York Timber Holdings Limited

(Registration Number 1916/004890/06)

Audited Consolidated and Separate Annual Financial Statements

for the year ended 30 June 2024

Audited Financial Statements

in compliance with the Companies Act 71 of 2008 of South Africa as amended

York Timber Holdings Limited

(Registration Number 1916/004890/06)

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Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008 of South Africa as amended to maintain adequate accounting records and are responsible for the content and integrity of the audited consolidated and separate annual financial statements and related financial information included in this report. These audited consolidated and separate annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS®) as issued by the International Accounting Standards Board (IASB®) and it is their responsibility to ensure that the audited consolidated and separate annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the consolidated and separate statement of financial position, changes in equity, results of operations and cash flows of the Group and Company, and explain the transactions and financial position of the business of the Group and Company at the end of the financial year. The audited consolidated and separate annual financial statements are based upon appropriate accounting policies consistently applied throughout the group and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and Company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the audited consolidated and separate annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the audited consolidated and separate annual financial statements. Based on forecasts and available cash resources the directors have no reason to believe that the group will not be a going concern in the foreseeable future. The audited consolidated and separate annual financial statements support the viability of the group.

The audited consolidated and separate annual financial statements have been audited by the independent auditing firm, Deloitte & Touche, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the shareholders, the directors and committees of the directors. The directors believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 13 to 15.

The audited consolidated and separate annual financial statements set out on pages 16 to 83 which have been prepared on the going concern basis, were approved by the directors and were signed on 27 September 2024 on their behalf by:

DocuSigned by:
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N Siyotula	GCD Stoltz
Chairperson	Chief Executive Officer

Certificate by the Company Secretary

In terms of section 88(2)(e) of the Companies Act 71 of 2008 of South Africa as amended, I certify that to the best of my knowledge and belief, that York Timber Holdings Limited and its subsidiaries have lodged all returns required in terms of the Companies Act 71 of 2008 of South Africa as amended, with the Registrar of Companies for the financial year ended 30 June 2024 and that the returns are true, correct and up to date.

Kilgetty Statutory Services (South Africa) Proprietary Limited
Company Secretary
27 September 2024

Report of the Audit Committee

We are pleased to present our report for the financial year ended 30 June 2024.

1. **Audit committee terms of reference**

The Group’s Audit Committee has adopted formal terms of reference, delegated to it by the Board of Directors (Board), as its mandate. The mandate is in line with the Companies Act 71 of 2008 of South Africa, as amended (Companies Act), the King IV Report on Governance for South Africa, 2016 (King IV) and the JSE Limited Listings Requirements (JSE Listings Requirements). During the year, the Audit Committee discharged the functions delegated to it in its mandate.

The Audit Committee performed the following statutory and regulatory duties:

• Reviewed and recommended for adoption by the Board the publicly disclosed financial information which comprised the Group’s consolidated interim results for the six months ended 31 December 2023 and the audited consolidated and separate annual financial statements for the year ended 30 June 2024;

• Satisfied itself that the external auditor, Deloitte and Touche, and its audit partner, complied with the suitability criteria for appointment as required by paragraph 3.84(g)(iii) read with paragraphs 3.86 and 3.87 of the JSE Listings Requirements, and is independent and assessed the quality of the audit;

• Approved the external auditor’s fees and terms of engagement for the 2024 financial year;

• Determined the nature and extent of Agreed Upon Procedures (non-audit services) provided by the external auditors and pre-approved any proposed agreements with them for the provision of such services;

• Evaluated the performance of the internal audit function and resolved to continue to source the internal audit function from BDO and approved the internal audit plan and budgeted fee for the 2024 financial year;

• Reviewed the Audit Committee charter in line with King IV recommendations;

• Held separate meetings with management and the external and internal auditors to discuss relevant matters;

• Noted that it had not received any substantiated complaints, from either within or outside the Group and Company, relating to the accounting practices, the internal audits, the content or auditing of the audited consolidated and separate annual financial statements, the internal financial controls or any other related matters. It has however adopted certain recommendations proposed by the JSE Limited as part of their proactive monitoring of financial statements;

• Confirmed that a whistle-blowing facility was in place and considered the actions taken in regard to incident reports;

• Evaluated and satisfied itself as to the appropriateness of the expertise and experience of the Chief Financial Officer, as required by paragraph 3.84(g)(i) of the JSE Listings Requirements;

• Satisfied itself as to the expertise, resources and experience of the Group and Company's finance function;

• Considered the Group and Company's liquidity and solvency positions and satisfied itself that the adoption of the going concern basis by York Timber Holdings Limited in preparing the audited consolidated and separate annual financial statements was appropriate;

• Confirmed, with reference to reporting by management and the internal audit function, that the Group and Company had established appropriate financial reporting procedures and satisfied itself that those procedures were operating which includes consideration of all entities included in the consolidated Group's IFRS financial statements, to ensure that it has access to all the financial information of the Group and Company to effectively prepare and report on the audited consolidated and separate annual financial statements of the Group and Company;

• Satisfied itself that the combined assurance provided is effective and monitors the relationship between external assurance providers and the Group and Company;

• Ensured that the appointment of the auditor and audit partner is presented and included as a resolution at the annual general meeting of the Group and Company, pursuant to section 61(8) of the Companies Act; and

• Satisfied itself through management representations and findings by the external auditor, as well as work performed by the internal auditors that the key audit matter relating to the valuation of Biological Assets for Pine and Eucalyptus trees have been presented fairly in the audited consolidated and separate annual financial statements.

2. Audit Committee Members and Attendance

In terms of section 94(2) of the Companies Act, the Audit Committee is a statutory committee and in terms of the JSE Listings Requirements and King IV, comprises at least three independent non-executive members, elected by the shareholders at each annual general meeting. The members of the Audit Committee for the 2024 financial year were:

- AW Brink CA(SA) (Independent non-executive, Audit Committee Chairman);
- KM Nyanteh CA(SA) (Independent non-executive);
- A Zetler CA(SA) CFA Charterholder (Non-executive); and
- L Dhlamini CA(SA) (Independent non-executive).

The members of the Audit Committee have the necessary academic qualifications and experience to adequately fulfil their duties as members of the Audit Committee.

The Chief Executive Officer, Chief Financial Officer, the heads of External and Internal Audit, and other relevant parties attend Audit Committee meetings by invitation.

The internal and external auditors have unlimited access to the Chairman of the Audit Committee.

During the year under review three meetings were held.

Name of director	2023/09/14	2023/09/18	2023/11/01	2024/03/14	2024/06/06
AW Brink (Chairman)	Yes	Yes	Yes	Yes	Yes
KM Nyanteh	Yes	Yes	Yes	Yes	Yes
L Dhlamini	Yes	Yes	Yes	Yes	Yes
A Zetler	Yes	Yes	Yes	Yes	Yes

3. Internal controls

Internal controls comprise the methods and procedures adopted by management to provide reasonable assurance of the safeguarding of assets, prevention and detection of errors, accuracy and completeness of accounting records, and reliability of the audited consolidated and separate annual financial statements of all entities in the Group.

The internal audit function performs independent evaluations of the adequacy and effectiveness of the Group's controls, financial reporting mechanisms, information systems and operations, and provides a degree of assurance regarding safeguarding of assets and the integrity of financial information.

Management continuously reviews the adequacy of the internal control environment and addresses any shortcomings identified, including those identified by external and internal audit processes.

The Chief Executive Officer and Chief Financial Officer's evaluation of controls included:

- The identification and classification of risks based on material account balances in the Statement of Financial Position and Statement of Profit or Loss.
- Identification of controls, control owners and frequency of controls over these risks.
- Utilising internal audit to test the operating effectiveness of controls addressing high risk areas.

Report of the Audit Committee

The committee has noted the prior period errors in the group financial statements, which has no impact on the earnings in the current and prior year. Management provided assurance that all shortcomings in internal control identified by internal and external audit have been and are in progress of being remediated. The Committee has discussed and documented the basis for its conclusion, which includes discussions with internal and external auditors as well as management.

The Audit Committee is of the view that the internal controls are designed and implemented effectively, and that management has taken appropriate steps to continue to address identified shortcomings.

4. Recommendations on the audited consolidated and separate annual financial statements

Based on the information provided to the Audit Committee by management, and considering the reports of the external and internal auditors, the Audit Committee is satisfied that the audited consolidated and separate annual financial statements comply, in all material respects, with the requirements of the Companies Act 71 of 2008 of South Africa, IFRS®, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the JSE Listings Requirements. The audited consolidated and separate annual financial statements for the year ended 30 June 2024 were approved by the Board of Directors on 27 September 2024. These audited consolidated and separate annual financial statements will be open for discussion at the forthcoming AGM.

The Chairman of the Audit Committee, or in his absence, the other members of the Audit Committee, will attend the annual general meeting to answer questions falling within the mandate of the Audit Committee.

DocuSigned by:
Andries Brink
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AW Brink
Chairperson of the Audit Committee
27 September 2024

Responsibility Statement by the Executive Directors

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

• the audited consolidated and separate annual financial statements set out on pages 16 to 83, fairly present in all material respects the financial position, financial performance and cash flows of the Group and Company in terms of the International Financial Reporting Standards;

• to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the audited consolidated and separate annual financial statements false or misleading;

• internal financial controls have been put in place to ensure that material information relating to the Group and Company have been provided to effectively prepare the audited consolidated and separate annual financial statements of York;

• the internal financial controls are adequate and effective and can be relied upon in compiling the audited consolidated and separate 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 have taken steps to remedy the deficiencies; and

• we are not aware of any fraud involving directors.

GCD Stoltz
Chief Executive Officer
27 September 2024

PS Barnard
Chief Financial Officer
27 September 2024

Directors' Report

The directors present their report on the audited consolidated and separate annual financial statements of York Timber Holdings Limited (York, the Company or the Group) for the year 30 June 2024.

1. Review of activities

Main business and operations

York was incorporated in South Africa as an investment holding company. The activities of the Group are undertaken through its subsidiaries. The group comprise the full forestry value chain as well as sawmilling operations and a plywood plant. The group's sales channels target both wholesale and retail markets in South Africa, SADC and other international markets. The group also owns and operates an avocado, macadamia and citrus farm. The group's operations are based in South Africa. There were no major changes herein during the year.

The Group continued to experience tough market conditions coupled with operational challenges at its processing plants. Increases in raw material and operational costs could not be absorbed by price increases in sales prices. The main contributions to the profit for the year was the increase in the biological asset value of R254.6 million.

The total consolidated comprehensive profit for the year was R 136.3 million (2023: total consolidated comprehensive loss R 313.3 million).

2. Going concern

The audited consolidated and separate annual 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 successfully refinanced its debt with the Landbank and Absa Capital (Stadsrivier Vallei Proprietary Limited) with a R350 million facility from the Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. (FMO). The Group is in compliance with the covenants imposed under the facility as at 30 June 2024 and is expected to be in compliance for the 2025 year based on the 2025 budget. Working capital facilities with Absa were renewed after year-end and both asset-backed financing facilities with Absa and Daimler remains in place.

The Group’s strategy to increase the rotation period of its plantations has constrained the Group’s liquidity. In the current year R283 million was spent on external log purchases. The Group has the flexibility to harvest its own plantations instead of procuring logs externally to improve liquidity.

The directors believe that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly the audited consolidated and separate annual 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.

Directors' Report

3. Events after reporting date

Non-adjusting events

As announced to the market during the year, the Group entered into a sale and purchase agreement for the purchase of the Steven's Lumber plantations (Wolkberg and Schultz) for a total of R75 million.

As announced on SENS on 21 August 2024, the purchase of the Wolkberg plantation was terminated due to the plantation being destroyed by a fire. However, the acquisition of the Schultz plantation for R41.3 million, that was part of the original acquisition, will go ahead subject to financing.

Working capital facilities with Absa Bank was renewed during September 2024, with an increase in the IMX facility from R150 million to R175 million. A R250 million guarantee was issued to Absa Bank by Stadsrivier Vallei Proprietary Limited as security.

4. Directors' shareholding

As at 30 June 2024, the directors of the Company held direct beneficial interests in 0.21% (2023: 0.20%) and indirect beneficial interest in 43.08% (2023: 31.55%) of its issued ordinary shares, as set out below. There were no changes to the directors' shareholding between 30 June 2024 and the date of approval of the audited consolidated and separate annual financial statements.

