

2024

RESULTS PRESENTATION

FOR THE YEAR ENDED 29 FEBRUARY 2024

IT'S
ABOUT
THE

Lifestyle



Balwin
PROPERTIES®

AGENDA



OPERATIONAL OVERVIEW

FINANCIAL OVERVIEW

ANNUITIES



SUSTAINABILITY

LOOKING FORWARD

ANNEXURES



OPERATIONAL OVERVIEW

Steve Brookes
Chief Executive Officer

THABA-ECO VILLAGE LIFESTYLE CENTRE

OPERATIONAL HIGHLIGHTS

1 892

Apartments sold and recognised in revenue for the period

5.6%

Revenue contribution to the group from Balwin Annuities

23 273

Apartments with International EDGE certification



IZINGA



THABA-ECO VILLAGE

46%

Revenue contribution from sale of apartments in the Western Cape

41 581

Apartments in development pipeline

7

International awards achieved to date at the Africa and Arabia Property Awards

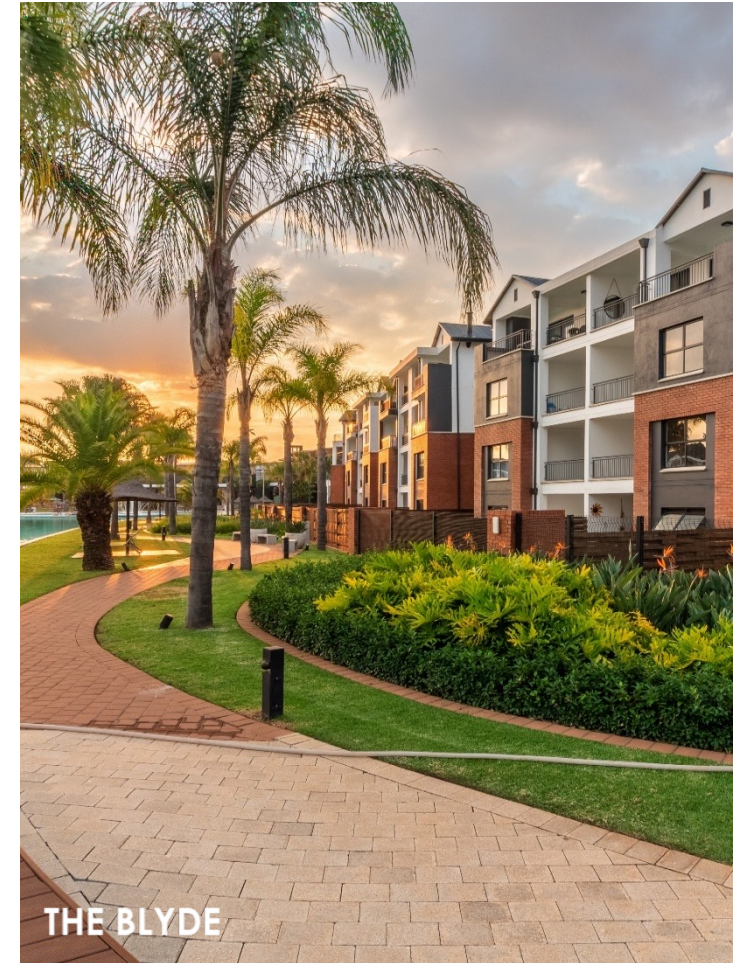
OPERATIONAL REVIEW

- Revenue down by 29% to R2.4 billion compared to the prior comparative period, reflecting a challenging residential housing market
- Total number of apartments handed over amounted to 1 892 during the period (2023: 2 788 apartments)
- 46% of revenue recorded from the Western Cape region, highest performing region for the first time in the group's history
- Maintained focus on core operations by executing on existing pipeline of developments
- Continued strong demand for one- and two-bedroom apartments (73% of apartments) (2023: 77%)
- 529 apartments pre-sold for future financial periods and thus not recorded in revenue for the current year (2023: 870 apartments)
- Annuities businesses revenue increased by 70% to R132.5 million (2023: R78.0 million)



OPERATIONAL REVIEW

Development	Region	Collection	Apartments recognised in revenue for the year
De Aan-Zicht	Western Cape	Classic	294
The Huntsman	Western Cape	Classic	221
Fynbos	Western Cape	Classic	191
Greenbay	Western Cape	Green	166
Greenkloof	Gauteng	Green	144
Ballito Hills	KwaZulu-Natal	Classic	115
Munyaka	Gauteng	Classic	114
Izinga Eco Estate	KwaZulu-Natal	Signature	98
Greenlee	Gauteng	Green	96
Thaba-Eco Village	Gauteng	Classic	84
De Kuile	Western Cape	Classic	75
The Reid	Gauteng	Classic	72
Greencreek	Gauteng	Green	49
Greenpark	Gauteng	Green	46
The Blyde Riverwalk	Gauteng	Classic	43
The Polofields	Gauteng	Signature	43
Mooikloof Eco-Estate	Gauteng	Classic	27
Munyaka Lifestyle Centre	Gauteng	Signature	14
			1 892

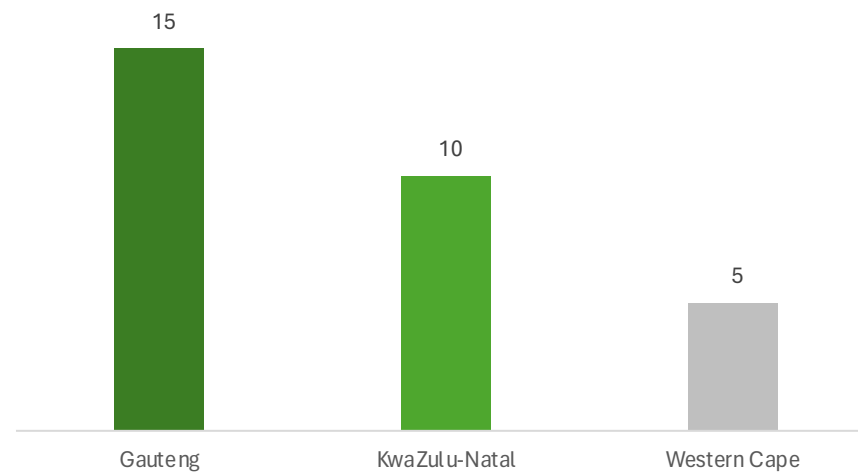


DEVELOPMENT PIPELINE



Development	Total apartments in development	Total apartments sold	Total apartments registered	Total apartments recognised in revenue	Total apartments sold but not recognised in revenue	Total unsold apartments	Balwin pipeline
Gauteng	38 200	7 924	7 576	7 744	180	30 276	30 456
KwaZulu-Natal	6 790	1 295	1 233	1 247	48	5 495	5 543
Western Cape	9 015	3 734	3 428	3 433	301	5 281	5 582
Total	77 399	15 065	14 131	14 470	595	62 334	41 581

