



**YORK TIMBER HOLDINGS LIMITED**  
**UNAUDITED CONDENSED**  
**CONSOLIDATED INTERIM**  
**FINANCIAL RESULTS**

for the six months ended 31 December 2024



# KEY FEATURES

Revenue increased by 18% to  
**R1 038 million**

Adjusted EBITDA<sup>1</sup> increased by  
R76 million to  
**R84,3 MILLION**

Debt (including the Absa IMX facility)  
increased by  
**R71,2 million**

Net debt stands at  
**R507,3 million**

Cash generated from operations  
increased from cash used of  
R7,8 million to cash generated of  
**R45,7 million**

Biological asset value increased by 5% to  
**R2 978 million**

Net working capital increased by 20% to  
**R245,2 million**

Earnings per share increased  
from 5,64 cents to  
**15,86 cents**

Headline earnings per share increased  
from 4,67 cents to  
**14,31 cents**

Core earnings per share<sup>2</sup> improved  
from a loss per share of 10,06 cents  
to a loss per share of  
**0,09 cents**

Net asset value per share increased  
from 608 cents to  
**623 cents per share**

No interim dividend has been declared for  
the six months ended 31 December 2024  
(31 December 2023: Rnil)

<sup>1</sup> Earnings before interest, taxation, depreciation, amortisation, impairment and fair value adjustment on biological assets.

<sup>2</sup> Core earnings are defined as basic earnings adjusted for fair value adjustments on biological assets after taxation. This is a non-IFRS® Accounting Standards measure.



# COMMENTARY

The results for the six months under review carried forward the momentum from the second half of the 2024 financial year. The increased harvesting of *Pinus taeda* in the Escarpment continued through our recently acquired mechanical harvesting systems.

Group revenue increased by 18% to R1 038 million and EBITDA improved from R8,3 million to R84,3 million for the reporting period. The higher EBITDA contributed to improved cash generated from operations of R45,7 million compared to cash used by operations of R7,8 million for the prior six-month period ended 31 December 2023 (prior corresponding period). These significant improvements are a result of the successful execution of the turnaround strategies implemented in the previous calendar year, which have yielded positive operating outcomes and continued to drive strong performance throughout the period under review. These improvements will benefit financial performance for the remainder of the financial year.

The closure of loss-making business units was completed during the period, the last of which related to the Stadsrivier Hout sawmill and pallet plant.

Stadsrivier Boerderij contributed R9,1 million to EBITDA with the first citrus harvest in the current period.

Operating expenses were in line with the prior corresponding period and cost of sales increased in line with an increase in revenue. Total cost as a percentage of revenue decreased by 4% and external log purchases decreased by 13% when compared to the prior corresponding period.

Lumber prices continue to increase well below inflation, but industry sales volumes have increased by 3% on an annualised basis and industry stock holding is declining. These are positive signs for sales price recovery over the medium term as well as sustained demand.

Operational improvements resulted in lumber production volumes increasing by 8% compared to the prior corresponding period. Plywood production volumes increased by 19% as a result of efficiency improvements and benefits from capital expenditure on end-of-life components of the peeler and clipper. Plywood pricing declined over the period and impacted profitability negatively.

The increased plywood production was met with soft demand in our domestic market where sales volumes declined by 3%. Our export volumes increased by 73% compared to the prior corresponding period. Although the increase is encouraging, the European and United Kingdom

markets are constrained. Plywood production volumes exceeded sales, which resulted in further elevated stock levels. Working capital increased by 20% with plywood stock holding increasing in value by R29 million compared to the prior corresponding period.

The Processing segment made a loss of R5 million compared to a profit of R5,9 million for the prior corresponding period. The Sabie sawmill continued accumulating significant losses due to low lumber prices and increases in production costs. The strategic importance of the sawmill has been reassessed, and action plans developed to curb the losses and return the mill to break-even. This process is not expected to be completed during the current financial year.

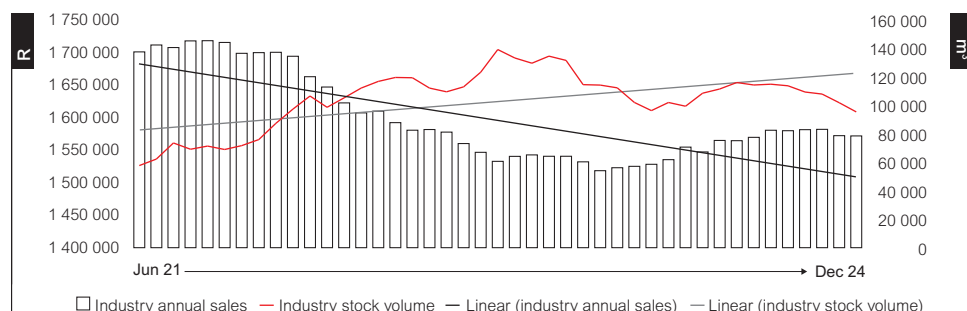
The Forestry and Fleet division generated a R66 million profit against a corresponding period loss of R9,2 million. This was a result of the continued early clearfelling of *Pinus taeda* as communicated to shareholders. The biological asset's upward adjustment was driven primarily by the lower discount rate. Standing volume was slightly lower than that reported in June, with growth and harvesting being in balance.

Forecast volume, being the estimate of the total volume available from trees planted at the reporting date when harvested, decreased compared to June. This was largely due to a higher temporary unplanted area, with late rainfall impacting our planting programme. The temporary unplanted area will normalise by June after completion of re-establishment.

Debt increased by R71,2 million and related mostly to the purchase of Pine-Valley as communicated through the Stock Exchange News Service (SENS).

While we expect some recovery in lumber pricing, the first bid round of the South African Forestry Company Limited's log prices exceeded inflation, which will, along with Eskom's tariff increases that will come into effect from April 2025, partially offset this recovery. We will focus on returning our plywood stock to acceptable levels through increasing our export programme through sales to New Zealand and Australia. Plywood pricing is expected to remain at subdued levels and fluctuate due to changes in exchange rates.

## INDUSTRY SALES – LUMBER



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2024

	Unaudited As at 31 Dec 2024 R'000	Audited As at 30 Jun 2024 R'000	Restated <sup>1</sup> Unaudited As at 31 Dec 2023 R'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Biological assets (refer to note 5)	2 603 142	2 413 641	2 203 019
Investment property	13 884	13 884	13 882
Property, plant and equipment	927 289	897 778	890 054
Intangible assets	3	33	81
Other financial assets at amortised cost	81 531	81 210	79 887
Deferred tax	2 922	5 158	4 141
<b>Total non-current assets</b>	<b>3 628 771</b>	<b>3 411 704</b>	<b>3 191 064</b>
<b>Current assets</b>			
Biological assets (refer to note 5)	374 824	411 500	454 029
Inventories	312 408	314 875	274 835
Trade and other receivables	271 583	243 534	223 948
Current tax receivable	–	2 668	1 198
Other financial assets at amortised cost	36 020	51 348	32 317
Cash and cash equivalents	27 349	56 939	96 024
<b>Total current assets</b>	<b>1 022 184</b>	<b>1 080 864</b>	<b>1 082 351</b>
<b>Total assets</b>	<b>4 650 955</b>	<b>4 492 568</b>	<b>4 273 415</b>

<sup>1</sup> Refer to note 7 for details on the restatement.