	Number of shares		% shareholding	
Interest in shares	**2024**	**2023**	**2024**	**2023**
GCD Stoltz (Direct interest)	996 452	924 888	0.21	0.20
A Zetler and A van der Veen (represented by A2 Investment Partners Proprietary Limited, Peresec SA Nominees Proprietary Limited and Standard Bank Group Limited) (Indirect interest)*	204 259 975	149 623 485	43.08	31.55
	205 256 427	150 548 373	43.29	31.75

The register of interests of directors and others in shares of the Company is available to the shareholders on request.

* 55 726 355 shares are held through a Contract for Differences, which gives only economic beneficial interest in the underlying shares to A2 Investment Partners Proprietary Limited with no voting rights.

5. Authorised and issued share capital

No changes were approved or made to the authorised or issued share capital of the company during the year under review.

	R'000		Number of shares	
Issued	**2024**	**2023**	**2024**	**2023**
Ordinary shares	1 773 427	1 773 427	474 097 739	474 097 739

6. Borrowing limitations

In terms of the memorandum of incorporation, the Board may raise debt from time to time for the purposes of the Group.

Directors' Report

The Group is subject to externally imposed capital requirements in the form of a debt-EBITDA ratio requirement of below 5.5, in terms of the FMO loan facility (refer to note 17 and 34).

7. Dividend

No dividend was declared or paid to the shareholders during the year.

8. Directors

The directors of the company during the year and up to the date of this report are as follows:

Name	Office	Designation
PS Barnard	Chief Financial Officer	Executive
AW Brink		Non-executive independent
L Dhlamini		Non-executive independent
HM Mbanyele-Ntshinga		Non-executive independent
KM Nyanteh		Non-executive lead independent
N Siyotula	Chairperson	Non-executive independent
AJ Solomons		Non-executive
GCD Stoltz	Chief Executive Officer	Executive
A van der Veen		Non-executive
A Zetler		Non-executive

9. Secretary

The group's designated secretary is Kilgetty Statutory Services (South Africa) Proprietary Limited.

Details of the company secretary is as follows:

Secretary's business address:	1st Floor, Building 33 Waterford Office Park Waterford Drive Fourways 2191

10. Interest in subsidiaries

Details of the Group's investment in material subsidiaries are set out in note 7 to the consolidated and separate annual financial statements.

11. Independent Auditors

Deloitte & Touche were reappointed as the independent auditors of York Timber Holdings Limited.

Directors' Report

12. Shareholder profile

The shareholder profile at 30 June 2024 was as follows:

Shareholder spread	Number of Shareholder accounts	% Number of Shareholder accounts	Number of shares	% of number of shares
1 - 1 000	3 542	77.56	348 413	0.07
1 001 - 10 000	558	12.22	2 167 737	0.46
10 001 - 100 000	352	7.71	12 425 599	2.62
100 001 - 1 000 000	89	1.95	25 922 563	5.47
Over 1 000 000	26	0.56	433 233 427	91.38
Total	**4 567**	**100**	**474 097 739**	**100.00**

	Number of Shareholder accounts	% Number of Shareholder accounts	Number of shares	% of number of shares
Collective Investment Schemes	8	0.18	36 414 953	7.68
Custodians	4	0.09	4 460 002	0.94
Foundations and Charitable Funds	12	0.26	622 981	0.13
Hedge Funds	7	0.15	26 910 849	5.68
Investment Partnerships	6	0.13	1 438 831	0.30
Managed Funds	5	0.11	54 033 551	11.40
Private Companies	91	2.00	56 605 433	11.94
Public Companies	3	0.07	88 180	0.02
Public Entities	1	0.02	95 136 513	20.07
Retail Shareholders	4 354	95.34	38 442 248	8.11
Script Lending	2	0.04	85 453 564	18.02
Share Schemes	1	0.02	48 200	0.01
Stockbrokers & Nominees	8	0.18	68 080 456	14.36
Trusts	64	1.40	6 360 557	1.34
Unclaimed Scrip	1	0.02	1 421	0.00
Total	**4 567**	**100.01**	**474 097 739**	**100.00**

Directors' Report

Shareholder type	Number of Shareholder accounts	% Number of Shareholder accounts	Number of shares	% of number of shares
Non-public shareholders				
Directors and associates*	5	0.11	205 256 427	43.29
Share schemes	1	0.02	48 200	0.01
Public shareholders	4 561	99.89	268 793 112	56.70
Total	**4 567**	**100**	**474 097 739**	**100.00**

Beneficial Shareholders Holding > 3% of Issued Shares	Number of shares	% of issued shares
Industrial Development Corporation	95 136 513	20.07
Standard Bank Group Limited	56 268 117	11.87
A Zetler and A van der Veen (Represented by A2 Investment Partners Proprietary Limited)	52 746 570	11.13
Mr D Hayward	29 356 410	6.19
Peresec SA Nominees Proprietary Limited	96 714 728	20.40
Rozendal Partners	22 806 359	4.81
Total	**353 028 697**	**74.47**

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INDEPENDENT AUDITOR'S REPORT
To the Shareholders of York Timber Holdings Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of York Timbers Holdings Limited (the Group and Company) set out on pages 16 to 83, which comprise the consolidated and separate statements of financial position as at 30 June 2024, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of York Timber Holdings Limited as at 30 June 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 and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' (IESBA) *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA code). 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 ("EAR") for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

Final Materiality

We define materiality as the magnitude of misstatement in the consolidated and separate financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the nature and extent of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements - group	Financial statements – company
Overall materiality	R26 million (2023: R17 million)	R26 million (2023: R26 million)
How we determined it	Based on 1.5% (2023: 1.0%) of Revenue	Based on 1.0% (2023: 1.0%) of Net Assets
Rationale for benchmark applied	A key judgement in determining materiality is the appropriate benchmark to select, based on our perception of the needs of shareholders. We considered which benchmarks and key performance indicators have the greatest bearing on shareholder decisions. For Group financial statement purposes, we determined that Revenue remained the key benchmark given the fluctuations in profit before tax. Revenue provides a more stable benchmark. An increase of 0.5% in the input factor from that used in 2023 was determined to be appropriate based on supporting benchmarks used, such as total assets/total equities along with Group specific risk factors. For Company financial statements, we determined that Net Asset remained the key benchmark given that the entity serves as the investment holding company. The input factor remained consistent with that used in the prior year.	

Group Audit Scope

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the structure and organization of the group, and assessing the risks of material misstatement at the Group level. Components were selected to provide an appropriate basis for undertaking audit work to address the risks of material misstatement.

Based on our assessment, we performed work at the 7 trading components (2023: 7 components), representing the Group's most material operations.

The following audit scoping was applied:

- 5 components (2023: 5 components) were subject to a full scope audit;
- 1 component (2023: 2 components) was subject to specified balance procedures where the extent of our testing was based on our assessment of the risk of material misstatement of certain specific financial balances and / or processes and of the materiality of the Group's operations at those locations; and
- 1 component (2023: no component) was subject to group analytical procedures.

The 5 components subject to full scope audits account for 99.4% of the Group's Assets (2023: 99.4%) and 99.8% of the Group's Revenue (2023: 99.7%). The other components subject to specified balance procedures and group analytical procedures account for 0.6% of the Group's Assets (2023: 0.6%) and 0.2% of the Group's Revenue (2023: 0.3%).

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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.

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

Key audit matter	Our audit procedures to address the key audit matter were as follows:
Valuation of biological assets (timber plantation) The biological asset comprises pine and eucalyptus (timber plantation) as well as unharvested fruit. As disclosed in note 6 of the consolidated financial statements, the valuation of timber plantation included in the biological assets amounted to R2 814 million (2023: R2 529 million). The net fair value adjustment for the year ended 30 June 2024 amounted to an increase in profit of R250 million (2023: decrease in profit of R386 million). The timber plantation is measured at fair value less estimated costs to sell in accordance with IAS 41: Agriculture ('IAS 41') and IFRS 13 Fair value adjustment ("IFRS 13"). The fair value is determined using a discounted cash flow model. These discounted cash flows require estimates, assumptions and judgements relating to log prices, operating costs, costs to sell, discount rates and volumes. As a result of the significant audit effort required to assess the judgements made by management with regards to the inputs into the discounted cash flows, the valuation of the timber plantation was considered a key audit matter in our audit of the consolidated financial statements.	Our audit procedures to address the key audit matter were as follows: • Assessed the design and tested implementation of both automated and manual controls in respect of the determination of inputs into the timber plantation fair value model as well as the application of the relevant IFRS considerations. • Testing the operating effectiveness of the controls relating to thinning, planting harvesting and enumerations which informs forecasted volumes. • Utilised internal valuation experts to test the logic of the biological asset model and the appropriateness of the discount rate used in the discounted cash flows. • Performed a retrospective review on prior years forecasted volumes to the actual volumes achieved for thinning's and harvesting. We further challenged management's use of theoretical thinning and harvesting volumes in the model against historical thinning's and harvestings. • Assessed the reasonableness of the assumptions contained within the fair value model relating to sales prices and operating costs. • We performed independent sensitivity analysis on the biological asset model for all key assumptions within the model. • We assessed the impact of the use of Light Detection and Ranging (LiDAR) on the forecasted volumes. • We assessed the reasonableness of the product classes of logs and the different species of plantation and the impact thereof on the forecasted volumes. • Assessed whether the disclosures in the consolidated financial statements in relation to the fair value of the biological assets and the disclosures relating to the estimation uncertainty are complete, appropriate and in compliance with IFRS 13 as disclosed in note 6. Based on the procedures performed above, the inputs, assumptions and the related disclosure used in the timber valuation is appropriate in all material respects. Please refer to note 6 of the consolidated annual financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "York Timber Holdings Limited Audited Consolidated and Separate Annual Financial Statements for the year ended 30 June 2024", which includes the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Companies Act of South Africa, and for such internal control as management determines 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, management is responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and Company's financial reporting process.

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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated 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 for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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 Audit Committee 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 Audit Committee, 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 Deloitte & Touche has been the auditor of York Timber Holdings Limited for 2 years.

Signed by:
Deloitte & Touche
9DFA9D3CD60C433...

Deloitte & Touche
Registered Auditor
Per: Logan Govender CA(SA); RA
Partner
27-09-2024

2 Vuna Close
Umhlanga Ridge
4319
South Africa

York Timber Holdings Limited

(Registration Number 1916/004890/06)

Audited Consolidated and Separate Financial Statements for the year ended 30 June 2024

Statements of Financial Position

Figures in R `000	Notes	Group 2024	Group 2023 Restated*	Company 2024	Company 2023
Assets					
Non-current assets					
Property, plant and equipment	5	897 778	878 819	-	-
Investment property		13 884	13 884	-	-
Intangible assets		33	128	-	-
Biological assets	6	2 413 641	2 216 402	-	-
Investments in subsidiaries	7	-	-	1 262 207	1 261 452
Deferred tax assets	8	5 158	9 991	-	-
Other financial assets at amortised cost*	9	81 210	78 132	-	-
Loan to group company	10	-	-	1 405 551	1 411 971
Total non-current assets		**3 411 704**	**3 197 356**	**2 667 758**	**2 673 423**
Current assets					
Inventories	11	314 875	243 931	-	-
Trade and other receivables	12	243 534	230 056	269	184
Current tax assets		2 668	2 812	2	2
Biological assets	6	411 500	319 863	-	-
Other financial assets at amortised cost*	9	51 348	54 873	-	-
Cash and cash equivalents	13	56 939	191 916	1	1
Total current assets		**1 080 864**	**1 043 451**	**272**	**187**
Total assets		**4 492 568**	**4 240 807**	**2 668 030**	**2 673 610**
Equity and liabilities					
Equity					
Share capital	14	1 735 670	1 735 670	1 773 427	1 773 427
Retained income		1 064 997	928 925	889 674	896 989
Reserves	15	19 334	18 336	2 919	2 164
Total equity		**2 820 001**	**2 682 931**	**2 666 020**	**2 672 580**
Liabilities					
Non-current liabilities					
Provisions	16	6 778	18 518	-	-
Deferred tax liabilities	8	785 991	741 122	-	-
Borrowings	17	345 123	237 375	-	-
Lease liabilities	18	12 928	21 925	-	-
Retirement benefit obligations	19	23 526	26 430	-	-
Total non-current liabilities		**1 174 346**	**1 045 370**	**-**	**-**

Statements of Financial Position

Figures in R `000	Notes	Group 2024	Group 2023 Restated*	Company 2024	Company 2023
Current liabilities					
Provisions	16	14 403	2 656	-	-
Trade and other payables	20	353 623	345 271	2 010	1 030
Current tax liabilities		-	41	-	-
Borrowings	17	118 287	156 302	-	-
Lease liabilities	18	8 996	8 236	-	-
Retirement benefit obligations	19	2 912	-	-	-
Total current liabilities		**498 221**	**512 506**	**2 010**	**1 030**
Total liabilities		**1 672 567**	**1 557 876**	**2 010**	**1 030**
Total equity and liabilities		**4 492 568**	**4 240 807**	**2 668 030**	**2 673 610**

* Refer to note 39 for details on the restatement.