DEVELOPMENT PIPELINE IN YEARS



FINANCIAL OVERVIEW

Jonathan Bigham
Chief Financial Officer

THE HUNTSMAN

FINANCIAL OVERVIEW

FOR THE YEAR ENDED 29 FEBRUARY 2024



R2.4 billion	▼ 29%	28%	▼ 1%	R351.2 million	▼ 11%	R217.4 million	▼ 50%
Revenue		Gross profit margin		Operating costs		Profit for the period	



47.94 cents	▼ 48%	R289.6 million	Loan-to-value	40.5%	858.49 cents	▲ 4%
Headline earnings per share		Cash position at period end	Consistent with prior year		Net asset value per share	

AUDITED SUMMARY CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 29 FEBRUARY 2024



	Audited year ended 29 February 2024 R'000	Audited year ended 28 February 2023 R'000
Revenue	2 356 284	3 326 908
Cost of sales	(1 690 629)	(2 366 758)
Gross profit	665 655	960 150
Other income	16 336	15 416
Other operating gains	–	9 952
Operating expenses	(351 177)	(392 768)
Operating profit	330 814	592 750
Investment income	30 061	36 762
Finance costs	(50 619)	(32 383)
Share of profit of associate	–	332
Profit before taxation	310 256	597 461
Taxation	(92 884)	(160 107)
Profit for the year	217 372	437 354
Items that will not subsequently be reclassified to profit or loss		
Profit (loss) on cash flow hedges	1 951	(684)
Taxation relating to items that will not be reclassified	(534)	192
Other comprehensive income (loss) for the year net of taxation	1 417	(492)
Total comprehensive income for the year	218 789	436 862
Basic and diluted earnings per share		
Basic	(cents) 46.18	93.74
Diluted	(cents) 46.18	93.68

FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 29 FEBRUARY 2024



Revenue

- Revenue decreased by 29% to R2.4 billion (2023: R3.3 billion)
- Revenue earned from the following sources:

	February 2024 R'000	February 2023 R'000
<i>Disaggregation of revenue by source:</i>		
Revenue from the sale of apartments	2 222 136	3 243 815
Revenue from annuity businesses	132 543	77 999
Donation income from Balwin Foundation	1 605	5 094
	2 356 284	3 326 908



Revenue from sale of apartments

- Number of apartments handed over decreased by 32% to 1 892 apartments (2023: 2 788 apartments)
- Stagnant sales price growth in challenging market conditions.
- Continued strong demand for one- and two-bedroom apartments at 73%

APARTMENTS RECOGNISED IN REVENUE

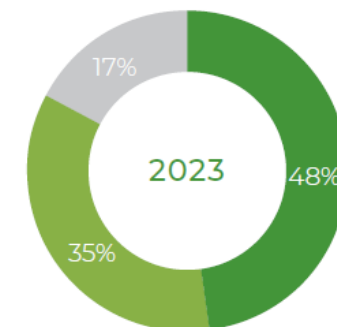
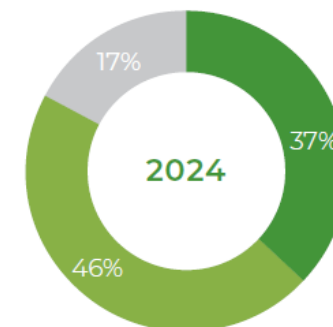
FOR THE YEAR ENDED 29 FEBRUARY 2024



Revenue from sale of apartments by region

Region	February 2024 R'000	February 2023 R'000
Western Cape	1 034 156	1 135 322
Gauteng	812 763	1 542 544
KwaZulu-Natal	375 217	565 949
Revenue from sale of apartments	2 222 136	3 243 815

REVENUE BY REGION (%)

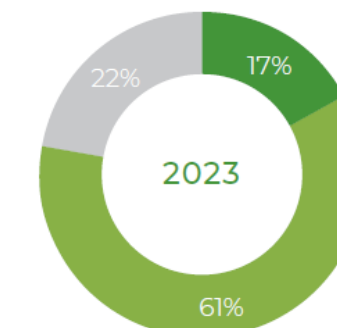
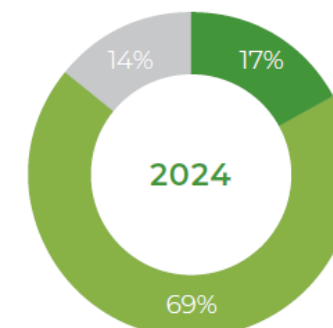


■ Gauteng ■ Western Cape ■ KwaZulu-Natal

Revenue from sale of apartments by Collection

Collection	February 2024 R'000	February 2023 R'000
Classic Collection	1 525 722	1 987 145
Green Collection	381 357	548 332
Signature Collection	315 057	708 338
Revenue from sale of apartments	2 222 136	3 243 815

REVENUE BY COLLECTION (%)



■ Classic ■ Green ■ Signature

AVERAGE SELLING PRICE ANALYSIS

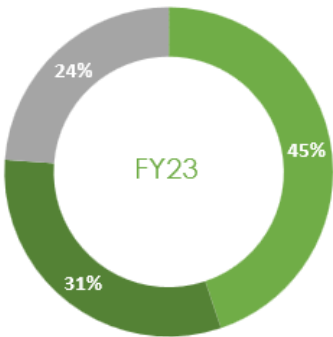
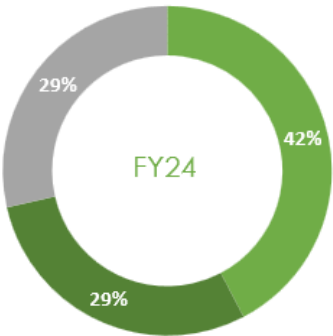
FOR THE YEAR ENDED 29 FEBRUARY 2024



THE CLASSIC COLLECTION

	Average selling price (Rands incl. VAT) February 2024	Selling price growth/(decrease)
1-bedroom	1 000 686	5%
2-bedroom	1 523 662	(2)%
3-bedroom	1 994 164	(2)%