	Unaudited As at 31 Dec 2024 R'000	Audited As at 30 Jun 2024 R'000	Restated <sup>1</sup> Unaudited As at 31 Dec 2023 R'000
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	1 738 034	1 735 670	1 735 670
Reserves	16 415	19 334	18 916
Retained income	1 138 614	1 064 997	955 080
<b>Total equity</b>	<b>2 893 063</b>	<b>2 820 001</b>	<b>2 709 666</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liability	8 781	12 928	17 258
Deferred tax	810 777	785 991	747 489
Borrowings	414 174	345 123	145 851
Provisions	6 778	6 778	18 975
Retirement benefit obligations	24 163	23 526	27 328
<b>Total non-current liabilities</b>	<b>1 264 673</b>	<b>1 174 346</b>	<b>956 901</b>
<b>Current liabilities</b>			
Current tax payable	1 286	–	41
Borrowings	120 477	118 287	242 463
Lease liability	16 551	8 996	8 939
Deferred income	10 446	–	4 460
Trade and other payables	323 838	353 623	343 621
Provisions	17 709	14 403	7 324
Retirement benefit obligations	2 912	2 912	–
<b>Total current liabilities</b>	<b>493 219</b>	<b>498 221</b>	<b>606 848</b>
<b>Total liabilities</b>	<b>1 757 892</b>	<b>1 672 567</b>	<b>1 563 749</b>
<b>Total equity and liabilities</b>	<b>4 650 955</b>	<b>4 492 568</b>	<b>4 273 415</b>

<sup>1</sup> Refer to note 7 for details on the restatement.

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 31 December 2024

	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
Revenue (refer to note 3)	1 038 284	882 343	1 745 219
Cost of sales <sup>1</sup>	(708 994)	(623 863)	(1 138 803)
<b>Gross profit</b>	<b>329 290</b>	258 480	606 416
Other operating income	7 635	11 496	16 047
Operating expenses	(215 075)	(214 922)	(395 874)
Other operating gains	10 712	1 098	706
<b>Operating profit</b>	<b>132 562</b>	56 152	227 295
Investment income	10 190	10 852	16 862
Finance costs	(41 498)	(26 664)	(58 247)
<b>Profit before taxation</b>	<b>101 254</b>	40 340	185 910
Taxation	(27 637)	(14 185)	(49 838)
<b>Profit for the period</b>	<b>73 617</b>	26 155	136 072
<i>Other comprehensive income:</i>			
Remeasurement on net defined benefit liability	–	–	678
Taxation related to remeasurement on defined benefit liability	–	–	(435)
<b>Other comprehensive income for the period net of taxation</b>	<b>–</b>	–	243
<b>Total comprehensive income for the period</b>	<b>73 617</b>	26 155	136 315
Basic earnings per share (cents) (refer to note 9)	<b>15,86</b>	5,64	29,34
Diluted earnings per share (cents) (refer to note 9)	<b>15,86</b>	5,63	29,34

<sup>1</sup> The fair value gain on biological assets of R101,4 million (December 2023: gain of R99,7 million and June 2024: gain of R254,6 million) is included in cost of sales.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2024

	Unaudited six months ended 31 December 2024						
	Share capital R'000	Revaluation reserve R'000	Share-based payment reserve R'000	Defined benefit plan reserve R'000	Total reserves R'000	Retained income R'000	Total equity R'000
<b>Balance as at 1 July 2023</b>	1 735 670	14 678	2 164	1 494	18 336	928 925	2 682 931
Profit for the period	–	–	–	–	–	136 072	136 072
Other comprehensive income	–	–	–	243	243	–	243
<b>Total comprehensive income for the period and total transactions with owners</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>243</b>	<b>243</b>	<b>136 072</b>	<b>136 315</b>
Employee share option scheme	–	–	755	–	755	–	755
<b>Total contributions by and distributions to owners of the Company recognised directly in equity</b>	<b>–</b>	<b>–</b>	<b>755</b>	<b>–</b>	<b>755</b>	<b>–</b>	<b>755</b>
<b>Balance as at 30 June 2024</b>	<b>1 735 670</b>	<b>14 678</b>	<b>2 919</b>	<b>1 737</b>	<b>19 334</b>	<b>1 064 997</b>	<b>2 820 001</b>
Profit for the period	–	–	–	–	–	73 617	73 617
Other comprehensive income	–	–	–	–	–	–	–
<b>Total comprehensive income for the period and total transactions with owners</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>73 617</b>	<b>73 617</b>
Employee share option scheme	–	–	119	–	119	–	119
Vested shares from share-based payment scheme	2 364	–	(3 038)	–	(3 038)	–	(674)
<b>Total contributions by and distributions to owners recognised directly in equity</b>	<b>2 364</b>	<b>–</b>	<b>(2 919)</b>	<b>–</b>	<b>(2 919)</b>	<b>–</b>	<b>(555)</b>
<b>Balance as at 31 December 2024</b>	<b>1 738 034</b>	<b>14 678</b>	<b>–</b>	<b>1 737</b>	<b>16 415</b>	<b>1 138 614</b>	<b>2 893 063</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31 December 2024

	Unaudited Six months ended 31 Dec 2024 R'000	Restated <sup>1</sup> Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
<b>Cash generated/(used) from operations (refer to note 6)</b>	<b>45 710</b>	(7 764)	28 369
Investment income	10 190	10 852	16 862
Finance costs	(35 260)	(25 390)	(53 821)
Taxation received/(paid)	3 338	(353)	(465)
<b>Net cash from/(applied to) operating activities</b>	<b>23 978</b>	(22 655)	(9 055)
<b>Cash flows applied to investing activities</b>			
Purchase of property, plant and equipment	(59 487)	(32 214)	(62 275)
Proceeds from disposal of property, plant and equipment	13 343	7 372	8 345
Purchase of biological assets	(35 483)	–	–
Deposit paid on Schultz plantation (refer to note 15)	(15 000)	–	–
Proceeds from other financial assets at amortised cost <sup>1</sup>	24 820	50 791	63 494
Contributions to other financial assets at amortised cost <sup>1</sup>	(9 813)	(29 990)	(63 047)
Establishment cost on biological assets	(15 944)	(21 557)	(34 243)
<b>Net cash applied to investing activities</b>	<b>(97 564)</b>	(25 598)	(87 726)
<b>Cash flows (applied to)/from financing activities</b>			
Repayment of borrowings	(21 448)	(42 436)	(303 798)
Proceeds from borrowings	71 000	–	289 977
Repayment of lease liability	(6 423)	(5 077)	(10 306)
Payment of loan raising fees	–	–	(14 525)
<b>Net cash from/(applied to) financing activities</b>	<b>43 129</b>	(47 513)	(38 652)
<b>Total cash movement for the period</b>	<b>(30 457)</b>	(95 766)	(135 433)
Cash and cash equivalents at the beginning of the period	56 939	191 916	191 916
Effect of exchange rate movement on cash balances	867	(126)	456
<b>Cash and cash equivalents at the end of the period</b>	<b>27 349</b>	96 024	56 939