York Timber Holdings Limited

(Registration Number 1916/004890/06)
Audited Consolidated and Separate Financial Statements for the year ended 30 June 2024

Statements of Profit or Loss and Other Comprehensive Income

Figures in R `000	Notes	Group 2024	Group 2023	Company 2024	Company 2023
Revenue	22	1 745 219	1 666 294	6 294	6 404
Cost of sales*	23	(1 138 803)	(1 702 360)	-	-
Gross profit / (loss)		**606 416**	**(36 066)**	**6 294**	**6 404**
Other income	24	16 047	15 879	-	-
Other expenses	26	(395 874)	(370 345)	(6 452)	(8 907)
Other gains and (losses)	25	706	(3 005)	-	-
Profit / (loss) from operating activities		**227 295**	**(393 537)**	**(158)**	**(2 503)**
Finance income	27	16 862	14 687	4	2
Finance costs	28	(58 247)	(47 109)	(7 161)	(68 557)
Profit / (loss) before tax		**185 910**	**(425 959)**	**(7 315)**	**(71 058)**
Income tax (expense) / credit	29	(49 838)	113 095	-	(36)
Profit / (loss) for the year		**136 072**	**(312 864)**	**(7 315)**	**(71 094)**
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss					
Remeasurement of retirement benefit obligation		678	(2 074)	-	-
Taxation related to remeasurement of retirement benefit ogligation		(435)	1 339	-	-
Gains on property revaluation		-	334	-	-
Total other comprehensive income / (loss) that will not be reclassified to profit or loss		**243**	**(401)**	**-**	**-**
Total other comprehensive income / (loss) net of tax		**243**	**(401)**	**-**	**-**
Total comprehensive income / (loss)		**136 315**	**(313 265)**	**(7 315)**	**(71 094)**

*The fair value gain on biological assets of R254.6 million (2023: loss of R 384 million) is included in cost of sales.

	Notes	Group 2024	Group 2023	Company 2024	Company 2023
Earnings per share from continuing operations attributable to owners of the parent during the year					
Basic earnings per share (cents)					
Basic earnings / (loss) per share	38	29	(77)	(2)	(17)
Diluted earnings per share (cents)					
Diluted earnings / (loss) per share	38	29	(77)	(2)	(17)

York Timber Holdings Limited

(Registration Number 1916/004890/06)

Audited Consolidated and Separate Financial Statements for the year ended 30 June 2024

Statement of Changes in Equity - Group

Figures in R `000	Share capital	Retirement benefit obligation reserve	Share-based payment reserve	Revaluation reserve	Retained income	Total
Balance at 1 July 2022	1 491 674	2 229	1 014	14 344	1 241 789	2 751 050
Changes in equity						
Loss for the year	-	-	-	-	(312 864)	(312 864)
Other comprehensive loss	-	(735)	-	334	-	(401)
Total comprehensive loss for the year	-	(735)	-	334	(312 864)	(313 265)
Issue of equity	243 996	-	-	-	-	243 996
Employee share option scheme	-	-	1 150	-	-	1 150
Balance at 30 June 2023	**1 735 670**	**1 494**	**2 164**	**14 678**	**928 925**	**2 682 931**
Balance at 1 July 2023	1 735 670	1 494	2 164	14 678	928 925	2 682 931
Changes in equity						
Profit for the year	-	-	-	-	136 072	136 072
Other comprehensive income	-	243	-	-	-	243
Total comprehensive income for the year	-	243	-	-	136 072	136 315
Employee share option scheme	-	-	755	-	-	755
Balance at 30 June 2024	**1 735 670**	**1 737**	**2 919**	**14 678**	**1 064 997**	**2 820 001**
Notes	**14**		**15**			

Statement of Changes in Equity - Company

Figures in R `000	Share capital	Share-based payment reserve	Retained income	Total
Balance at 1 July 2022	1 529 431	1 014	968 083	2 498 528
Changes in equity				
Loss for the year	-	-	(71 094)	(71 094)
Total comprehensive loss	-	-	(71 094)	(71 094)
Issue of equity	243 996	-	-	243 996
Employee share option scheme	-	1 150	-	1 150
Balance at 30 June 2023	**1 773 427**	**2 164**	**896 989**	**2 672 580**
Balance at 1 July 2023	**1 773 427**	**2 164**	**896 989**	**2 672 580**
Changes in equity				
Loss for the year	-	-	(7 315)	(7 315)
Total comprehensive loss	-	-	(7 315)	(7 315)
Employee share option scheme	-	755	-	755
Balance at 30 June 2024	**1 773 427**	**2 919**	**889 674**	**2 666 020**
Note	**14**	**15**		

Statements of Cash Flows

Figures in R `000	Notes	Group 2024	Group 2023 Restated*	Company 2024	Company 2023
Net cash flows from / (used in) operations	30	**28 369**	**128 102**	**(4)**	**(3 918)**
Interest paid		(53 821)	(44 356)	-	-
Interest received		16 862	14 687	4	2
Income taxes paid	31	(465)	(10 549)	-	-
Net cash flows (used in) / from operating activities		**(9 055)**	**87 884**	**-**	**(3 916)**
Cash flows used in investing activities					
Proceeds from sales of property, plant and equipment		8 345	1 727	-	-
Purchase of property, plant and equipment		(62 275)	(29 026)	-	-
Proceeds from other financial asset at amortised cost*		63 494	41 278	-	-
Contributions to other financial asset at amortised cost*		(63 047)	(59 498)	-	-
Loan advanced to group company		-	-	-	(240 079)
Establishment cost on biological assets		(34 243)	(38 728)	-	-
Cash flows used in investing activities		**(87 726)**	**(84 247)**	**-**	**(240 079)**
Cash flows (used in) / from financing activities					
Proceeds from issue of share capital		-	250 000	-	250 000
Payments of rights issue cost		-	(6 004)	-	(6 004)
Repayment of borrowings		(303 798)	(58 561)	-	-
Proceeds from borrowings		289 977	-	-	-
Payment of loan raising fees		(14 525)	-	-	-
Repayment of lease liabilities		(10 306)	(9 383)	-	-
Cash flows (used in) / from financing activities		**(38 652)**	**176 052**	**-**	**243 996**
Net (decrease) / increase in cash and cash equivalents before effect of exchange rate changes		**(135 433)**	**179 689**	**-**	**1**
Effect of exchange rate changes on cash and cash equivalents		456	(4 137)	-	-
Net (decrease) / increase in cash and cash equivalents		**(134 977)**	**175 552**	**-**	**1**
Cash and cash equivalents at beginning of the year		191 916	16 364	1	-
Cash and cash equivalents at end of the year	**13**	**56 939**	**191 916**	**1**	**1**

* In the prior year the movement in other financial asset at amortised cost was incorrectly disclosed as a net movement. This has been corrected to disclose the gross inflows and outflows.

Notes and Accounting Policies to the Audited Consolidated and Separate Annual Financial Statements

1. General information

York Timber Holdings Limited is a public company incorporated and domiciled in South Africa.

The consolidated and separate annual financial statements for the year ended 30 June 2024 were approved by the Board of Directors on 27 September 2024.

The material accounting policies applied in the preparation of these audited consolidated and separate annual financial statements are set out below and are incorporated in the separate notes throughout.

2. Basis of preparation and material accounting policy information

The consolidated and separate annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with IFRS® Accounting Standards as issued by the International Accounting Standards Board effective at the time of preparing these consolidated and separate annual financial statements and the Companies Act 71 of 2008 of South Africa.

These consolidated and separate annual financial statements comply with the requirements of the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the JSE Listings Requirements.

The consolidated and separate annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below and in the notes. They are presented in South African Rands which is the Group and Company's functional currency and rounded to the nearest thousand (R'000).

All subsidiaries use uniform accounting policies.

These accounting policies are consistent with the previous period.

Consolidation

The Group measures goodwill as the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquirer, less the net identifiable assets being recognised at the acquisition date fair values. If, in the case of a bargain purchase, the result of this formula is negative, then the difference is recognised directly in profit or loss.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquirer and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquirer that are replaced mandatorily in the business combination. If a business combination results in the termination of a pre-existing relationship between the Group and the acquirer, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

Basis of preparation and material accounting policy information continued...

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated annual financial statements.

Investments in subsidiaries in the separate financial statements

Subsidiaries are entities controlled by the Company. Control exists when the company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated annual financial statements from the date that control commences until the date that control ceases. They are de-consolidated from the date that control is lost.

Investments in subsidiaries are initially carried at cost and subsequently at cost less impairment.

3. Critical accounting estimates and judgements

The preparation of audited consolidated and separate annual financial statements in conformity with IFRS® requires management from time to time to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. 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 estimates are revised and in any future periods affected.

For details of judgements and estimates that have a significant effect on the consolidated and separate annual audited financial statements, refer to:

• Note 6 - Biological assets

Notes and Accounting Policies to the Audited Consolidated and Separate Annual Financial Statements

4. New Standards and Interpretations

4.1 Standards and Interpretations effective and adopted in the current year

In the current year, the Group and Company have adopted all new and revised IFRSs that are relevant to its operations and effective for annual reporting periods beginning on or after 1 January 2023.

At the date of authorisation of these audited consolidated and separate annual financial statements for the year ended 30 June 2024, the following IFRSs were adopted:

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
Definition of Accounting Estimates (Amendments to IAS 8)
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
Non-current Liabilities with Covenants (Amendments to IAS 1)

Application of the above standards did not significantly impact these audited consolidated and separate annual financial statements for the year ended 30 June 2024.

4.2 New Standards and Interpretations not yet adopted

The Group and the Company have not applied the following new, revised or amended pronouncements that have been issued by the IASB as they are not yet effective for the annual financial year beginning 1 July 2023. The directors anticipate that the new standards, amendments and interpretations will be adopted in the company's audited consolidated and separate annual financial statements when they become effective.

Initial Application of IFRS 17 and IFRS 9 — Comparative Information (Amendment to IFRS 17)
Non-current Liabilities with Covenants (Amendments to IAS 1)
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information
IFRS 18 Presentation and Disclosure in Financial Statements

The company has assessed, where practicable, the potential impact of all these new standards, amendments and interpretations that will be effective in future periods and determined that it will not have a material impact on the the Group and Company in the current and future periods.

5. Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, except for residential buildings. Capital work in progress assets are carried at cost less impairment losses. Significant capital spares that are available for use in its current form or condition is included within property, plant and equipment. The capital spares are carried at cost less any impairments and depreciated when they are installed. Residential buildings are measured based on the revaluation model at fair value less accumulated depreciation and accumulated impairment losses since last revaluation. Valuations are performed every 3 years by an Independent valuer. The residual value of the residential buildings equals their fair value therefore no depreciation was recognised.

The right-of-use assets and liabilities comprise of warehouse space leased by the Group for a period of between 3 - 5 years with fixed annual escalations on lease payments, and are measured at the present value of lease payments over the lease term at the company's incremental borrowing rate adjusted for asset specific risks i.e. unsecured asset and the lease term being shorter. The right of use assets are initially measured at cost less accumulated depreciation and accumulated impairment losses and are depreciated over the shorter of the asset's useful life and the lease term on a straight line basis. Refer to note 18 for details on lease liabilities.

The company has elected to apply the recognition exemption to not recognise right of use assets and liabilities for short term leases of 12 months or less.

No lease extension periods were included in the assessment of the right of use asset and lease liability due to the Group not being reasonably certain about the exercise of lease extension periods and no significant leasehold improvements being undertaken. The lease agreements are renegotiated at the termination of each lease contract.

Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of plant and equipment. Depreciation of an item of plant and equipment commences when it is available for use and ceases at the earlier of the date it is classified as held for sale or the date it is derecognised upon disposal. The gain or loss on disposal of an item of plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the plant and equipment and is recognised net within other income/ other expenses in profit or loss.