APARTMENT CONTRIBUTION BY APARTMENT TYPE



■ 1-bedroom ■ 2-bedroom ■ 3-bedroom



AVERAGE SELLING PRICE ANALYSIS

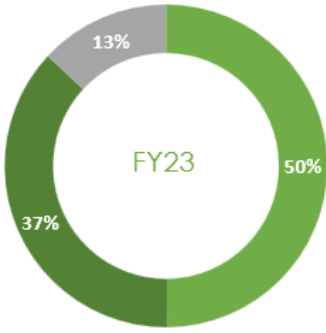
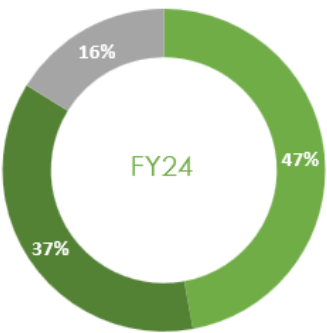
FOR THE YEAR ENDED 29 FEBRUARY 2024



THE GREEN COLLECTION

	Average selling price (Rands incl. VAT) February 2024	Selling price growth/(decrease)
1-bedroom	695 040	0%
2-bedroom	970 354	1%
3-bedroom	1 250 907	4%

APARTMENT CONTRIBUTION BY APARTMENT TYPE



■ 1-bedroom
 ■ 2-bedroom
 ■ 3-bedroom



FINANCIAL PERFORMANCE

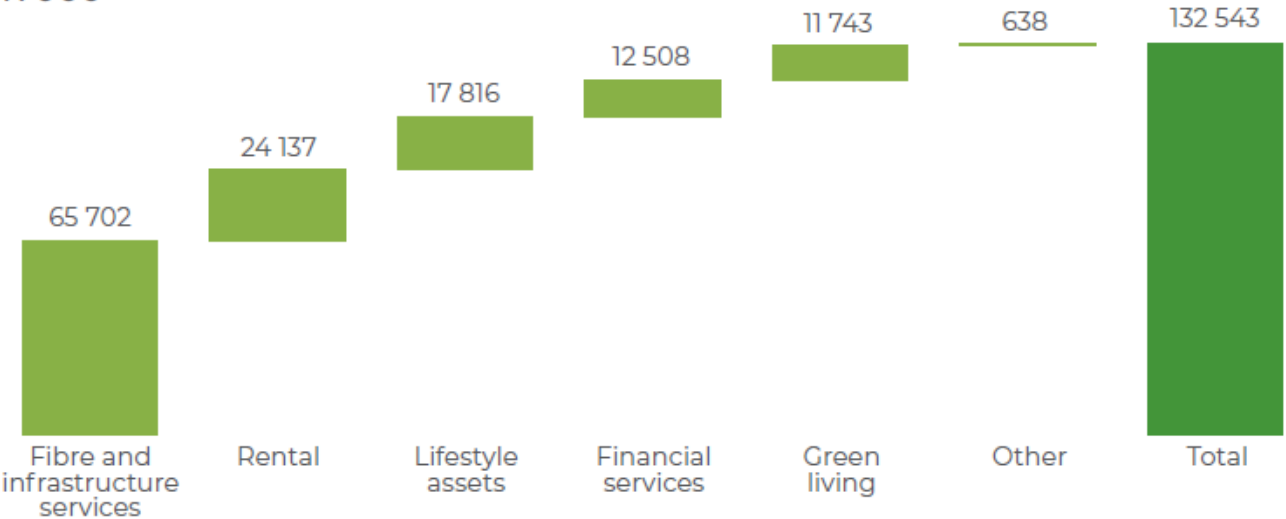
FOR THE YEAR ENDED 29 FEBRUARY 2024



Revenue from annuity businesses

- Revenue increased by 70% to R132.5 million (2023: R78.0 million)
- Annuity revenue grew to 5.6% of group revenue (2023: 2.3%)

Annuity revenue per business
R'000



FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 29 FEBRUARY 2024



Gross profit

- 🌱 Gross profit margin shows a marginal reduction to 28% (2023: 29%)
- 🌱 Gross profit margin on sale of apartments decreased to 24% (2023: 27%) owing to the challenging trading environment.

	February 2024 R'000	February 2023 R'000
Gross profit	665 655	960 150
Gross profit from sale of apartments	540 874	884 349
Gross profit from Balwin Annuities	130 956	72 329
Gross profit from the Balwin Foundation	(6 175)	3 472
Gross profit margin	28%	29%
Gross profit margin from sale of apartments	24%	27%
Gross profit from Balwin Annuities	99%	100%

- 🌱 Gross profit margin growth remains a key focus.
- 🌱 Medium-term objective to return gross margin from apartment sales to 30%.



FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 29 FEBRUARY 2024



Operating expenses

	28 February 2024 R'000	28 February 2023 R'000	Movement
Balwin Properties (the company)	250 961	323 150	(22%)
Fixed expenditure	157 563	161 195	(2%)
Depreciation and amortisation	20 068	14 497	38%
Performance linked expenditure	–	33 653	(100%)
Variable expenditure (Note 1)	73 330	113 805	(36%)
Balwin Annuities (including Foundation)	100 216	69 618	44%
Total operating expenditure	351 177	392 768	(11%)
Operating expenditure to revenue ratio	14.9%	11.8%	

Note 1: Variable expenditure includes sales-related costs such as sales commissions, marketing and other sales activity-related costs.

- 🌱 Total operating costs decreased by 11% to R351.2 million (2023: R392.8 million)
- 🌱 Balwin Properties (company) decreased operating expenses by 22% (25% reduction excluding depreciation)
- 🌱 Balwin Annuities operating expenditure increased by 44% due to increased operational activity reflected by the 70% growth in revenue.



FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 29 FEBRUARY 2024



Earnings

- 🌿 Profit after tax decreased by 50% to R217.4 million
- 🌿 51% decrease in earnings per share to 46.18 cents
- 🌿 48% decrease in headline earnings per share to 47.94 cents

Dividend

- 🌿 The board resolved not to declare a dividend for the 2024 financial year owing to expected trading conditions
- 🌿 The board will reconsider the declaration of a dividend for the 2025 financial year



