238) | | |
| Repurchased for cash | **(4 474 275)** | (3 965 804) | | |
| Net movement on forfeitable share plan | **(2 677 960)** | (1 097 633) | | |
| Transferred to forfeitable share plan | **3 222 850** | 2 613 996 | | |
| **Balance at the end of the year** | **(20 010 064)** | **(16 080 679)** | | |

During the year, Brimstone, through its treasury share vehicle, bought back 38 725 Ordinary shares (2023: 129 378) and 4 474 275 "N" Ordinary shares (2023: 3 965 804) for a total cash consideration of R0.2 million (2023: R0.8 million) and R21.5 million (2023: R20.8 million), respectively. The Ordinary shares and "N" Ordinary shares were bought back for an average price of R5.33 (2023: R6.01) and R4.81 (2023: R5.25) per share, respectively. These shares are now classified as treasury shares.

# **Notes** (continued)

for the year ended 31 December 2024

| R'000 | 2024 | 2023 |
|---|---|---|
| **27. Capital reserves** | | |
| **Share premium** | | |
| Balance at 1 January | **172 261** | 179 111 |
| Specific repurchase of shares | **(21 719)** | (21 611) |
| Deemed disposal of subsidiary | **1 638** | – |
| Forfeitable share plan share issue (treasury shares) | **14 825** | 14 761 |
| **Balance at 31 December** | **167 005** | **172 261** |
| **Share options reserve** | | |
| Balance at 1 January | **4 061** | (1 893) |
| Effect of changes in holding | **–** | (17 956) |
| Recognition of share-based payments | **23 005** | 45 245 |
| Forfeitable share plan share issue (treasury shares) | **(14 825)** | (14 761) |
| Deemed disposal of subsidiary | **8 568** | – |
| Non-controlling shareholders' share of reserves | **(5 003)** | (6 574) |
| **Balance at 31 December** | **15 806** | **4 061** |
| **Share options exercised reserve** | | |
| **Balance at 1 January and 31 December** | **8 314** | **8 314** |
| **Capital redemption reserve fund** | | |
| **Balance at 1 January and 31 December** | **3 655** | **3 655** |
| **Actuarial gains/loss reserve** | | |
| Balance at 1 January | **6 955** | 6 057 |
| Effect of changes in holding | **–** | 21 |
| Current year movement | **–** | 1 513 |
| Deemed disposal of subsidiary | **(6 955)** | – |
| Non-controlling shareholders' share of reserve | **–** | (636) |
| **Balance at 31 December** | **–** | **6 955** |
| **Share of other comprehensive income of associates** | | |
| Balance at 1 January | **532 307** | 462 455 |
| Current year movement | **(179 211)** | 70 187 |
| Non-controlling shareholders' share of reserves | **(789)** | (335) |
| **Balance at 31 December** | **352 307** | **532 307** |
| **Share of other net asset changes of associate** | | |
| Balance at 1 January | **(100 066)** | (84 913) |
| Current year movement | **216 183** | (15 153) |
| **Balance at 31 December** | **116 117** | **(100 066)** |
| **Total capital reserves** | **663 204** | **627 487** |

| R'000 | 2024 | 2023 |
|---|---|---|

## 28. Revaluation reserves

| | | |
|---|---|---|
| **Investments revaluation reserve** | | |
| Balance at 1 January | **18 734** | 19 989 |
| Effect of changes in holding | **–** | 44 |
| Current year movement | **1 623** | (2 860) |
| Deferred taxation thereon | **–** | 618 |
| Deemed disposal of subsidiary | **(5 577)** | – |
| Non-controlling shareholders' share of reserves | **(683)** | 943 |
| **Balance at 31 December** | **14 097** | **18 734** |

## 29. Cash flow hedging reserve

| | | |
|---|---|---|
| Balance at 1 January | **11 125** | 47 457 |
| Effect of changes in holding | **–** | 20 |
| Current year movement | **50 644** | (88 338) |
| Deferred taxation thereon | **–** | 25 364 |
| Recycled to operating expenses | **–** | 981 |
| Deferred taxation thereon | **–** | (265) |
| Deemed disposal of subsidiary | **(40 470)** | – |
| Non-controlling shareholders' share of reserve | **(21 299)** | 25 906 |
| **Balance at 31 December** | **–** | **11 125** |

## 30. Cost of hedging reserve

| | | |
|---|---|---|
| Balance at 1 January | **(31 777)** | (30 731) |
| Effect of changes in holding | **–** | (109) |
| Current year movement | **–** | (8 630) |
| Deferred taxation thereon | **–** | 2 330 |
| Recycled to operating expenses | **–** | 6 413 |
| Deferred taxation thereon | **–** | (1 732) |
| Deemed disposal of subsidiary | **31 777** | – |
| Non-controlling shareholders' share of reserve | **–** | 682 |
| **Balance at 31 December** | **–** | **(31 777)** |

## 31. Foreign currency translation reserve

| | | |
|---|---|---|
| Balance at 1 January | **91 205** | 41 417 |
| Effect of changes in holding | **–** | 248 |
| Current year movement | **(29 040)** | 85 677 |
| Deemed disposal of subsidiary | **(74 378)** | – |
| Non-controlling shareholders' share of reserve | **12 213** | (36 137) |
| **Balance 31 December** | **–** | **91 205** |

# **Notes** (continued)

for the year ended 31 December 2024

| | R'000 | 2024 | 2023 |
|---|---|---|---|
| **32.** | **Changes in ownership** | | |
| | Balance at 1 January | **489 918** | 508 419 |
| | Effect of changes in holding | **–** | (6 167) |
| | Disposal of subsidiary | **–** | (21 328) |
| | Deemed disposal of subsidiary | **(501 757)** | – |
| | Transfer of reserves | **11 839** | – |
| | Non-controlling shareholders' share of reserve[1] | **–** | 8 994 |
| | **Balance 31 December** | **–** | **489 918** |

[1] Arose on issue of FSP shares by Sea Harvest

| | R'000 | 2024 | 2023 |
|---|---|---|---|
| **33.** | **Non-controlling interests** | | |
| | Balance at 1 January | **1 526 848** | 1 479 703 |
| | Share of profit for the year | **11 645** | 130 607 |
| | Share of other comprehensive income for the year | **10 558** | 9 577 |
| | Dividend paid | **(68 239)** | (63 314) |
| | Disposal of subsidiary | **(42 468)** | (26 722) |
| | Further investment in subsidiary | **–** | 9 882 |
| | Recognition of share-based payments | **5 003** | 6 574 |
| | Effect of changes in holding | **–** | (19 459) |
| | Deemed disposal of subsidiary | **(1 390 577)** | – |
| | **Balance 31 December** | **52 770** | **1 526 848** |
| | Sea Harvest Group Limited | **–** | 1 433 806 |
| | Other[2] | **52 770** | 93 042 |
| | | **52 770** | 1 526 848 |

[2] Relates to Firefly Investments Proprietary Limited and Brimsure Proprietary Limited.

## 34. Interest bearing borrowings

### Accounting policy

**Recognition and measurement**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest rate method, any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings.

Fees paid on the establishment of selected loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment against the loan and amortised over the period of the facility to which it relates.

The Group presents separately current and non-current borrowings in the statement of financial position. A liability is classified as current unless the Group expects, and has the discretion, to refinance or roll over the obligation for at least twelve months after the reporting period under an existing loan facility, in which case the Group classifies the obligation as non-current, even if it would otherwise be due within a shorter period.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

All other borrowing costs are expensed in profit or loss in the period in which they are incurred.

**Financial liabilities at amortised cost**

Borrowings are classified as "liabilities at amortised cost" in terms of IFRS 9. Financial liabilities are recognised on the transaction date when the Group becomes a party to the contract and thus has a contractual obligation and are derecognised when these contractual obligations are discharged, cancelled or expired.

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

The exchange between the Group and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment, unless if such costs or fees incurred are incremental and are directly related to the issue of the new debt instrument in which case any such costs or fees adjust the carrying amount of the liability and are amortised over the remaining term of the new financial liability. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

# Notes (continued)

for the year ended 31 December 2024

| R'000 | 2024 | 2023 |
|---|---|---|
| **34. Interest bearing borrowings** (continued) | | |
| **Cumulative redeemable preference shares issued by Newshelf 1063 (RF) Proprietary Limited ("Newshelf 1063")** | | |
| During the 2022 financial year, the refinancing of the Class A5 and Class A6 variable rate redeemable preference shares was concluded. | | |
| The company is obliged to, at its election, either redeem a portion of the outstanding preference shares, or retain in a reserve account, a specified percentage of the disposal proceeds relating to a disposal of assets that have been pledged as security, subject to covenant levels. If the total asset cover ratio ("TACR") is equal to or less than 2.50 times or the secured asset cover ratio ("SACR") is equal to or less than 2.0 times immediately after the disposal, then the specified percentage ("Specified Percentage") of the net disposal proceeds to be dealt with as per the above is 100% of the net disposal proceeds. If the TACR is greater than 2.50 times but less than 3.25 times or the SACR is greater than 2.0 times but less than 2.75 times then the specified percentage reduces to 50% of the net disposal proceeds and finally if the TACR is greater than 3.25 times and the SACR is greater than 2.75 times then the specified percentage is zero. | | |
| As security for the A5 and A6 preference shares issued by Newshelf 1063, 32 734 131 Oceana Group Limited shares and 159 558 884 Sea Harvest Group Limited shares (2023: also included 13 958 621 Equites Property Fund Limited) were ceded to the financial institutions. The fair value of the shares at 31 December 2024 was R3.5 billion (2023: R4.0 billion). | | |
| **Class A5 preference shares** | | |
| Class A5 variable rate cumulative redeemable preference shares of R1.352 billion issued by subsidiary Newshelf 1063. The dividend rate is 87% of the prime rate nominal annual compounded monthly. The dividend rate decreases to 85% of prime if the TACR is greater than 2.75 but less than 3.2, and to 83% of prime if TACR is greater than 3.2. The company is obliged to declare and pay any scheduled preference share dividends that are deemed to accrue on 1 March and 1 September of each year. The Class A5 preference shares are redeemable on 7 December 2027. | **1 371 889** | 1 669 672 |
| **Class A6 preference shares** | | |
| Class A6 variable rate cumulative redeemable preference shares of R535.8 million issued by subsidiary Newshelf 1063. The dividend rate is 84% of the prime rate nominal annual compounded monthly. The company is obliged to declare and pay any scheduled preference share dividends that are deemed to accrue on 1 March and 1 September of each year. The Class A6 preference shares are redeemable on 8 December 2025. | **344 333** | 563 318 |

| R'000 | 2024 | 2023 |
|---|---|---|
| **Loans from financial institutions to Sea Harvest Corporation Proprietary Limited ("SHC")**[1] | | |
| **Bullet loan – Standard Bank Limited** | | |
| The loan was raised as part of the refinancing in the prior year. The loan period was for three years (with an option to extend for an additional year for two years) and was subject to a variable interest rate of three-month JIBAR plus 1.80%. A repayment of R600 million was to be made at the end of the loan term. The loan was secured by marine bonds and a general notarial bond over all of SHC's assets. | – | 600 000 |
| **Amortising loan – Standard Bank Limited** | | |
| The loan was raised as part of the refinancing in the prior year. The loan period was for five years and was subject to a variable interest rate of three-month JIBAR plus 1.80%. Repayments of R60 million were to be made every six months. The loan was secured by marine bonds and a general notarial bond over all of SHC's assets. | – | 600 000 |
| **Revolving credit facility – Standard Bank Limited** | | |
| The loan was raised as part of the refinancing in the prior year. The loan period was for three years and was subject to a variable interest rate of three-month JIBAR plus 1.80% and was secured by marine bonds and a general notarial bond over all of SHC's assets. | – | 286 000 |
| **Loans from financial institutions to Sea Harvest Australia ("SHA")**[1] | | |
| **Cash advance facility – Commonwealth Bank of Australia ("CBA")** | | |
| The loan was subject to a variable interest rate of the Bank Bill Swap Yield (BBSY) plus 1.8% plus 0.7% available commitment fee and was secured by a security interest and charge in the form of a General Security Agreement on the Personal Properties Security Register (PPSR) over all of the SHA's assets. Capital repayments were to be made annually in December over 15 years commencing in 2025. | – | 622 510 |
| **Trade finance facility – CBA** | | |
| The trade finance facility was a rolling facility, subject to not exceeding working capital requirements. The loan was subject to a variable interest rate of BBSY plus 1.3% plus 0.7% available commitment fee and was secured by a security interest and charge in the form of a General Security Agreement on the Personal Properties Security Register (PPSR) over all of SHA's assets. | – | 137 498 |
| **Premium Funding Agreement – Premium Finance (Pty) Ltd** | | |
| The loan related to group insurance policy, attracted interest at 1.9% and was repayable over 10 instalments. | | 11 674 |
| **Instalment sale agreements**[1] | | |
| The instalment sale agreements represented contracts over the fleet and assets with terms between 48 and 60 months, with variable interest rates from prime less 1.5% to prime and a fixed interest rate of 11%. | – | 34 926 |

1 These loans were deconsolidated due to the deemed disposal of Sea Harvest. Refer to note 19.1

# Notes (continued)

for the year ended 31 December 2024

| R'000 | 2024 | 2023 |
|---|---|---|
| **34. Interest bearing borrowings** (continued) | | |
| **Loans from non-controlling shareholders of Viking Aquaculture (Pty) Ltd**[1] | | |
| ■ De Beers Matlafalang Business Development Proprietary Limited | – | 3 724 |
| ■ Redburg Investments Proprietary Limited | – | 46 280 |
| The loan from Redburg Investments (Proprietary) Limited) bore interest at prime plus 2% compounded monthly and payable monthly in arrears. | | |
| **Loans from financial institutions to BM Foods Group (Pty) Ltd ("BMFG")**[1] | | |
| **Bond – Nedbank** | | |
| The loan bore interest at prime minus 1% with capital repayments made monthly until maturity in November 2027. The loan was secured by property of BMFG. | – | 21 508 |
| **Loan – non-controlling shareholders** | | |
| The loan bore interest at prime plus 5%, was unsecured, and had no fixed capital repayment terms. | – | 3 114 |
| **Loans from non-controlling shareholders to Sea Harvest Aquaculture Proprietary Limited**[1] | | |
| ■ Viking Fishing Group Administration Proprietary Limited | – | 193 800 |
| ■ Odin Investments Proprietary Limited | – | 33 652 |
| Loan claims with a face value of R303 million were purchased for a consideration of R210 million. The loans were to be repaid in five annual instalments, commencing on 1 January 2024 and consisted of capital of R42 million plus interest calculated monthly at a rate equal to prime less 2%. | | |
| **Loan from director** | – | 4 106 |
| The capital amount of the loan was R5 million, bore interest at CPI and was unsecured. The loan was to be settled in five annual instalments consisting of interest and capital. During the prior year, R1 million was repaid. | | |
| Total interest bearing borrowings | **1 716 222** | 4 831 782 |
| Less: current portion of interest bearing borrowings | **(86 535)** | (395 473) |
| **Long-term interest bearing borrowings** | **1 629 687** | **4 436 309** |

[1] These loans were deconsolidated due to the deemed disposal of Sea Harvest. Refer to note 19.1

**Covenants**

The preference share facility and secured loans provided by the funders, are subject to covenant conditions using specific bank defined formulae as set out in the loan agreements and are regularly monitored by management to ensure these are complied with. In the event that an entity is at risk of breaching its covenants, negotiations are entered into with funders to remediate.

| | 2024 | | 2023 | |
|---|---|---|---|---|
| **COVENANTS REGARDING PREFERENCE SHARE FACILITIES, TERM LOANS AND REVOLVING CREDIT FACILITIES** | **REQUIRED COVENANT** | **ACHIEVED** | **REQUIRED COVENANT** | **ACHIEVED** |
| **Newshelf 1063 (RF) Proprietary Limited** | | | | |
| Class A5 and Class A6 preference shares | | | | |
| Total asset cover ratio | **2.00** | **Yes** | 2.00 | Yes |
| Secured asset cover ratio | **1.60** | **Yes** | 1.60 | Yes |
| Listed asset cover ratio | **1.75** | **Yes** | 1.75 | Yes |
| **Sea Harvest Corporation Proprietary Limited** | | | | |
| Net debt: EBITDA ratio | **n/a** | **n/a** | 2.75 | Yes |
| Interest cover ratio | **n/a** | **n/a** | 3.75 | Yes |
| Senior debt service cover ratio | **n/a** | **n/a** | n/a | n/a |
| **Sea Harvest Australia** | | | | |
| Interest cover ratio | **n/a** | **n/a** | 2.00 | Yes |

The Board is satisfied with the Group's ability to make repayments as they fall due and will continue to review the covenants as part of the going concern assessment.

| R'000 | 2024 | 2023 |
|---|---|---|
| **35. Other payables** | | |
| Employee-related payables | **2 704** | 45 936 |
| Bonus accrual | **19 287** | 17 546 |
| Leave pay accrual | **1 187** | 73 094 |
| Other accruals[1] | **–** | 46 554 |
| Other payables[2] | **23 959** | 62 045 |
| | **47 137** | **245 175** |

[1] Included in other accruals are deferred licence accruals.

[2] Included in other payables is VAT payable and audit fees (2023: also included tenant allowances and skimmed milk powder supply).

# Notes (continued)

for the year ended 31 December 2024

## 36. Other financial liabilities

| R'000 | 2024 | 2023 |
|---|---|---|
| Forward exchange contracts | – | 67 041 |
| Financial liability with contingent settlement provisions[3] | **40 000** | 99 934 |
| Other derivatives | **2 602** | 3 252 |
| | **42 602** | **170 227** |
| Non-current | **2 602** | 3 252 |
| Current | **40 000** | 166 975 |
| | **42 602** | **170 227** |
| Carrying value 1 January | **170 227** | 112 266 |
| Cash flows | – | – |
| Foreign exchange adjustments | **(60 583)** | 54 718 |
| Revaluation of financial liability with contingent settlement provisions | **(59 934)** | – |
| Other changes | **(7 108)** | 3 243 |
| **Balance at 31 December 2024** | **42 602** | **170 227** |

[3] Represents liability recognised at date of sale of former subsidiary, Lion of Africa Insurance Company Limited, and equaled the net liabilities of the company disposed of.

## 37. Lease liabilities

**Accounting policy**

**Lease liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

| R'000 | 2024 | 2023 |
|---|---|---|
| Carrying value 1 January | **250 748** | 242 015 |
| New leases acquired | **6 080** | 43 431 |
| Disposal of subsidiary | – | (7 168) |
| Terminated leases | – | (1 061) |
| Interest charged | **7 335** | 19 899 |
| Interest paid | **(7 335)** | (18 883) |
| Capital repaid | **(11 646)** | (32 205) |
| Effect of foreign currency exchange differences | **(2 123)** | 4 720 |
| Deemed disposal of subsidiary | **(226 878)** | – |
| **Carrying value** | **16 181** | 250 748 |
| Less: transfer to short-term lease liability | **(2 305)** | (34 101) |
| **Carrying value at 31 December** | **13 876** | **216 647** |

| R'000 | 2024 | 2023 |
|---|---|---|
| **Maturity analysis** | | |
| Year 1 | **3 767** | 48 573 |
| Year 2 | **3 712** | 47 171 |
| Year 3 | **3 883** | 38 176 |
| Year 4 | **4 060** | 35 060 |
| Year 5 | **4 246** | 54 799 |
| Onwards | **1 069** | 118 034 |
| **Total** | **20 737** | 341 813 |
| Less: unincurred interest | **(4 556)** | (91 065) |
| | **16 181** | **250 748** |

## 38. Deferred taxation

**Accounting policy**

**Recognition and measurement**

Deferred tax is provided using the liability method, providing for temporary differences arising between the tax base and the accounting carrying amount of amounts reflected in the consolidated financial statements. Deferred tax is, however, not provided for temporary differences that arise from the initial recognition of an asset or liability where that transaction affects neither accounting profit nor tax profit (tax loss). The only exception to this being when that asset or liability arises in terms of a business combination. Deferred tax is determined at tax rates that are enacted or substantively enacted at year-end and are expected to apply when the temporary difference reverses. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which will the deferred tax asset can be realised.