The residual values, depreciation methods and useful lives are reassessed annually at the reporting date. The useful lives of items of property, plant and equipment have been assessed as follows:

Notes and Accounting Policies to the Audited Consolidated and Separate Annual Financial Statements

Figures in R `000

Property, plant and equipment continued...

Asset class	Useful life	Depreciation method
Land	Indefinite	
Buildings	5 - 50 years	Straight-line
Plant and machinery	3 - 30 years	Straight-line
Residential buildings	20 - 49 years	Straight-line
Roads	10 - 40 years	Straight-line
Capital work in progress	Not depreciated	
Right-of-use assets – Warehouse and offices	3 - 5 years	Straight-line
Motor vehicles	1 - 20 years	Straight-line
Other property, plant and equipment*	2 - 30 years	Straight-line
Bearer plants	20 - 30 years	Straight-line

* Other property, plant and equipment refers to furniture and fittings, computer equipment and critical spares. The total other equipment have been grouped together as the total net carrying value for these assets is less than 20% of the total net carrying value of property, plant and equipment.

Notes and Accounting Policies to the Audited Consolidated and Separate Annual Financial Statements

Figures in R `000

Property, plant and equipment continued...

5.1 Balances at year end and movements for the year

	Land	Buildings	Plant and machinery	Motor vehicles	Bearer plants	Capital work in progress	Righ-of-use assets - warehouses and office space	Residential buildings	Roads	Other property, plant and equipment*	Total
Reconciliation for the year ended 30 June 2024 - Group											
Balance at 1 July 2023											
At cost or revaluation	140 880	321 628	680 327	233 149	26 689	33 576	64 377	24 567	40 259	19 393	**1 584 845**
Accumulated depreciation and impairment	-	(103 490)	(399 587)	(132 815)	(3 530)	-	(37 039)	-	(18 031)	(11 534)	**(706 026)**
Carrying amount	**140 880**	**218 138**	**280 740**	**100 334**	**23 159**	**33 576**	**27 338**	**24 567**	**22 228**	**7 859**	**878 819**
Movements for the year ended 30 June 2024											
Additions	-	1 627	78 954	49 125	521	12 829		-	-	1 844	**144 900**
Depreciation	-	(12 696)	(56 102)	(25 081)	(1 026)	(2)	(8 863)	(189)	(1 172)	(2 596)	**(107 727)**
Impairments	(4)	(107)	(6 164)	(1 602)	-	(1 295)	-	-	(336)	(615)	**(10 123)**
Transfers	-	(7 516)	8 616	772	2 595	(14 594)	-	9 523	-	604	**-**
Disposals	-	(22)	(525)	(7 498)	-	-	-	-	-	(46)	**(8 091)**
Property, plant and equipment at the end of the year	**140 876**	**199 424**	**305 519**	**116 050**	**25 249**	**30 514**	**18 475**	**33 901**	**20 720**	**7 050**	**897 778**
Closing balance at 30 June 2024											
At cost	140 880	314 182	738 149	250 485	29 804	30 514	64 673	34 090	39 904	20 708	**1 663 389**
Accumulated depreciation and impairment	(4)	(114 758)	(432 630)	(134 435)	(4 555)	-	(46 198)	(189)	(19 184)	(13 658)	**(765 611)**
Carrying amount	**140 876**	**199 424**	**305 519**	**116 050**	**25 249**	**30 514**	**18 475**	**33 901**	**20 720**	**7 050**	**897 778**

* Other property, plant and equipment refers to furniture and fittings, computer equipment and critical spares. The total other equipment have been grouped together as the total net carrying value for these assets is less than 20% of the total net carrying value of property, plant and equipment.

Figures in R `000

Property, plant and equipment continued...

Reconciliation for the year ended 30 June 2023 - Group	Land	Buildings	Plant and machinery	Motor vehicles	Bearer plants	Capital work in progress	Righ-of-use assets - warehouses and office space	Residential buildings	Roads	Other property, plant and equipment*	Total
Balance at 1 July 2022											
At cost	140 880	317 882	662 365	212 882	20 987	43 529	59 365	22 745	40 259	14 032	**1 534 926**
Accumulated depreciation and impairment	-	(86 650)	(341 770)	(115 510)	(2 672)	-	(28 334)	-	(16 792)	(8 850)	**(600 578)**
Carrying amount	**140 880**	**231 232**	**320 595**	**97 372**	**18 315**	**43 529**	**31 031**	**22 745**	**23 467**	**5 182**	**934 348**
Movements for the year ended 30 June 2023											
Additions	-	-	-	16 973	-	43 942	5 013	148	-	-	**66 076**
Depreciation	-	(12 938)	(60 938)	(21 960)	(858)	-	(8 706)	-	(1 239)	(3 011)	**(109 650)**
Impairments	-	(4 029)	(79)	(145)	-	(5 672)	-	-	-	(16)	**(9 941)**
Revaluation increase (decrease)	-	-	-	-	-	-	-	426	-	-	**426**
Transfers	-	3 964	21 663	9 921	5 702	(48 223)	-	1 248	-	5 725	**-**
Disposals	-	(91)	(501)	(1 827)	-	-	-	-	-	(21)	**(2 440)**
Property, plant and equipment at the end of the year	**140 880**	**218 138**	**280 740**	**100 334**	**23 159**	**33 576**	**27 338**	**24 567**	**22 228**	**7 859**	**878 819**
Closing balance at 30 June 2023											
At cost or revaluation	140 880	321 628	680 327	233 149	26 689	33 576	64 377	24 567	40 259	19 393	**1 584 845**
Accumulated depreciation and impairment	-	(103 490)	(399 587)	(132 815)	(3 530)	-	(37 039)	-	(18 031)	(11 534)	**(706 026)**
Carrying amount	**140 880**	**218 138**	**280 740**	**100 334**	**23 159**	**33 576**	**27 338**	**24 567**	**22 228**	**7 859**	**878 819**

* Other property, plant and equipment refers to furniture and fittings, computer equipment and critical spares. The total other equipment have been grouped together as the total net carrying value for these assets is less than 20% of the total net carrying value of property, plant and equipment.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Property, plant and equipment continued...

5.2 Additional disclosures

Assets whose title is restricted and pledged as security

Landholdings with a carrying value of R42.3 million (2023: R29.8 million) with fixed properties of R173.6 million were encumbered in favour of Micawber 558 Proprietary Limited, as security for loans and borrowings, as per note 17.

The carrying values of assets pledged as security under instalment sale agreements are as follows:				
Plant and machinery	47 718	17 358	-	-
Motor vehicles	66 566	66 268	-	-
Other equipment	310	-	-	-
Total	**114 594**	**83 626**	**-**	**-**

The Group has entered into instalment sale agreements with Absa, Mercedes Benz Financial Services / Daimler Financial Services and Toyota Financial Services for plant, equipment and vehicles (refer to note 17).

The present value of minimum instalment sale agreement payments due at year-end was R110 million (2023: R61 million) (refer to note 17).

5.3 Impairments

The Group performed impairment assessments on Sabie sawmill due to losses incurred in the current period as well as Stadsrivier sawmill, Driekop sawmill and the Roodekop Drymill due to the restructuring of these plants. The recoverable amount was based on the fair value less cost of disposal.

External valuations were performed on the property, plant and equipment by an Independent external valuer with experience in the sawmill industry. The fair value was based on the market value of the assets in its current condition.

Based on the impairment assessment on the Stadsrivier sawmill and Roodekop Drymill no impairment was required. The carrying value of Sabie sawmill was R49.6 million and the recoverable amount was R44.9 million which resulted in the impairment of plant and equipment and other equipment of R4.7 million. The carrying value of the Driekop sawmill was R25.1 million and the recoverable amount was R22.4 million which resulted in the impairment of plant and equipment, other equipment, land, roads and buildings of R2.7 million.

6. Biological assets

The Group recognises a biological asset when, and only when:
• the entity controls the asset as a result of past events;
• it is probable that future economic benefits associated with the asset will flow to the Group; and
• the fair value or cost of the asset can be measured reliably.

Biological assets continued...

The biological assets comprise of plantation biological assets (pine and eucalyptus trees) and unharvested fruit. Biological assets are measured on initial recognition and at the end of each reporting period at fair value less costs to sell at the point of harvest. The consequent gain or loss arising on initial recognition of biological assets at fair value less costs to sell is included in operating profit or loss, in the cost of sales line items. Any fair value adjustments subsequent to initial recognition will be included in operating profit or loss, in the cost of sales line item, for the period.

Plantation biological assets (pine and eucalyptus trees):

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 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 of 20 - 23 years and does not include replanting of trees once harvested.

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 at 20 - 23 years where after the biological assets will be consumed in the next 12 months as part of the normal operating cycle.

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

In the current year, enhancements were made to the plantation database used to derive the biological asset value. LiDAR technology was used in flights over the Escarpment plantations and used to update the tree heights and volume in the database.

Changes to the site index of compartments were made based on the LiDAR data as well as a recently published study on the growth of our plantations in both the Highveld and Escarpment for unmeasured stands. This enhancement to data resulted in a volume decrease of R101 million and an increase in product mix of R98.9 million (net impact R2.1 million decrease) in the biological asset value. The total volumes decreased by 921 584m^3 with an improved product mix on D class logs increasing by 820 663m^3.

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

Unharvested fruit:

Avocados, citrus and macadamias growing on bearer plants are accounted for as biological assets until the point of harvest.

Figures in R `000

Biological assets continued...

The fair value of avocado, citrus and macadamias growing on the bearer plants is determined by reference to market prices for local, export and reject classes, adjusted for expected costs to reach maturity, which is typically one to three months after the end of the reporting period. Significant estimates include the expected agricultural produce yields and quality, and the expected market price.

Harvested produce are transferred to inventory (refer to note 11) at fair value less cost to sell at the point of harvest.

6.1 Reconciliation of changes in biological assets

	Unharvested fruit	Pine and eucalyptus plantations	Total
Reconciliation for the year ended 30 June 2024 - Group			
Opening balance	7 063	2 529 202	2 536 265
Movements for the year ended 30 June 2024			
Establishment cost	-	34 243	34 243
Fair value adjustment			
• Change in fair value of avocados and macadamias due to growth	11 029	-	11 029
• Change in fair value of avocados and macadamias due to harvesting	(7 063)	-	(7 063)
• Increase due to growth and enumeration (1)	-	346 016	346 016
• Decrease due to harvesting	-	(251 106)	(251 106)
• Adjustment to standing timber values to reflect changes to sales price, cost and discount rate assumptions (2)	-	155 757	155 757
Biological assets at the end of the year	**11 029**	**2 814 112**	**2 825 141**
Classified as non-current assets	-	2 413 641	2 413 641
Classified as current assets (3)	11 029	400 471	411 500
	11 029	**2 814 112**	**2 825 141**
Reconciliation for the year ended 30 June 2023 - Group			
Opening balance	5 383	2 876 253	2 881 636
Movements for the year ended 30 June 2023			
Establishment cost	-	38 728	38 728
Fair value adjustment			-
• Change in fair value of avocados and macadamias due to growth	7 063	-	7 063
• Change in fair value of avocados and macadamias due to harvesting	(5 383)	-	(5 383)
• Increase due to growth and enumeration (1)	-	322 408	322 408
• Decrease due to harvesting and disposals	-	(243 860)	(243 860)
• Adjustment to standing timber values to reflect changes to sales price, cost and discount rate assumptions (2)	-	(464 327)	(464 327)
Biological assets at the end of the year	**7 063**	**2 529 202**	**2 536 265**
Classified as non-current assets	-	2 216 402	2 216 402
Classified as current assets (3)	7 063	312 800	319 863
	7 063	**2 529 202**	**2 536 265**

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Biological assets continued...

(1) Enumerations refer to updates that are 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.

(2) Changes to the discount rate, log sales prices and operating costs from the prior year balance, after the movement due to growth and harvesting.

(3) Trees to be harvested and sold in the 12 months after year-end.

6.2 Change in discounted cash flow (DCF) attributable to (Pine and eucalyptus plantations):

	Group 2024	Group 2023	Company 2024	Company 2023
Opening balance	2 529 202	2 876 253	-	-
Change in product mix and age (4)	294 806	(315 326)	-	-
Revenue and price (5)	(56 243)	121 747	-	-
Operating costs	(99 859)	(162 234)	-	-
Discount rate	197 175	(240 164)	-	-
Establishment cost	34 243	38 728	-	-
Change in volume (6)	(85 212)	210 198	-	-
	2 814 112	2 529 202	-	-

(4) Represents the cash flow profile change from the prior year yield forecast as a result of the change in the product mix and the age profile of the plantation biological assets. The movement in the product mix and age in the 2023 financial year was due to the extension in rotation period of the plantations to 23 years.