<sup>1</sup> In the prior corresponding period, the movement in other financial assets at amortised cost was incorrectly disclosed as a net movement. This has been corrected to disclose the gross inflows and outflows.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 1. BASIS OF PREPARATION

These unaudited condensed consolidated interim financial statements have been prepared in accordance with the JSE Limited Listings Requirements, the Companies Act of South Africa, 71 of 2008, and the Companies Regulations, 2011. The Group has applied the recognition and measurement requirements of International Financial Reporting Standards (IFRS®), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, as well as the presentation and disclosure requirements of International Accounting Standard (IAS) 34: *Interim Financial Reporting*. The financial results have been compiled under the supervision of Schalk Barnard CA(SA), the Chief Financial Officer.

These unaudited condensed consolidated interim financial statements do not include all the information required for full consolidated annual financial statements and should be read in conjunction with the audited consolidated annual financial statements as at and for the year ended 30 June 2024, which are available on the Company's website, [www.york.co.za/wp-content/uploads/2024/09/York-Timber-Holdings-Limited-AFS-30-June-2024-SIGNED-27-09-2024.pdf](http://www.york.co.za/wp-content/uploads/2024/09/York-Timber-Holdings-Limited-AFS-30-June-2024-SIGNED-27-09-2024.pdf), or on written request from York's Company Secretary, Kilgetty Statutory Services (South Africa) Proprietary Limited ([matthew.wray@kilgetty.co.za](mailto:matthew.wray@kilgetty.co.za)).

These unaudited condensed consolidated interim financial statements have not been reviewed or audited by the Company's external auditor. These unaudited condensed consolidated interim financial statements, which have been prepared on the going concern basis, were approved by the Board of Directors of the Company on 25 March 2025. These unaudited condensed consolidated interim financial statements are presented in Rand, which is the Group's functional currency. All financial information presented has been rounded to the nearest thousand.

The accounting policies are in accordance with IFRS Accounting Standards. The significant accounting policies and methods of computation are consistent in all material respects with those of the previous annual financial statements for the year ended 30 June 2024. Refer to note 7 for details on the restatement made to the 31 December 2023 published figures.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS continued

For the six months ended 31 December 2024

## 2. ADDITIONAL DISCLOSURE ITEMS

	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
<b>Authorised capital commitments</b>			
– Not yet contracted for and authorised by directors	<b>81 582</b>	57 637	73 778
– Already contracted for but not provided for <sup>1</sup>	<b>52 586</b>	14 294	39 229
Depreciation of property, plant and equipment	<b>53 133</b>	51 745	107 726
Impairment of property, plant and equipment	–	101	10 124
Amortisation of intangible assets	<b>30</b>	47	94
Provision/(write-back) of trade receivables expected credit loss provision	<b>184</b>	(1 164)	1 773

<sup>1</sup> Included in property, plant and equipment and biological assets already contracted for but not provided for is the purchase of the Stevens Lumber plantation for R41,4 million that was signed on 5 June 2024. The subject property has R17,8 million standing timber and land valued at R23,6 million. The transaction was completed in February 2025 and was funded by the Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. (FMO) facility.

The Group was not involved in any litigation settlements during the current reporting period.

## 3. REVENUE

	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
<b>Revenue from contracts with customers</b>			
Sale of goods	<b>1 029 051</b>	869 816	1 720 438
Rendering of services	<b>9 233</b>	12 527	24 781
<b>Total revenue</b>	<b>1 038 284</b>	882 343	1 745 219
<b>Disaggregation of revenue from contracts with customers</b>			
<b>Sale of goods</b>			
– Lumber sales	<b>507 104</b>	461 675	856 797
– Plywood sales	<b>343 724</b>	309 288	632 406
– Fruit and nut sales	<b>41 817</b>	11 075	24 573
– Chip sales and other revenue <sup>1</sup>	<b>31 416</b>	28 156	56 849
– Log sales	<b>107 075</b>	61 734	154 194
<b>Total</b>	<b>1 031 136</b>	871 928	1 724 819
<b>Rendering of services</b>			
– Transport income	<b>793</b>	1 752	3 337
– Income from fruit packed	<b>6 234</b>	8 407	16 700
– Accommodation income	<b>121</b>	256	363
<b>Total</b>	<b>7 148</b>	10 415	20 400
<b>Total revenue from contracts with customers</b>	<b>1 038 284</b>	882 343	1 745 219
<b>Timing of revenue recognition</b>			
<b>At a point in time</b>			
– Sale of goods	<b>1 029 051</b>	869 816	1 720 438
– Rendering of services	<b>9 112</b>	12 271	24 418
<b>Total</b>	<b>1 038 163</b>	882 087	1 744 856
<b>Over time</b>			
– Accommodation income	<b>121</b>	256	363
<b>Total revenue from contracts with customers</b>	<b>1 038 284</b>	882 343	1 745 219

<sup>1</sup> Mainly consists of chip sales, sawdust and other ancillary sales.

Refer to note 4 for revenue per geographical area.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS continued

For the six months ended 31 December 2024

## 4. OPERATING SEGMENTS

The Group has four reportable segments which are the Group's strategic divisions. The Group's sales channels target both wholesale and retail markets in South Africa, countries in the Southern Africa Development Community (SADC) and non-SADC regions. The non-SADC sales refer to plywood sales to the United Kingdom, Belgium, Italy, Holland, Germany, Australia and New Zealand.

The segment information has been enhanced for both prior and current period in light of the IFRIC final agenda decision relating to IFRS 8: *Operating Segments* on the disclosure of income and expenses line items for reportable segments.