Deferred tax is not provided on temporary differences arising on investments in subsidiaries, associates and joint ventures where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets and liabilities are only offset to the extent that the balances are recoverable from the same tax authority and there is a legal right to offset them at settlement of those balances.

| R'000 | 2024 | 2023 |
|---|---|---|
| Deferred taxation asset | **(32 156)** | (64 521) |
| Deferred taxation liability | **70 707** | 925 347 |
| | **38 551** | **860 826** |
| The major components of the deferred tax balance are as follows: | | |
| Difference between tax wear and tear allowances and depreciation charges on assets | **–** | 524 885 |
| Excess tax allowance over depreciation charges for investment properties | **–** | 5 763 |
| Excess of tax allowances over amortisation of intangible assets | **–** | 459 321 |
| Difference between doubtful debt allowance and amount allowable for tax purposes | **(305)** | (177) |
| Inventory | **–** | (2 607) |
| Derivative instruments | **–** | 5 410 |
| Arising from cash flow hedges and cost of hedging (taken directly to equity) | **–** | (16 750) |
| Prepayments | **–** | 3 680 |
| Government grants | **–** | (779) |
| Leases | **–** | (19 953) |
| Investments at FVTPL | **59 667** | 32 531 |
| Investments at FVTOCI | **–** | 4 658 |
| Provisions and accruals | **(6 462)** | (38 917) |
| Estimated tax losses | **(14 349)** | (127 689) |
| Biological assets | **–** | 12 742 |
| Other | **–** | 18 708 |
| | **38 551** | **860 826** |

# Notes (continued)

for the year ended 31 December 2024

| R'000 | 2024 | 2023 |
|---|---|---|
| **38. Deferred taxation** (continued) | | |
| **Reconciliation of net deferred tax liability** | | |
| Opening balance | **860 826** | 839 692 |
| Recognised in profit and loss | **34 313** | 29 458 |
| Recognised in other comprehensive income | **17 375** | (26 315) |
| Derecognised on disposal of subsidiary | **—** | (4 203) |
| Effect of foreign currency exchange differences | **(7 639)** | 22 734 |
| Deemed disposal of subsidiary | **(865 178)** | — |
| Other | **(1 146)** | (540) |
| **Net deferred tax liability at 31 December** | **38 551** | **860 826** |

## 39. Bank overdrafts

The Company has an overdraft facility amounting to R60 million (2023: R60 million). The facility bears interest at the bank's prime lending rate. The overdraft facility is unsecured.

## 40. Notes to the cash flow statement

### 40.1 Adjustments for non-cash and other items

| R'000 | 2024 | 2023 |
|---|---|---|
| Share of profits of associates and joint ventures | **(433 215)** | (428 331) |
| Interest income and dividends received | **(62 533)** | (98 067) |
| Government grant income | **(650)** | (4 114) |
| Fair value (gains)/losses | **(159 036)** | 37 220 |
| Amortisation of intangible asset | **3 904** | 9 381 |
| (Gain)/loss on disposal of subsidiary | **(73 094)** | 578 |
| Loss on deemed disposal of subsidiary | **562 093** | — |
| Unrealised foreign exchange (gains)/losses | **(1 865)** | 5 348 |
| Finance costs | **298 190** | 471 843 |
| Taxation | **74 684** | 77 878 |
| Depreciation of non-current assets | **102 302** | 300 297 |
| Share-based payment expense | **23 005** | 45 245 |
| Decrease in long and short-term provisions | **(36 337)** | (816) |
| Biological assets mortalities | **1 158** | 7 964 |
| Other movement in non-cash items | **3 143** | 2 905 |
| Gain on purchased loans | **—** | (93 310) |
| Insurance proceeds | **—** | (9 410) |
| Loss/(profit) on disposal of property, plant, equipment and vehicles | **612** | (1 887) |
| | **302 361** | **322 724** |

### 40.2 Income taxes

| R'000 | 2024 | 2023 |
|---|---|---|
| **Income tax** | | |
| Prepaid at the beginning of the year | **3 224** | (15 824) |
| Other non-cash flow movements | **201** | (311) |
| Deemed disposal of subsidiary | **(2 617)** | — |
| Disposal of subsidiary | **—** | 2 165 |
| Provided during year | **40 371** | 48 420 |
| Amount (due)/prepaid at the end of the year | **(1 142)** | 3 224 |
| **Income tax paid** | **40 037** | **37 674** |

### 40.3 Finance costs paid

| R'000 | 2024 | 2023 |
|---|---|---|
| Finance costs recognised in profit or loss | **298 190** | 471 843 |
| Interest paid relating to prior periods | **335 721** | — |
| Adjustment for non-cash items | **—** | (60 298) |
| **Finance costs paid** | **633 911** | **411 545** |

| R'000 | BORROWINGS AND OVERDRAFTS | LEASE LIABILITIES | TOTAL |
|---|---|---|---|
| **40.4 Changes in liabilities arising from financing activities** | | | |
| Balance at 1 January 2023 | 4 615 061 | 242 015 | 4 857 076 |
| Cash flows | 281 193 | (32 205) | 248 988 |
| New leases | — | 43 431 | 43 431 |
| Disposal of subsidiary | (29 726) | (7 168) | (36 894) |
| Foreign exchange adjustments | 52 587 | 4 720 | 57 307 |
| Gain on purchased loans | (93 310) | — | (93 310) |
| Other changes[1] | 62 093 | (45) | 62 048 |
| **Balance at 31 December 2023** | **4 887 898** | **250 748** | **5 138 646** |
| Cash flows | **(118 220)** | **(11 646)** | **(129 866)** |
| New leases | **—** | **6 080** | **6 080** |
| Deemed disposal of subsidiary | **(2 654 503)** | **(226 878)** | **(2 881 381)** |
| Foreign exchange adjustments | **(17 742)** | **(2 123)** | **(19 865)** |
| Other changes[1] | **(381 211)** | **—** | **(381 211)** |
| **Balance at 31 December 2024** | **1 716 222** | **16 181** | **1 732 403** |

1 Other changes relate mainly to the repayment of capitalised interest of R335.7 million (2023: non-cash movements, including accrued interest expense) which have been presented as operating cash flows in the statement of cash flows.

## 41. Segmental information

Information reported to the Group's operating decision makers for the purpose of resource allocation and assessment of segment performance is specifically focused on the individual entity in which Brimstone has invested. The Chief Operating Decision-Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Brimstone, who makes strategic decisions. The Group's reportable segments under IFRS 8 *Operating Segments*, are food and investments. Investments include subsidiaries House of Monatic Proprietary Limited and Firefly Investments 306 Proprietary Limited, as well as, investments in associates and joint ventures, investments at fair value through other comprehensive income and investments at fair value through profit or loss.

| R'000 | 2024 | 2023 |
|---|---|---|
| **Segment revenue** | **2 227 262** | 6 528 963 |
| Food | **1 868 268** | 6 204 776 |
| Investments | **358 994** | 324 187 |
| **Production, selling and administration expenses** | **(537 762)** | (1 191 248) |
| Food | **(392 653)** | (1 050 809) |
| Investments | **(145 109)** | (140 439) |
| **Raw materials and consumables used** | **(1 626 446)** | (4 882 619) |
| Food | **(1 390 319)** | (4 694 368) |
| Investments | **(236 127)** | (188 251) |
| **Staff costs** | **(720 789)** | (1 324 208) |
| Food | **(645 139)** | (1 253 912) |
| Investments | **(75 650)** | (70 296) |
| **Segment operating profit** | **63 054** | 455 096 |
| Food | **85 297** | 459 600 |
| Investments | **(22 243)** | (4 504) |

# Notes (continued)

for the year ended 31 December 2024

| R'000 | 2024 | 2023 |
|---|---|---|
| **41. Segmental information** (continued) | | |
| **A reconciliation of operating profit from segments to profit for the year is provided below:** | | |
| **Operating profit** | **63 054** | 455 096 |
| Fair value gains/(losses) | **159 036** | (37 220) |
| Other investment gains | **59 987** | 95 522 |
| Net loss on deemed disposal of subsidiary | **(562 093)** | – |
| Share of profits of associates and joint ventures | **433 215** | 428 331 |
| Interest income | **30 913** | 29 866 |
| Finance costs | **(298 190)** | (471 843) |
| Taxation | **(74 684)** | (77 878) |
| **(Loss)/profit for the year** | **(188 762)** | **421 874** |
| **Segment assets and liabilities** | | |
| **Segment assets** | | |
| Food | **7 954** | 8 017 556 |
| Investments | **5 274 587** | 4 238 148 |
| **Total segment assets** | **5 282 541** | **12 255 704** |
| **Segment liabilities** | | |
| Food | **46 004** | 4 647 749 |
| Investments | **1 945 410** | 2 503 479 |
| **Total segment liabilities** | **1 991 414** | **7 151 228** |
| **Other segmental information** | | |
| **Total depreciation and amortisation** | **106 206** | 309 678 |
| Food | **99 540** | 301 325 |
| Investments | **6 666** | 8 353 |
| **Total additions to non-current assets** | **1 468 268** | 524 922 |
| Food[1] | **164 406** | 516 645 |
| Investments | **1 303 862** | 8 277 |

The Group operates in one principal geographical area – Republic of South Africa, (2023: two principal geographical areas, Republic of South Africa and Australia).

The Group's revenue from external customers by location of operations and information about its non-current assets by location of assets are detailed below.

| | 2024 | 2023 |
|---|---|---|
| **Total sales revenue by geographical market** | **2 227 262** | 6 528 963 |
| South Africa | **1 238 729** | 3 506 294 |
| Australia | **286 651** | 1 107 539 |
| Europe | **501 767** | 1 347 646 |
| Other markets | **200 115** | 567 484 |
| **Non-current assets** | **4 950 073** | 9 368 582 |
| South Africa | **4 950 073** | 7 291 363 |
| Australia | **–** | 2 077 219 |

[1] These additions were made prior to the deemed disposal of Sea Harvest.

| R'000 | 2024 | 2023 |
|---|---|---|

## 42. Contingent liabilities

The Group does not have any contingent liabilities at the end of the reporting period.

## 43. Capital commitments

| R'000 | 2024 | 2023 |
|---|---|---|
| Commitments for the acquisition of property, plant, equipment and vehicles: | | |
| Contracted for | – | 13 048 |
| Authorised by directors but not contracted for | – | 276 115 |
| **Total capital commitments** | **–** | **289 163** |

The commitments were funded from internal cash resources.

## 44. Share-based payments

**Accounting policy**

The Group has equity-settled compensation plans and a reclassified cash-settled compensation plan.

**Equity-settled schemes**

Equity-settled share-based payments to certain employees are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

Fair value is measured using the Monte Carlo method. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

**Reclassification from equity-settled to cash-settled**

Upon the reclassification or modification of an equity-settled share scheme to cash-settled, the Group measures the liability initially using the reclassification date fair value of the equity award based on the elapsed portion of the vesting period. This amount is recognised as a liability with the corresponding entry in equity. Subsequent to the modification of the share scheme, the Group recognises, as a minimum, the services received measured at the grant date fair value of the equity instruments granted in profit or loss and the remaining fair value at modification date is transferred to the share-based payment liability as the services are rendered.

The fair value of the share-based payment liability is remeasured at each reporting date and at the date of settlement, with changes in fair value recognised in profit or loss.

The Group recognised total expenses of R23.0 million (2023: R45.2 million).

# Notes (continued)

for the year ended 31 December 2024

## 44. Share-based payments (continued)

**Forfeitable share plan**

The Company adopted a forfeitable share plan ("FSP") which was approved by shareholders on 18 December 2014. In terms of the forfeitable share plan, executive directors and senior managers will be awarded performance shares in the Company. The performance shares are linked to a requirement of continued employment over the prescribed period, the Company's performance and strategic, individual performance conditions which have to be met.

During the current year, the remuneration policy was enhanced, positively, by the introduction of a Malus and Clawback policy and the implementation of a Minimum Shareholding Requirement ("MSR") policy for senior employees with effect from January 2024. Employees are permitted to transfer FSP shares which have reached the end of their restriction period to their MSR, which is also restricted.

| NUMBER OF FORFEITABLE SHARES | 2024 | 2023 |
|---|---|---|
| **Ordinary shares** | | |
| Outstanding at beginning of year | **1 584 910** | 1 584 910 |
| Awarded during year | **–** | – |
| Forfeited | **(114 731)** | – |
| Vested during the year | **(88 127)** | – |
| **Outstanding at end of year** | **1 382 052** | **1 584 910** |
| **"N" Ordinary shares** | | |
| Outstanding at beginning of year | **5 484 344** | 4 173 524 |
| Awarded during year | **3 222 850** | 3 285 370 |
| Transferred to MSR | **(1 691 238)** | – |
| Forfeited | **(375 116)** | (458 187) |
| Vested during the year | **(456 763)** | (1 516 363) |
| **Outstanding at end of year** | **6 184 077** | **5 484 344** |

| GRANT DATE | NUMBER OF SHARES | GRANT DATE FAIR VALUE R'000 | EXPECTED VESTING DATE |
|---|---|---|---|
| **Ordinary shares** | | | |
| 21 February 2022 | 1 382 052 | 7 679 | 20 Feb 2025 |
| **"N" Ordinary shares** | | | |
| 21 February 2022 | 113 454 | 573 | 20 Feb 2025 |
| 20 February 2023 | 1 135 724 | 5 182 | 19 Feb 2026 |
| 2 June 2023 | 720 802 | 3 640 | 20 Feb 2025 |
| 2 June 2023 | 1 213 294 | 5 150 | 19 Feb 2026 |
| 19 February 2024 | 3 000 803 | 10 919 | 18 Feb 2027 |
| | **6 184 077** | | |

## 45. Retirement benefit information

Brimstone's Provident Fund is administered by the Old Mutual SuperFund Provident Fund. Contributions payable to the fund and charged to profit or loss amounted during the year to R2.0 million (2023: R2.2 million).

Employees of Obsidian Health Proprietary Limited, a partially-owned subsidiary, are members of the Obsidian Health Pension Fund, a defined contribution plan governed by the Pension Fund Act, 1956. Retirement benefits are determined with reference to both company and the employee contributions to the fund. The cost charged to profit or loss represents contributions payable to the scheme by the company at rates specified in the rules of the scheme. Contributions amounted to R3.6 million (2023: R3.2 million).

All permanent staff of Brimstone Investment Corporation Limited and its subsidiaries were members of a retirement fund.

## 46. Directors' remuneration

### Executive directors' remuneration

The table below sets out deals of the amounts paid to or receivable by executive directors in respect of the financial year.

**Paid by the Company and Subsidiaries**

| 2024 NAME (R'000) | BASIC SALARY | FEES PAID BY SUBSIDIARIES | OTHER BENEFITS[1] | STI | LTI AWARD VALUE | TOTAL |
|---|---|---|---|---|---|---|
| MA Brey | **3 951** | **—** | **523** | **3 103** | **2 685** | **10 262** |
| F Robertson | **3 997** | **344** | **477** | **3 103** | **2 685** | **10 606** |
| GG Fortuin | **3 111** | **—** | **334** | **1 957** | **1 378** | **6 780** |
| MI Khan[2] | **3 258** | **—** | **355** | **2 052** | **1 445** | **7 110** |
| T Moodley | **1 713** | **—** | **218** | **881** | **772** | **3 584** |
| **Total** | **16 030** | **344** | **1 907** | **11 096** | **8 965** | **38 342** |

| 2023 NAME (R'000) | BASIC SALARY | FEES PAID BY SUBSIDIARIES | OTHER BENEFITS[1] | STI | LTI AWARD VALUE | TOTAL |
|---|---|---|---|---|---|---|
| MA Brey | 3 974 | — | 500 | 3 103 | 2 685 | 10 262 |
| F Robertson | 4 018 | 1 343 | 456 | 3 103 | 2 685 | 11 605 |
| GG Fortuin | 3 115 | — | 330 | 2 012 | 1 378 | 6 835 |
| MI Khan | 3 262 | — | 351 | 2 139 | 1 445 | 7 197 |
| T Moodley | 1 716 | — | 215 | 915 | 772 | 3 618 |
| **Total** | **16 085** | **1 343** | **1 852** | **11 272** | **8 965** | **39 517** |

[1] Company contributions to retirement fund and medical aid.

### Executive directors' interest

The table below sets out details of all awards made under the FSP scheme in the current and prior years that, at the end of the financial year had not yet vested.

| 2024 NAME | MSR SHARES | FORFEITABLE SHARES | TOTAL RESTRICTED SHARES | INDICATIVE VALUE OF RESTRICTED INSTRUMENTS R'000 |
|---|---|---|---|---|
| MA Brey | **437 752** | **1 920 577** | **2 358 329** | **8 925** |
| F Robertson | **437 752** | **1 920 577** | **2 358 329** | **8 925** |
| GG Fortuin | **204 138** | **929 967** | **1 134 105** | **4 289** |
| MI Khan[2] | **237 196** | **974 965** | **1 212 161** | **4 586** |
| T Moodley | **131 842** | **522 413** | **654 255** | **2 477** |
| | | | | **29 202** |

| 2023 NAME | MSR SHARES | FORFEITABLE SHARES | TOTAL RESTRICTED SHARES | INDICATIVE VALUE OF RESTRICTED INSTRUMENTS R'000 |
|---|---|---|---|---|
| MA Brey | n/a | 1 620 527 | 1 620 527 | 5 937 |
| F Robertson | n/a | 1 620 527 | 1 620 527 | 5 937 |
| GG Fortuin | n/a | 755 392 | 755 392 | 2 790 |
| MI Khan | n/a | 814 950 | 814 950 | 3 006 |
| T Moodley | n/a | 441 998 | 441 998 | 1 637 |
| | | | | **19 307** |

[2] Retired effective 3 April 2025.

# Notes (continued)

for the year ended 31 December 2024

## 46. Directors' remuneration (continued)

### Non-executive directors' remuneration

Non-executive directors receive fees for membership of the Brimstone Investment Corporation Limited board. They also receive fees for work done on committees of the Board. The amounts below are exclusive of VAT.

| 2024<br>NAME (R'000) | BOARD FEES | COMMITTEE FEES | TOTAL |
|---|---|---|---|
| PL Campher | **502** | **413** | **915** |
| MJT Hewu | **275** | **183** | **458** |
| N Khan | **275** | **421** | **696** |
| LA Parker | **275** | **183** | **458** |
| FD Roman | **275** | **115** | **390** |
| M Ndlovu | **275** | **183** | **458** |
| LAD Wort | **275** | **183** | **458** |
| **Total** | **2 152** | **1 681** | **3 833** |

| 2023<br>NAME (R'000) | BOARD FEES | COMMITTEE FEES | TOTAL |
|---|---|---|---|
| PL Campher | 502 | 529 | 1 031 |
| MJT Hewu | 275 | 183 | 458 |
| N Khan | 275 | 489 | 764 |
| K Moloko[1] | 138 | 38 | 176 |
| LA Parker | 275 | 251 | 526 |
| FD Roman | 275 | 115 | 390 |
| M Ndlovu | 275 | 251 | 526 |
| LAD Wort | 275 | 183 | 458 |
| **Total** | **2 290** | **2 039** | **4 329** |

1 Retired on 29 May 2023.

### Prescribed officers

The Board has determined that there are no prescribed officers in the employ of the Company as defined by the Companies Act.