(5) Revenue and price changes relate to inflationary adjustments over the next year, following year and over the long term.

(6) Change in volume in the DCF model refers to changes in the forecast yield at maturity of planted trees. Temporary unplanted hectares increased by 430 hectares from the prior year. The DCF volumes over the 20 – 23 year period decreased from the prior year by 769 916 m^3. An accuracy factor is used to calculate the accounting estimated volume. This is a downwards adjustment of harvestable volume.

6.3 Reconciliation of Pine and Eucalyptus standing volume (m^3)

	Group 2024	Group 2023	Company 2024	Company 2023
Opening balance	6 890 527	6 707 355	-	-
Increase due to growth and enumeration (1)	942 681	751 849	-	-
Decrease due to harvesting and sales	(684 111)	(568 677)	-	-
	7 149 097	6 890 527	-	-

(1) Enumerations refer to updates that are 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.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Biological assets continued...

6.4 Landholding: (Hectares)

Pine	55 355	55 925	-	-
Eucalyptus	444	304	-	-
Temporary unplanted areas	2 964	2 534	-	-
Conservancy areas	30 701	30 701	-	-
Agricultural land	115	115	-	-
	89 579	89 579	-	-

6.5 Methodology and assumptions used in determining fair value

Pine and Eucalyptus plantations:

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

Log Prices: Log prices per cubic metre and per log class is based on current and future expected market prices at roadside. Future prices were adjusted upwards for price increases with 1.6% over the next year, 1.5% over the following year and 4.5% over the long term (2023: 4.8% over the next year, 4.4% over the following year and 4.6% over the long term). It is expected that prices will not increase purely as a result of inflation due to the continued constraint lumber market.

Operating costs: Costs include harvesting, maintenance and associated fixed overhead costs. 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 with of 4.6% over the next year, 4.5% over the following year, and 4.5% over the long term (June 2023: 4.8% over the next year, 4.4% over the following year, and 4.6% over the long term) was used. Electricity and wage costs were increased by 12% and 5.85%.

Costs to sell: Costs to sell include harvesting and short haul costs to bring logs to roadside.

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. York applied the debt/equity ratio of market participants included in its comparable company basket.

Volumes and volume adjustment factor: The total maturity volumes over the 20 - 23 year cycle is 22 236 957 m^3 (2023: 23 006 873 m^3). The projected volumes from the harvesting plans are risk adjusted by a weighted average of 2% (2023: 3%) based on the most recent actual yield reconciliation data to account for normal and abnormal deviations and operational losses.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Biological assets continued...

Maturity volumes (m³):				
Year				
Year one to five	3 792 821	3 390 586	-	-
Year six to ten	5 515 513	5 830 549	-	-
Year eleven to fifteen	5 940 519	5 681 580	-	-
Year sixteen and above	6 988 104	8 104 158	-	-
	22 236 957	23 006 873	-	-

Unharvested fruit:

Prices: The fair value of avocado, citrus and macadamias growing on the bearer plants is determined by reference to market prices for local, export and reject classes. This varies between R1.54/kg and R25.75/kg for avo's, R0.84/kg and R8.77/kg for citrus and R31.86/kg for macadamias adjusted for expected costs to reach maturity, which is typically one to three months after the end of the reporting period.

Cost to sell: Cost to sell include packaging cost and harvesting cost of R0.96/kg for avocado's, R5.38/kg for macadamias and R0.74/kg for citrus.

Volume: The agricultural produce volumes were reduced by a weighted average of 1% (2023: 1%) for avocados and 11% (2023: 13%) 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.

Significant estimates include the expected agricultural produce yields and quality, and the expected market price.

The avocados, citrus and macadamias have been classified as a level 3 in the fair value hierarchy.

During the year 1 148 ton (2023: 827 ton) of agricultural produce were harvested.

2024

Bearer plant	Mature bearer plants (ha)	Immature bearer plants (ha)	Total (ha)
Avocado	53	-	53
Macadamia	26	-	26
Citrus	38	60	98
	117	60	177

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Biological assets continued...

2023

Bearer plant	**Mature bearer plants (ha)**	**Immature bearer plants (ha)**	**Total (ha)**
Avocado	53	-	53
Macadamia	26	-	26
Citrus	-	98	98
	79	98	177

6.6 Key assumptions used in calculation of discounte rate (pine and eucalyptus)

Key assumptions used in calculation of the discount rate:				
Beta factor (8)	0.97	1.07	-	-
Risk free rate (9)	11.41%	11.76%	-	-
Cost of equity	17.41%	18.42%	-	-
Post-tax cost of debt	8.58%	8.58%	-	-
After-tax weighted average cost of capital	15.43%	16.26%	-	-
Debt-equity ratio (9)	22:78	22:78	-	-

(8) The GSAB10YR yield curve was used (2023: GSAB10YR yield curve).

(9) York applied a relevered beta and a debt/equity ratio of the market participants included in its comparable company basket.

6.7 Risk exposure of plantation biological assets

The Group is exposed to a number of risks relevant to its plantations, namely:

Regulatory and environmental risk: The Group has established environmental policies and procedures aimed at compliance with environmental legislation. Management performs regular reviews to identify environmental risks and to ensure that the management systems in place are adequate. The Group manages its plantations in compliance with the International Forest Stewardship Council’s (FSC) requirements for sustainable forestry.

Supply and demand risks: The Group is exposed to risks arising from fluctuations in the price and demand for log products. When possible the Group manages these risks by aligning its harvest volumes to market demand. Management performs regular industry trend analyses to ensure that the Group’s pricing structure is in line with the market and to ensure that projected harvest volumes are consistent with expected demand on a sustainable basis.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Biological assets continued...

Climate and other risks: The Group's plantations are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The Group has extensive processes in place aimed at monitoring and mitigating those risks. The Group subscribes to various national fire prevention associations which use differing weather conditions to indicate fire risk. The Group insures itself against natural disasters such as fires and floods. Refer to note 9. The Group is mapping areas in terms of expected climatical conditions over York's landholdings and identifying suitable genetic material in response to climate changes and pest tolerance. To address the climate change the Group developed hybrid material that are more heat tolerant and less dependent on water.

6.8 Pledged as security

Landholdings amounting to 89 579 ha with biological assets valued at R2.8 billion were encumbered in favour of Micawber 558 Proprietary Limited as security for loans and borrowings as per note 17.

6.9 Sensitivity analysis

The sensitivity analysis below shows how the present value of the discounted cash flows would be affected if the key valuation parameters were attributed to other values than those that form the basis of the current valuation of the discounted cash flows. A decrease by the same percentage would have the opposite effect on the valuation.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023
Pine and eucalyptus plantations:				
100 basis point increase in the current log price	49 055	45 576	-	-
25 basis points increase in forecasted log prices (year 1 and 2 and long term)	94 998	88 808	-	-
25 basis point increase in the forecast cost inflation rate	(34 935)	(28 517)	-	-
50 basis points increase in the pre-tax cost of debt	(19 782)	(17 977)	-	-
25 basis points increase in the discount rate	(59 750)	(55 337)	-	-
100 basis points increase in projected volumes	49 055	45 576	-	-
Unharvested fruit:				
100 basis point increase in market prices	119	76	-	-
25 basis point increase in harvesting cost	(2)	(1)	-	-
100 basis point increase in volumes	110	71	-	-

7. Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses.

7.1 The amounts included on the statements of financial position comprise the following:

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023
Investments in subsidiaries	-	-	1 262 207	1 261 452

Figures in R `000

Investments in subsidiaries continued...

7.2 Investments in subsidiaries

The following table lists the material entities which are controlled by the Group, either directly or indirectly through subsidiaries.

7.2.1 Details of the group's material subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation and business
Global Forest Products Proprietary Limited	Currently dormant and not actively trading	South Africa
York Timbers Proprietary Limited	Forestry and sawmilling	South Africa
Agentimber Proprietary Limited	Warehousing and wholesale	South Africa
York Fleet Solutions Proprietary Limited	Fleet management	South Africa
Mbulwa Estate Proprietary Limited	Property holding used both as a conference venue and accommodation	South Africa
Sonrach Proprietary Limited	Property holding used both as an office building and accommodation	South Africa
Stadsrivier Vallei Proprietary Limited	Farming, sawmilling and packhouse	South Africa

7.2.2 Interest held in material subsidiaries

	Interest 2024	Carrying amount 2024	Interest 2023	Carrying amount 2023
Global Forest Products Proprietary Limited	100.00%	1 117 743	100.00%	1 117 743
York Timbers Proprietary Limited	100.00%	144 464	100.00%	143 709
Agentimber Proprietary Limited	100.00%	-	100.00%	-
York Fleet Solutions Proprietary Limited	100.00%	-	100.00%	-
Mbulwa Estate Proprietary Limited	100.00%	-	100.00%	-
Sonrach Proprietary Limited	100.00%	-	100.00%	-
Stadsrivier Vallei Proprietary Limited	100.00%	-	100.00%	-
		1 262 207		1 261 452

All of the companies are incorporated and domiciled in the Republic of South Africa.

8. Deferred tax

A deferred tax liability is recognised for all taxable temporary differences between the carrying value of assets and liabilities for financial reporting purposes and the amounts used for tax purposes.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Deferred tax continued...

A deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

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

8.1 The analysis of deferred tax assets and deferred tax liabilities is as follows:

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023
Deferred tax assets	5 158	9 991	-	-
Deferred tax liability	(785 991)	(741 122)	-	-
Net deferred tax liabilities	**(780 833)**	**(731 131)**	**-**	**-**
Provisions	18 863	55 422	-	-
Estimated tax loss	39 774	18 946	-	-
Total deferred tax assets	**58 637**	**74 368**	**-**	**-**
Capital allowances	(72 606)	(117 179)	-	-
Biological assets	(762 788)	(684 791)		
Defined benefit plan reserve and revaluation reserve	(4 076)	(3 529)	-	-
Total deferred tax liability	**(839 470)**	**(805 499)**	**-**	**-**
Net deferred tax liability	**(780 833)**	**(731 131)**	**-**	**-**

Figures in R `000

Deferred tax continued...

8.2 Deferred tax balances and movements - Group

	Balance as at 1 July 2023	Increase in tax losses available for set-off against future taxable income*	Deductible temporary differences*	Changes to other comprehensive income	Deferred tax not recognised*	Prior year under provision*	Closing balance at 30 June 2024
Deferred tax	(731 131)	22 408	(70 106)	(432)	-	(1 572)	**(780 833)**
Total	**(731 131)**	**22 408**	**(70 106)**	**(432)**	**-**	**(1 572)**	**(780 833)**

	Balance as at 1 July 2022	Increase in tax losses available for set-off against future taxable income*	Taxable temporary differences*	Changes to other comprehensive income	Deferred tax not recognised*	Prior year under provision*	Closing balance at 30 June 2023
Deferred tax	(848 872)	13 143	103 387	1 247	(36)	-	**(731 131)**
Total	**(848 872)**	**13 143**	**103 387**	**1 247**	**(36)**	**-**	**(731 131)**

* The total of these amounts equals the deferred tax movement in profit or loss in note 29.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Deferred tax continued...

8.3 Deferred tax balances and movements - Company

	Balance as at 1 July 2022	Deferred tax not recognised*	Closing balance at 30 June 2023
Deferred tax	36	(36)	-
Total	**36**	**(36)**	**-**

8.4 Deferred tax asset not recognised

	Group 2024	Group 2023	Company 2024	Company 2023
Assessed loss not recognised	6 651	5 965		
Potential tax benefit on assessed loss	1 796	1 611	-	-

9. Other financial assets at amortised cost

Classification of financial assets at amortised cost

The Group classifies its financial assets at amortised cost only if both of the following criteria are met:

• the assets is held to collect the contractual cash flow; and

• the contractual terms give rise to cash flows that are solely payments of principal and interest.

The other financial assets comprise of funds accumulated under a contingency insurance policy. These funds are invested in two Hollard funds with a low risk investment strategy. Investment returns are accumulated in the funds. The fund balance is automatically rolled into the new policy year. The capacity target of the fund is R197.9 million (2023: R198.8 million) and is reassessed annually to take into account changing insurance cover requirements.