AUDITED SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 29 FEBRUARY 2024



	Audited as at 29 February 2024 R'000	Audited as at 28 February 2023 R'000
Assets		
Non-current assets		
Property, plant and equipment	381 826	328 413
Investment property	220 375	153 020
Intangible assets	22 126	23 281
Loans to external parties	8 664	8 664
Other financial assets	1 267	–
Deferred taxation	11 413	6 778
	645 671	520 156
Current assets		
Developments under construction	6 342 225	5 734 382
Trade and other receivables	349 709	218 902
Development loans receivable	1 840	27 021
Current tax receivable	1 316	–
Cash and cash equivalents	289 586	607 349
Restricted cash	–	164 376
	6 984 676	6 752 030
Non-current assets held for sale	–	26 061
Total assets	7 630 347	7 298 247
Equity and liabilities		
Equity		
Share capital	657 514	650 973
Reserves	83 222	71 056
Retained Income	3 265 019	3 112 898
Non-controlling Interest	3 295	1 591
Total equity	4 009 050	3 836 518
Non-current liabilities		
Development loans and facilities	1 113 695	1 267 742
Other financial liabilities	–	684
Lease liabilities	–	191
Deferred taxation	348 079	273 364
	1 461 774	1 541 981
Current liabilities		
Development loans and facilities	1 959 202	1 688 777
Lease liabilities	192	1 075
Trade and other payables	175 848	146 472
Current tax payable	–	21 899
Employee benefits	24 281	61 525
	2 159 523	1 919 748
Total liabilities	3 621 297	3 461 729
Total equity and liabilities	7 630 347	7 298 247

FINANCIAL POSITION

AS AT 29 FEBRUARY 2024



Non-current assets

- 🌿 Drivers of investment through annuity businesses, namely:
 - Solar assets
 - Fibre infrastructure
 - Fit-outs of Johannesburg head office following building being 100% let
 - 61 room hotel at The Blyde (Tshwane East)

Developments under construction

- 🌿 Includes the cost of land, infrastructure, development rights and construction costs
- 🌿 Increased by R607.8 million to R6.3 billion



FINANCIAL POSITION

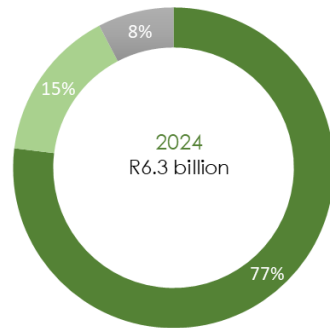
AS AT 29 FEBRUARY 2024



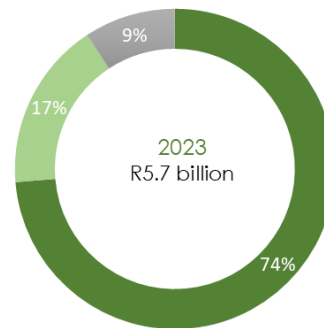
Developments under construction (continued)

Developments under construction by region

	Land and infrastructure	Development rights	Costs of construction	Audited as at 29 February 2024 R'000	Audited as at 28 February 2023 R'000	February 2024	February 2023
Region	R'000	R'000	R'000	R'000	R'000	%	%
Gauteng	1 825 437	488 527	2 565 922	4 879 885	4 225 271	77%	74%
KwaZulu-Natal	372 498	-	603 904	976 402	978 745	15%	17%
Western Cape	276 428	-	209 509	485 938	530 367	8%	9%
Total	2 474 363	488 527	3 379 335	6 342 225	5 734 382	100%	100%



■ Gauteng ■ Kwa-Zulu Natal ■ Western Cape



■ Gauteng ■ Kwa-Zulu Natal ■ Western Cape

FINANCIAL POSITION

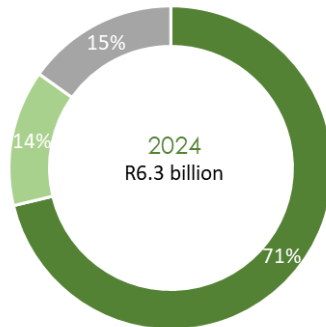
AS AT 29 FEBRUARY 2024



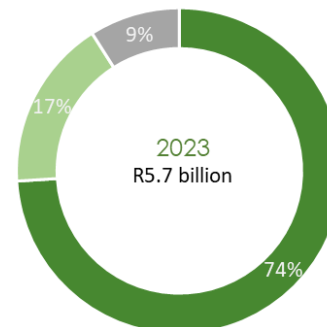
Developments under construction (continued)

Developments under construction by Collection

	Land and infrastructure	Development rights	Costs of construction	Audited as at 29 February 2024 R'000	Audited as at 28 February 2023 R'000	August 2023	February 2023
Collection	R'000	R'000	R'000	R'000	R'000	%	%
Classic	2 021 121	341 542	2 157 235	4 519 898	3 922 672	71%	74%
Green	368 032	-	493 964	861 996	1 052 355	14%	17%
Signature	85 210	146 985	728 136	960 331	759 355	15%	9%
Total	2 474 363	488 527	3 379 335	6 342 225	5 734 382	100%	100%



■ Classic ■ Green ■ Signature



■ Classic ■ Green ■ Signature

FINANCIAL POSITION

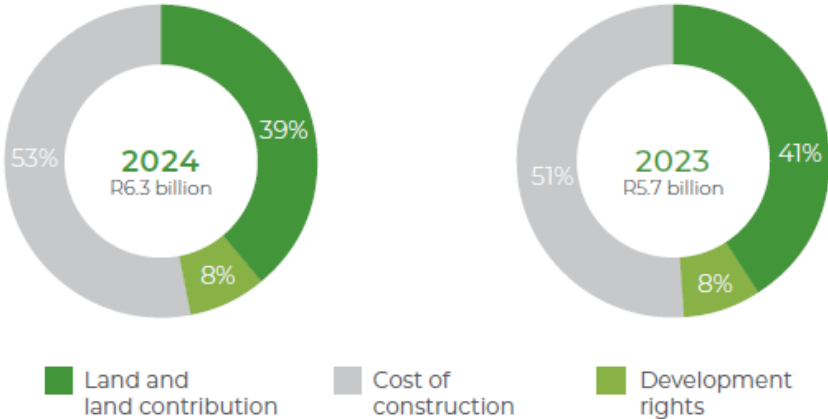
AS AT 29 FEBRUARY 2024



Developments under construction (continued)

	Audited as at 29 February 2024 R'000	Audited as at 28 February 2023 R'000
DEVELOPMENTS UNDER CONSTRUCTION		
Developments under construction	6 342 225	5 734 382
Developments under construction include the following:		
Cost of construction	3 388 468	2 906 124
Land and land contribution costs	2 466 736	2 338 327
Development rights	487 021	489 931
	6 342 255	5 734 382

Contribution of total development under construction



FINANCIAL POSITION

AS AT 29 FEBRUARY 2024



Developments under construction (continued)

- 🌿 Land registered during financial year
 - › Greenspruit (potential rental development)
 - › Cost of R21.7 million
 - › Estimated 1 020 apartments
- 🌿 Land contracted post financial year
 - › Suikerbos (replacement project for sold-out Fynbos)
 - › Land fully serviced
 - › Estimated 1 046 apartments