## 47. Financial instruments

### 47.1 Capital risk management

The Group manages its capital to ensure that entities within the group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in notes 34 and 39, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves as disclosed in notes 27 and 32 and retained earnings.

The Group's Board reviews the capital structure on a regular basis and in particular when an acquisition of an investment is planned. As a part of this review, the Board considers the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

The Group's overall strategy remains unchanged from the previous year.

| R'000 | 2024 | 2023 |
|---|---|---|
| **47.2 Categories of financial instruments** | | |
| **Financial assets** | | |
| Investments carried at FVTPL | **621 835** | 1 031 336 |
| Investments carried at FVTOCI | **—** | 28 360 |
| Derivative financial assets carried at FVTPL | **4 333** | 36 080 |
| Amortised cost (including cash and cash equivalents) | **186 818** | 1 474 190 |
| Trade receivables | **50 587** | 760 750 |
| Loans and receivables | **8 815** | 23 437 |
| Loans to supplier partners | **—** | 114 145 |
| Cash and cash equivalents | **127 416** | 421 829 |
| Loans to associate companies and joint ventures | **—** | 154 029 |
| **Financial liabilities** | | |
| Derivative financial liabilities carried at FVTPL | **2 602** | 70 293 |
| Financial liability with contingent settlement provisions carried at FVTPL | **40 000** | 99 934 |
| Amortised cost | **1 813 632** | 5 486 767 |
| Long and short-term borrowings | **1 716 222** | 4 831 782 |
| Long-term non interest bearing borrowings | **45 069** | — |
| Bank overdrafts | **—** | 56 116 |
| Trade payables | **52 341** | 598 869 |

## 47.3 Financial risk management objectives

A committee consisting of executives of the holding company and of the Group's subsidiaries monitors and manages the Group's financial risks relating to the operations of the Group. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The recommendations of this committee are presented to the Audit and Risk Committee and, if necessary, the board of directors for approval. The Group does not enter into or trade in financial instruments, including derivative instruments, for speculative purposes.

## 47.4 Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign exchange (see 47.5 below), interest rates (see 47.6 below) and equity price risk (see 47.10 below). There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

## 47.5 Foreign currency risk management

### Commodity price risk management

Commodity price risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in commodity prices. The group's exposure to the risk of changes in commodity prices relates primarily to the group's operating activities which require the ongoing purchase of diesel fuel. Due to the volatility, the group enters into derivatives such as swaps and options for the forecasted diesel fuel purchase requirements for future fishing seasons.

Commodity price exposures are managed within approved policy parameters utilising a mix of cash settled commodity forward exchange contracts, swaps and options for diesel fuel.

# Notes (continued)

for the year ended 31 December 2024

## 47. Financial instruments (continued)

### 47.5 Foreign currency risk management (continued)

**Hedge accounting**

**Cash flow hedges**

Due to the volatility in foreign currency rates and commodity prices, the Group enters into derivatives such as options, swaps and forward exchange contracts for the purpose of minimising the Group's exposure to fluctuations in cash flows over the hedging period that results from the volatility. The Group applies IFRS 9 for hedge accounting.

The derivatives are designated as effective cash flow hedging instruments at year end. The effective portion of changes in the fair value of the derivatives is recognised in other comprehensive income and accumulated in the cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

The Group designates only the spot element of forward contracts as a hedging instrument. The forward element is recognised in other comprehensive income and accumulated in a separate component of equity under cost of hedging reserve. The hedges relate to highly probable forecast transactions, and critical terms of both the hedged items and the hedging instruments are the same. The Group performs a qualitative assessment of effectiveness and it is expected that the value of the forward contracts and the value of the corresponding hedged items will systematically change in the opposite direction in response to the movements in the underlying exchange rates.

The main sources of ineffectiveness in these hedge relationships are the effect of counterparty and the Group's own credit risk on the fair value of the forward contracts, which is not reflected in the fair value of the hedged item attributable to changes in the foreign exchange rates. No other sources of ineffectiveness emerged from these relationships.

**Forward exchange contracts**

The Group enters into forward exchange contracts to buy and sell specified amounts of various foreign currencies in the future at a predetermined exchange rate. The contracts are entered into to manage the Group's exposure to fluctuations in foreign currency exchange rates on specific transactions. The contracts are matched by anticipated future cash flows in foreign currencies, primarily from sales. It is the Group's policy to enter into forward exchange contracts for all net foreign currency trade or capital items. Where a relatively short settlement period is involved and risk is minimal, no forward exchange contract is entered into.

The following table details the amounts that the Group was contracted to sell under forward exchange contracts in respect of future receivables (2024: Rnil):

| | R'000 | EXCHANGE RATE | CONTRACTUAL EXPIRY DATES |
|---|---|---|---|
| **2023** | | | |
| USD | 10 199 | 18.87 | 13 December 2023 – 22 January 2024 |
| EURO | 1 690 159 | 20.07 | 2 September 2022 – 31 December 2025 |
| GBP | 2 528 | 23.83 | 13 December 2023 – 5 January 2024 |
| AUD | 244 699 | 12.58 | 2 September 2022 – 31 December 2024 |

The following table details the amounts that the Group is contracted to buy under forward exchange contracts in respect of future payables:

| | R'000 | EXCHANGE RATE | CONTRACTUAL EXPIRY DATES |
|---|---|---|---|
| **2024** | | | |
| USD | **24 202** | **18.17** | **17 January 2025 – 31 March 2025** |
| EURO | **8 704** | **19.14** | **17 January 2025 – 31 March 2025** |
| **2023** | | | |
| USD | 5 233 | 18.93 | 12 October 2023 – 5 March 2024 |
| USD | 27 011 | 18.77 | 9 January 2024 – 28 March 2024 |
| EURO | 12 459 | 20.58 | 7 August 2023 – 1 March 2024 |
| EURO | 7 915 | 20.81 | 31 January 2024 – 28 March 2024 |
| GBP | 152 | 23.98 | 13 December 2023 – 17 January 2024 |
| AUD | 109 | 12.34 | 22 November 2023 – 16 January 2024 |

| R'000 | 2024 | 2023 |
|---|---|---|
| Carrying value of foreign currency forward exchange contracts | **(32 906)** | (66 249) |

The foreign exchange currency contracts have been acquired to hedge the underlying currency risk arising from firm commitments to foreign suppliers. In the prior year, it included firm commitments received from customers for the purchase of goods, as well as forecast sales.

The majority of cash flows are expected to occur and affect profit or loss within the next 24 months.

## 47.6 Interest rate risk management

The Group is exposed to interest rate risk as entities in the Group borrow funds at both fixed and floating interest rates.

The Group's exposure to interest rate risk on financial liabilities are detailed in the liquidity risk management section.

### Interest rate sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance date was outstanding for the whole year.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year would decrease/increase by R6.2 million (2023: R17.6 million) in the Group as a result of their exposure to interest rates on their variable rate borrowings.

## 47.7 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. Financial assets which potentially subject the Group to concentrations of credit risk consist of cash and receivables. The maximum exposure to credit risk, excluding the value of any collateral or other security at the reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group's cash is placed with recognised financial institutions. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Because of this, the Group has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for. The Company, prior to advancing funds to subsidiaries, associates, joint ventures and investments, reviews through its Investment Committee the entity's ability to repay the funds.

| R'000 | 2024 | 2023 |
|---|---|---|
| **Unutilised banking facilities** | | |
| Total banking and loan facilities | **1 776 222** | 5 432 761 |
| Facilities utilised | **(1 716 222)** | (4 887 898) |
| Unutilised banking facilities | **60 000** | 544 863 |
| Unrestricted cash and cash equivalents | **127 416** | 421 829 |
| **Unutilised banking facilities and cash and cash equivalents** | **187 416** | **966 692** |

Certain of the borrowing facilities may only be utilised subject to share cover ratios and the consent of the bankers.

# **Notes** (continued)

for the year ended 31 December 2024

## 47. Financial instruments (continued)

### 47.8 Liquidity risk management

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group does this by maintaining adequate reserves, banking facilities, and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

**Liquidity and interest rate risk tables**

The following tables detail the Group's remaining contractual maturity for non-derivative financial liabilities and assets. The liability tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the liabilities can be repaid and includes both interest and principal cash flows. The asset tables have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets and in the case when contractual maturities cannot be determined, using management best view of the period when the amounts will be recovered.

The Group's exposure to liquidity and interest rate risk and the effective rates of interest at reporting date are as follows:

| 2024 | WEIGHTED AVERAGE EFFECTIVE INTEREST RATE % | LESS THAN 1 YEAR R'000 | 1 – 5 YEARS R'000 | OVER 5 YEARS R'000 | TOTAL R'000 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Investments at FVTPL | **Interest free** | **72 538** | **–** | **549 297** | **621 835** |
| Participating preference shares held in investment in associate | **3.6** | **–** | **–** | **54 828** | **54 828** |
| Loans to associate companies and joint ventures | **Interest free** | **–** | **–** | **12 054** | **12 054** |
| Loans and receivables | **18** | **1 802** | **1 724** | | **3 526** |
| Loans and receivables | **Interest free** | **8 978** | | | **8 978** |
| Trade receivables | **Interest free** | **50 587** | **–** | **–** | **50 587** |
| Other financial assets | **Interest free** | **4 333** | **–** | **–** | **4 333** |
| Cash and cash equivalents | **Bank deposit rates** | **127 416** | **–** | **–** | **127 416** |
| | | **265 654** | **1 724** | **616 179** | **883 557** |
| **Liabilities** | | | | | |
| Preference share facility | **Refer note 34** | **86 535** | **1 792 143** | **–** | **1 878 678** |
| Trade payables | **Interest free** | **52 341** | **–** | **–** | **52 341** |
| Other payables | **Interest free** | **26 663** | **–** | **–** | **26 663** |
| Other financial liabilities | **Interest free** | **40 000** | **2 602** | | **42 602** |
| | | **205 539** | **1 794 745** | **–** | **2 000 284** |

| 2023 | WEIGHTED AVERAGE EFFECTIVE INTEREST RATE % | LESS THAN 1 YEAR R'000 | 1 – 5 YEARS R'000 | OVER 5 YEARS R'000 | TOTAL R'000 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Investments at FVTPL and at FVTOCI[1] | Interest free | 176 275 | — | 883 421 | 1 059 696 |
| Participating preference shares held in investment in associate | 3.6 | — | — | 51 335 | 51 335 |
| Loans to associate companies and joint ventures | Interest free | — | — | 44 096 | 44 096 |
| Loans to associate companies | prime plus 2% | 3 861 | 48 462 | — | 52 323 |
| Loans to associate companies | Jibar plus 5% | 5 921 | 49 253 | — | 55 174 |
| Loans receivable | 18 | 6 728 | 3 138 | — | 9 866 |
| Loans receivable | Interest free | 62 652 | — | — | 62 652 |
| Trade receivables | Interest free | 760 750 | — | — | 760 750 |
| Loans to supplier partners | Jibar plus 2.65% | 10 556 | 42 224 | 137 699 | 190 479 |
| Loans to supplier partners | Prime plus 1% | 1 045 | 4 284 | 6 028 | 11 357 |
| Loans to supplier partners | Interest free | — | — | 20 925 | 20 925 |
| Other financial assets | Interest free | 55 | — | 36 025 | 36 080 |
| Cash and cash equivalents | Bank deposit rates | 421 829 | — | — | 421 829 |
| | | **1 449 672** | **147 361** | **1 179 529** | **2 776 562** |
| **Liabilities** | | | | | |
| Preference share facility | Refer note 34 | 225 460 | 2 787 905 | — | 3 013 365 |
| Term loan borrowings – variable rates | Refer note 34 | 525 800 | 3 016 386 | 3 390 | 3 545 576 |
| Instalment sale agreement borrowings – fixed rates | Refer note 34 | 10 899 | 33 270 | — | 44 169 |
| Trade payables | Interest free | 598 869 | — | — | 598 869 |
| Other payables | Interest free | 154 535 | — | — | 154 535 |
| Other financial liabilities | Interest free | 166 975 | 3 252 | | 170 227 |
| Bank overdrafts | Bank overdraft rate | 56 116 | — | — | 56 116 |
| | | **1 738 654** | **5 840 813** | **3 390** | **7 582 857** |

[1] Including investments classified as non-current assets held for sale.

## 47.9 Interest rate management

The factors which would be considered in the decision on fixed versus floating interest rates in respect of the Group's borrowings are:

- the perceived stage in the interest rate cycle
- the nature and characteristics of the borrowings concerned
- the nature of the assets financed by the borrowings in question

Interest rate swap contracts are entered into should conditions be such that it would be advantageous to switch from a fixed to a variable rate or vice versa. Such contracts would not be entered into for speculative reasons.

# Notes (continued)

for the year ended 31 December 2024

## 47. Financial instruments (continued)

### 47.10 Equity price risk

The portfolio of listed equities and equities held through the subsidiaries which are carried in the statement of financial position at fair value, has exposure to significant equity price risk, being the potential loss in market value resulting from an adverse change in prices. The Group's holdings are diversified across more than one company. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Investment Committee. The primary goal of the Group's investment strategy is to maximise investment returns without incurring undue market risk.

At 31 December, the exposure to equity price risk resulted from the financial assets listed in note 47.12.

### 47.11 Fair value of financial instruments

The estimated net fair values at 31 December 2024 have been determined using available market information and appropriate valuation methodologies and are not necessarily indicative of the amounts that the Group could realise in the ordinary course of business. The fair values of financial instruments in both the Group and the Company approximate the amounts reported in the statements of financial position.

The following methods and assumptions were used by the Company in establishing fair values:

**Investments**

These investments are valued each 6 months on the basis considered most appropriate to the investment concerned.

**Cash and cash equivalents**

The carrying amounts reported in the statements of financial position approximate fair values.

**Trade receivables**

The carrying value of trade receivables reported in the statements of financial position approximate fair values.

**Other receivables**

The carrying amounts reported in the statements of financial position approximate fair values.

**Long-term interest bearing borrowings**

The carrying amounts reported in the statements of financial position approximate fair values.

**Short-term interest bearing borrowings**

The carrying amounts reported in the statements of financial position approximate fair values.

**Trade and other payables**

The carrying amounts reported in the statements of financial position approximate fair values.

**47.12 Fair value measurements**

This note provides information about how the Group determines fair values of various financial assets, non-financial assets and financial liabilities.

Some of the Group's financial assets, non-financial assets and financial liabilities are measured at fair value at each reporting date. The following table gives information about how the fair values of these financial assets, non-financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used). The directors consider that the carrying amounts of financial assets, non-financial assets and financial liabilities not measured at fair value on a recurring basis (but fair value disclosures are required) recognised in the consolidated financial statements approximate their fair values.

| R'000 | LEVEL 1 | LEVEL 2 | LEVEL 3 | TOTAL |
|---|---|---|---|---|
| **31 December 2024** | | | | |
| **Financial assets at FVTPL** | | | | |
| Derivative financial assets | **–** | **4 333[1]** | **–** | **4 333** |
| Listed shares | **85 987** | **–** | **–** | **85 987** |
| Unlisted shares | **–** | **–** | **535 848[2]** | **535 848** |
| **Total** | **85 987** | **4 333** | **535 848** | **626 168** |
| **Financial liabilities at FVTPL** | | | | |
| Derivative financial liabilities | **–** | **2 602[1]** | **–** | **2 602** |
| Financial liability with contingent settlement provisions | **–** | **–** | **40 000[6]** | **40 000** |
| **Total** | **–** | **2 602** | **40 000** | **42 602** |
| **31 December 2023** | | | | |
| **Financial assets at FVTPL** | | | | |
| Derivative financial assets | – | 36 080[1] | – | 36 080 |
| Listed shares | 629 636 | – | – | 629 636 |
| Unlisted shares | – | – | 401 700[2] | 401 700 |
| **Non-financial assets at fair value** | | | | |
| Biological assets | – | – | 189 676[3] | 189 676 |
| Investment properties | – | – | 79 432[4] | 79 432 |
| **Financial assets at FVTOCI** | | | | |
| Unlisted shares | – | – | 28 360[5] | 28 360 |
| **Total** | **629 636** | **36 080** | **699 168** | **1 364 884** |
| **Financial liabilities at FVTPL** | | | | |
| Derivative financial liabilities | – | 70 293[1] | – | 70 293 |
| Financial liability with contingent settlement provisions | – | – | 99 934[6] | 99 934 |
| **Total** | **–** | **70 293** | **99 934** | **170 227** |

The table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped in Levels 1 to 3 based on the degree to which fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There were no transfers between levels 1, 2 and 3 in the current or prior year.

There are no changes to unobservable inputs that might result in a significantly higher or lower fair value measurement within level 2 and level 3 assets and liabilities.

# **Notes** (continued)

for the year ended 31 December 2024

## 47. **Financial instruments** (continued)

### 47.12 **Fair value measurements** (continued)

**Notes**

1 The following methods and inputs are used in valuing level 2 financial assets and liabilities:

- The fair value of the financial asset representing the call option to acquire shares in Vuna Fishing Company Proprietary Limited ("Vuna") was independently determined by an expert using the Black-Scholes option pricing model. The inputs applied in the option pricing model were i) the value of Vuna calculated using an average of actual 2023 and 2024 earnings and 2025 projected earnings multiplied by a price earnings multiple, ii) yield curve, and iii) volatility. A change in unobservable inputs would not have a material change in the fair value.
- Financial assets and liabilities relate to hedging contracts entered into by the Group for the purpose of minimising the Group's exposure to foreign currency and fuel price volatility. The valuation is performed by an independent valuer, taking into account forward exchange contracts spot and forward rates, current fuel prices and discount factors.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

2. Value is based on the effective interest held in the net assets of the underlying entity. In assessing the net assets of the underlying entity, substantially all of the assets are carried at fair value and all of the liabilities are carried at amortised cost. The assets are valued annually using the capitalisation of net income method or open market values for existing use. A third of the assets are valued by an independent external valuer each year. Therefore, application of Brimstone's percentage interest to the net asset value of the entity is the best indication of fair value of the investment. If the net assets of the underlying entity had been 10% higher/lower, loss for the year would decrease/increase by R34.5 million (2023: R28.4 million).

3. Biological assets were measured at fair value less costs to sell. Biological assets included abalone and oysters cultivated at aquaculture farms, and were measured at their fair value less estimated point-of-sale costs. Fair value was determined based on the dollar denominated market prices of biological assets of similar age, breed and genetic merit. In order to measure and value biological assets, management uses growth formula and drip-and-purge-loss factors to determine the weight of animals at the reporting date. These formulas are based on empirical evidence and confirmed industry norms. During the prior year, a fair value gain of R14.6 million was recognised in profit or loss relating to the valuation of biological assets. A change in unobservable inputs would not have resulted in a significant change in the fair value.