The segmental analysis is as follows:

	Processing plants		
	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
<b>Revenue: external sales</b>			
– Lumber sales	344 109	306 011	592 845
– Plywood sales	285 186	224 168	479 231
– Chip sales and other revenue	31 225	27 048	55 568
<b>Revenue: inter-segment sales</b>	<b>133 467</b>	168 353	314 715
<b>Total revenue</b>	<b>793 987</b>	725 580	1 442 359
<b>Revenue by geographical location</b>			
– South Africa	490 180	431 733	854 273
– SADC	95 908	75 278	162 992
– International (non-SADC)	74 432	50 216	110 379
<b>Revenue: inter-segment sales</b>	<b>133 467</b>	168 353	314 715
<b>Total revenue</b>	<b>793 987</b>	725 580	1 442 359

## 4. OPERATING SEGMENTS continued

	Processing plants		
	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
<b>Material segment expenses</b>			
– Depreciation, amortisation and impairment	(30 709)	(28 818)	(72 576)
– Employment cost	(131 174)	(121 740)	(243 238)
– Utilities	(50 361)	(45 194)	(90 084)
– Fuel	(10 831)	(12 815)	(25 689)
– Transport	(51 910)	(44 920)	(92 138)
– Insurance	(8 367)	(13 835)	(25 232)
– Purchases: inter-segment	(382 593)	(344 810)	(695 441)
<b>Reportable segment (loss)/profit<sup>1</sup></b>	<b>(5 205)</b>	5 934	42 554
<b>Segment assets</b>			
Property, plant and equipment <sup>2</sup>	516 365	520 025	522 464
Inventory	213 036	170 567	198 482
Capital expenditure	28 553	26 583	71 632

<sup>1</sup> Being EBITDA and fair value adjustments on biological assets.

<sup>2</sup> The processing plants property, plant and equipment balance was corrected from R395 million to R520 million in December 2023.



# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS continued

For the six months ended 31 December 2024

## 4. OPERATING SEGMENTS continued

	Wholesale		
	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
<b>Revenue: external sales</b>			
– Lumber sales	162 995	155 664	263 952
– Plywood sales	58 538	85 120	153 175
– Chip sales and other revenue	117	571	994
<b>Revenue: inter-segment sales<sup>2</sup></b>	<b>807</b>	113	532
<b>Total revenue</b>	<b>222 457</b>	241 468	418 653
<b>Revenue by geographical location</b>			
– South Africa	209 586	221 420	383 681
– SADC	12 064	19 600	33 860
– International (non-SADC)	–	335	580
<b>Revenue: inter-segment sales<sup>2</sup></b>	<b>807</b>	113	532
<b>Total revenue</b>	<b>222 457</b>	241 468	418 653
<b>Material segment expenses</b>			
– Depreciation, amortisation and impairment	(4 798)	(4 798)	(9 612)
– Employment cost	(6 899)	(9 279)	(18 387)
– Utilities	(806)	(1 417)	(4 059)
– Fuel	(1 839)	(2 161)	(4 106)
– Transport	(4 060)	(5 493)	(8 774)
– Insurance	(360)	(743)	(1 485)
– Purchases: inter-segment	(130 445)	(168 343)	(314 918)
<b>Reportable segment profit<sup>1</sup></b>	<b>15 051</b>	9 567	5 868
<b>Segment assets</b>			
Property, plant and equipment	17 822	26 457	21 654
Inventory	55 795	53 663	67 581
Capital expenditure	966	–	124

<sup>1</sup> Being EBITDA and fair value adjustments on biological assets.

<sup>2</sup> The wholesale revenue: inter-segment sales was corrected from R33 million to R113 thousand in December 2023. Previously the sales within the wholesale segment was erroneously included in the total.

## 4. OPERATING SEGMENTS continued

	Forestry and Fleet		
	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
<b>Revenue: external sales</b>			
– Chip sales and other revenue	–	–	4
– Log sales	107 075	61 734	154 194
– Transport income	793	1 752	3 337
<b>Revenue: inter-segment sales</b>	<b>379 054</b>	342 524	695 300
<b>Total revenue</b>	<b>486 922</b>	406 010	852 835
<b>Revenue by geographical location</b>			
– South Africa	107 868	63 486	157 535
– SADC	–	–	–
– International (non-SADC)	–	–	–
<b>Revenue: inter-segment sales</b>	<b>379 054</b>	342 524	695 300
<b>Total revenue</b>	<b>486 922</b>	406 010	852 835

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS continued

For the six months ended 31 December 2024

## 4. OPERATING SEGMENTS continued

	Forestry and Fleet		
	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
<b>Material segment expenses</b>			
– Depreciation, amortisation and impairment	(14 693)	(13 861)	(30 389)
– Employment cost	(50 230)	(42 940)	(86 138)
– Utilities	(1 890)	(1 415)	(3 134)
– Fuel	(13 460)	(16 352)	(30 885)
– Transport	(26 195)	(17 195)	(40 791)
– External log purchases	(138 797)	(159 680)	(283 088)
– Insurance	(8 632)	(13 047)	(26 220)
– Harvesting cost	(65 794)	(50 804)	(104 974)
– Silviculture and maintenance cost	(21 566)	(21 321)	(39 778)
<b>Reportable segment profit/(loss)<sup>1</sup></b>	<b>65 980</b>	<b>(9 180)</b>	<b>45 769</b>
<b>Other non-cash items</b>			
– Fair value adjustment to biological assets included in cost of sales	105 085	99 175	250 667
<b>Segment assets</b>			
Property, plant and equipment	237 442	182 448	199 204
Biological assets	2 970 624	2 649 935	2 814 112
Inventory	37 478	46 740	44 147
Capital expenditure	80 765	39 585	67 636

<sup>1</sup> Being EBITDA and fair value adjustments on biological assets.

## 4. OPERATING SEGMENTS continued

	Agriculture		
	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
<b>Revenue: external sales</b>			
– Fruit and nut sales	41 817	11 075	24 573
– Chip sales and other revenue	19	448	92
– Income from fruit packed	6 234	8 407	16 700
<b>Total revenue</b>	<b>48 070</b>	<b>19 930</b>	<b>41 365</b>
<b>Revenue by geographical location</b>			
– South Africa	37 925	13 879	35 314
– SADC	–	–	–
– International (non-SADC)	10 145	6 051	6 051
<b>Total revenue</b>	<b>48 070</b>	<b>19 930</b>	<b>41 365</b>
<b>Material segment expenses</b>			
– Depreciation, amortisation and impairment	(1 483)	(1 357)	(2 708)
– Employment cost	(8 023)	(6 130)	(11 567)
– Utilities	(1 257)	(949)	(2 250)
– Fuel	(571)	(697)	(1 245)
– Transport	(24)	–	(3)
– Insurance	(1 546)	(1 265)	(2 786)
– Purchases: inter-segment	(229)	–	(3)
<b>Reportable segment profit<sup>1</sup></b>	<b>9 402</b>	<b>4 815</b>	<b>552</b>

<sup>1</sup> Being EBITDA and fair value adjustments on biological assets.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS continued

For the six months ended 31 December 2024

## 4. OPERATING SEGMENTS continued

	Agriculture		
	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
<b>Other non-cash items</b>			
– Fair value adjustment to biological assets included in cost of sales	(3 688)	570	3 967
<b>Segment assets</b>			
Property, plant and equipment	89 329	84 647	87 977
Biological assets	7 342	7 114	11 029
Inventory	5 906	3 650	4 470
Capital expenditure	1 214	651	5 915