Risk exposure

The investments held by the Group inherently expose it to interest rate risk. Refer to note 35 Financial risk management for details of risk exposure and the processes and policies adopted to mitigate these risks.

Other financial assets at amortised cost incorporates the following balances:

	Group 2024	Group 2023 Restated	Company 2024	Company 2023
Other financial assets at amortised cost (contingency fund)	132 558	133 005	-	-
Non-current assets	81 210	78 132	-	-
Current assets	51 348	54 873	-	-
	132 558	**133 005**	**-**	**-**

Refer to note 39 for details on the restatement.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

10. Loan to group company

Loans to group companies are measured, at initial recognition, at fair value and subsequently measured at amortised cost using the effective interest method.

The loans to group companies are unsecured, bear no interest, and have a notice period of 367 days. The loan is amortised at a market related interest rate, being the prime interest rate in South Africa.

Impairment

The expected credit loss for the intercompany loan was assessed by taking into account macro-economic factors and the solvency and liquidity of the underlying subsidiary and no credit loss was deemed necessary. The underlying subsidiary's credit risk and the loss given default was taken into account after exclusion of the assets held as security for borrowings and no impairment was necessary as the underlying subsidiary has sufficient assets to cover outstanding debt and therefore has no loss at default.

Repayment of the loan has been subordinated as security for borrowings as per note 17.

Loans receivable inherently expose the Company to credit risk, being the risk that the company will incur financial loss if counterparties fail to make payments as they fall due. Refer to note 35 Financial risk management for details of risk exposure and the processes and policies adopted to mitigate these.

10.1 Loan to group company comprises the following balances

	Group 2024	Group 2023	Company 2024	Company 2023
York Timbers Proprietary Limited	-	-	1 405 551	1 411 971
Non-current assets	-	-	1 405 551	1 411 971
Current assets	-	-	-	-
	-	**-**	**1 405 551**	**1 411 971**

10.2 Face value of loan

	Group 2024	Group 2023	Company 2024	Company 2023
York Timbers Proprietary Limited	-	-	1 581 786	1 581 044

11. Inventories

Raw materials, work in progress and finished goods of timber and timber related products and consumable stores are measured at the lower of cost and net realisable value. The cost of timber and timber related products are based on the weighted average method.

The cost of harvested timber (included in raw materials) is its fair value less estimated point of sale costs at the date of harvest, based on the previous biological asset valuation performed, determined in accordance with the accounting policy for biological assets. Any change in value at the date of harvest is recognised in profit or loss. The harvested timber is carried at roadside prices which include transport cost up to roadside. The ageing of logs is used to determine whether the logs should be written off. Logs older than 20 weeks are written off.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Inventories continued...

When inventories are sold, the carrying amount of those inventories are recognised as an expense in cost of sales line item in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense, in the cost of sales line item, in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

11.1 Inventories comprise:

	Group 2024	Group 2023	Company 2024	Company 2023
Raw materials	47 742	30 420	-	-
Consumables	60 389	57 531	-	-
Work in progress	72 849	41 423	-	-
Timber products	139 578	113 968	-	-
Merchandise	-	2 638	-	-
Agricultural produce	2 463	813	-	-
Provision for write downs	(8 146)	(2 862)	-	-
	314 875	**243 931**	**-**	**-**

The total movement in cost of sales regarding inventory write downs was a R5 million loss (2023: gain of R0.5 million). Inventory recognised as an expense in cost of sales was R1 138 million (2023: R1 093 million). In the prior year the inventory recognised as an expense in cost of sales was incorrectly disclosed as R514.6 million and excluded harvested timber and operating expenses allocated to inventory and corrected in the current year.

11.2 Finished goods at net realisable value

	Group 2024	Group 2023	Company 2024	Company 2023
Finished goods	22 512	22 429	-	-

12. Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are initially recognised at the amount of the consideration due. The Group holds trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost.

Trade receivables inherently expose the Group and Company to credit risk, being the risk that the Group and Company will incur financial loss if customers fail to make payments as they fall due.

The Group and Company's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles.

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

The Group and Company calculated the expected credit loss under the simplified approach using a provision matrix. The expected credit loss is calculated by applying an expected loss ratio to each age receivable group.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Trade and other receivables continued...

All other receivables are neither past due nor impaired as there is no risk of expected loss.

Derecognition

Any gains or losses arising on the derecognition of trade and other receivables is included in profit or loss.

12.1 Trade and other receivables comprise:

	Group 2024	Group 2023	Company 2024	Company 2023
Trade receivables	209 599	193 462	178	178
Trade receivables impairment	(8 630)	(7 243)	(178)	(178)
Trade receivables - net	200 969	186 219	-	-
Other receivables	5 968	9 549	-	-
Prepaid expenses	21 318	15 493	269	184
Deposits	10 348	8 675	-	-
Employee costs in advance	2 413	1 823	-	-
Value added tax	2 518	8 297	-	-
Total trade and other receivables	**243 534**	**230 056**	**269**	**184**

12.2 Items included in Trade and other receivables not classified as financial instruments

	Group 2024	Group 2023	Company 2024	Company 2023
Prepaid expenses	21 318	15 493	269	184
Value added tax	2 518	8 297	-	-
Total non-financial instruments included in trade and other receivables	**23 836**	**23 790**	**269**	**184**
Financial assets included in trade and other receivables	219 698	206 266	-	-
Total trade and other receivables	**243 534**	**230 056**	**269**	**184**

12.3 Movements in impairment of trade and other receivables are as follows:

	Group 2024	Group 2023	Company 2024	Company 2023
At the beginning of the year	7 243	7 186	178	178
Remeasurement of loss allowance	2 100	2 148	-	-
Bad debt written off	(713)	(2 091)	-	-
At the end of the year	**8 630**	**7 243**	**178**	**178**

Normal trading terms are 30 days. Debtors balances beyond trading terms, are issued a final demand notice and if unsuccessful, handed over to a debt collector for non Credit Guarantee Insurance Corporation of South Africa Limited (CGIC) insured debtors or handed over to CGIC for insured debtors.

A debtor is considered to be in default and is written-off, once both York and/or CGIC have exhausted all avenues to recover the debt. This includes the issuance of final demands and subsequent legal action, should the final demand be unsuccessful. During the year, debtors to the value of R713 000 was written-off.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Trade and other receivables continued...

12.4 Trade and other receivables pledged as security

At year-end, trade receivables and CGIC insurance had been ceded to Absa Bank as security for banking facilities (refer to note 17). The amount of trade receivables that has been pledged as security was R194.7 million (2023: R160 million).

Refer to note 35 Financial risk management details on credit risk.

13. Cash and cash equivalents

Cash and cash equivalents are classified as financial assets subsequently measured at amortised cost in terms of IFRS 9 and comprise cash on hand, bank balances short term deposits.

Cash and cash equivalents included in current assets:

	Group 2024	Group 2023	Company 2024	Company 2023
Cash				
Cash on hand	135	158	-	-
Balances with banks	38 625	33 002	1	1
Short term deposits	18 179	158 756	-	-
	56 939	**191 916**	**1**	**1**

The carrying amount reasonably approximates its fair value.

14. Issued capital

Ordinary share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

No movement of shares occurred in the current financial period. All issued shares are paid in full.

The Group repurchased shares during the 2016 and 2017 financial year in the open market in order to benefit from the discount between the share price and the tangible net asset value per share. A total of 10.3 million shares (2023: 10.3 million shares) were held by the subsidiary at 30 June 2024 and are treated as treasury shares for accounting purposes.

Authorised and issued share capital

	Group 2024	Group 2023	Company 2024	Company 2023
Authorised				
600 000 000 ordinary shares of R0.05 each	30 000	30 000	30 000	30 000

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Issued capital continued...

Issued R'000				
474 097 739 (2023: 474 097 739) ordinary shares	23 705	23 705	23 705	23 705
10 344 355 (2023: 10 344 355) treasury shares	(517)	(517)	-	-
Rights issue cost	(6 006)	(6 006)	(6 006)	(6 006)
	17 182	**17 182**	**17 699**	**17 699**
Share premium	1 718 488	1 718 488	1 755 728	1 755 728
	1 735 670	**1 735 670**	**1 773 427**	**1 773 427**

All issued shares are paid in full.

Share reconciliation - number of shares ('000)				
Shares outstanding - beginning of the period	463 753	320 896	474 098	331 241
Rights issue	-	142 857	-	142 857
Shares outstanding - closing	**463 753**	**463 753**	**474 098**	**474 098**

In the prior year, the entity conducted a rights issue where the entity issued 142 857 142 shares for R250 million.

15. Share-based payment

Share-based payment

The Group has an equity settled incentive scheme for its senior employees.

The grant date fair value of options allocated to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest.

The fair value of the options is estimated at grant date using the binomial pricing model, taking into account the terms and conditions upon which the instruments were granted. Due to the Group not expecting a dividend flow within the next three years and no consideration payable at exercise date, the grant date fair value is deemed to be equal to the share price at award date.

Share based payment reserve

Opening balance	2 164	1 014	2 164	1 014
Share-based payment movement	755	1 150	755	1 150
Total reserves	**2 919**	**2 164**	**2 919**	**2 164**

During the period ended 30 June 2024, the Company had one (2023: one) share based payment scheme, with the following details:

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Share-based payment continued...

Key assumptions used in 2022 award

York share price at reporting date	R1.71	R1.90
Number of shares awarded	1 300 000	1 300 000
Award date	12/08/2021	12/08/2021
Expiry / vesting date	12/08/2024	12/08/2024
Fair value of options at grant date	R3.32	R3.32
Exercise price	R0.00	R0.00
Expected vesting rate	70.40%	80.00%
Vesting conditions	Three year's service	Three year's service

Unit reconciliation

Opening balance	1 300 000	1 300 000
Movement	-	-
Closing balance	**1 300 000**	**1 300 000**

16. **Provisions**

Restructuring provision

A provision for restructuring is recognised when the Group has established a detailed plan and either implementation has begun or the main features of the plan have been communicated to the parties involved. Restructuring costs include, for example, costs for plant closures, impairment of production machinery and costs for personnel reductions. The restructuring provision relates to the closure of two small business units in the Group which is expected to be finalised within the next 12 months. The impact of discounting was assessed as immaterial.

Environmental rehabilitation provision

The provision arose from a previous business combination. It comprised contingent amounts assessed at the date of the transaction. At each financial period-end the amount is re-assessed. The expected timing of the outflow of economic benefits is estimated to be during the next two to five years. The re-assessment in the current year resulted in the release of provisions no longer required. The remaining provision relates to requirements to meet environmental legislation.

Retirement plan contribution provision

The provision relates to company contributions and interest to one of the Group’s provident funds that was previously disclosed as a contingency. The Group and its legal advisors continue to work with the fund, as instructed by the court to come to an agreement on the amount payable by York.

16.1 **Provisions comprise:**

	Group 2024	Group 2023	Company 2024	Company 2023
Environmental rehabilitation	6 778	18 518	-	-
Non-current portion	**6 778**	**18 518**	**-**	**-**

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023
Provisions continued...				
Retirement plan contribution provision	8 270	-	-	-
Restructuring	6 133	2 656	-	-
Current portion	**14 403**	**2 656**	**-**	**-**
	21 181	**21 174**	**-**	**-**

16.2 Provisions

	Environmental rehabilitation	Restructuring	Retirement plan contribution provision	Total
Balance at 1 July 2023 - Group	**18 518**	**2 656**	**-**	**21 174**
Net movement	(11 740)	3 477	8 270	7
Balance at 30 June 2024	**6 778**	**6 133**	**8 270**	**21 181**

	Environmental rehabilitation	Restructuring	Retirement plan contribution provision	Total
Balance at 1 July 2022 - Group	**17 670**	**2 912**	**-**	**20 582**
Net movement	848	(256)	-	592
Balance at 30 June 2023	**18 518**	**2 656**	**-**	**21 174**

17. Borrowings

Borrowings are recognised when the Group becomes a party to the contractual provisions of the loan. They are subsequently measured at amortised cost using the effective interest rate method. Borrowings are measured at initial recognition at fair value less transaction cost.

Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs (note 28). Loan raising fees are amortised using the effective interest rate method over the term of the associated loan.

The borrowing facility with Land Bank and the Absa Capital fund loan (Stadsrivier Vallei Proprietary Limited), was refinanced on 3 May 2024 with a loan from the Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden (FMO) which was settled with York Timbers Proprietary Limited.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Borrowings continued...