4. Subsequent to the sale of a 5% interest in subsidiary BM Foods Manufacturers Proprietary Limited ("BMFM") and the consequential loss of control, commercial and industrial properties occupied by BMFM were no longer owner occupied and were held as investment properties which resulted in an increase in investment properties of R75.7 million. The fair value was determined by an independent valuer, using the income capitalisation approach.

5. Asset valuation method performed by an independent valuer represented unlisted shares in a vessel-owning company. The underlying vessel was valued based on the age and condition of the vessel and current market value derived by sales comparison of these or similar types of vessels adjusted for differences in age, condition, degree of upgrade already carried out on the vessel, and size. A change in unobservable inputs would not have resulted in a significant change in the fair value.

6. The fair value of the financial liability with contingent settlement provisions is measured as the undiscounted amount that the Group could be required to repay immediately, and is represented by the net liabilities of Lion of Africa Insurance Company Limited ("Lion") at the date of disposal of the discontinued operation, which was 30 December 2021. During the current year, the fair value of the liability was remeasured based on updated financial information received from Lion.

## 48. Related party transactions and directors' interests

**Compensation of key management personnel**

The remuneration of executive directors and other key members of management during the year was as follows:

| R'000 | 2024 | 2023 |
|---|---|---|
| Short-term benefits | **39 385** | 39 571 |
| Post-employment benefits | **1 812** | 1 942 |
| Share-based payments | **10 884** | 11 420 |
| | **52 081** | **52 933** |

F Robertson, an executive director of the Company, is a beneficiary of a trust which is the ultimate controlling shareholder of an insurance broker that provides services to the Company and certain of its subsidiaries. The services are performed on a strictly market related arms' length basis and total fees paid for the services during the year amounted to R176 748 (2023: R165 515).

Brimsure Proprietary Limited holds a 30% stake in Aon Re Africa Proprietary Limited, is jointly controlled by Brimstone (60%) and Commlife Holdings Proprietary Limited (40%), a company controlled by a trust of which F Robertson is a beneficiary.

In terms of a supply agreement between joint venture group, Vuna and SeaVuna Fishing Company Proprietary Limited ("SeaVuna"), and Sea Harvest Group Limited's ("Sea Harvest") subsidiary, Sea Harvest Corporation Proprietary Limited ("Sea Harvest Corporation"), fish caught by Vuna and SeaVuna is marketed by Sea Harvest Corporation.

The following information is presented for the period when Sea Harvest was a subsidiary of Brimstone. Purchases from SeaVuna amounted to R98.6 million compared to R295.1 million for the year ended 31 December 2023. Sales to SeaVuna during the year amounted to R1.5 million compared to R14.8 million for the year ended 31 December 2023.

At year end, a loan owing by subsidiary Vuna Fishing Group Proprietary Limited to Sea Harvest, amounted to R45.1 million. Prior to the loss of control of Sea Harvest, this loan was eliminated upon consolidation.

The balances owing by associate companies and joint ventures are disclosed in Appendix 2.

The balances with associate companies and joint ventures will be settled by the transfer of funds.

Related party transactions are concluded on an arm's length basis.

# **Notes** (continued)

for the year ended 31 December 2024

## 49. Events after the reporting period

On 4 March 2025, a final gross cash dividend of 40 cents per share (2023: 40 cents per share) was declared out of income reserves.

## 50. Non-current assets held for sale

During the prior year, the Group's investment in associate Milpark Investment SPV Proprietary Limited ("Milpark SPV") and the investment in Phuthuma Nathi Investments (RF) Proprietary Limited ("Phuthuma Nathi") shares were classified as non-current assets held for sale, as the sale of both investments met the IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* criteria of held for sale.

In the current year, the Group received R117.5 million on the disposal of Newshelf 1409 Proprietary Limited, which held the investment in Milpark SPV. In February 2024, the Group disposed of 1 000 000 of the 1 895 425 shares held in Phuthuma Nathi, for a total cash consideration of R100 million.

The balance of the shares in Phuthuma Nathi remains classified as held for sale at the reporting date, as it satisfies the criteria in IFRS 5.

## 51. Going concern

The Brimstone board has assessed the funding facilities available to the Group and the projected cash flow forecast and is satisfied that sufficient funding and cash is available for a period of at least twelve months from the reporting date.

# Supplementary Reports on Investments

as at 31 December 2024

## Appendix 1: Principal subsidiaries

The Group's principal subsidiaries at 31 December 2024 are set out below. Unless otherwise stated, the subsidiaires have share capital consisting solely of ordinary shares that are held either directly by the Group, or indirectly by the Group through its subsidiaries, and the proportion of ownership interests held equals the voting rights held by the Group. All subsidiaries are incorporated in the Republic of South Africa which is also their principal place of business.

| NAME OF ENTITY | SHARE CAPITAL | | EFFECTIVE PERCENTAGE HOLDING[1] | | PRINCIPAL ACTIVITY OF SUBSIDIARY |
|---|---|---|---|---|---|
| | 2024 R | 2023 R | 2024 % | 2023 % | |
| **Held directly by Brimstone** | | | | | |
| House of Monatic Proprietary Limited | **262 100 195** | 30 572 408 | **100** | 100 | Retailer of clothing |
| Newshelf 1063 (RF) Proprietary Limited | **2 582 730 639** | 2 490 341 968 | **100** | 100 | Investment holding |
| Brimco Proprietary Limited | **1** | 1 | **100** | 100 | Investment holding |
| **Held indirectly by Brimstone through its subsidiaries** | | | | | |
| Firefly Investments 306 Proprietary Limited | **11 600 000** | 11 600 000 | **70** | 70 | Investment holding |
| Obsidian Health Proprietary Limited | **10** | 10 | **70** | 70 | Distributor of healthcare products |
| Septen Investments Proprietary Limited | **1** | 1 | **100** | 100 | Holds treasury shares |
| Brimsure Proprietary Limited | **100** | 100 | **60** | 60 | Investment holding |
| Newshelf 1064 Proprietary Limited | **809 238 564** | 809 238 564 | **100** | 100 | Investment holding |
| Newshelf 1062 Proprietary Limited | **1** | 1 | **100** | 100 | Investment holding |
| Newshelf 1168 Proprietary Limited | **1** | 1 | **100** | 100 | Property owning |
| Newshelf 1169 Proprietary Limited | **1** | 1 | **100** | 100 | Investment holding |
| Newshelf 1269 (RF) Proprietary Limited | **1** | 1 | **100** | 100 | Investment holding |
| Newshelf 1404 Proprietary Limited | **1** | 1 | **100** | 100 | Investment holding |
| Newshelf 1409 Proprietary Limited | **–** | 1 | **–** | 51 | Investment holding |
| Newshelf 1411 Proprietary Limited | **1 656 483 997** | 1 656 483 997 | **100** | 100 | Investment holding |
| Newshelf 1416 Proprietary Limited | **1** | 1 | **100** | 100 | Investment holding |
| Vuna Fishing Group Proprietary Limited | **1 000** | 1 000 | **85** | 85 | Investment holding |
| Sea Harvest Group Limited | **–** | 1 689 419 432 | **–** | 53.4 | Investment holding |

[1] Treasury shares have been included in the calculation of the percentage interest held.

A complete register of subsidiaries is available for inspection at the registered office of the Company.

# Supplementary Reports on Investments (continued)

as at 31 December 2024

## Appendix 2: Investments in associate and joint venture companies

| | REPORTING DATE | EFFECTIVE PERCENTAGE HOLDING[1] | | SHARES AT COST/ VALUATION | | SHARE OF RETAINED EARNINGS/ (ACCUMULATED LOSSES) SINCE ACQUISITION | | SHARE OF OTHER COMPREHENSIVE INCOME | | SHARE OF DISTRIBUTIONS SINCE ACQUISITION | | INDEBTEDNESS | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2024 % | 2023 % | 2024 R'000 | 2023 R'000 | 2024 R'000 | 2023 R'000 | 2024 R'000 | 2023 R'000 | 2024 R'000 | 2023 R'000 | 2024 R'000 | 2023 R'000 |
| **Oceana Group Limited**<br>Food industry | 30 Sep. | **25.01** | 25.01 | **1 460 972** | 1 460 972 | **985 444** | 847 869 | **342 494** | 525 566 | **(161 543)** | (159 012) | **–** | – |
| **Sea Harvest Group Limited**<br>Food industry | 31 Dec. | **44.50** | n/a | **1 241 368** | n/a | **111 400** | n/a | **1 888** | n/a | **218 715** | n/a | **–** | n/a |
| **South African Enterprise Development Proprietary Limited**<br>Entrepreneurial investments | 31 Mar. | **25.00** | 25.00 | **–** | – | **3 703** | 7 043 | **–** | – | **–** | – | **66 882** | 63 388 |
| **Aon Re Africa Proprietary Limited**<br>Insurance industry | 31 Dec. | **18.00** | 18.00 | **13 359** | 13 359 | **25 964** | 29 011 | **12 157** | 10 184 | **–** | – | **–** | – |
| **Vuna Fishing Company Proprietary Limited**<br>Fishing and fish processing | 31 Dec. | **49.80** | 49.80 | **36 432** | 36 432 | **(5 156)** | (7 086) | **–** | – | **(23 322)** | (23 322) | **–** | 66 816 |
| **Hot Platinum Proprietary Limited**<br>(Manufacturer of machinery for jewellery industry) | 28 Feb. | **20.66** | 20.66 | **288** | 288 | **(288)** | (288) | **–** | – | **–** | – | **–** | – |
| **Milpark Investment SPV Proprietary Limited[2]**<br>Held investment in Milpark Education | 31 Dec. | **–** | 15.80 | **–** | 139 075 | **–** | (52 199) | **–** | – | **–** | – | **–** | 623 |
| **Specialized Aquatic Feeds Proprietary Limited[3]**<br>Producer of aquatic feed | 31 Dec. | **–** | 30.00 | **–** | 669 | **–** | (331) | **–** | – | **–** | – | **–** | 4 000 |
| **Alliance Foods[3]**<br>Supplier of ingredients to food service industry | 31 Dec. | **–** | 25.00 | **–** | – | **–** | 3 513 | **–** | – | **–** | – | **–** | – |
| **BM Foods Manufacturing Proprietary Limited[3]**<br>Manufacturer and distributor of chilled and frozen food products | 31 Dec. | **–** | 46 | **–** | 28 165 | **–** | 1 401 | **–** | – | **–** | – | **–** | 19 202 |
| **Total** | | | | **2 752 419** | **1 678 960** | **1 121 067** | **828 933** | **356 539** | **535 750** | **33 850** | **(182 334)** | **66 882** | **154 029** |

Valuations are carried out every six months using bases considered appropriate to the underlying investment.

All amounts owing by associates and joint ventures have no fixed terms of repayment and are interest free, except for the following:

| | INTEREST RATE | 2024 R'000 | 2023 R'000 |
|---|---|---|---|
| South African Enterprise Development Proprietary Limited | 3.60% | **54 829** | 51 335 |
| Vuna Fishing Company Proprietary Limited | JIBAR + 2.65% | **n/a** | 12 801 |
| Vuna Fishing Company Proprietary Limited | Prime + 2% | **n/a** | 26 595 |

The Group has not recorded any impairment in respect of amounts owed by the associate and joint venture (2023: Rnil). An assessment is undertaken at each reporting date by examining the financial position of the entity. In addition, the budgets of these entities for the forthcoming year are reviewed as part of this assessment.

The loans owning by Vuna Fishing Company Proprietary Limited are no longer reflected due to the deconsoliation of Sea Harvest.

1 Treasury shares have been included in the calculation of the percentage interest held.
2 In the current year, the Group received R117.5 million on the disposal of Newshelf 1409 Proprietary Limited, which held the investment in Milpark SPV.
3 Due to the deemed disposal of Sea Harvest, the investment in associate is no longer consolidated at reporting date.

## Appendix 3: Investments

| | NUMBER OF SHARES 2024 | NUMBER OF SHARES 2023 | VALUATION OF SHARES 2024 R'000 | VALUATION OF SHARES 2023 R'000 |
|---|---|---|---|---|
| **Investments at FVTOCI** | | | | |
| **Unlisted** | | | | |
| Desert Diamond Fishing Proprietary Limited | **–** | 12 | **–** | 27 871 |
| MVB Atlantic Enterprises Fishing Proprietary Limited | **–** | 1 000 | **–** | 489 |
| Valuations are carried out every six months using bases considered appropriate to the underlying investment. | | | | |
| **Investments at FVTPL** | | | | |
| **Listed** | | | | |
| Equites Property Fund Proprietary Limited | **–** | 13 958 621 | **–** | 194 723 |
| STADIO Holdings Proprietary Limited | **–** | 43 565 057 | **–** | 227 409 |
| MTN Zakhele Futhi (RF) Limited | **1 681 049** | 1 818 795 | **13 448** | 31 229 |
| **Unlisted** | | | | |
| African Legend Investment Proprietary Limited | **3 075 844** | 3 075 844 | **42 902** | 36 534 |
| FPG Property Fund Proprietary Limited | **12 203 454** | 12 203 454 | **440 417** | 362 625 |
| FPG Investments (Proprietary) Limited | | – | **50 000** | – |
| Decision Inc Investment[1] | **n/a** | n/a | **2 530** | 2 541 |
| **Total investments** | | | **549 297** | **883 421** |

[1] Brimstone has a 25% interest in the partnership.

A register of investments is available for inspection at the registered office of the Company.

| | 2024 | 2023 |
|---|---|---|
| **Reconciliation of level 3 fair value measurements** | | |
| Opening balance | 430 060 | 377 405 |
| Total gains or losses – in profit or loss | 84 150 | 55 514 |
| Total gains or losses – in other comprehensive income | (245) | (2 859) |
| Acquisitions | 50 000 | – |
| Disposals | (28 116) | – |
| **Closing balance** | **535 849** | **430 060** |

### Disposal of investments

Brimstone disposed of the following investments during the current year:

| INVESTMENT | NUMBER OF SHARES SOLD | GROSS PROCEEDS REALISED R'000 |
|---|---|---|
| Phuthuma Nathi Investments (RF) Limited | 1 000 000 | 100 000 |
| Equities Property Fund Limited | 13 958 621 | 197 384 |
| MTN Zakhele Futhi (RF) Limited | 137 746 | 1 986 |
| STADIO Holdings Limited | 43 565 057 | 256 737 |
| | | 556 107 |

Proceeds from disposals were used to reduce debt.

# Supplementary Reports on Investments (continued)

as at 31 December 2024

## Appendix 4: Intrinsic Net Asset Value Report

The INAV of Brimstone at 31 December 2024 was R2 681.4 million (2023: R2 978.9 million), translating to R11.10 per share (2023: R12.13 per share), based on 241.5 million shares (2023: 245.5 million shares) in issue, net of treasury shares. Fully Diluted INAV per share was R10.79 per share (2023: R11.88 per share), based on 248.5 million shares (2023: 250.8 million shares) in issue, net of treasury shares after taking into account unvested forfeitable shares.

The Book Net Asset Value ("Book NAV") of Brimstone on 31 December 2024 was R3 238.4 million (2023: R3 577.6 million), translating to R13.41 per share (2023: R14.57 per share), based on the respective number of shares in issue.

The closing share prices on 31 December 2024 of Brimstone Ordinary and "N" Ordinary shares on the JSE were R5.04 and R5.05 (2023: R5.11 and R4.85) per share respectively.

| | 31 DEC 24 | 31 DEC 23 |
|---|---|---|
| INAV of Brimstone (R'm) | **2 681.4** | 2 978.9 |
| Book NAV (R'm) | **3 238.4** | 3 577.6 |
| INAV per share (Rand) | **11.10** | 12.13 |
| Fully Diluted INAV per share (Rand) | **10.79** | 11.88 |
| Book NAV per share (Rand) | **13.41** | 14.57 |
| Market price per share (Rand) | | |
| Ordinary shares | **5.04** | 5.11 |
| "N" Ordinary shares | **5.05** | 4.85 |
| Discount to INAV: | | |
| Ordinary shares % | **54.6%** | 57.9% |
| "N" Ordinary shares % | **54.5%** | 60.0% |

**Oceana**
The INAV of the 25.1% shareholding in Oceana was based on the closing share price of Oceana on the JSE at 31 December 2024 of R67.48 per share.

**Sea Harvest**
The INAV of the 44.5% shareholding in Sea Harvest was based on the closing share price of Sea Harvest on the JSE at 31 December 2024 of R8.35 per share.

**Phuthuma Nathi**
The INAV of the 1.3% shareholding in Phuthuma Nathi was based on the closing share price of Phuthuma Nathi on the The Integrated Exchange at 31 December 2024 of R81.01 per share.

**MTN Zakhele Futhi**
The INAV of the 1.4% shareholding in MTN Zakhele Futhi was based on the closing share price of MTN Zakhele Futhi on the JSE at 31 December 2024 of R8.00 per share.