## 4. OPERATING SEGMENTS continued

	Total		
	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
<b>Revenue: external sales</b>			
– Lumber sales	507 104	461 675	856 797
– Plywood sales	343 724	309 288	632 406
– Fruit and nut sales	41 817	11 075	24 573
– Chip sales and other revenue	31 361	28 067	56 658
– Log sales (external)	107 075	61 734	154 194
– Transport income	793	1 752	3 337
– Income from fruit packed	6 234	8 407	16 700
<b>Revenue: inter-segment sales<sup>1</sup></b>	<b>513 328</b>	510 990	1 010 547
<b>Total revenue</b>	<b>1 551 436</b>	1 392 988	2 755 212
<b>Revenue by geographical location</b>			
– South Africa	845 559	730 518	1 430 803
– SADC	107 972	94 878	196 852
– International (non-SADC)	84 577	56 602	117 010
<b>Revenue: inter-segment sales<sup>1</sup></b>	<b>513 328</b>	510 990	1 010 547
<b>Total revenue</b>	<b>1 551 436</b>	1 392 988	2 755 212

<sup>1</sup> The wholesale revenue: inter-segment sales was corrected from R33 million to R113 thousand in December 2023. Previously the sales within the wholesale segment was erroneously included in the total. The total segment revenue: inter-segment sales has also consequently changed.



# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS continued

For the six months ended 31 December 2024

## 4. OPERATING SEGMENTS continued

	Total		
	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
<b>Material segment expenses</b>			
– Depreciation, amortisation and impairment	(51 683)	(48 834)	(115 285)
– Employment cost	(196 326)	(180 089)	(359 330)
– Utilities	(54 314)	(48 975)	(99 527)
– Fuel	(26 701)	(32 025)	(61 925)
– Transport	(82 189)	(67 608)	(141 706)
– External log purchases	(138 797)	(159 680)	(283 088)
– Insurance	(18 905)	(28 890)	(55 723)
– Harvesting cost	(65 794)	(50 804)	(104 974)
– Silviculture and maintenance cost	(21 566)	(21 321)	(39 778)
– Purchases: inter-segment	(513 267)	(513 153)	(1 010 362)
<b>Reportable segment profit<sup>1</sup></b>	<b>85 228</b>	<b>11 136</b>	<b>94 743</b>
<b>Other non-cash items</b>			
– Fair value adjustment to biological assets included in cost of sales	101 397	99 745	254 634
<b>Segment assets</b>			
Property, plant and equipment <sup>2</sup>	860 958	813 577	831 299
Biological assets	2 977 966	2 657 049	2 825 141
Inventory	312 215	274 620	314 680
Capital expenditure	111 498	66 819	145 307

<sup>1</sup> Being EBITDA and fair value adjustments on biological assets.

<sup>2</sup> The processing plants property, plant and equipment balance was corrected from R395 million to R520 million in December 2023. The total segment property, plant and equipment has also consequently changed.

## 4. OPERATING SEGMENTS continued

	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
<b>Reconciliation of reportable segment revenue and profit</b>			
Total revenue for reportable segments	1 551 436	1 392 988	2 755 212
Non-reporting segment revenue	176	345	554
Elimination of reportable inter-segment revenue	(513 328)	(510 990)	(1 010 547)
<b>Consolidated revenue</b>	<b>1 038 284</b>	<b>882 343</b>	<b>1 745 219</b>
<b>Reconciliation of reportable segment profit</b>			
Total EBITDA for reportable segments <sup>1</sup>	85 228	11 136	94 743
Depreciation and amortisation for reportable segments	(51 683)	(48 834)	(115 285)
Depreciation, amortisation and impairment for non-reporting segments	(1 480)	(3 059)	(2 659)
Non-reporting segments EBITDA <sup>1</sup>	(900)	(2 836)	(4 138)
Fair value adjustment on biological assets	101 397	99 745	254 634
<b>Operating profit</b>	<b>132 562</b>	<b>56 152</b>	<b>227 295</b>

<sup>1</sup> Being EBITDA and fair value adjustments on biological assets.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS continued

For the six months ended 31 December 2024

## 5. BIOLOGICAL ASSETS

### Plantation biological assets

The calculation to establish the value of the plantation biological assets is based on existing, sustainable harvesting plans and assessments regarding growth, timber prices, harvesting and silviculture costs and selling expenses. The calculation is performed for a harvesting cycle for biological assets that the Group estimates to average 20 to 23 years (June 2024: 20 to 23 years) and does not include replanting of trees once harvested. The change in value is recognised as part of cost of sales in the statement of profit or loss and other comprehensive income.

The plantation biological assets are measured at fair value less costs to sell, at each reporting period (31 December and 30 June), with any resultant gain or loss recognised in cost of sales.

The valuation model considers the present value of the net cash flows expected to be generated from the plantations. The expected cash flows are risk-adjusted for current economic conditions.

Trees that are expected to be harvested in the next 12 months are disclosed under current assets. Biological assets are transferred to inventory upon harvesting.

The operating cycle will commence when the biological assets reach clearfell age of 20 to 23 years whereafter the biological assets will be consumed in the next 12 months as part of the normal operating cycle.

Establishment costs which include activities such as site preparation, planting and the cost of seedlings are capitalised to the biological assets. All subsequent costs are expensed through profit or loss.

## 5. BIOLOGICAL ASSETS continued

### Plantation biological assets continued

The pine and eucalyptus plantations have been classified as Level 3 in the fair value hierarchy.

	Unaudited Six months ended 31 Dec 2024 R'000	Audited Year ended 30 Jun 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000
<b>Change in discounted cash flow (DCF) value attributable to:</b>			
Opening balance	2 814 112	2 529 202	2 529 202
Change in product mix and age <sup>1</sup>	7 438	294 806	(13 197)
Revenue and price <sup>2</sup>	245 825	(56 243)	104 664
Operating cost	(196 750)	(99 859)	(173 180)
Discount rate	154 256	197 175	140 057
Establishment cost	15 944	34 243	21 557
Change in volume <sup>3</sup>	(105 683)	(85 212)	40 831
Purchased plantations	35 483	–	–
<b>Closing balance</b>	<b>2 970 625</b>	2 814 112	2 649 934
Classified as non-current assets	2 603 142	2 413 641	2 203 019
Classified as current assets <sup>4</sup>	367 483	400 471	446 915

<sup>1</sup> Represents the cash flow profile change from the prior corresponding period yield forecast as a result of the change in the product mix and the age profile of the plantation biological assets.

<sup>2</sup> Revenue and price changes relate to inflationary adjustments over the next year, the following year and over the long term.