17.1 Borrowings comprise:

Land Bank term loan	-	177 805	-	-
Land Bank Press loan	-	2 842	-	-
FMO	280 776	-	-	-
Absa Capital fund loan (Stadsrivier Vallei Proprietary Limited)	-	75 000	-	-
Absa Capital fund loan (Sonrach Properties Proprietary Limited)	3 602	4 734	-	-
Instalment sale agreement	109 935	61 455	-	-
Absa IMX facility	83 622	72 645	-	-
Loan raising fee	(14 525)	(804)	-	-
	463 410	**393 677**	**-**	**-**
Non-current portion of borrowings	345 123	237 375	-	-
Current portion of borrowings	118 287	156 302	-	-
	463 410	**393 677**	**-**	**-**

The carrying amounts reasonably approximate its fair value.

17.2 Terms of above loans

Absa IMX facility: The IMX facility is a receivable finance facility provided by Absa bank. Absa purchases the right to receive payments from certain qualifying debtors and in return advance up to 85% of the value of debtors / invoices. Absa has full recourse on amounts advanced when a debtor does not settle its accounts by the due date, normally 30 days.

At year-end, the IMX facility granted by Absa Bank was secured by a cession of a clearing account held with Absa bank and cession of trade receivables with a maximum exposure limit of R150 million, and Credit Guarantee Insurance Corporation of Africa Ltd (CGIC) insurance (refer note 12). The IMX facility bears interest at the prime interest rate on the utilised amount. The general banking facility is available to all companies in the Group. The availability on the Absa invoice discounting facility is limited to the lower of 85% of qualifying debtors or R150 million.

Absa Capital fund loan (Sonrach Properties Proprietary Limited): This loan bears interest at an interest rate of prime less 0.75% (2023: prime less 0.75%) per annum and is payable in monthly instalments in arrears, over a period of 10 years of which 2 are remaining.

Loan raising fees: The loan raising fee is amortised over the period of the loan using the effective interest rate method. The amortised amount is included in finance expenses (refer note 28).

FMO loan: The terms of the new facility is 9 years, with an initial 2 year capital repayment holiday. Interest is charged at a margin of 3.38% above the three month JIBAR rate with the ability to reduce by 50bps when the York Timber Holdings Limited group and its subsidiaries delivers two consecutive years of net profit.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Borrowings continued...

Securities over the FMO debt:

• Security provided to FMO is held via a special purpose vehicle, Micawber 558 Proprietary Limited. All security provided for the facility is in favour Micawber 558 Proprietary Limited who in turn holds the security in favour of FMO.

Security provided for the FMO facility comprise:

• Mortgage bonds over certain land holdings and property of the group in favour of Micawber 558 Proprietary Limited with a maximum value of R1.4 billion as continuing covering security and a further R250 million for contingent payments and cost over certain fixed property of the group as per note 5.

• General notarial bonds in favour of Micawber 558 Proprietary Limited issued by certain subsidiaries of the group to a value of R500 million as continuing security and a further R125 million as security for contingent payments and costs.

• Ceded rights in and to certain insurance policies of the Group.

Further security provided to Absa Bank Limited for the group's general facilities include:

• A joint and several guarantee of R154 million provided by Agentimber Proprietary Limited and Global Forest Products Proprietary Limited in favour of Absa Bank Limited. This guarantee was cancelled subsequent to year-end.

• First covering mortgage bonds over certain land holdings and property of the group with a maximum value of R150 million. Subsequent to year end, the joint and several guarantee of R154 million was cancelled and replaced by a R250 million limited guarantee issued by Stadsrivier Vallei Proprietary Limited.

Refer to note 35 Financial risk management for the fair value of borrowings. Refer to note 34 for details on the covenant compliance.

17.3 Instalment sale agreement obligations

Within one year	43 793	29 476	-	-
Second to fifth year inclusive	89 416	42 233	-	-
Less: future finance charges	(23 274)	(10 254)	-	-
	109 935	61 455	-	-

The Instalment Sale Agreement liabilities consist of 81 (2023: 113) instalment sale agreements, payable over a period of three to six years at effective interest rates of prime less 1% to prime plus 0.5% (2023: prime less 1% to prime plus 0.5%) per annum. These liabilities are secured by plant and equipment and motor vehicles with a carrying value of R 114.6 million (2023: R 83.6 million). Refer to note 5. They have no escalation clauses. Repayments are based on the outstanding debt at the prevailing interest rate.

Present value of minimum instalment sale agreement payments				
Within one year	32 937	23 873	-	-
Second to fifth year inclusive	76 998	37 582	-	-
	109 935	61 455	-	-

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Borrowings continued...

17.4 Instalment sale providers

	2024 Number of instalment sales agreements	2024 Interest rates	2023 Number of instalment sales agreements	2023 Interest rates
Absa Bank	53	10.75% - 12.25%	89	10.75% - 12.25%
Mercedes Finance / Daimler Truck	20	11.25% - 12.05%	16	11.25% - 12%
Toyota Finance	7	10.75% - 11.25%	8	10.75% - 11.25%
	80		113	

18. Lease liabilities

The lease liability is measured at the present value of the lease payments, discounted using the Group's incremental borrowing rate adjusted for asset specific risk and the lease term. The lease liability relates to office space and warehouse leases for 3 to 5 years.

Lease payments are allocated between principal and finance cost. The finance cost is changed to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Refer to note 5 for disclosure around the right of use assets, accumulated depreciation, impairment and depreciation and accounting policy, note 26 for short term leases and variable lease payments and note 28 for finance cost on lease liabilities.

18.1 Lease liabilities comprise:

	Group 2024	Group 2023	Company 2024	Company 2023
Lease liability	21 924	30 161	-	-
Non-current liabilities	12 928	21 925	-	-
Current liabilities	8 996	8 236	-	-
	21 924	**30 161**	**-**	**-**

18.2 Contractual undiscounted cash flow

	Group 2024	Group 2023	Company 2024	Company 2023
Less than one year	10 355	10 298	-	-
One to five years	13 763	23 513	-	-
	24 118	**33 811**	**-**	**-**

18.3 Assumptions used

	Group 2024	Group 2023	Company 2024	Company 2023
Lease terms	3 - 5 years	3 - 5 years		
Group's incremental borrowing rate	7%-10%	7%-10%		
Adjustment to asset specific risk - unsecured debt	0.25%	0.25%		
Adjustment over the lease term	0.25%	0.25%		
Effective interest rate	7.5%-10.5%	7.5%-10.5%		

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

19. Retirement benefit obligations

The Group's policy is not to provide post-retirement medical aid benefits to its employees. However, a provision is made for a closed group of current and former employees in respect of legacy post-retirement medical scheme contribution subsidies. Independent actuaries determine the value of this obligation and the annual costs of the benefits. The assumptions used are consistent with those adopted by the actuaries in determining pension costs and in addition include long-term estimates of the increases in medical costs and appropriate discount rates. An actuarial valuation is performed annually on the plan. The closing balance of the plan is the present value of the defined benefit obligation and is wholly unfunded. There is no asset-funding plan in place.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

19.1 Defined benefit plan - Retirement benefit obligation

19.1.1 The movement in the defined benefit liability over the year is as follows:

Opening balance at 1 July 2023	26 429	24 081	-	-
Current service cost	0	1	-	-
Interest cost	3 409	2 697	-	-
Actuarial (gains) and losses	(678)	2 074	-	-
Benefits paid	(2 721)	(2 423)		
Closing balance at 30 June 2024	**26 439**	**26 430**	**-**	**-**

The closing balance is the present value of the defined benefit obligation and is wholly unfunded. There is no asset-funding plan in place.

Actuarial gains and losses arising from changes in demographic assumptions

The actuarial gain for the current year consists of two factors, demographic and financial. The demographic factors contributed a loss of R 0.2 million (2023: gain of R 3.1 million) and the financial factors a profit of R 0.8 million (2023: loss of R 5.2 million).

Defined benefit plan balances at year end

Included in non-current liabilities	(23 526)	(26 430)	-	-
Included in current liabilities	(2 912)	-	-	-
	(26 438)	**(26 430)**	**-**	**-**

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Retirement benefit obligations continued...

19.2 Defined benefit contributions

19.2.1 Actuarial assumptions

The significant actuarial assumptions were as follows:

Number of active members	-	-	-	-
Number of retired members	34	35	-	-
Average expected discounted duration of the scheme for pensioners (years)	7	7.40	-	-
Discount rate (estimated corporate bond yield)	12.30%	12.90%	-	-
Medical contribution inflation rate	10.30%	10.90%	-	-

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Assumed healthcare cost trend rates have a significant effect on the amount recognised in profit and loss. A 1% increase in the medical inflation rate would have the following effects:

A 1% increase in the medical inflation rate would have the following effects:				
100 basis points increase: Increase in aggregate of the service cost and interest cost	79	968	-	-
100 basis points increase: Increase in defined benefit obligation	1 920	1 986	-	-
A 1% change in the investment discount rate would have the following effects:				
100 basis points increase: Increase in aggregate of the service cost and interest cost	116	61	-	-
100 basis points increase: Decrease in defined benefit obligation	(1 675)	(1 729)	-	-

The limitations that apply to the valuation's assumptions and methodology also apply to the sensitivity analysis. Furthermore, add that the sensitivity analysis changes a single variable without considering the impact of the change on other variables. The individual assumptions of the discount rate and healthcare inflation are less important than the gap between them. It is also important to recognise that the assumptions chosen are assumed to prevail over the long term based on market conditions at the time, whereas short-term fluctuations occur. A decrease by the same percentage would have the opposite effect on the valuation.

Contributions towards defined benefit plan	2 784	2 628	-	-

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Retirement benefit obligations continued...

19.3 Future cash flow impact

Below is the undiscounted maturity analysis of the retirement benefit obligation. The weighted average duration for pensioners in payment is 17 years (2023: 18 years).

19.3.1 Expected maturity analysis of undiscounted pension and post-employment medical benefits:

	Less than a year	1 to 2 years	2 to 5 years	More than 5 years
Year ended 30 June 2024 - Group				
Defined benefit plan - Retirement benefit obligation	3 030	3 186	10 357	89 613
Year ended 30 June 2023 - Group				
Defined benefit plan - Retirement benefit obligation	2 777	2 952	9 839	103 349

19.4 Defined contribution plan: Retirement fund

The Group has three provident fund schemes, York Timbers Provident Fund, Alexander Forbes Provident Fund and the Hospitality and General Provident Fund, for all employees. The Group also has an Alexander Forbes Pension Fund.

	Group 2024	Group 2023	Company 2024	Company 2023
The number of members at year end:				
Hospitality and General provident Fund	87	102	-	-
York Timbers Provident Fund	1 391	1 379	-	-
Alexander Forbes Provident Fund	286	400	-	-

19.5 Defined contribution plan: Pension fund

	Group 2024	Group 2023	Company 2024	Company 2023
The number of members at year end:				
Alexander Forbes Pension Fund	7	7	-	-
Momentum Pension Fund	-	141	-	-

20. Trade and other payables

Trade and other payables, excluding VAT, payroll related accruals and amounts received in advance, are classified as financial liabilities, when the Group and Company becomes a party to the contractual provisions and are measured, at initial recognition, at fair value plus transaction cost, if any. They are subsequently measured at amortised cost using the effective interest rate method.

Trade and other payables expose the Group and Company to liquidity risk and possibly to interest rate risk. Refer to note 35 for details of risk exposure and management thereof.

The accrual for employee entitlements to wages, salaries and annual leave represent the amount which the Group and Company has a present obligation to pay as a result of employees' services provided up to the reporting date. The provisions have been calculated at undiscounted amounts based on expected wage and salary rates.

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Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Trade and other payables continued...

The carrying amounts of trade and other payables are considered to be the same as their fair values due to their short term nature.