**FPG Property Fund**
The INAV of the 10.0% shareholding in FPG Property Fund was based on book value.

**FPG Investments**
The INAV of the 1.4% shareholding in FPG Investments was based on Cost.

**Aon Re Africa**
The INAV of the 18.0% shareholding in Aon Re Africa was based on a price-to-earnings multiple.

**Obsidian**
The INAV of the 70.0% shareholding in Obsidian was based on book value.

**SAED**
The INAV of the 25.0% shareholding in SAED was based on book value.

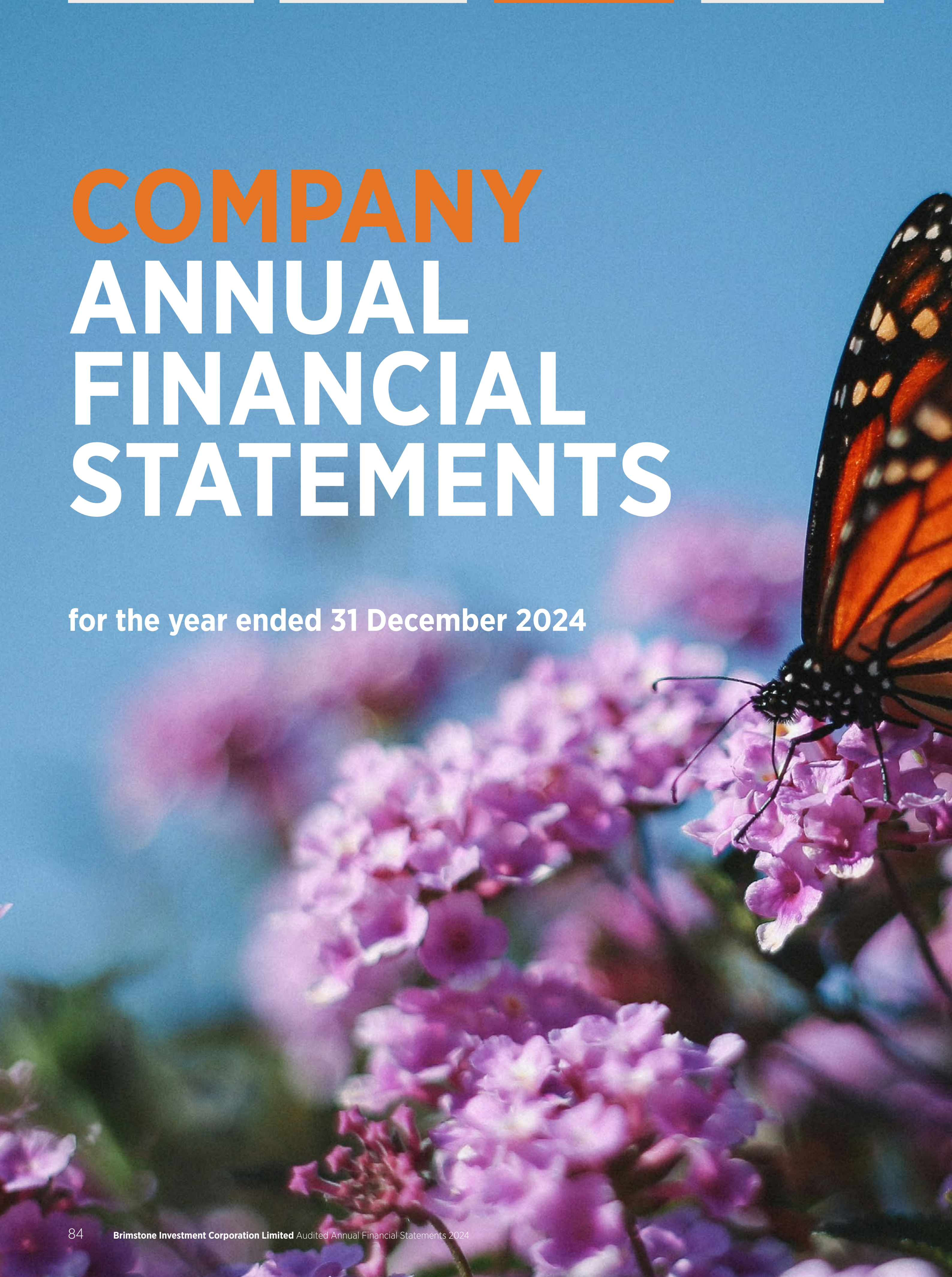
## INAV analysis by asset

An analysis of the INAV of Brimstone as at 31 December 2024 is set out below, including the valuation basis of each asset. Where applicable, INAV is net of ring-fenced debt and potential CGT relating to that asset.

| ASSET | % HELD | VALUATION BASIS | GROSS VALUE (R'000) | DEBT (R'000) | CGT (R'000) | INAV (R'000) |
|---|---|---|---|---|---|---|
| Oceana[1] | 25.1% | Market value per share | 2 208 899 | – | – | 2 208 899 |
| Sea Harvest[1] | 44.5% | Market value per share | 1 332 317 | – | – | 1 332 317 |
| Phuthuma Nathi | 1.3% | Market value per share | 72 538 | – | – | 72 538 |
| MTN Zakhele Futhi | 1.4% | Market value per share | 13 448 | – | – | 13 448 |
| FPG Property Fund | 10.0% | Book value | 440 416 | – | (60 609) | 379 807 |
| FPG Investments | 1.4% | Cost | 50 000 | – | – | 50 000 |
| Aon Re Africa | 18.0% | PE valuation | 87 903 | – | (17 263) | 70 640 |
| Obsidian | 70.0% | Book value | 75 114 | – | (8 125) | 66 989 |
| SAED | 25.0% | Book value | 70 155 | – | – | 70 155 |
| Other Investments, Assets & Liabilities | Various | Valuation | 29 078 | – | 17 604 | 46 682 |
| Cash/(Net debt) | 100.0% | Book value | 91 206 | (1 721 323) | – | (1 630 117) |
| **Total** | | | **4 471 074** | **(1 721 323)** | **(68 393)** | **2 681 358** |

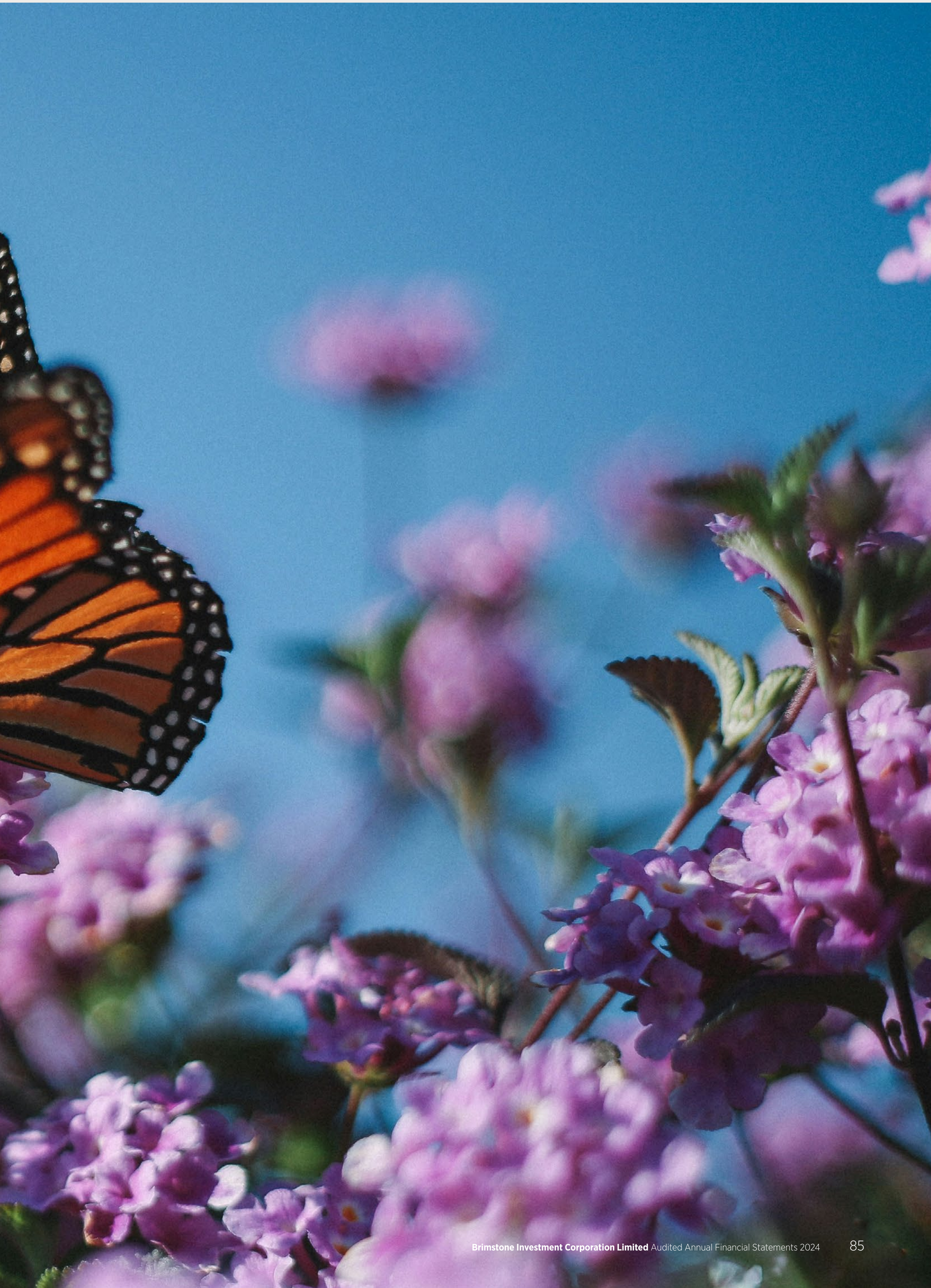
| | | | | |
|---|---|---|---|---|
| INAV per share (Rands)[2] | 18.51 | (7.13) | (0.28) | 11.10 |
| Fully Diluted INAV per share (Rands)[3] | 17.99 | (6.93) | (0.28) | 10.79 |

1 No CGT provided on shareholding in Oceana and Sea Harvest due to potential use of the corporate relief provisions of the Income Tax Act.
2 Based on 241.5 million shares (December 2023: 245.5 million shares) in issue, net of treasury shares.
3 Based on 248.5 million shares (December 2023: 250.8 million shares) in issue, net of treasury shares after taking into account unvested forfeitable shares.



# COMPANY ANNUAL FINANCIAL STATEMENTS

**for the year ended 31 December 2024**



# Statement of Comprehensive Income

for the year ended 31 December 2024

| R'000 | NOTES | 2024 | 2023 |
|---|---|---|---|
| **Revenue** | 2 | **167 462** | 1 168 430 |
| Fee income | | **9 298** | 5 981 |
| Dividends received | | **158 164** | 1 162 449 |
| Operating expenses | 3 | **(74 901)** | (81 924) |
| **Operating profit** | | **92 561** | 1 086 506 |
| Fair value gains/(losses) | 4 | **60 210** | (68 490) |
| Net movement in expected credit losses on loans to subsidiaries | 11 | **165 052** | 35 715 |
| Other investment (losses)/gains | 5 | **(231 245)** | 93 561 |
| **Profit before net finance costs** | 6 | **86 578** | 1 147 292 |
| Interest income | 8 | **4 508** | 32 256 |
| Finance costs | | **(129)** | (195) |
| **Profit before taxation** | | **90 957** | 1 179 353 |
| Taxation | 9 | **(13 420)** | 25 200 |
| Profit for the year | | **77 537** | 1 204 553 |
| **Other comprehensive income** | | **—** | — |
| **Total comprehensive income for the year** | | **77 537** | **1 204 553** |

# Statement of Financial Position

as at 31 December 2024

| R'000 | NOTES | 2024 | 2023 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | **2 625 769** | 2 678 595 |
| Property, plant, equipment and vehicles | | **384** | 549 |
| Interest in subsidiaries | 11 | **2 588 844** | 2 560 473 |
| Investments in associate companies | 12 | **288** | 63 677 |
| Investments[1] | | **1 625** | 1 625 |
| Loans and receivables | | **6 868** | 11 091 |
| Deferred taxation | 13 | **27 760** | 41 180 |
| **Current assets** | | **20 480** | 12 859 |
| Other receivables | | **1 947** | 1 137 |
| Other financial assets | | **–** | 20 |
| Taxation | 9 | **–** | 254 |
| Cash and cash equivalents | 14 | **18 533** | 11 448 |
| **Total assets** | | **2 646 249** | **2 691 454** |
| **Equity and liabilities** | | | |
| **Capital and reserves** | | **2 514 741** | 2 546 860 |
| Share capital | 15 | **42** | 42 |
| Capital reserves | 16 | **149 459** | 153 175 |
| Revaluation reserves | | **14 098** | 14 098 |
| Retained earnings | | **2 351 142** | 2 379 545 |
| **Non-current liabilities** | | **–** | 3 252 |
| Other financial liabilities | 17 | **–** | 3 252 |
| **Current liabilities** | | **131 508** | 141 342 |
| Interest in subsidiaries (loans owing to subsidiaries) | 11 | **55 382** | 12 770 |
| Trade payables | | **2 363** | 3 352 |
| Other payables | | **31 111** | 25 286 |
| Other financial liabilities | 17 | **42 602** | 99 934 |
| Taxation | 9 | **50** | – |
| **Total equity and liabilities** | | **2 646 249** | **2 691 454** |

[1] Includes investment in Class A shares in Lion of Africa Insurance Company Limited of R5 million which has been fully impaired.

# Statement of Changes in Equity

for the year ended 31 December 2024

| R'000 | SHARE CAPITAL | CAPITAL RESERVES | REVALUATION RESERVES | RETAINED EARNINGS | TOTAL |
|---|---|---|---|---|---|
| **Balance at 1 January 2023** | 42 | 156 172 | 14 098 | 1 262 394 | 1 432 706 |
| Total comprehensive income for the year | – | – | – | 1 204 553 | 1 204 553 |
| Dividend paid | – | – | – | (87 402) | (87 402) |
| Recognition of share-based payments | – | 11 764 | – | – | 11 764 |
| Forfeitable share plan share issue | – | (14 761) | – | – | (14 761) |
| **Balance at 31 December 2023** | **42** | **153 175** | **14 098** | **2 379 545** | **2 546 860** |
| Total comprehensive income for the year | **–** | **–** | **–** | **77 537** | **77 537** |
| Dividend paid | **–** | **–** | **–** | **(105 940)** | **(105 940)** |
| Recognition of share-based payments | **–** | **11 109** | **–** | **–** | **11 109** |
| Forfeitable share plan share issue | **–** | **(14 825)** | **–** | **–** | **(14 825)** |
| **Balance at 31 December 2024** | **42** | **149 459** | **14 098** | **2 351 142** | **2 514 741** |

# Statement of Cash Flows

for the year ended 31 December 2024

| R'000 | NOTES | 2024 | 2023 |
|---|---|---|---|
| **Operating activities** | | | |
| Profit for the year | | **77 537** | 1 204 553 |
| Adjustments for non-cash and other items: | | | |
| Interest income and dividends received | | **(162 672)** | (1 194 705) |
| Fair value (gains)/losses | | **(60 210)** | 68 490 |
| Net movement in expected credit losses on loans to subsidiaries | | **(165 052)** | (35 715) |
| Impairment in value of investment in subsidiaries | | **231 245** | 50 |
| Reversal of impairment in value of investment in subsidiaries | | **–** | (12 005) |
| Profit on disposal of subsidiaries | | **–** | (247 016) |
| Loss on disposal of investment | | **–** | 165 410 |
| Non-cash items relating to subsidiaries | | **(6 286)** | (14 992) |
| Finance costs | | **129** | 195 |
| Taxation | | **13 420** | (25 200) |
| Depreciation | | **274** | 1 475 |
| Share-based payment expense | | **11 109** | 11 764 |
| Operating cash flows before movements in working capital | | **(60 506)** | (77 696) |
| Increase in other receivables | | **(1 257)** | (6) |
| Increase/(decrease) in trade and other payables | | **4 836** | (1 570) |
| Cash used in operations | | **(56 927)** | (79 272) |
| Interest received | | **1 595** | 15 177 |
| Dividends received from other equity investments | | **–** | 21 411 |
| Dividends received from subsidiaries | | **151 710** | 61 680 |
| Taxation refund | | **304** | – |
| Finance costs paid | | **(129)** | (195) |
| Net cash generated by operating activities | | **96 553** | 18 801 |
| **Investing activities** | | | |
| Loans repaid by subsidiaries | | **2 000** | 28 391 |
| Loans advanced to subsidiaries | | **–** | (59 495) |
| Loans and receivables advanced | | **(187)** | (3 644) |
| Loans and receivables repaid | | **4 969** | 352 |
| Acquisition of property, plant, equipment and vehicles | | **(109)** | (353) |
| Net cash generated by/(used in) investing activities | | **6 673** | (34 749) |
| **Financing activities** | | | |
| Dividend paid | | **(105 940)** | (87 402) |
| Loans received from subsidiaries | 19 | **85 978** | – |
| Loans repaid to subsidiaries | 19 | **(76 179)** | – |
| Net cash used in financing activities | | **(96 141)** | (87 402) |
| Net increase/(decrease) in cash and cash equivalents | | **7 085** | (103 350) |
| Cash and cash equivalents at beginning of year | | **11 448** | 114 798 |
| Cash and cash equivalents at end of year | | | |
| **Bank balances and cash** | | **18 533** | 11 448 |

# Notes to the Separate Annual Financial Statements

for the year ended 31 December 2024

## 1. Accounting policies and basis of preparation

### Presentation of financial statements

### (a) Basis of preparation

**Statement of compliance**

The separate annual financial statements (or "financial statements") are prepared in accordance with IFRS® Accounting Standards of the International Accounting Standards Board, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Pronouncements issued by the Financial Reporting Standards Council, and the Companies Act of South Africa.

**Basis of measurement**

The financial statements have been prepared in accordance with the underlying assumption of going concern on the historical cost basis except for the revaluation of certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies.

The principal accounting policies set out below and in the individual notes, have been applied on a basis consistent with the previous year.

**Functional and presentation currency**

The financial statements are presented in South African Rand, which is the Company's functional currency, rounded to the nearest thousand, unless otherwise stated.

**Disclosure of accounting policies**

The Company discloses only those accounting policies which relate to material transactions, other events or conditions and:

- was changed during the reporting period because the Company was required to or chose to change its policy and this change resulted in a material change to the amounts included in the financial statements;
- was chosen from one or more alternatives in an IFRS® Accounting Standard;
- was developed in accordance with paragraphs 10 to 12 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* in the absence of an IFRS® Accounting Standard that specifically applies;
- relates to an area for which the Company is required to make significant judgements or assumptions in applying an accounting policy and discloses those judgements or assumptions; or
- applies the requirements of an IFRS® Accounting Standard in a way that reflects the Company's specific circumstances.

### (b) Critical accounting judgements and key sources of estimation uncertainty

In applying the Company's accounting policies, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These judgements and estimates are described within the notes and identified under the heading "significant judgements and estimates". The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no reportable segments as required by IFRS 8 *Operating Segments.*

### 1.1 New standards, interpretations and amendments adopted by the Company

In the current year, the Company has applied amended IFRS® Accounting Standards and Interpretations issued by the IASB that are effective for an annual period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

### 1.2 Standards that are issued but not yet effective

IFRS 18 *Presentation and Disclosure in Annual Financial Statements* will replace IAS 1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 January 2027.

IFRS 18 introduces two newly required subtotals and requires all income and expense items to be classified into operating, investing, financing, income taxes or discontinued operations categories. In addition, the standard defines "management-defined performance measures" ("MPMs") and requires that an entity provide disclosures regarding its MPMs in a single note to the financial statements.

The standard provides further guidance on grouping of information in the financial statements so that it is more useful.

The impact of this standard on the Company is currently being assessed.

## 2. Revenue

### Accounting policy

**Recognition and measurement**

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer, excluding value added tax.

Revenue from providing services is recognised in the accounting period in which the services are rendered, because the customer receives and uses the benefits simultaneously. For fixed-price management contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual labour hours spent relative to the total expected labour hours.

Dividend income is recognised when the right to receive payment has been established, which is normally the last date to trade.

| R'000 | 2024 | 2023 |
|---|---|---|
| Management fees received | **7 541** | 3 947 |
| Other | **1 757** | 2 034 |
| **Total fee income** | **9 298** | 5 981 |
| Dividends received | | |
| ■ associate companies | **–** | 1 608 |
| ■ investment | **–** | 21 411 |
| ■ subsidiaries[1] | **158 164** | 1 139 430 |
| **Total dividends received** | **158 164** | 1 162 449 |
| **Revenue** | **167 462** | **1 168 430** |

[1] Included in the prior year, is a dividend of R820 million received from Oceana SPV Proprietary Limited which was declared in terms of section 47 of the Income Tax Act and non-cash dividends of R257.8 million.

## 3. Operating expenses

| | 2024 | 2023 |
|---|---|---|
| Total operating expenses | **74 868** | 81 924 |
| Less: External fee income | **(4 191)** | (1 351) |
| Less: Recoveries from subsidiaries | **(5 107)** | (4 630) |
| **Holding company administration expenses** | **65 570** | **75 943** |

Included in operating expenses is non-cash expenditure of R11.4 million (2023: R14.4 million), the majority of which relates to the share-based payment charge.

## 4. Fair value gains/(losses)

| | 2024 | 2023 |
|---|---|---|
| Changes in fair value of financial assets held at fair value through profit or loss | | |
| ■ mark-to-market revaluation of listed investments | **–** | (65 332) |
| ■ revaluation of financial liability with contingent settlement provisions | **59 934** | – |
| ■ other financial instruments | **276** | (3 158) |
| | **60 210** | **(68 490)** |

# Notes (continued)

for the year ended 31 December 2024

| | R'000 | 2024 | 2023 |
|---|---|---|---|
| **5.** | **Other investment (losses)/gains** | | |
| | ▪ impairment of value of investment in subsidiaries[1] | **(231 245)** | (50) |
| | ▪ reversal of impairment in value of investment in subsidiaries | **–** | 12 005 |
| | ▪ profit on disposal of subsidiaries[2] | **–** | 247 016 |
| | ▪ loss on disposal of investment[3] | **–** | (165 410) |
| | | **(231 245)** | **93 561** |

[1] The impairments relate to Brimstone's investments in House of Monatic Proprietary Limited ("Monatic"), Newshelf 1331 Proprietary Limited, Oceana SPV Proprietary Limited and H219 Investments Proprietary Limited. Refer to Appendix 1 and note 11.