Trade receivables

- 🌿 Mostly apartments handed over but not registered at year end

FINANCIAL POSITION

AS AT 29 FEBRUARY 2024



Cash and cash equivalents

	February 2024 R'000	February 2023 R'000
Cash and cash equivalents	289 586	607 349
Restricted cash	–	164 376
Total cash	289 586	771 725

- 🌱 Cash position at period end of R 289.6 million (2023: R607.3 million)
- 🌱 Cash on hand exceeds funding covenants and board thresholds
- 🌱 Continued active oversight of Treasury Committee
- 🌱 Replacement of debt-service reserve account (restricted cash) with amortised repayment profile of the unsecured loan facility. During the financial year, the unsecured loan was reduced by R241.1 million
- 🌱 Active management of rate of sales to construction to manage liquidity



FINANCIAL POSITION

AS AT 29 FEBRUARY 2024



Debt

- Development loans and facilities amounted to R3.1 billion (2023: R3.0 billion)
- Loan-to-value 40.5% (2023: 40.7%) – covenant at 50%
- Loan-to-value ratio is materially measured at cost and free from fair value adjustments
- Full compliance with financial covenants

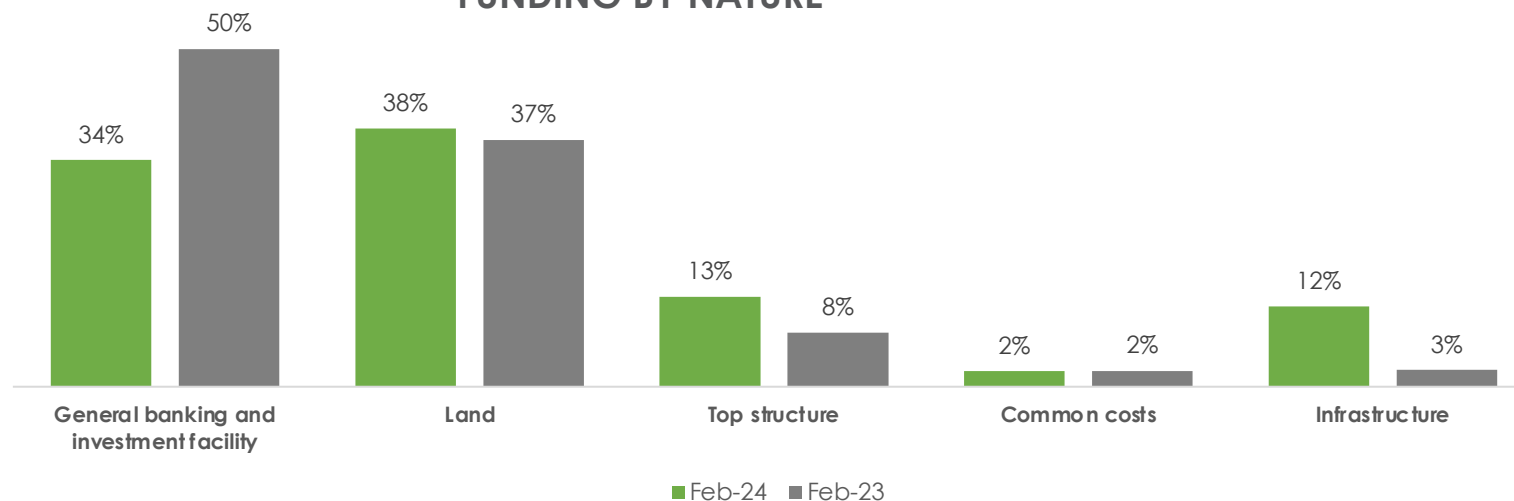


FUNDING OVERVIEW



	Audited as at 29 February 2024 R '000	Audited as at 28 February 2023 R '000
General banking and investment facility	1 038 603	1 487 344
Land	1 183 061	1 087 096
Top structure	412 452	236 860
Common costs	71 279	70 219
Infrastructure	367 503	75 000
Total	3 072 897	2 956 519
Loan-to-value	40.5%	40.7%

FUNDING BY NATURE



AUDITED SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 29 FEBRUARY 2024



	Audited year ended 29 February 2024 R'000	Audited year ended 28 February 2023 R'000
Cash flows from operating activities		
Cash (used in)/generated from operations	5 078	558 868
Interest received	30 061	36 762
Finance costs paid	(296 316)	(217 373)
Taxation paid	(46 738)	(133 094)
Net cash (used in)/generated from operating activities	(307 915)	245 163
Cash flows from investing activities		
Purchase of property, plant and equipment	(48 427)	(86 452)
Proceeds from disposal of property, plant and equipment	–	2 422
Purchases of investment property	(67 355)	–
Proceeds from disposal of non-current assets held for sale	19 000	–
Purchases of intangible assets	(12 507)	(11 541)
Proceeds from disposal of intangible assets	6 682	–
Net cash paid on business combinations	–	(14 134)
Decrease/(increase) in restricted cash	164 376	(163 290)
Dividend received from associate	–	250
Net cash generated from/(used in) investing activities	61 769	(272 745)
Cash flows from financing activities		
Treasury shares acquired	–	(20 112)
Development loans raised and utilised	1 965 438	2 200 433
Developments loans repaid	(1 424 661)	(2 327 757)
Investment loans and general banking facilities repaid	(679 269)	(618 679)
Investment loans and general banking facilities raised and utilised	131 496	844 271
Payment on lease liabilities	(1 074)	(1 746)
Dividend paid	(73 237)	(121 542)
Dividend received from treasury	9 690	14 427
Net cash used in financing activities	(71 617)	(30 705)
Total cash and cash equivalents movement for the year	(317 763)	(58 287)
Cash and cash equivalents at the beginning of the year	607 349	665 636
Total cash and cash equivalents at the end of the year	289 586	607 349



ANNUITIES

Raaziq Ismail

Head of Legal and Annuity

THE REID

ANNUITIES OVERVIEW

R69.5 million *

Operating profit

R79.2 million

Savings to our clients through
Balwin Mortgages

9 109

Active clients on Balwin Fibre network



2 333

Tons of carbon dioxide emissions
prevented through Balwin Energy

821

Balwin Connect Clients (Internet Service
Provider)