<sup>3</sup> Change in volume in the DCF model refers to changes in the forecast yield at maturity of planted trees. Temporary unplanted hectares increased by 926 hectares from the prior reporting period. The DCF volumes over the 20 to 23-year period decreased from the prior reporting period by 832 275m<sup>3</sup>. An accuracy factor is used to calculate the accounting estimated volume. This is a downwards adjustment of harvestable volume.

<sup>4</sup> The biological assets to be harvested and sold in the 12 months after year-end.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS continued

For the six months ended 31 December 2024

## 5. BIOLOGICAL ASSETS continued

### Plantation biological assets continued

	Unaudited Six months ended 31 Dec 2024 R'000	Audited Year ended 30 Jun 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000
<b>Reconciliation of biological assets due to changes in standing volume: pine and eucalyptus trees</b>			
Opening balance	2 814 112	2 529 202	2 529 202
<i>Fair value adjustment</i>			
– Increase due to growth and enumerations <sup>5</sup>	82 398	346 016	167 996
– Decrease due to harvesting	(91 715)	(251 106)	(116 256)
– Adjustment to standing timber values to reflect changes to sales price, cost and discount rate assumptions	114 403	155 757	47 435
Establishment cost	15 944	34 243	21 557
Purchased plantations	35 483	–	–
<b>Closing balance</b>	<b>2 970 625</b>	<b>2 814 112</b>	<b>2 649 934</b>
Classified as non-current assets	2 603 142	2 413 641	2 203 019
Classified as current assets <sup>4</sup>	367 483	400 471	446 915

	Unaudited Six months ended 31 Dec 2024 m³	Audited Year ended 30 Jun 2024 m³	Unaudited Six months ended 31 Dec 2023 m³
<b>Reconciliation of pine and eucalyptus standing volume</b>			
Opening balance	7 149 097	6 890 527	6 890 527
Increase due to growth and enumerations <sup>5</sup>	224 483	942 681	457 687
Decrease due to harvesting and sales	(249 867)	(684 111)	(316 726)
<b>Closing balance</b>	<b>7 123 713</b>	<b>7 149 097</b>	<b>7 031 488</b>

<sup>4</sup> The biological assets to be harvested and sold in the 12 months after year-end.

<sup>5</sup> Enumerations refer to updates made to the merchandising model's data due to more accurate information being collected about the trees in the plantations. These are used to adjust the model's theoretical yields to actual yields and are done systematically over the life of the plantations.

## 5. BIOLOGICAL ASSETS continued

### Plantation biological assets continued

#### Methodology and key assumptions used in determining the fair value of the pine and eucalyptus trees

The key inputs into the DCF model are set out below:

- **Log prices:** Log prices per cubic metre and per log class are based on current and future expected market prices. Future prices were adjusted upwards for inflation by 2,5% over the next year, 3% over the following year and 4,5% over the long term (June 2024: 1,6% over the next year, 1,5% over the following year and 4,5% over the long term).
- **Operating costs:** Costs include harvesting, maintenance and associated fixed overhead costs as well as a contributory asset charge. No replanting and associated costs are included. The overheads are based on a unit cost on the remaining planted hectares and reduce over the discount period as the remaining planted hectares reduce. Future costs, other than electricity and wages, were adjusted upwards for inflation by 4,5% over the next year, 4,5% over the following year and 4,5% over the long term (June 2024: 4,6% over the next year, 4,5% over the following year and 4,5% over the long term). Electricity and wage costs increased by 12,70% and 6% (June 2024: 12% and 5,85%), respectively.
- **Costs to sell:** Costs to sell include harvesting costs and the cost to bring logs to roadside that are part of operating costs.
- **Discount rate:** In determining the weighted average cost of capital (WACC), a comparable group of local and international forestry companies' Beta is used to determine the Beta applied in the WACC. The Group applied the debt/equity ratio of market participants included in its comparable company basket.
- **Volume and volume adjustment factor:** The total maturity volumes over the 20 to 23-year cycle are 21 404 682m³ (June 2024: 22 236 957m³). The projected volumes from the harvesting plans are risk-adjusted by a weighted average of 2% (June 2024: 2%) based on the most recent actual yield reconciliation data to account for normal and abnormal deviations and operational losses.



# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS continued

For the six months ended 31 December 2024

## 5. BIOLOGICAL ASSETS continued

### Plantation biological assets continued

Methodology and key assumptions used in determining the fair value of the pine and eucalyptus trees continued

	Unaudited Six months ended 31 Dec 2024 m³	Audited Year ended 30 Jun 2024 m³	Unaudited Six months ended 31 Dec 2023 m³
<b>Maturity volume by year</b>			
Year 1 to 5	3 467 564	3 792 821	3 537 557
Year 6 to 10	5 569 661	5 515 513	6 790 334
Year 11 to 15	5 931 459	5 940 519	5 831 417
Year 16 and above	6 435 998	6 988 104	7 218 980
<b>Closing balance</b>	<b>21 404 682</b>	<b>22 236 957</b>	<b>23 378 288</b>

### Key assumptions used in the DCF valuation

	Unaudited Six months ended 31 Dec 2024	Audited Year ended 30 Jun 2024	Unaudited Six months ended 31 Dec 2023
Risk-free rate <sup>1</sup>	10,33%	11,41%	11,39%
Beta factor <sup>2</sup>	1,05	0,97	1,01
Cost of equity	16,82%	17,41%	17,65%
Post-tax cost of debt	8,21%	8,58%	8,58%
Debt/equity ratio <sup>2</sup>	24:76	22:78	22:78
After-tax WACC	14,80%	15,43%	15,67%

<sup>1</sup> The 10-year South African Government Bonds generic bid yield (GSAB10YR) was used.

<sup>2</sup> The Group applied a levered Beta and a debt/equity ratio of the market participants included in its comparable company basket.

## 5. BIOLOGICAL ASSETS continued

### Key assumptions used in the DCF valuation continued

Methodology and key assumptions used in determining the fair value of the pine and eucalyptus trees continued

	Unaudited Six months ended 31 Dec 2024 R'000	Audited Year ended 30 Jun 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000
<b>Sensitivity analysis</b>			
100 basis points increase in the current log price	52 879	49 055	47 738
25 basis points increase in the forecast log prices (years 1 and 2 and long term)	103 091	94 998	98 430
25 basis points increase in the forecast cost inflation rate	(38 099)	(34 935)	(35 431)
50 basis points increase in the pre-tax cost of debt	(22 283)	(19 782)	(19 745)
25 basis points increase in the discount rate	(64 276)	(59 750)	(61 361)
100 basis points increase in projected volumes	52 879	49 055	49 170

### Unharvested fruit biological assets

	Unaudited Six months ended 31 Dec 2024 R'000	Audited Year ended 30 Jun 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000
<b>Reconciliation of unharvested fruit biological assets</b>			
Opening balance	11 029	7 063	7 063
Change in fair value attributable to:	(3 688)	3 966	51
Avocados, macadamias and citrus harvested	(11 029)	(7 063)	(6 819)
Growth of unharvested avocados, macadamias and citrus	7 341	11 029	6 768
<b>Closing balance</b>	<b>7 341</b>	<b>11 029</b>	<b>7 114</b>
Classified as current assets <sup>1</sup>	7 341	11 029	7 114