[2] During the prior year, Brimstone disposed of its investments in certain subsidiaries to its wholly-owned subsidiary Newshelf 1063 (RF) Proprietary Limited. Refer to note 12 and Appendix 1.

[3] During the prior year, Brimstone disposed of its 13 958 621 shares in Equites Property Fund Proprietary Limited ("Equites") and its 3 075 844 shares in African Legend Investments Proprietary Limited to its wholly-owned subsidiary Newshelf 1063 (RF) Proprietary Limited ("Newshelf 1063"), in exchange for shares in Newshelf 1063.

## 6. Profit before net finance costs

Profit before net finance costs includes the following items of expenditure not shown separately in the statement of comprehensive income:

| | R'000 | 2024 | 2023 |
|---|---|---|---|
| | **Expenditure** | | |
| | **Auditors' remuneration** | | |
| | ▪ External statutory audit | **2 529** | 2 376 |
| | Depreciation – property, plant, equipment and vehicles | **275** | 371 |
| | Depreciation – right-of-use asset | **–** | 1 104 |
| | **Employee related expenses** | | |
| | ▪ Staff costs | **43 006** | 44 522 |
| | ▪ Post-employment benefits | **1 977** | 2 174 |
| **7.** | **Directors' emoluments** | | |
| | **Fees for services as directors** | | |
| | Non-executive directors | **3 833** | 4 329 |
| | **Management and other services** | | |
| | Executive directors | **37 998** | 38 174 |
| | **Total paid by Company** | **41 831** | **42 503** |

Executive directors do not have fixed term contracts. They have employment agreements with the Company which are subject to a one month notice period by either party.

Refer note 24 for detailed information.

| | R'000 | 2024 | 2023 |
|---|---|---|---|
| **8.** | **Interest income** | | |
| | Interest received on bank deposits | **1 495** | 5 221 |
| | Interest received on loans to subsidiaries | **2 446** | 27 035 |
| | Other | **567** | – |
| | | **4 508** | **32 256** |

| R'000 | 2024 | 2023 |
|---|---|---|

## 9. Taxation

### 9.1 Taxation charge

| R'000 | 2024 | 2023 |
|---|---|---|
| **SA normal taxation** | **13 420** | (25 200) |
| Deferred – current year | **13 420** | (23 325) |
| – over provision prior year | **—** | (1 875) |
| | | |
| Unutilised computed tax losses carried forward | **53 143** | 53 143 |
| Saving in taxation attributable thereto at current rate | **14 349** | 14 349 |
| No deferred tax asset was raised in respect of estimated tax losses amounting to | **15 412** | — |

### 9.2 Reconciliation of taxation income

| R'000 | 2024 | 2023 |
|---|---|---|
| Profit before taxation | **90 957** | 1 179 353 |
| | | |
| Tax at statutory rates (27%) (2023: 27%) | **24 558** | 318 425 |
| Over provided previous year | **—** | (1 875) |
| Tax effect of fair value adjustments | **(16 182)** | 17 640 |
| Tax effect of impairments and expected credit losses | **17 880** | (12 871) |
| Tax effect of non-deductible expenses[1] | **1 661** | 1 871 |
| Tax effect of non-taxable income[2] | **(42 855)** | (330 208) |
| Deferred tax asset not raised | **15 412** | — |
| Capital gains tax | **12 946** | (18 182) |
| | **13 420** | **(25 200)** |

1 Non-deductible expenses consists primarily of the non-deductible portion of expenditure relating to an investment holding company.

2 Non-taxable income consists primarily of dividends received.

## 10. Dividends

On 4 March 2025, a final gross dividend of 40 cents per share (2023: 40 cents per share) was declared out of income reserves.

## 11. Interest in subsidiaries

| R'000 | 2024 | 2023 |
|---|---|---|
| Shares at cost | **3 454 913** | 3 170 754 |
| Less: Impairments | **(866 203)** | (634 958) |
| Shares at cost less impairments | **2 588 710** | 2 535 796 |
| | | |
| Loans owing by subsidiaries | **20 134** | 209 729 |
| Less: Allowance for expected credit losses | **(20 000)** | (185 052) |
| Loans owing by subsidiaries less expected credit losses | **134** | 24 677 |
| **Interest in subsidiaries** | **2 588 844** | **2 560 473** |

**Disposal of investments and subsidiaries to fellow subsidiary**

During the current year, Brimstone transferred its investment in associate, South African Enterprise Development Proprietary Limited ("SAED"), to its wholly owned subsidiary, Newshelf 1063, in exchange for 22 193 shares in Newshelf 1063.

During the prior year, Brimstone disposed of its investments in Septen Investments Proprietary Limited, Brimsure Proprietary Limited, Firefly Investments 306 Proprietary Limited and Newshelf 1404 Proprietary Limited ("Newshelf 1404") to its wholly-owned subsidiary Newshelf 1063.

The disposals were implemented in terms of Section 42 of the Income Tax Act, whereby Brimstone received shares in Newshelf 1063 in exchange for the investment in associate and shares disposed of.

**Impairments**

The carrying amount of the Company's investment in subsidiary companies is reviewed annually to determine if there are any impairment indicators. Where such indicators exist, the investment is impaired to its recoverable amount. The investments which have been impaired are dormant or have underlying businesses that are in run-off. Consequently, these investments have been fully impaired.

# **Notes** (continued)

for the year ended 31 December 2024

## 11. **Interest in subsidiaries** (continued)

**Loans owing by subsidiaries**

The loans owing by subsidiaries are unsecured, have no fixed terms of repayment and are interest free. In the prior year, the loan owing by Monatic incurred interest at the prime rate. The loan claim was capitalised during the current year.

The intention of the directors is not to call on the above loans within the next 12 months.

The Company's practice in assessing credit risk and measuring expected credit losses ("ECLs") on loans owing by subsidiaries has been detailed in note 22.6. The loans owing by subsidiaries have been classified into two categories:

**Current**

The subsidiary has access to sufficient liquid resources to settle the amount owing to the Company at the reporting date. The expected credit loss on loans classified as current is insignificant.

**Default**

The subsidiary does not have access to sufficient liquid resources to settle the amount owing to the Company at the reporting date. The ECL is measured as the cash shortfall and is recognised at the nominal amount of the loan. All ECLs recognised in the current and prior year fall into this category.

ECLs are updated to reflect changes in credit risk since initial recognition of the loans granted to the subsidiaries at the reporting date.

| R'000 | 2024 | 2023 |
|---|---|---|
| **Allowance for ECLs** | | |
| Balance at the beginning of year | **185 052** | 220 767 |
| Increase in allowance recognised in profit or loss | **20 000** | 39 |
| Amounts reversed during the year | **(185 052)** | (35 754) |
| **Balance at the end of the year** | **20 000** | 185 052 |
| **Loans owing to subsidiaries** | **55 382** | 12 770 |

The loans owing to subsidiaries are unsecured, have no fixed terms of repayment and are interest free.

Refer to Appendix 1 for details of subsidiary companies.

## 12. **Investments in associate companies**

| | 2024 | 2023 |
|---|---|---|
| Shares at cost less impairments | **288** | 288 |
| Loans to associate companies | **–** | 63 389 |
| | **288** | 63 677 |

During the current year, Brimstone transferred its investment in associate, SAED, to its wholly owned subsidiary, Newshelf 1063, in exchange for 22 193 shares in Newshelf 1063.

Brimstone holds 20.66% in Hot Platinum Proprietary Limited ("Hot Platinum"), a manufacturer of machinery for the jewellery industry. Hot Platinum is incorporated and operates in South Africa.

## 13. Deferred taxation

### Accounting policy

**Recognition and measurement**

Deferred tax is provided using the liability method, providing for temporary differences arising between the tax base and the accounting carrying amount of amounts reflected in the financial statements. Deferred tax is, however, not provided for temporary differences that arise from the initial recognition of an asset or liability where that transaction affects neither accounting profit nor tax profit (tax loss). The only exception to this being when that asset or liability arises in terms of a business combination. Deferred tax is determined at tax rates that are enacted or substantively enacted at year-end and are expected to apply when the temporary difference reverses. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which will the deferred tax asset can be realised.

| R'000 | 2024 | 2023 |
|---|---|---|
| Deferred taxation asset | **27 760** | 41 180 |
| The major components of the deferred tax balance are as follows: | | |
| Derivative instruments | **703** | 873 |
| Investments | **8 640** | 21 586 |
| Provisions and accruals | **4 069** | 4 373 |
| Estimated tax losses | **14 348** | 14 348 |
| **Deferred tax asset** | **27 760** | **41 180** |
| Opening balance | **41 180** | 15 980 |
| Recognised in profit or loss | **(13 420)** | 25 200 |
| **Balance at 31 December** | **27 760** | **41 180** |

## 14. Cash and bank balances

### Accounting policy

Actual bank balances are reflected. Outstanding cheques and deposits are included in accounts payable and accounts receivable respectively. For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand and deposits held with banks.

| R'000 | 2024 | 2023 |
|---|---|---|
| Cash at banks and on hand | **18 533** | 11 448 |

Cash at banks earns interest at floating rates based on daily bank deposit rates.

# Notes (continued)

for the year ended 31 December 2024

| | | R'000 | | NUMBER OF SHARES | |
|---|---|---|---|---|---|
| | | 2024 | 2023 | 2024 | 2023 |
| **15.** | **Share capital** | | | | |
| **15.1** | **Authorised** | | | | |
| | 500 000 000 ordinary shares of 0.1 cents each | **500** | 500 | **500 000 000** | 500 000 000 |
| | 1 000 000 000 "N" ordinary shares of 0.001 cents each | **10** | 10 | **1 000 000 000** | 1 000 000 000 |
| | | **510** | **510** | | |
| **15.2** | **Issued and fully paid** | | | | |
| | Ordinary shares of 0.1 cents each | **40** | 40 | **39 874 146** | 39 874 146 |
| | "N" Ordinary shares of 0.001 cents each | **2** | 2 | **224 975 962** | 224 975 962 |
| | **Total share capital** | **42** | **42** | | |

The directors are authorised, by resolution of the shareholders and until the forthcoming AGM, to issue the unissued shares for any purpose and upon such terms and conditions as they see fit.

Refer to note 24 for movements in treasury shares relating to the Company's forfeitable share plan. The nominal value of these shares is below R100.

| | R'000 | 2024 | 2023 |
|---|---|---|---|
| **16.** | **Capital reserves** | | |
| | **Share premium** | | |
| | Balance at 1 January and 31 December | **123 807** | 123 807 |
| | **Share options reserve** | | |
| | Balance at 1 January | **21 054** | 24 051 |
| | Recognition of share-based payments | **11 109** | 11 764 |
| | Forfeitable share plan share issue (treasury shares) | **(14 825)** | (14 761) |
| | Balance at 31 December | **17 338** | 21 054 |
| | **Share options exercised reserve** | | |
| | Balance at 1 January and 31 December | **8 314** | 8 314 |
| | **Total capital reserves** | **149 459** | **153 175** |
| **17.** | **Other financial liabilities** | | |
| | Financial liability with contingent settlement provisions[1] | **40 000** | 99 934 |
| | Other derivatives | **2 602** | 3 252 |
| | | **42 602** | **103 186** |
| | Non-current | **–** | 3 252 |
| | Current | **42 602** | 99 934 |
| | **Total** | **42 602** | **103 186** |

1 Represents liability recognised at date of sale of former subsidiary, Lion of Africa Insurance Company Limited, and equalled the net liabilities of the company disposed of.

## 18. Bank overdraft

The Company has an overdraft facility amounting to R60 million (2023: R60 million).

The facility bears interest at the bank's prime lending rate. The overdraft facility is unsecured.

| R'000 | 2024 | 2023 |
|---|---|---|

## 19 Changes in liabilities arising from financing activities

| R'000 | OTHER FINANCIAL LIABILITIES | LOANS OWING TO SUBSIDIARIES | TOTAL |
|---|---|---|---|
| Balance at 1 January 2023 | 99 934 | 286 164 | 386 098 |
| Cash flows | — | — | — |
| Other changes[1] | — | (273 394) | (273 394) |
| Balance at 31 December 2023 | 99 934 | 12 770 | 112 704 |
| Cash flows | — | 9 799 | 9 799 |
| Revaluation of financial liability with contingent settlement provisions | (59 934) | — | (59 934) |
| Other changes | — | 32 813 | 32 813 |
| **Balance at 31 December 2024** | **40 000** | **55 382** | **95 382** |

[1] Includes non-cash dividends received from subsidiaries.

# Notes (continued)

for the year ended 31 December 2024

## 20. Share-based payments

### Accounting policy

The Company has equity-settled compensation plans.

Equity-settled share-based payments to certain employees are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

The Company recognised total expenses of R11.1 million (2023: R11.8 million).

### Forfeitable share plan

The Company adopted a forfeitable share plan ("FSP") which was approved by shareholders on 18 December 2014. In terms of the forfeitable share plan, executive directors and senior managers will be awarded performance shares in the Company. The performance shares are linked to a requirement of continued employment over the prescribed period, the Company's performance and strategic, individual performance conditions which have to be met.

During the current year, the remuneration policy was enhanced, positively, by the introduction of a Malus and Clawback policy and the implementation of a Minimum Shareholding Requirement ("MSR") policy for senior employees with effect from January 2024. Employees are permitted to transfer FSP shares which have reached the end of their restriction period to their MSR, which is also restricted.

| NUMBER OF FORFEITABLE SHARES | 2024 | 2023 |
|---|---|---|
| **Ordinary shares** | | |
| Outstanding at beginning of year | **1 584 910** | 1 584 910 |
| Awarded during year | **—** | — |
| Forfeited | **(114 731)** | — |
| Vested during the year | **(88 127)** | — |
| **Outstanding at end of year** | **1 382 052** | **1 584 910** |
| **"N" Ordinary shares** | | |
| Outstanding at beginning of year | **5 484 344** | 4 173 524 |
| Awarded during year | **3 222 850** | 3 285 370 |
| Transferred to MSR scheme | **(1 691 238)** | — |
| Forfeited | **(375 116)** | (458 187) |
| Vested during the year | **(456 763)** | (1 516 363) |
| **Outstanding at end of year** | **6 184 077** | **5 484 344** |

| GRANT DATE | NUMBER OF SHARES | GRANT DATE FAIR VALUE R'000 | EXPECTED VESTING DATE |
|---|---|---|---|
| **Ordinary shares** | | | |
| 21 February 2022 | 1 382 052 | 7 679 | 20 Feb 2025 |
| **"N" Ordinary shares** | | | |
| 21 February 2022 | 113 454 | 573 | 20 Feb 2025 |
| 20 February 2023 | 1 135 724 | 5 182 | 19 Feb 2026 |
| 2 June 2023 | 720 802 | 3 640 | 20 Feb 2025 |
| 2 June 2023 | 1 213 294 | 5 150 | 19 Feb 2026 |
| 19 February 2024 | 3 000 803 | 10 919 | 18 Feb 2027 |
| | **6 184 077** | | |

## 21. Retirement benefits

The Company's pension fund is administered by the Old Mutual Superfund Provident Fund. Contributions payable to the fund and charged against income during the year, amounted to R2.0 million (2023: R2.2 million).

All permanent staff of Brimstone Investment Corporation Limited were members of a retirement fund.

## 22. Financial instruments

### 22.1 Capital risk management

The Company manages its capital to ensure it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of an overdraft facility as disclosed in note 18, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves as disclosed in notes 16 and 20 and retained earnings. The Company's board reviews the capital structure on a regular basis and in particular when an acquisition of an investment is planned. As a part of this review, the board considers the cost of capital and the risks associated with each class of capital. The Company will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt. The Company's overall strategy remains unchanged from the previous year.

### 22.2 Categories of financial instruments

| R'000 | 2024 | 2023 |
|---|---|---|
| **Financial assets** | | |
| Investments carried as at FVTPL | **1 625** | 1 625 |
| Derivative financial assets carried at FVTPL | **—** | 20 |
| Amortised cost | **27 482** | 111 742 |
| Other receivables | **1 947** | 1 137 |
| Loans and receivables | **6 868** | 11 091 |
| Cash and cash equivalents | **18 533** | 11 448 |
| Loans to associate companies | **—** | 63 389 |
| Loans owing by subsidiaries | **134** | 24 677 |
| **Financial liabilities** | | |
| Financial liability with contingent settlement provisions carried at FVTPL | **40 000** | 99 934 |
| Derivative financial liabilities carried at FVTPL | **2 602** | 3 252 |
| Amortised cost | **57 745** | 16 122 |
| Trade payables | **2 363** | 3 352 |
| Loans owing to subsidiaries | **55 382** | 12 770 |

### 22.3 Financial risk management objectives

A committee consisting of executives of the Company monitors and manages the Company's financial risks relating to the operations of the Company. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The recommendations of this committee are presented to the Audit and Risk Committee and, if necessary, the board of directors for approval. The Company does not enter into or trade in financial instruments, including derivative instruments, for speculative purposes.

### 22.4 Market risk

The Company's activities expose it primarily to the financial risks of changes in interest rates (see below) and equity price risk (see below). There has been no change to the Company's exposure to market risks or the manner in which it manages and measures the risk. The Company is not exposed to the financial risks of changes in foreign exchange.

### 22.5 Interest rate risk management

The Company is exposed to interest rate risk as subsidiaries of the Company borrow funds at both fixed and floating interest rates. The Company's exposure to interest rate risk on financial liabilities are detailed in the liquidity risk management section. The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit for the year would decrease/increase by R0.07 million (2023: R0.04 million) in the Company as a result of their exposure to interest rates on their variable rate borrowings.

# Notes (continued)

for the year ended 31 December 2024

## 22. Financial instruments (continued)

### 22.6 Credit risk management and measurement of expected credit losses

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company, prior to advancing funds to subsidiaries and associates, reviews through its Investment Committee the entity's ability to repay the funds. The maximum exposure to credit risk, excluding the value of any collateral or other security at the reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. Financial assets which potentially subject the Company to concentrations of credit risk consist of cash at bank and loans to subsidiaries. The Company's cash is placed with recognised financial institutions and therefore presents an insignificant credit risk.

The Company applies the general approach in calculating expected credit losses (ECLs) for loans and advances. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (12-month ECL). For credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (lifetime ECL). In assessing whether an increase in credit risk relative to the position at initial recognition is indicated, management is of the view that the availability of liquid assets at the reporting date together with forward looking information is most relevant. Therefore, management relies on a review of the subsidiary's financial statements or management accounts and cash flow forecasts when assessing credit risk. Management judges that a forecast net outflow of cash and a requirement to provide further financial assistance, for operating purposes, to the subsidiary in any of the next 2 years as an indication that credit risk has increased significantly.

As loans to subsidiaries have no stated terms of repayment and are therefore assumed to be repayable on demand, the maximum period to consider when measuring expected credit losses is one day. If at the reporting date, the subsidiary has the capacity to repay the loan if demanded by the Company (i.e. the subsidiary has sufficient cash resources without restrictions to repay with one day's notice), the expected credit loss allowance will be negligible. In other words, the probability of default would be close to nil and the expected credit loss would be immaterial. However, if at the reporting date, the subsidiary would be incapable of repaying the loan in full if demanded by the Company with one day's notice, the probability of default is considered to be very high. In other words, the probability of default would be close to 100%.