R1.04 billion

Assets under management as at year
end

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 29 FEBRUARY 2024



Audited (R'000) *	Fibre and infrastructure ¹	Rentals ²	Lifestyle assets ³	Financial services ⁴	Green Living ⁵	Other Businesses ⁶	29 February 24 Annuity	28 February 23 Annuity
Revenue	66 054	33 099	17 816	12 508	11 743	681	141 901	86 523
Cost of sales	(1 590)	-	-	-	-	(386)	(1 976)	-
Gross profit	64 464	33 099	17 816	12 508	11 743	295	139 925	86 523
Other income	3 238	13 627	12 280	-	1 109	-	30 254	26 514
Operating expenses	(46 201)	(17 892)	(29 181)	(6 750)	(4 364)	3 736	(100 652)	(67 224)
Operating profit	21 501	28 834	915	5 758	8 488	4 031	69 527	45 813
Finance costs	(7 119)	(31 937)	(938)	-	(3 110)	-	(43 149)	(18 272)
Net profit before tax	14 382	3 103	(68)	5 758	5 378	4 031	26 378	27 541
Taxation	(3 883)	(1 009)	(18)	(1 554)	(1 071)	(1 088)	(6 569)	(6 977)
Net profit after tax	10 499	(2 094)	(50)	4 204	4 307	2 943	19 809	20 564

* All figures prior to group consolidation

1. Fibre and infrastructure consist of Balwin Fibre and Balwin Technik.

2. Rentals consist of Balwin Head Office and Balwin Rentals.

3. Lifestyle assets consist of Balwin Lifestyle and Blyde Hotel.

4. Financial Services consist of Balwin Mortgages and Balwin Insurance.

5. Green Living consists of Balwin Energy (solar assets and water treatment plants).

6. Other businesses include Balwin Approved, Balwin Connect, Balwin Maintenance and Balwin Signage and Towers.

BALWIN FIBRE (PTY) LTD – STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 29 FEBRUARY 2024

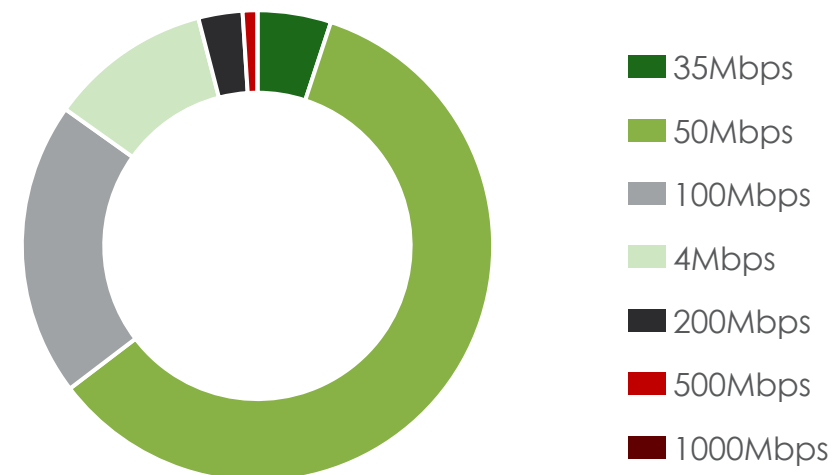


	29 February 24 Audited R'000	28 February 23 Audited R'000
Financial update		
Revenue	53 415	43 124
Cost of sales	-	-
Gross profit	53 415	43 124
Other income	2 669	4 105
Operating expenses	(36 820)	(31 094)
Operating profit	19 264	16 135
Finance costs	(7 119)	(5 206)
Net profit before tax	12 145	10 929
Taxation	(3 279)	(3 060)
Net profit after tax	8 866	7 869

OPERATIONAL UPDATE

🌿 Homes passed	12 926
🌿 Active clients	9 109
🌿 Uptake @ occupied	76.78%
🌿 Average rate per unit	R480

FIBRE LINE SPEEDS



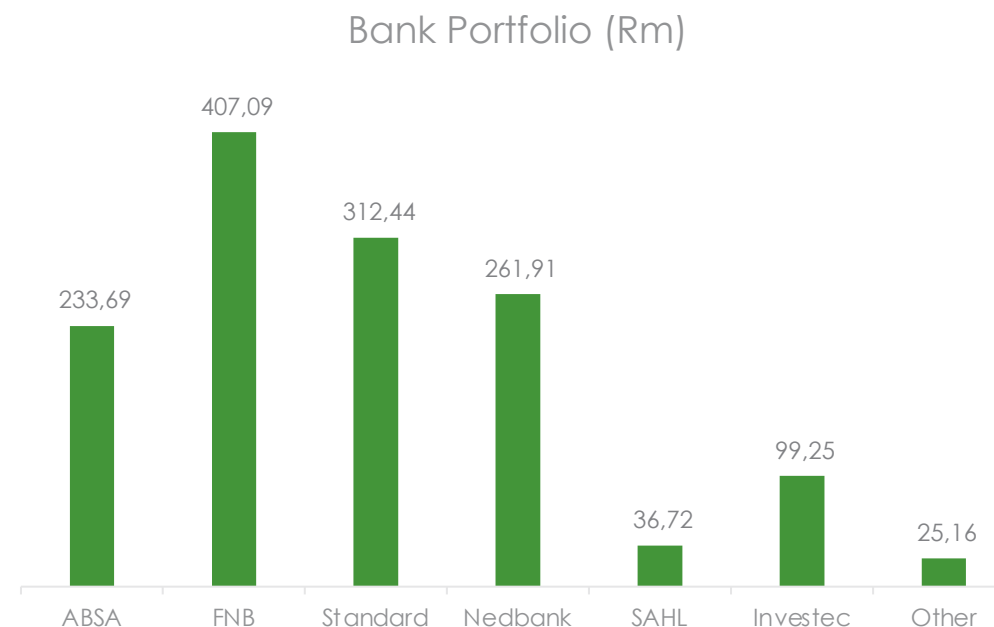
BALWIN MORTGAGES (PTY) LTD – STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 29 FEBRUARY 2024



	29 February 24 Audited R'000	28 February 23 Audited R'000
Financial update		
Revenue	12 489	16 999
Cost of sales	-	-
Gross profit	12 489	16 999
Other income	-	-
Operating expenses	(6 739)	(9 724)
Operating profit	5 750	7 275
Finance costs	-	-
Net profit before tax	5 750	7 275
Taxation	(1 552)	(2 036)
Net profit after tax	4 198	5 238

OPERATIONAL UPDATE

- 1 220 bonds secured for the period 1 March 2023 – 29 February 2024
- Green bond concession range from 0.25% - 0.75% (Conditions apply)
 - Savings for clients of ~R79.2 million over a 20-year mortgage period based on bond approved for 12-month period ended