<sup>1</sup> The biological assets to be harvested and sold in the 12 months after year-end.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS continued

For the six months ended 31 December 2024

## 5. BIOLOGICAL ASSETS continued

### Unharvested fruit biological assets continued

#### Methodology and key assumptions used in determining the fair value of the avocado and macadamia produce

**Prices:** The fair value of avocados, citrus and macadamias growing on the bearer plants is determined by reference to market prices for local, export and reject classes, which vary between R1,54/kg and R21,19/kg for avocados (June 2024: R1,54/kg and R25,75/kg), R1,34/kg and R8,59/kg for citrus (June 2024: R0,84/kg and R8,77/kg) and R30,74/kg for macadamias (June 2024: R31,86/kg) adjusted for expected costs to reach maturity, which is typically three to nine months after the end of the reporting period.

**Costs to sell:** Costs to sell include packaging costs and harvesting costs of R0,31/kg for citrus (June 2024: R0,74/kg), R1,10/kg for avocados (June 2024: R0,96/kg) and R4,30/kg for macadamias (June 2024: R5,38/kg).

**Volume:** The agricultural produce volumes were reduced by a weighted average of 1% (June 2024: 1%) for avocados and citrus and 9% (June 2024: 11%) moisture loss for macadamias. These adjustments were based on the historical actual volumes harvested compared to estimated volumes and volume distribution between export, local and reject markets on the historical pack-out yields.

	Unaudited Six months ended 31 Dec 2024 R'000	Audited Year ended 30 Jun 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000
<b>Sensitivity analysis</b>			
100 basis points increase in market prices	80	119	76
25 basis points increase in harvesting cost	(2)	(2)	(1)
100 basis points increase in volumes	73	110	71

#### Reconciliation of biological assets (pine and eucalyptus trees and unharvested fruit)

	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
Classified as non-current assets	2 603 142	2 413 641	2 203 019
Classified as current assets <sup>1</sup>	374 824	411 500	454 029
<b>Closing balance</b>	<b>2 977 966</b>	<b>2 825 141</b>	<b>2 657 048</b>

<sup>1</sup> The biological assets to be harvested and sold in the 12 months after year-end.

## 6. CASH FLOWS FROM OPERATING ACTIVITIES

	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
Profit for the period	73 617	26 155	136 072
<i>Adjustments for:</i>			
Income tax expense	27 637	14 185	49 838
Depreciation and amortisation	53 163	51 792	107 820
Profit on disposal of assets	(9 845)	(1 224)	(254)
(Profit)/loss on foreign exchange	(867)	126	(452)
Investment income	(10 190)	(10 852)	(16 862)
Finance costs	41 498	26 664	58 247
Fair value gains	(101 398)	(99 745)	(254 634)
Movement in retirement benefit liabilities	637	898	684
Share-based payment expense: equity-settled	119	580	755
Impairment on assets	–	–	10 122
Impairment on trade receivables	(184)	1 164	1 773
<b>Changes in working capital</b>			
Decrease/(increase) in inventories	2 467	(30 385)	(70 944)
(Increase)/decrease in trade accounts receivable	(5 229)	13 377	(16 522)
(Increase)/decrease in other operating receivables	(5 341)	(8 433)	14 363
(Decrease)/increase in trade accounts payable	(17 515)	12 175	(13 370)
(Decrease)/increase in other operating payables	(16 611)	(13 826)	21 726
Deferred income	10 446	4 460	–
Movement in provisions	3 306	5 125	7
<b>Net cash generated/(used) from operations</b>	<b>45 710</b>	<b>(7 764)</b>	<b>28 369</b>

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS continued

For the six months ended 31 December 2024

## 6. CASH FLOWS FROM OPERATING ACTIVITIES continued

	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
<b>Borrowings</b>			
Opening balance	463 410	393 677	393 677
<i>Cash flow movement:</i>			
Repayment of borrowings	(21 448)	(42 436)	(303 798)
Payment of loan raising fees	–	–	(14 525)
Proceeds from borrowings	71 000	–	289 977
<i>Non-cash flow movement:</i>			
Loan raising fee amortisation	776	162	756
New instalment sale agreements entered into	20 203	36 911	95 722
Interest accrued	710	–	1 601
<b>Closing balance</b>	<b>534 651</b>	<b>388 314</b>	<b>463 410</b>
<b>Lease liabilities</b>			
Opening balance	21 922	30 161	30 161
<i>Cash flow movement:</i>			
Repayment of leases	(6 423)	(5 077)	(10 306)
<i>Non-cash flow movement:</i>			
Interest accrued	1 089	1 113	2 067
Additions to lease liability	8 744	–	–
<b>Closing balance</b>	<b>25 332</b>	<b>26 197</b>	<b>21 922</b>

## 7. RESTATEMENT

The other financial asset at amortised cost relates to two contingency insurance policies of which one automatically renews at the end of each policy year. At renewal, the invested funds are automatically reinvested for the following policy year. However, these funds are available to the Group to fund its short-term insurance premiums which the Group has done in the past and expects to do the same in the coming year. As such, this portion of the fund should be classified as a current asset. In the December 2023 reporting period, the total fund was classified as a non-current asset. The correction resulted in the prior year non-current assets reducing by R32,3 million and current assets increasing by the same amount.

	Balance previously stated R'000	Restatement R'000	Balance restated R'000
<i>Non-current assets</i>			
Other financial assets at amortised cost	112 204	(32 317)	79 887
Total non-current assets	3 223 381	(32 317)	3 191 064
<i>Current assets</i>			
Other financial assets at amortised cost	–	32 317	32 317
<b>Total current assets</b>	<b>1 050 034</b>	<b>32 317</b>	<b>1 082 351</b>

## 8. RELATED PARTIES

The Group's related parties are its subsidiaries and key management, including directors. There were no changes to the related parties from 30 June 2024.



# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS continued

For the six months ended 31 December 2024

## 9. BASIC EARNINGS PER SHARE

The calculation of basic earnings per share is based on:

	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
Basic earnings attributable to ordinary shareholders	73 617	26 155	136 072
<b>Reconciliation of weighted average number of ordinary shares</b>			
Weighted average number of ordinary shares used for basic earnings per share	463 753	463 753	463 753
<i>Adjusted for:</i>			
Repurchase of shares	472	–	–
<b>Total weighted average number of ordinary shares used for basic earnings per share</b>	<b>464 225</b>	463 753	463 753
Bonus element of share-based payment	–	903	1 025
Weighted average number of ordinary shares in issue	464 225	464 656	464 778
<b>Earnings per share (cents)</b>	<b>15,86</b>	5,64	29,34
<b>Diluted earnings per share (cents)</b>	<b>15,86</b>	5,63	29,28

## 10. HEADLINE EARNINGS PER SHARE

The calculation of headline earnings per share is based on:

	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
<b>Reconciliation of basic earnings to headline earnings</b>			
Basic earnings attributable to ordinary shareholders	73 617	26 155	136 072
Profit on sale of assets and liabilities (net of tax)	(7 188)	(893)	(185)
Impairment of plant and equipment (net of tax)	–	–	7 390
Insurance payouts from loss of assets	–	(3 592)	(3 592)
<b>Headline earnings for the period</b>	<b>66 429</b>	21 670	139 685
<b>Headline earnings per share (cents)</b>	<b>14,31</b>	4,67	30,12
<b>Diluted headline earnings per share (cents)</b>	<b>14,31</b>	4,66	30,05

## 11. CORE EARNINGS PER SHARE

Core earnings are defined as basic earnings adjusted for fair value adjustments on biological assets after taxation. This is a non-IFRS Accounting Standards measure.

The calculation of core earnings per share is based on:

	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
Basic earnings attributable to ordinary shareholders	73 617	26 155	136 072
Fair value adjustment on biological assets (net of tax)	(74 020)	(72 814)	(185 883)
<b>Core loss for the period</b>	<b>(403)</b>	(46 659)	(49 811)
<b>Core loss per share (cents)</b>	<b>(0,09)</b>	(10,06)	(10,74)
<b>Diluted core loss per share (cents)</b>	<b>(0,09)</b>	(10,04)	(10,72)

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS continued

For the six months ended 31 December 2024

## 12. FAIR VALUE MEASUREMENT

The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:

**Level 1:** Quoted unadjusted prices in active markets for identical assets or liabilities that the Group can access at measurement date.

**Level 2:** Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly.

**Level 3:** Unobservable inputs for the asset or liability.

### Levels of fair value adjustments

	Unaudited Six months ended 31 Dec 2024 R'000	Unaudited Six months ended 31 Dec 2023 R'000	Audited Year ended 30 Jun 2024 R'000
<b>Level 3 recurring fair value measurements</b>			
Investment property	13 884	13 884	13 882
Residential property	33 869	24 567	33 901
<b>Biological assets</b>			
– Pine and eucalyptus trees	2 970 625	2 649 934	2 814 112
– Unharvested fruit	7 341	7 114	11 029

The pine and eucalyptus biological asset valuation model considers the present value of the net cash flows expected to be generated from the plantations. The cash flow projections include specific estimates for 20 to 23 years (June 2024: 20 to 23 years). The expected cash flows are risk-adjusted for current economic conditions (refer to note 5).

The unharvested fruit volumes are calculated by reference to historical pack-out rates determined by reference to market prices for different class products and adjusted for the cost to reach maturity. Significant estimates include the expected agricultural produce yields and quality, and the expected market price (refer to note 5).

For investment property there is a three-year external valuation cycle and external valuations were performed on 29 June 2023. A comparable sales approach was used to value the investment properties.

The carrying values of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximately equal their fair values.

## 13. COVENANT COMPLIANCE

The Group's loan with FMO is subject to covenants, whereby the Group is required to meet certain key financial ratios that are measured quarterly, on a rolling 12-month basis. The Group met all covenants as at 31 December 2024. The following covenants are required:

Financial covenant	Required ratio	As calculated	Compliant
Current cover ratio	>= 1,5x	2	Yes
Solvency ratio	>45%	62%	Yes
Net debt-to-EBITDA ratio	<5,5x	3	Yes

## 14. SIGNIFICANT TRANSACTIONS DURING THE PERIOD

During the period, the Group acquired land valued at R29 million, standing timber valued at R35 million and fixed improvements valued at R1 million from Sappi, as announced on SENS on 29 January 2024. The acquisition was financed through a facility from FMO.

## 15. EVENTS AFTER THE REPORTING PERIOD

The Group concluded an increase in the long-term debt facility with FMO from R350 million to R425 million that was approved on 23 January 2025. R41,3 million of the increased facility was used to purchase Stevens Lumber plantation (Schultz plantation) as announced on SENS on 21 August 2024. The transaction was registered in the Deeds Office on 27 February 2025.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

continued

For the six months ended 31 December 2024

## 16. GOING CONCERN

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

The Group's strategy to increase the rotation period of its plantations continues to put pressure on liquidity because of the need to procure logs externally. The Group has the flexibility to harvest its own plantations instead of procuring logs externally to improve liquidity. The finalisation of the acquisitions of the Pine-Valley (December 2024) and Schultz plantations (February 2025) provides the Group with access to additional logs which can be harvested to alleviate liquidity constraints.

The Group is in compliance with the covenants imposed under the FMO facility as of 31 December 2024 and is expected to be in compliance for the next 12 months based on the forecast for the remainder of the calendar year. There are certain covenants that will be under pressure, but this can be alleviated if the Group harvests more of its own timber for processing. This will improve cash generation and cash earnings.

The annual review of the Absa working capital facilities is in process. Absa indicated a reduction in the asset finance and IMX lending rates. The Daimler asset-backed financing is currently under review.

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

The directors have satisfied themselves that the Group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the Group. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Group.

Management has assessed the appropriateness of the use of the going concern assumption in the preparation of these interim financial statements through a review of the 12-month cash flow forecast and based on the assessment, management is of the view that the Group will continue to operate as a going concern.

# COMPANY INFORMATION

## YORK TIMBER HOLDINGS LIMITED

Incorporated in the Republic of South Africa  
Registration number: 1916/004890/06  
JSE share code: YRK  
ISIN: ZAE000133450  
(York, the Company or the Group)

## DIRECTORS

### Executive directors

Gabriël Stoltz (*Chief Executive Officer*)  
Schalk Barnard (*Chief Financial Officer*)

### Non-executive directors

Nonzukiso Siyotula\* (*Chairperson*)  
Hetisani Mbanyele-Ntshinga\*  
Maxwell Nyanteh\* (*Lead Independent Director*)  
Andries Brink\*  
Andre van der Veen  
Lindani Dhlamini\*  
Alton Solomons  
Adrian Zetler

\* *Independent*

## REGISTERED OFFICE

York Corporate Office  
3 Main Road, Sabie, 1260  
Mpumalanga, South Africa

### Postal address

PO Box 1191, Sabie, 1260  
Mpumalanga, South Africa

## AUDITOR

Deloitte & Touche  
*Chartered Accountants (SA)*  
*Registered Auditors*

## COMPANY SECRETARY

Kilgetty Statutory Services  
(South Africa) Proprietary Limited

## SPONSOR

One Capital Sponsor Services  
Proprietary Limited

## TRANSFER SECRETARIES

Computershare Investor Services  
Proprietary Limited

**www.york.co.za**





[www.york.co.za](http://www.york.co.za)