Even though the probability of default may be close to 100%, in establishing the loss given default, management considers what actions the subsidiary could undertake to meet the contractual demanded amount and so mitigate the credit losses suffered by the Company. In other words, management considers the expected manner of recovery of the cash flows due under the loan if called. Any cash shortfall is recognised at the nominal amount as an expected credit loss, due to the loans having no stated repayment terms and the effective interest rate for discounting cash flows to present values being nil %. Where there is no reasonable expectation of recovering the cash flows due, the loan will be written off.

At the reporting date, the Company did not consider there to be any significant concentration of credit risk in respect of which an allowance for expected credit losses has not been recognised. Refer to note 11.

### 22.7 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has developed an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Included below is a listing of additional undrawn facilities to further reduce liquidity risk.

| R'000 | 2024 | 2023 |
|---|---|---|
| **Unutilised banking facilities** | | |
| Total banking and loan facilities | **60 000** | 60 000 |
| Facilities utilised | **—** | — |
| Cash and cash equivalents | **18 533** | 11 448 |
| **Unutilised banking facilities and cash and cash equivalents** | **78 533** | **71 448** |

## 22.7 Liquidity risk management (continued)

**Liquidity and interest rate risk tables**

The following tables detail the Company's remaining contractual maturity for non-derivative financial liabilities and assets. The asset tables have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets and in the case when contractual maturities cannot be determined, using management best view of the period when the amounts will be recovered. The liability tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the liabilities can be repaid and includes both interest and principal cash flows.

The Company's exposure to liquidity and interest rate risk and the effective rates of interest at reporting date are as follows:

| 2024 | WEIGHTED AVERAGE EFFECTIVE INTEREST RATE % | LESS THAN 1 YEAR R'000 | 1-5 YEARS R'000 | OVER 5 YEARS R'000 | TOTAL R'000 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Investments at FVTPL | Interest free | **–** | **–** | **1 625** | **1 625** |
| Loans to subsidiaries | Interest free | **–** | **20 134** | **–** | **20 134** |
| Loans and receivables | 18 | **1 802** | **1 724** | **–** | **3 526** |
| Other receivables | Interest free | **1 947** | **–** | **–** | **1 947** |
| Cash and cash equivalents | Bank deposit rates | **18 533** | **–** | **–** | **18 533** |
| | | **22 282** | **21 858** | **1 625** | **45 765** |
| **Liabilities** | | | | | |
| Loans from subsidiaries | Interest free | **55 382** | **–** | **–** | **55 382** |
| Financial liability with contingent settlement provisions | Interest free | **40 000** | **–** | **–** | **40 000** |
| Trade payables | Interest free | **2 363** | **–** | **–** | **2 363** |
| | | **97 745** | **–** | **–** | **97 745** |

The Company's exposure to liquidity and interest rate risk and the effective rates of interest at reporting date are as follows:

| 2023 | WEIGHTED AVERAGE EFFECTIVE INTEREST RATE % | LESS THAN 1 YEAR R'000 | 1-5 YEARS R'000 | OVER 5 YEARS R'000 | TOTAL R'000 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Investments at FVTPL | Interest free | – | – | 1 625 | 1 625 |
| Participating preference shares held in investment in associate | 3.6 | – | – | 51 335 | 51 335 |
| Loans to associate companies and joint ventures | Interest free | – | – | 12 053 | 12 053 |
| Loans to subsidiary | Prime | – | 15 940 | – | 15 940 |
| Loans to subsidiaries | Interest free | – | 8 737 | – | 8 737 |
| Loans and receivables | 18 | 6 728 | 3 138 | – | 9 866 |
| Other financial assets | Interest free | 20 | – | – | 20 |
| Other receivables | Interest free | 1 137 | – | – | 1 137 |
| Cash and cash equivalents | Bank deposit rates | 11 448 | – | – | 11 448 |
| | | **19 333** | **27 815** | **65 013** | **112 161** |
| **Liabilities** | | | | | |
| Loans from subsidiaries | Interest free | 12 770 | – | – | 12 770 |
| Financial liability with contingent settlement provisions | Interest free | 99 934 | – | – | 99 934 |
| Other financial liabilities | Interest free | 3 252 | – | – | 3 252 |
| Trade payables | Interest free | 3 352 | – | – | 3 352 |
| | | **119 308** | **–** | **–** | **119 308** |

# Notes (continued)

for the year ended 31 December 2024

## 22. Financial instruments (continued)

### 22.8 Equity Price Risk

The portfolio of listed equities which are carried in the statement of financial position at fair value, has exposure to significant equity price risk, being the potential loss in market value resulting from an adverse change in prices. The Company's holdings are diversified across more than one company. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Investment Committee. The primary goal of the Company's investment strategy is to maximise investment returns without incurring undue market risk.

At 31 December, the exposure to equity price risk resulted from the financial assets listed in note 22.10

### 22.9 Fair value of financial instruments

The estimated net fair values at 31 December 2024 have been determined using available market information and appropriate valuation methodologies and are not necessarily indicative of the amounts that the Company could realise in the ordinary course of business. The fair values of financial instruments in the Company approximate the amounts reported in the statements of financial position.

The following methods and assumptions were used by the Company in establishing fair values:

**Investments**

These investments are valued each 6 months on the basis considered most appropriate to the investment concerned.

**Cash and cash equivalents**

The carrying amounts reported in the statement of financial position approximate fair values.

**Other receivables**

The carrying amounts reported in the statement of financial position approximate fair values.

**Interest bearing borrowings**

The carrying amounts reported in the statement of financial position approximate fair values.

**Trade and other payables**

The carrying amounts reported in the statement of financial position approximate fair values.

## 22.10 Fair value measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

**Fair value of the Company's financial assets and financial liabilities that are measured on a fair value basis on a recurring basis**

Some of the Company's financial assets and financial liabilities are measured at fair value at each reporting date. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

The directors consider that the carrying amounts of financial assets and financial liabilities not measured at fair value on a recurring basis (but fair value disclosures are required) recognised in the financial statements approximate their fair values.

### 2024

| R'000 | LEVEL 1 | LEVEL 2 | LEVEL 3 | TOTAL |
|---|---|---|---|---|
| **Financial assets at FVTPL** | | | | |
| Unlisted shares | **–** | **–** | **1 625**[2] | **1 625** |
| **Total** | **–** | **–** | **1 625** | **1 625** |
| **Financial liabilities at FVTPL** | | | | |
| Derivative financial liabilities | **–** | **2 602**[1] | **–** | **2 602** |
| Financial liability with contingent settlement provisions | **–** | **–** | **40 000** | **40 000** |
| **Total** | **–** | **2 602** | **40 000** | **42 602** |

### 2023

| R'000 | LEVEL 1 | LEVEL 2 | LEVEL 3 | TOTAL |
|---|---|---|---|---|
| **Financial assets at FVTPL** | | | | |
| Derivative financial assets | – | 20[1] | – | 20 |
| Unlisted shares | – | – | 1 625[2] | 1 625 |
| **Total** | **–** | **20** | **1 625** | **1 645** |
| **Financial liabilities at FVTPL** | | | | |
| Derivative financial liabilities | – | 3 252[1] | – | 3 252 |
| Financial liability with contingent settlement provisions | – | – | 99 934[3] | 99 934 |
| **Total** | **–** | **3 252** | **99 934** | **103 186** |

1 The following methods and inputs are used in valuing level 2 financial assets and liabilities:
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

2 Value is based on the effective interest held in the net assets of the underlying entity. In assessing the net assets of the underlying entity, substantially all of the assets are carried at fair value and all of the liabilities are carried at amortised cost. Therefore, application of Brimstone's percentage interest to the net asset value of the entity is the best indication of fair value of the investment. If the net assets of the underlying entity had been 10% higher/lower, profit for the year would increase/decrease by R0.1 million (2023: R0.1 million).

3 The fair value of the financial liability with contingent settlement provisions is measured as the undiscounted amount that the Company could be required to repay immediately, and is represented by the net liabilities of Lion at the date of disposal. Refer to note 17 for further information.

# Notes (continued)

for the year ended 31 December 2024

## 22. Financial instruments (continued)

### 22.10 Fair value measurements (continued)

The table provided an analysis of financial instruments and non-financial assets that are measured subsequent to initial recognition at fair value, grouped in Levels 1 to 3 based on the degree to which fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There were no transfers between levels 1, 2 and 3 in the current or prior year.

There are no changes to unobservable inputs that might result in a significantly higher or lower fair value measurement within level 2 and level 3 financial and non-financial assets and liabilities.

**Reconciliation of level 3 fair value measurements**

| R'000 | 2024 | 2023 |
|---|---|---|
| Opening balance | **1 625** | 33 838 |
| Total gains or losses – in profit or loss | **–** | (32 213) |
| **Closing balance** | **1 625** | **1 625** |

## 23. Related party transactions and directors' interests

**Compensation of key management personnel**

| | 2024 | 2023 |
|---|---|---|
| The remuneration of executive directors and other key members of management during the year was as follows: | | |
| Short-term benefits | **39 385** | 39 571 |
| Post-employment benefits | **1 812** | 1 942 |
| Share-based payments | **10 884** | 11 420 |
| | **52 081** | **52 933** |

F Robertson, an executive director of the Company, is a beneficiary of a trust which is the ultimate controlling shareholder of an insurance broker that provides services to the Company and certain of its subsidiaries. The services are performed on a strictly market related arms' length basis and total fees paid for the services during the year amounted to R176 748 (2023: R165 515).

The balances owing to/by subsidiaries are disclosed in Appendix 1.

The balances with subsidiaries and associates will be settled by the transfer of funds.

Transactions between the Company, its subsidiaries and associates:

| | 2024 | 2023 |
|---|---|---|
| **Subsidiaries** | | |
| Dividends received | **158 164** | 1 139 430 |
| Interest received | **2 447** | 27 035 |
| Management fees received | **7 541** | 3 947 |
| **Associates** | | |
| Dividends received | **–** | 1 608 |

## 24. Directors' remuneration

### Executive directors' remuneration

The table below sets out deals of the amounts paid to or receivable by executive directors in respect of the financial year.

**Paid by the Company and Subsidiaries**

| 2024 NAME (R'000) | BASIC SALARY | FEES PAID BY SUBSIDIARIES | OTHER BENEFITS[1] | STI | LTI AWARD VALUE | TOTAL |
|---|---|---|---|---|---|---|
| MA Brey | **3 951** | **—** | **523** | **3 103** | **2 685** | **10 262** |
| F Robertson | **3 997** | **344** | **477** | **3 103** | **2 685** | **10 606** |
| GG Fortuin | **3 111** | **—** | **334** | **1 957** | **1 378** | **6 780** |
| MI Khan[2] | **3 258** | **—** | **355** | **2 052** | **1 445** | **7 110** |
| T Moodley | **1 713** | **—** | **218** | **881** | **772** | **3 584** |
| **Total** | **16 030** | **344** | **1 907** | **11 096** | **8 965** | **38 342** |

| 2023 NAME (R'000) | BASIC SALARY | FEES PAID BY SUBSIDIARIES | OTHER BENEFITS[1] | STI | LTI AWARD VALUE | TOTAL |
|---|---|---|---|---|---|---|
| MA Brey | 3 974 | — | 500 | 3 103 | 2 685 | 10 262 |
| F Robertson | 4 018 | 1 343 | 456 | 3 103 | 2 685 | 11 605 |
| GG Fortuin | 3 115 | — | 330 | 2 012 | 1 378 | 6 835 |
| MI Khan | 3 262 | — | 351 | 2 139 | 1 445 | 7 197 |
| T Moodley | 1 716 | — | 215 | 915 | 772 | 3 618 |
| **Total** | **16 085** | **1 343** | **1 852** | **11 272** | **8 965** | **39 517** |

[1] Company contributions to retirement fund and medical aid

### Executive directors' interest

The table below sets out details of all awards made under the FSP scheme in the current and prior years that, at the end of the financial year had not yet vested.

| 2024 NAME | MSR SHARES | FORFEITABLE SHARES | TOTAL RESTRICTED SHARES | INDICATIVE VALUE OF RESTRICTED INSTRUMENTS R'000 |
|---|---|---|---|---|
| MA Brey | **437 752** | **1 920 577** | **2 358 329** | **8 925** |
| F Robertson | **437 752** | **1 920 577** | **2 358 329** | **8 925** |
| GG Fortuin | **204 138** | **929 967** | **1 134 105** | **4 289** |
| MI Khan[2] | **237 196** | **974 965** | **1 212 161** | **4 586** |
| T Moodley | **131 842** | **522 413** | **654 255** | **2 477** |
| | | | | **29 202** |

| 2023 NAME | MSR SHARES | FORFEITABLE SHARES | TOTAL RESTRICTED SHARES | INDICATIVE VALUE OF RESTRICTED INSTRUMENTS R'000 |
|---|---|---|---|---|
| MA Brey | n/a | 1 620 527 | 1 620 527 | 5 937 |
| F Robertson | n/a | 1 620 527 | 1 620 527 | 5 937 |
| GG Fortuin | n/a | 755 392 | 755 392 | 2 790 |
| MI Khan | n/a | 814 950 | 814 950 | 3 006 |
| T Moodley | n/a | 441 998 | 441 998 | 1 637 |
| | | | | **19 307** |

[2] Retired effective 3 April 2025.

# Notes (continued)

for the year ended 31 December 2024

## 24. Directors' remuneration (continued)

**Non-executive directors' remuneration**

Non-executive directors receive fees for membership of the Brimstone Investment Corporation Limited board. They also receive fees for work done on committees of the Board. The amounts below are exclusive of VAT.

| 2024<br>NAME (R'000) | BOARD FEES | COMMITTEE FEES | TOTAL |
|---|---|---|---|
| PL Campher | **502** | **413** | **915** |
| MJT Hewu | **275** | **183** | **458** |
| N Khan | **275** | **421** | **696** |
| LA Parker | **275** | **183** | **458** |
| FD Roman | **275** | **115** | **390** |
| M Ndlovu | **275** | **183** | **458** |
| LAD Wort | **275** | **183** | **458** |
| **Total** | **2 152** | **1 681** | **3 833** |

| 2023<br>NAME (R'000) | BOARD FEES | COMMITTEE FEES | TOTAL |
|---|---|---|---|
| PL Campher | 502 | 529 | 1 031 |
| MJT Hewu | 275 | 183 | 458 |
| N Khan | 275 | 489 | 764 |
| K Moloko[1] | 138 | 38 | 176 |
| LA Parker | 275 | 251 | 526 |
| FD Roman | 275 | 115 | 390 |
| M Ndlovu | 275 | 251 | 526 |
| LAD Wort | 275 | 183 | 458 |
| **Total** | **2 290** | **2 039** | **4 329** |

1 Retired on 29 May 2023.

**Prescribed officers**

The Board has determined that there are no prescribed officers in the employ of the Company as defined by the Companies Act.

## 25. Events after the reporting period

On 4 March 2025, a final gross cash dividend of 40 cents per share (2023: 40 cents per share) was declared out of income reserves.

## 26. Going Concern

The Company's statement of financial position indicates that at 31 December 2024 its current liabilities exceeded its current assets by R111.0 million (2023: R128.5 million).

The Company has assessed its cash flow requirements for a period of at least twelve months from the reporting date and management is satisfied that the Company has access to the necessary resources to settle liabilities as and when they fall due in the ordinary course of business. The Company forms part of the investment group, Brimstone, which manages investments across a diverse range of industries. Cash flow projections are presented to the Board on a quarterly basis for the Group as a whole and these projections indicate that there is adequate cash resources, borrowing facilities or other mechanisms that can be initiated to meet all cash/liability demands of the Group, as and when they are required to be settled. The Company's cash requirements are considered as part of this process. In addition, amounts owing to wholly-owned subsidiaries classified as current liabilities as required by IFRS® Accounting Standards, are by intent of a long-term nature and will not be recalled by these entities in the foreseeable future.

The financial statements have therefore been prepared on the basis of accounting policies applicable to a going concern.