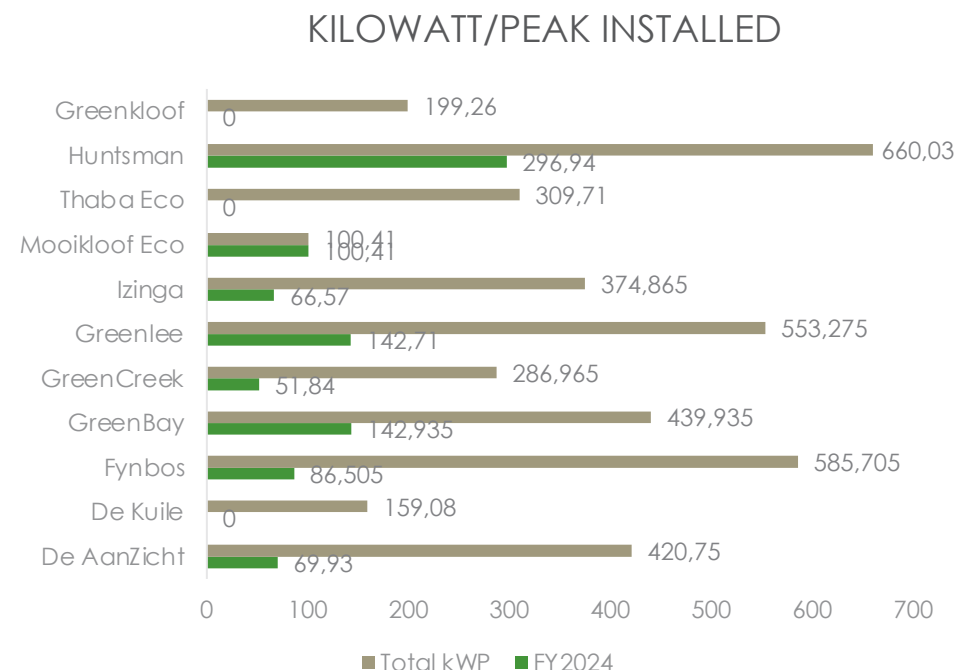
BALWIN GREEN LIVING (PTY) LTD – STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 29 FEBRUARY 2024



	29 February 24 Audited R'000	28 February 23 Audited R'000
Financial update		
Revenue	11 743	4 275
Cost of sales	-	-
Gross profit	11 743	4 275
Other income	1 109	3 137
Operating expenses	(4 364)	(2 513)
Operating profit	8 488	4 899
Finance costs	(3 110)	(3)
Net profit before tax	5 378	4 897
Taxation	(1 071)	(1 371)
Net profit after tax	4 307	3 526

OPERATIONAL UPDATE

- Operating on 11 sites
- A 10% discount on electricity tariff to clients
- Reduced emissions in Balwin Group by 2333.47tCO₂e
- 2 Active waste-water treatment plants (WWTPs)



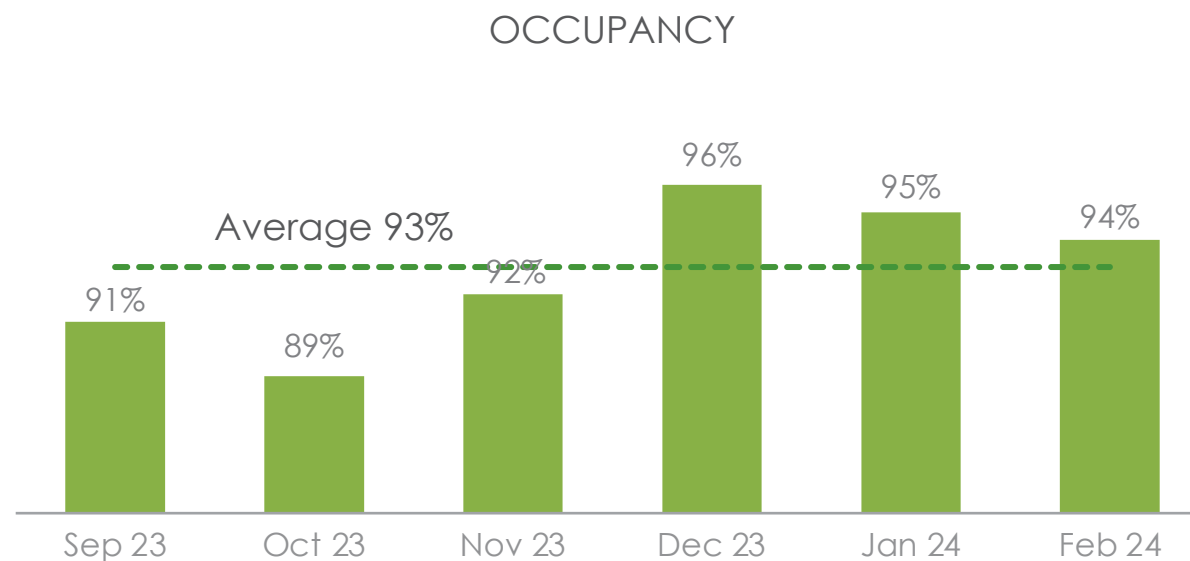
BALWIN RENTALS (PTY) LTD – STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 29 FEBRUARY 2024



	29 February 24 Audited R'000	28 February 23 Audited R'000
Financial update		
Revenue	16 631	9 419
Cost of sales	-	-
Gross profit	16 631	9 419
Other income	2 784	14 822
Operating expenses	(5 628)	(5 520)
Operating profit	10 787	18 721
Finance costs	(12 281)	(4 751)
Net profit before tax	(1 494)	13 971
Taxation	403	(3 177)
Net profit after tax	(1 091)	10 793

OPERATIONAL UPDATE

- Achieved an average occupancy of 93% for the period with a low of 89% and a high of 96%



OTHER ANNUITY BUSINESSES STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 29 FEBRUARY 2024



Financial update	29 February 24 Audited R'000	28 February 23 Audited R'000
Revenue	681	12 706
Cost of sales	(386)	-
Gross profit	295	12 706
Other income	-	4 449
Operating expenses	3 736	(18 373)
Operating profit	4 031	(1 218)
Finance costs	-	(8 312)
Net profit before tax	4 031	(9 530)
Taxation	(1 088)	2 668
Net profit after tax	2 943	(6 862)

OPERATIONAL UPDATE

Other businesses comprises of

- Approved
- Connect
- Maintenance
- Signage and towers

Highlights

- 821 Active clients on Balwin Connect
- 148 Active Balwin Insurance policies
- Head Office 100% tenanted
- 17 sites active on Balwin Technik



SUSTAINABILITY

Steve Brookes
Chief Executive Officer

GREENCREEK

SUSTAINABLE BUSINESS PRACTICES

- 🌱 Continued commitment to reducing our environmental impact through innovation in design and building techniques
- 🌱 The first South African company to have both a science-based target and Net Zero commitment approved by the International Science based target initiative
- 🌱 All new developments to target EDGE Advanced ratings (Excellence in Design for Greater Efficiency)
- 🌱 A total of 23 273 apartments registered as EDGE with the International Finance Corporation's Excellence in Design for Greater Efficiency (EDGE)
- 🌱 A total of over 15 833 apartments registered as EDGE Advanced (40% + energy savings and 20% + water savings)
- 🌱 10 lifestyle centres awarded six-star green rating from Green Building Council of SA (GBSA), including our new head office
- 🌱 10 lifestyle centres with Net Zero Carbon rating from GBSA, including our new head office.
- 🌱 1 220 green bonds secured for clients during the period, provided a total savings of R79.2 million over 20 years





LOOKING FORWARD

Steve Brookes
Chief Executive Officer

THE BLYDE MINT RESORT

THE FUTURE



- 🌱 Maintain focus on core operations by leveraging existing land bank and existing pipeline of developments
- 🌱 Opportunities for growth in strategic areas on terms that do not put liquidity and debt pressure on the group
- 🌱 Healthy position of forward sold apartments of 529
- 🌱 Key focus on cost reduction (both operational and construction)
- 🌱 Margin pressure anticipated for the remainder of the year owing to weak macro-economic outlook
- 🌱 Balwin Annuities to continue to leverage the Balwin brand, enhance client experience and generate savings for clients
- 🌱 Ongoing emphasis on responsible environmental management



An aerial photograph of a modern residential development. The image shows several multi-story apartment buildings with white facades and dark blue roofs. The buildings are arranged in a row, with a central entrance area featuring a covered walkway and a sign that reads "THABA-ECO VILLAGE". The development is situated on a hillside, with a lush green forest in the background and a clear blue sky above. A green rectangular overlay is positioned on the left side of the image, containing the word "ANNEXURES" in white capital letters.

ANNEXURES

THABA-ECO VILLAGE

OPERATING MODEL



- Development of large-scale residential estates in key target nodes
- Targeting an average profit margin of low to mid **30% range over the lifecycle** of each project
- Drive efficiencies through **turnkey approach** to development
- Maintaining costs and cash preservation**
- Development pipeline** of 41 581 apartments across 29 developments representing a development horizon of approximately 15 years
- Focus on **sustainable building practices**
- 45 international property awards** recognising innovation and excellence in business

TURNKEY DEVELOPMENT MODEL

OUR OPERATING MODEL >

APPLY BUILD-TO-SELL MODEL
TO DEVELOP LARGE-SCALE
RESIDENTIAL ESTATES IN KEY
STRATEGIC TARGET NODES

Focus exclusively on residential property

- Build quality, affordable one, two and three-bedroom sectional title apartments
- Focus on sustainable building practices with the achievement of EDGE Advanced certification for all apartments developed
- Ensure construction is scalable and adaptable to market conditions
- Expand into new and growing residential nodes in major metropolitan areas and reduce risk of regional exposure
- Aim to sell approximately 25 apartments per development per month

Drive efficiencies through
a turnkey approach to development

OUTPUTS >

LAND ACQUISITION

- Land sourcing, acquisition and financing

PROJECT PLANNING

- Project timelines
- Re-zoning
- Town planning
- Quantity surveying
- Development design and costing
- Treasury and financing
- Procurement

MARKETING AND SALES

- Marketing and pre-sales
- Bond origination

CONSTRUCTION MANAGEMENT

- Construction
- Construction management
- Quality control
- Safety, health, environmental and quality management

TRANSFER AND ESTATE MANAGEMENT

- Title deed registrations
- Establishment of body corporates
- Estate management
- Ongoing client support



CORPORATE OVERVIEW

- Specialist, national **residential property developer** of large-scale sectional title estates
- Focus on high **quality, environmentally efficient, affordable** apartments with an innovative and all inclusive **lifestyle** offering for clients
- Currently developing approximately **2 000 apartments** per year – capacity to increase to **5 000**
- Estates typically consist of between **1 000** and **3 000 apartments** – larger estates developed where market demand and infrastructure allow
- Focus on high-density, high-growth nodes across key metropolitan areas in **Johannesburg, Tshwane, Western Cape and KwaZulu-Natal**
- Approximate 15-year development pipeline of 41 581 apartments
- Lifestyle centres** typically include free Wi-Fi, a wellness spa, restaurant, gym, squash court, padel court, running track, action sports field, games room, cinema room, swimming pools, playgrounds, laundromat and a concierge



GOVERNANCE PROCESS DEVELOPMENT OPPORTUNITIES

- 🌿 Development opportunities identified
- 🌿 Internal due diligence process followed:
 - › Costs
 - › Infrastructure
 - › Zoning
 - › Independent review of nodal residential demand
- 🌿 Presented for approval to:
 - › Executive Committee
 - › Transactions Committee
 - › Board for final approval and implementation



INVESTMENT CASE



- Well positioned to address the undersupply of quality, affordable housing in the low to middle market income market
- Long-term development pipeline in key strategic locations
- Proven and flexible business model for large-scale developments
- Strong management with approximately 30-years individual experience, management are the founding directors and the majority shareholders, therefore management is aligned to the interests of shareholders
- Sustainable margins supported by high level of pre-sales
- High barriers to entry into the market
- Quality and design of international standards



DEVELOPMENT BRANDS

THE CLASSIC COLLECTION



- Core development model
- One-, two-, and three-bedroom four storey walk up apartments
- Prices range from R764 910 to R3 249 900
- Developments located in high density, high growth nodes across key metropolitan areas
- Benefits from economies of scale, in-house construction and management
- Developed on phase-by-phase basis
- Dynamic product allows for block configuration change to respond to market
- Exclusive lifestyle offering to clients as an all-inclusive value-added service



DEVELOPMENT BRANDS

THE GREEN COLLECTION



- 🌿 Model targets a slightly lower income consumer than the Classic Collection
- 🌿 Prices range from R599 900 to R1 519 900
- 🌿 Developed on a phase-by-phase approach
- 🌿 Distinctive architecture and high-quality standards
- 🌿 Residents have access to traditional lifestyle offerings associated with Balwin brand



DEVELOPMENT BRANDS

THE *Signature* COLLECTION



- Three elite model developments, The Polofields and Munyaka Lifestyle Centre apartments (Johannesburg, Waterfall) and Izinga Eco Estate (KwaZulu-Natal, Umhlanga)
- Apartments built to higher specifications with luxurious finishes
- Prices range from R899 900 to R10 999 900
- Developments built on existing land in selected nodes and follow the same phase-by-phase approach