# Supplementary Reports on Investments

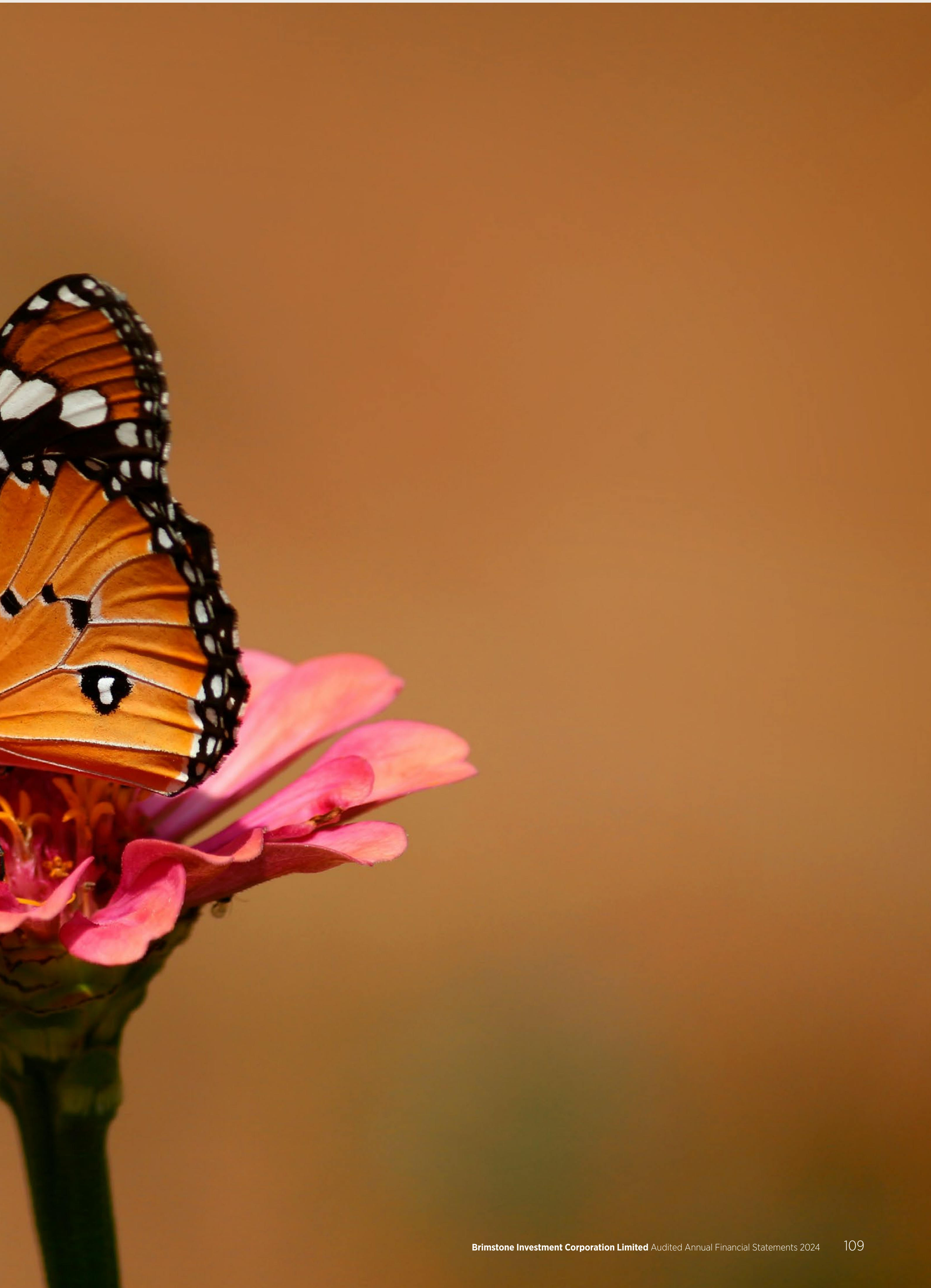
as at 31 December 2024

## Appendix 1: Interest in subsidiaries

| | ISSUED SHARE CAPITAL | | EFFECTIVE PERCENTAGE HOLDING | | SHARES AT COST/ VALUATION | | NET INDEBTEDNESS | |
|---|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| | R | R | % | % | R'000 | R'000 | R'000 | R'000 |
| **Held directly** | | | | | | | | |
| **Investment holding** | | | | | | | | |
| Brimco Proprietary Limited | **1** | 1 | **100** | 100 | **–** | – | **85** | 35 |
| Newshelf 1063 (RF) Proprietary Limited | **2 582 730 639** | 2 490 341 968 | **100** | 100 | **2 582 731** | 2 490 342 | **(51 007)** | – |
| **Dormant** | | | | | | | | |
| Newshelf 1331 Proprietary Limited | **62 897** | 1 | **100** | 100 | **63** | – | **–** | 44 |
| Impairment/allowance for ECLs | **–** | – | **–** | – | **(63)** | – | **–** | (44) |
| H Investments No 219 Proprietary Limited | **100** | 100 | **100** | 100 | **18 646** | 18 646 | **–** | (6 453) |
| Impairment | **–** | – | **–** | – | **(18 646)** | (12 192) | **–** | – |
| Newshelf 1354 Proprietary Limited | **1** | 1 | **100** | 100 | **–** | – | **–** | 34 |
| Allowance for ECLs | **–** | – | **–** | – | **–** | – | **–** | (34) |
| Newshelf 831 (RF) Proprietary Limited | **15 335** | 15 335 | **98** | 98 | **258 283** | 258 283 | **(4 375)** | (4 375) |
| Impairment | **–** | – | **–** | – | **(258 283)** | (258 283) | **–** | – |
| BrimTiger Proprietary Limited | **100** | 100 | **100** | 100 | **334 483** | 334 483 | **–** | – |
| Impairment | **–** | – | **–** | – | **(334 483)** | (334 483) | **–** | – |
| Oceana SPV Proprietary Limited | **100** | 100 | **100** | 100 | **40 645** | 39 000 | **20 000** | 20 000 |
| Impairment/allowance for ECLs | **–** | – | **–** | – | **(40 645)** | – | **(20 000)** | – |
| **Retailer of clothing** | | | | | | | | |
| House of Monatic Proprietary Limited | **232 101 195** | 30 572 408 | **100** | 100 | **220 062** | 30 000 | **–** | 189 615 |
| Impairment/allowance for ECLs | | | | | **(214 083)** | (30 000) | **–** | (184 974) |
| **Held indirectly** | | | | | | | | |
| **Investment holding** | | | | | | | | |
| Friedshelf 1535 (RF) Proprietary Limited | **–** | – | **–** | – | **–** | – | **–** | (1 931) |
| **Controlled special purpose entities** | | | | | | | | |
| Brimstone Investment Corporation Limited Share Trust | **–** | – | **–** | – | **–** | – | **49** | (10) |
| | | | | | **2 588 710** | **2 535 796** | **(55 248)** | **11 907** |

# SHAREHOLDERS AND CORPORATE INFORMATION

## for the year ended 31 December 2024



# Directors' Interests in Shares

as at 31 December 2024

| | DIRECT | | INDIRECT | | | |
|---|---|---|---|---|---|---|
| DIRECTORS | BENEFICIAL | NON-BENEFICIAL | BENEFICIAL | NON-BENEFICIAL | TOTAL | PLEDGED |
| **Ordinary shares** | | | | | | |
| MA Brey | **1 354 762** | **—** | **4 843 772** | **104 184** | **6 302 718** | **2 855 757** |
| F Robertson | **520 300** | **—** | **5 979 736** | **—** | **6 500 036** | **5 860 322** |
| MI Khan[1] | **17 473** | **—** | **—** | **10 089** | **27 562** | **—** |
| T Moodley | **22 799** | **—** | **—** | **17 095** | **39 894** | **—** |
| N Khan | **133 279** | **—** | **235 812** | **—** | **369 091** | **—** |
| LA Parker | **—** | **—** | **1 001 056** | **—** | **1 001 056** | **270 000** |
| | **2 048 613** | **—** | **12 060 376** | **131 368** | **14 240 357** | **8 986 079** |
| **"N" ordinary shares** | | | | | | |
| MA Brey | **1 236 081** | **—** | **18 654 698** | **199 589** | **20 090 368** | **15 222 007** |
| F Robertson | **242 996** | **—** | **17 702 248** | **—** | **17 945 244** | **17 192 380** |
| MI Khan[1] | **261 278** | **—** | **—** | **980** | **262 258** | **—** |
| GG Fortuin | **483** | **—** | **—** | **—** | **483** | **—** |
| T Moodley | **768 801** | **—** | **—** | **162 736** | **931 537** | **—** |
| N Khan | **146 084** | **—** | **1 143 887** | **—** | **1 289 971** | **—** |
| LA Parker | **—** | **—** | **2 241 907** | **—** | **2 241 907** | **2 209 972** |
| | **2 655 723** | **—** | **39 742 740** | **363 305** | **42 761 768** | **34 624 359** |

1 Retired effective 3 April 2025.

The requisite SENS announcements have been made in respect of changes in directors' interests in shares from the reporting date to the date of approval of the consolidated and separate financial statements.

# Shareholding Information

as at 31 December 2024

## Shareholder spread

| | NO. OF SHAREHOLDERS IN S.A. | | NO. OF SHAREHOLDERS OTHER THAN S.A. | | TOTAL SHAREHOLDERS | |
|---|---|---|---|---|---|---|
| | NO. | % | NO. | % | NO. | % |
| **Ordinary shares** | | | | | | |
| Public | 1 899 | 99.6 | 16 | 100 | 1 915 | 99.6 |
| Directors | 5 | 0.3 | – | – | 5 | 0.3 |
| Other | 2 | 0.1 | – | – | 2 | 0.1 |
| **Total** | 1 906 | 100 | 16 | 100 | 1 922 | 100 |
| **"N" ordinary shares** | | | | | | |
| Public | 2 916 | 99.7 | 24 | 100 | 2 940 | 99.7 |
| Directors | 6 | 0.2 | – | – | 6 | 0.2 |
| Other | 2 | 0.1 | – | – | 2 | 0.1 |
| **Total** | 2 924 | 100 | 24 | 100 | 2 948 | 100 |

## Share trading statistics

| | ORDINARY SHARES | "N" ORDINARY SHARES |
|---|---|---|
| Market price per share (cents) | | |
| High | 580 | 600 |
| Low | 435 | 419 |
| Year-end | 504 | 505 |
| Volume of shares traded (number) | 1 453 822 | 21 198 378 |
| Volume of shares traded as a % of issued shares | 3.6% | 9.4% |
| Value of shares traded | R7 902 405 | R101 554 392 |
| Number of transactions | 250 | 250 |

# **Shareholding Information** (continued)

as at 31 December 2024

## Combined ordinary and "N" ordinary shareholdings

| | ORDINARY | "N" ORDINARY | TOTAL | % OF ISSUED SHARE CAPITAL |
|---|---|---|---|---|
| **Major shareholders** | | | | |
| MA Brey (direct and indirect, beneficial and non-beneficial) | 6 302 718 | 20 090 368 | 26 393 086 | 10.0 |
| F Robertson (direct and indirect, beneficial and non-beneficial) | 6 500 036 | 17 945 244 | 24 445 280 | 9.3 |
| Max Brozin Investment Corporation | 3 330 056 | 3 002 143 | 6 332 199 | 2.4 |
| Brostone Securities (Pty) Ltd | 2 855 757 | 15 222 007 | 18 077 764 | 6.8 |
| Jasmynweg Beleggings 3 (RF) | 2 855 757 | 15 222 007 | 18 077 764 | 6.8 |
| Septen Investments (Pty) Ltd (treasury shares) | 1 710 763 | 11 847 760 | 13 558 523 | 5.1 |
| Brimstone Investment Corporation Limited (FSP shares) | 1 584 910 | 5 550 300 | 7 135 210 | 2.7 |
| SBSA ITF PSG Flexible fund | – | 11 055 783 | 11 055 783 | 4.2 |
| FRB ITF Ninety One Value Fund | – | 11 202 915 | 11 202 915 | 4.2 |
| T MIBFA MIPF In House Equities | – | 9 639 785 | 9 639 785 | 3.6 |
| UNT MIBFA EIPF In House – Equities | – | 7 422 949 | 7 422 949 | 2.8 |
| SBSA ITF PSG Balanced Fund | – | 7 329 813 | 7 329 813 | 2.8 |
| FRB ITF Prime Worldwide Equity Fund | – | 6 923 970 | 6 923 970 | 2.6 |
| CITICLIENT Nominees No 8 NY GW | – | 6 000 000 | 6 000 000 | 2.3 |
| SBSA ITF PSG Equity fund | – | 5 453 547 | 5 453 547 | 2.1 |
| | 25 139 997 | 153 858 591 | 178 998 588 | 67.7 |

## Public vs Non-public shareholding

| | NUMBER OF SHARES | % OF ISSUED SHARE CAPITAL |
|---|---|---|
| **Ordinary Shares** | | |
| Public shareholders | 22 338 116 | 56.0 |
| **Non-public shareholders** | | |
| Directors and associates | 14 240 357 | 35.7 |
| **Treasury shares** | | |
| Septen Investments (Pty) Ltd | 1 710 763 | 4.3 |
| Brimstone Investment Corporation Limited (FSP shares) | 1 584 910 | 4.0 |
| **Total** | 39 874 146 | 100 |
| **"N" Ordinary Shares** | | |
| Public shareholders | 164 889 483 | 73.2 |
| **Non-public shareholders** | | |
| Directors and associates | 42 688 419 | 19.0 |
| **Treasury shares** | | |
| Septen Investments (Pty) Ltd | 11 847 760 | 5.3 |
| Brimstone Investment Corporation Limited (FSP shares) | 5 550 300 | 2.5 |
| **Total** | 224 975 962 | 100 |

## Number of shareholders

| ORDINARY SHARES | NUMBER OF SHAREHOLDERS | % OF TOTAL SHAREHOLDERS | NUMBER OF SHARES | % OF SHARES ISSUED |
|---|---|---|---|---|
| **Size of Holding** | | | | |
| 1 – 5 000 | **1 508** | **78.4** | **766 827** | **1.9** |
| 5 001 – 10 000 | **200** | **10.4** | **1 219 230** | **3.1** |
| 10 001 – 100 000 | **171** | **8.9** | **4 521 464** | **11.3** |
| 100 001 – 1 000 000 | **34** | **1.8** | **9 400 713** | **23.6** |
| over 1 000 000 | **9** | **0.5** | **23 965 912** | **60.1** |
| | **1 922** | **100** | **39 874 146** | **100** |
| **Major shareholders** | | | | |
| Friedshelf 1800 (Pty) Ltd | **1** | **0.05** | **5 515 000** | **13.8** |
| Max Brozin Investment Corporation | **1** | **0.05** | **3 330 056** | **8.4** |
| Breyfin 2 (RF) (Pty) Ltd | **1** | **0.05** | **2 855 757** | **7.2** |
| Brostone Securities (Pty) Ltd | **1** | **0.05** | **2 855 757** | **7.2** |
| Jasmynweg Beleggings 3 (RF) | **1** | **0.05** | **2 855 757** | **7.2** |
| Breyfin (Pty) Ltd | **1** | **0.05** | **1 892 749** | **4.7** |
| Brimstone Investment Corporation Limited (FSP shares) | **1** | **0.05** | **1 584 910** | **4.0** |
| Septen Investments (Pty) Ltd | **1** | **0.05** | **1 710 763** | **4.3** |
| MA Brey | **1** | **0.05** | **1 354 762** | **3.4** |
| | **9** | **0.45** | **23 955 511** | **60.2** |
| **Analysis of shareholders** | | | | |
| Close Corporations | **13** | **0.6** | **148 748** | **0.4** |
| Collective Investment Schemes | **7** | **0.3** | **865 015** | **2.2** |
| Control Accounts | **2** | **0.1** | **51** | **–** |
| Custodians | **2** | **0.1** | **4 920** | **–** |
| Foundations & Charitable Funds | **15** | **0.7** | **302 425** | **0.8** |
| Hedge Funds | **1** | **0.1** | **49 918** | **0.1** |
| Investment Partnerships | **8** | **0.4** | **172 679** | **0.4** |
| Private Companies | **56** | **2.9** | **24 579 697** | **61.6** |
| Public Companies | **1** | **0.1** | **461 048** | **1.2** |
| Retail Shareholders | **1 760** | **91.6** | **8 988 017** | **22.5** |
| Share Schemes | **1** | **0.1** | **35 884** | **0.1** |
| Stockbrokers & Nominees | **3** | **0.2** | **21 372** | **0.1** |
| Treasury | **2** | **0.1** | **1 595 311** | **4.0** |
| Trusts | **51** | **2.7** | **2 649 061** | **6.6** |
| | **1 922** | **100** | **39 874 146** | **100** |

# Shareholding Information (continued)

as at 31 December 2024

| "N" ORDINARY SHARES | NUMBER OF SHAREHOLDERS | % OF TOTAL SHAREHOLDERS | NUMBER OF SHARES | % OF SHARES ISSUED |
|---|---|---|---|---|
| **Size of Holding** | | | | |
| 1 – 5 000 | 2 412 | 81.8 | 1 765 841 | 0.8 |
| 5 001 – 10 000 | 168 | 5.7 | 1 186 541 | 0.5 |
| 10 001 – 100 000 | 253 | 8.6 | 8 795 353 | 3.9 |
| 100 001 – 1 000 000 | 78 | 2.6 | 23 674 600 | 10.5 |
| over 1 000 000 | 37 | 1.3 | 189 553 627 | 84.3 |
| | 2 948 | 100 | 224 975 962 | 100 |
| **Major shareholders** | | | | |
| Friedshelf 1800 (Pty) Ltd | 1 | 0.03 | 16 825 000 | 7.50 |
| Breyfin 2 (RF) (Pty) Ltd | 1 | 0.03 | 15 222 007 | 6.80 |
| Brostone Securities (Pty) Ltd | 1 | 0.03 | 15 222 007 | 6.80 |
| Jasmynweg Beleggings 3 (RF) | 1 | 0.03 | 15 222 007 | 6.80 |
| Septen Investments (Pty) Ltd | 1 | 0.03 | 11 847 760 | 5.30 |
| SBSA ITF PSG Flexible Fund | 1 | 0.03 | 11 055 783 | 4.90 |
| FRB ITF Ninety One Value Fund | 1 | 0.03 | 11 202 915 | 5.00 |
| T MIBFA MIPF In House Equities | 1 | 0.03 | 9 639 785 | 4.30 |
| UNT MIBFA EIPF In House – Equities | 1 | 0.03 | 7 422 949 | 3.30 |
| SBSA ITF PSG Balanced Fund | 1 | 0.03 | 7 329 813 | 3.30 |
| FRB ITF Prime Worldwide Equity Fund | 1 | 0.03 | 6 923 970 | 3.10 |
| CITICLIENT Nominees No 8 NY GW | 1 | 0.03 | 6 000 000 | 2.70 |
| Brimstone Investment Corporation Limited (FSP Shares) | 1 | 0.03 | 5 550 300 | 2.50 |
| SBSA ITF PSG Equity Fund | 1 | 0.03 | 5 453 547 | 2.40 |
| | 14 | 0.42 | 144 917 843 | 64.7 |
| **Analysis of shareholders** | | | | |
| Assurance Companies | 2 | 0.10 | 733 290 | 0.3 |
| Close Corporations | 32 | 1.10 | 158 433 | 0.1 |
| Collective Investment Schemes | 21 | 0.70 | 46 427 297 | 20.5 |
| Control Accounts | 3 | 0.10 | 118 | — |
| Custodians | 7 | 0.20 | 3 780 556 | 1.7 |
| Foundations & Charitable Funds | 74 | 2.50 | 1 986 030 | 0.9 |
| Hedge Funds | 2 | 0.10 | 1 056 730 | 0.5 |
| Insurance Companies | 1 | — | 30 000 | — |
| Investment Partnerships | 13 | 0.40 | 224 182 | 0.1 |
| Private Companies | 76 | 2.60 | 97 993 092 | 43.6 |
| Public Companies | 1 | — | 39 327 | — |
| Retail Shareholders | 2 574 | 87.30 | 22 392 056 | 10.0 |
| Retirement Benefit Funds | 11 | 0.40 | 22 299 636 | 9.9 |
| Scrip Lending | 2 | 0.10 | 537 769 | 0.2 |
| Share Schemes | 2 | 0.10 | 1 296 031 | 0.6 |
| Soverign Funds | 2 | 0.10 | 9 572 063 | 4.3 |
| Stockbrokers & Nominees | 16 | 0.50 | 3 838 745 | 1.7 |
| Treasury | 3 | 0.10 | 8 205 383 | 3.6 |
| Trusts | 105 | 3.60 | 4 405 223 | 2.0 |
| Unclaimed Scrip | 1 | — | 1 | — |
| | 2 948 | 100 | 224 975 962 | 100.00 |

# Corporate Information

| | |
|---|---|
| **Brimstone Investment Corporation Limited:** | Incorporated in the Republic of South Africa |
| **Company registration number:** | 1995/010442/06 |
| **JSE share codes and ISIN numbers:** | Share code: BRT<br>ISIN number: ZAE000015277<br>Share code: BRN<br>ISIN number: ZAE000015285 |
| | "Brimstone" or the "Company" or the "Group" |
| **Registered office and business address:** | 1st Floor, Slade House, Boundary Terraces, 1 Mariendahl Lane, Newlands 7700 |
| **Postal Address:** | PO Box 44580, Claremont 7735 |
| **Telephone number:** | 021 683 1444 |
| **Email:** | info@brimstone.co.za |
| **Website:** | www.brimstone.co.za |
| **Directorate:** | F Robertson (Executive Chairman)*<br>MA Brey (Chief Executive Officer)*<br>GG Fortuin (Financial Director)*<br>T Moodley*<br>PL Campher (Lead Independent)<br>M Hewu<br>N Khan<br>M Ndlovu<br>LA Parker<br>FD Roman<br>L Wort<br><br>* *Executive* |
| **Company secretary:** | Tiloshani Moodley |
| **Transfer secretaries:** | Computershare Investor Services Proprietary Limited<br>Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg 2196 |
| **Sponsor:** | Nedbank Corporate and Investment Banking, a division of Nedbank Limited |
| **Auditors:** | Ernst & Young Inc. |
| **Attorneys:** | Cliffe Dekker Hofmeyr Inc.<br>DLA Piper South Africa Proprietary Limited |
| **Bankers:** | Nedbank Limited |

freshIdentity

BRIMSTONE
INVESTMENT CORPORATION LIMITED

Boundary Terraces, 1 Mariendahl Lane, Newlands 7700, South Africa
PO Box 44580, Claremont 7735, South Africa

www.brimstone.co.za