20.1 Trade and other payables comprise:

Trade payables	260 163	273 533	960	230
Deposits received	439	206	-	-
Accruals	52 617	32 950	1 007	2
Payroll related accruals	35 248	34 281	-	698
Other payables	5 156	1 594	-	-
Value added tax	-	2 707	43	100
Total trade and other payables	**353 623**	**345 271**	**2 010**	**1 030**

20.2 Items included in trade and other payables not classified as financial liabilities

Value added tax	-	-	43	99
Payroll related accruals	35 248	34 281	-	698
Total non-financial liabilities included in trade and other payables	**35 248**	**34 281**	**43**	**797**
Financial liabilities included in trade and other payables	318 375	310 990	1 967	233
Total trade and other payables	**353 623**	**345 271**	**2 010**	**1 030**

21. Commitments

Authorised capital expenditure

Property, plant and equipment and biological assets				
Not yet contracted for and authorised by directors	39 229	67 758	-	-
Already contracted for but not provided for	73 778	18 283	-	-

Included in the property, plant and equipment and biological assets already contracted for but not provided for is the purchase of the Pine Valley plantation for R65.4 million that was signed on 29 January 2024. The subject property has R35 million standing timber, R1 million fixed improvements and land valued at R29.3 million. The transaction is expected to complete before the end of the 2024 calendar year. The transaction will be funded by the existing FMO facility.

This committed expenditure will be financed through existing cash resources, available loan facilities and funds generated internally.

Capital commitments are based on capital projects approved to date and the budget approved by the Board. Major capital projects require further approval before they commence.

22. Revenue

The Group recognises revenue from the following major sources:

• Sale of logs
• Sale of timber products
• Chip sales
• Sale of nuts and fruits
• Income from fruit packing

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Sale of logs

Revenue is recognised at a point in time for sale of logs.

Revenue is recognised when control of the goods has transferred, being at the point when the customer receives the goods. Payment of the transaction price is due immediately at the point the customer receives the goods or within 30 days for account holding customers. A receivable is recognised for account holding customers. No financing element is recognised as the payment terms are within 30 days.

Chip sales

Revenue is recognised when control of the goods has transferred, being at the point when the customer receives the goods. When the customer collects the goods at the company's premises control has passed to the customer and no risk remains with the Group. In instances where delivery is required, control passes when the customer receives the goods at their premises.

Payment of the transaction price is due immediately at the point the customer purchases the goods, or within 30 days for account holding customers. A receivable is recognised for account holding customers. No financing element is recognised as the payment terms are within 30 days.

Sale of timber products (plywood and lumber sales)

Revenue is recognised at a point in time for local and export sales of timber products and includes the sales of timber and transport income.

Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility of selling the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Group when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. No element of financing is deemed present as the sales are made with a credit term of 30 days, which is consistent with market practice. In some instances, the customer requires the Group to arrange transport with the sale of goods. The performance obligation on the sale of goods are then satisfied when the goods are delivered to the customer.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Revenue continued...

Revenue is deferred when performance obligations have not been satisfied. This is mostly for export sales where the International Commercial Terms are used to determine when performance obligations have been satisfied.

Sale of nuts and fruits

Revenue is recognised at a point in time for sales of nuts and fruit.

For the sale of fruit the final packed produce is sent to the marketing and distribution agent (Agent) for local and export consumers. The title of the produce remains with the Group until the final payment for the product has been received by the Agent and the risk in the produce will only pass to the end consumer on the sale between the Agent and end consumer.

Deferred revenue is recognised for produce where the Group has received partial payment for the produce from the Agent.

For the sale of nuts revenue is recognised when the nuts are delivered to the customer.

Income from fruit packing

Revenue derived from fruit packing services rendered is recognised when the goods are packed, at a point in time, and is based on the pack out distribution of the produce delivered by the grower.

22.1 Revenue comprises:

	Group 2024	Group 2023	Company 2024	Company 2023
Sale of goods	1 720 438	1 637 997	-	-
Rendering of services	24 781	28 297	6 294	6 404
Total revenue	**1 745 219**	**1 666 294**	**6 294**	**6 404**

22.2 Disaggregation of revenue from contracts with customers:

	Group 2024	Group 2023	Company 2024	Company 2023
Sale of goods				
Fruit and nut sales	24 573	14 655	-	-
Log sales	154 194	108 791	-	-
Lumber sales	852 416	823 239	-	-
Chip sales and other revenue(1)	56 849	38 610	-	-
Plywood sales	632 406	652 702	-	-
	1 720 438	1 637 997	-	-
Rendering of services				
Accommodation income	363	1 073	-	-
Admin and management fees	-	-	6 294	6 404
Treating income	4 381	4 407	-	-
Transport income	3 337	3 189	-	-
Income from fruit packed	16 700	19 628	-	-
	24 781	**28 297**	**6 294**	**6 404**
Total revenue	**1 745 219**	**1 666 294**	**6 294**	**6 404**

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Revenue continued...

(1) Mainly consist of chip sales, sawdust and other ancillary sales.

22.3 Timing of revenue recognition

At a point in time				
Sale of goods	1 720 438	1 637 997	-	-
Rendering of services	24 418	27 224	6 294	6 404
	1 744 856	**1 665 221**	**6 294**	**6 404**
Over time				
Rendering of services - accommodation income	363	1 073	-	-
	363	**1 073**	**-**	**-**
Total revenue from contracts with customers	**1 745 219**	**1 666 294**	**6 294**	**6 404**

Refer to note 32 for revenue per geographical area.

23. Cost of sales

Cost of sales comprise:

Raw material, timber purchases and transport	653 776	646 046	-	-
Fair value adjustment on biological assets	(254 634)	384 099	-	-
Employee costs	302 490	285 422	-	-
Utilities	85 374	75 511	-	-
Depreciation	68 709	70 700	-	-
External log purchases	283 088	240 582	-	-
Total cost of sales	**1 138 803**	**1 702 360**	**-**	**-**

24. Other income

Other income comprises:

Scrap sales	856	6 243	-	-
Insurance income	4 976	322	-	-
Sundry income(2)	4 230	4 282	-	-
Bad debt recovered	148	63	-	-
Other rental income(1)	5 837	4 969	-	-
Total other income	**16 047**	**15 879**	**-**	**-**

(1) Other rental income relates to income derived from rental income on Telecommunication infrastructure placed on the Group's property and other property rental.

(2) Sundry income relates to seedlings sold and income received for training programmes.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

25. Other gains and (losses)

Transactions in foreign currencies are translated to the functional currency of the Group at the rate of exchange ruling on the transaction date.

Monetary assets and liabilities denominated in foreign currencies are retranslated to the functional currency at rates of exchange ruling at the reporting date (spot rate). Any foreign exchange differences are recognised in profit and loss in the year in which the difference occurs.

Other gains and (losses) comprise:

	Group 2024	Group 2023	Company 2024	Company 2023
Gain or (loss) on disposal of property, plant and equipment	254	(652)	-	-
Gain or (loss) on foreign exchange differences	452	(4 137)	-	-
Fair value gains on investment property	-	1 784	-	-
Total other gains and (losses)	**706**	**(3 005)**	**-**	**-**

26. Profit / (loss) from operating activities

Profit / (loss) from operating activities includes the following separately disclosable items

	Group 2024	Group 2023	Company 2024	Company 2023
Cost of sales				
Property plant and equipment				
- depreciation	68 709	70 700	-	-
Utilities	85 374	75 511	-	-
Employee costs	302 490	285 422	-	-
Fair value adjustment on biological assets	(254 634)	384 099	-	-
Raw material, timber purchases and transport	653 776	646 046	-	-
External log purchases	283 088	240 582		
Total cost of sales	1 138 803	1 702 360	-	-

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023
Profit / (loss) from operating activities continued...				
Other operating expenses				
Property plant and equipment				
- depreciation	30 154	30 459	-	-
- impairment loss	10 123	9 941	-	-
Intangible assets				
- amortisation	94	104	-	-
Right-of-use assets				
- depreciation	8 864	8 491	-	-
Other impairments				
- trade and other receivables	1 773	(309)	-	-
Utilities	23 135	13 859	-	-
Employee costs	135 310	116 222	4 817	5 360
Share-based payments				
- Equity-settled share-based payments	755	1 150	-	-
Insurance	46 023	42 829	-	-
Repairs and maintenance	12 503	14 214	-	-
Other operating expenses	96 997	109 297	655	1 200
Short term leases	1 437	1 647	-	-
Admin and consultation fees	22 921	19 053	980	2 347
Auditors remuneration - Deloitte: External audit	5 644	3 388	-	-
Auditors remuneration - Deloitte: Other Assurance and Related Services	125	-	-	-
Auditors remuneration - A3ccube: Other Assurance and Related Services	16	-	-	-
Total operating expenses	**395 874**	**370 345**	**6 452**	**8 907**

27. Finance income

Finance income comprises interest income on funds invested.

Finance income comprises:

Financial assets	16 862	14 687	4	2

Interest was generated from financial assets at amortised cost.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

28. Finance costs

Finance expenses comprise interest expense on borrowings, interest charged by trade payables and interest expense on lease liabilities and amortisation of loan raising fees.

Finance costs included in profit or loss:

Trade and other payables	593	381	-	-
Interest on borrowings held at amortised cost	37 116	34 712	-	-
Group loans*	-	-	7 161	68 557
Lease liabilities	2 069	2 400	-	-
Other interest paid	17 713	9 263	-	-
Loan raising fee - amortised	756	353	-	-
Total finance costs	**58 247**	**47 109**	**7 161**	**68 557**

* Interest relates to the amortisation of the interest free intercompany loans in terms of IFRS 9 with the prime interest rate.

29. Income tax expense / (credit)

Income tax expense for the year comprises current and deferred tax. Income tax expense is recognised in profit and loss.

29.1 Income tax recognised in profit or loss:

Current tax				
Current year	66	3 398	-	-
Prior periods	502	-	-	-
Total current tax	**568**	**3 398**	**-**	**-**
Deferred tax				
Prior periods	1 572	-	-	-
Current year	47 698	(116 493)	-	36
Total deferred tax	**49 270**	**(116 493)**	**-**	**36**
Total income tax expense / (credit)	**49 838**	**(113 095)**	**-**	**36**

Notes and Accounting Policies to the Audited Consolidated and Separate Annual Financial Statements

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Income tax expense / (credit) continued...

29.2 The income tax for the year can be reconciled to accounting profit / (loss) as follows:

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023
Profit / (loss) before tax from operations	185 910	(425 959)	(7 315)	(71 058)
Income tax calculated at 27.0%	27.00%	(27.00%)	27.00%	27.00%
Tax effect of				
Legal fees, fines and penalties	2.00%	4.73%	0.00%	0.00%
Learnership agreements	(3.68%)	(4.66%)	0.00%	0.00%
Assessed loss not recognised	0.37%	0.38%	(0.57%)	(0.82%)
Amortisation of intergroup loans	0.00%	0.00%	(26.43%)	(26.23%)
Prior year under provision	1.12%	0.00%	0.00%	0.00%
Effective tax rate	**26.81%**	**(26.55%)**	**0.00%**	**(0.05%)**
Taxation related to components of other comprehensive income				
Re-measurement of defined benefit liability	(435)	1 339	-	-
Revaluation on property plant and equipment	-	(92)	-	-
	(435)	**1 247**	**-**	**-**

30. Cash flows from operating activities

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023
Profit / (loss) for the year	136 072	(312 864)	(7 315)	(71 093)
Adjustments for:				
Income tax expense	49 838	(113 095)	-	36
Finance income	(16 862)	(14 687)	(4)	(2)
Finance costs	58 247	47 109	7 161	68 557
Depreciation and amortisation expense	107 820	109 754	-	-
Impairment losses on property, plant and equipment	10 122	9 940	-	-
Share based payment expense: equity-settled	755	1 150	-	-
Fair value gains and losses	(254 634)	382 315	-	-
Impairment of trade receivables	1 773	(309)	-	-
Gains and losses on foreign exchange realised in profit or loss	(452)	4 137	-	-
Gains and losses on disposal of non-current assets	(254)	653	-	-
Movement in retirement benefit liabilities	684	275	-	-

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023
Cash flows from operating activities continued...				
Change in operating assets and liabilities:				
Increase in inventories	(70 944)	(20 655)	-	-
(Increase) / decrease in trade accounts receivable	(16 522)	(24 811)	-	2
Decrease / (increase) in other operating receivables	14 363	(11 483)	(85)	-
Increase / (decrease) in trade accounts payable	(13 370)	94 644	239	(1 418)
(Decrease) / increase in other operating payables	21 726	(22 900)	-	-
Decrease in deferred income	-	(1 663)	-	-
Movement in provisions	7	592	-	-
Net cash flows from operations	**28 369**	**128 102**	**(4)**	**(3 918)**

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023
Borrowings				
Opening balance	**393 677**	**419 914**		
Cashflow movement:				
Repayment of borrowings	(303 798)	(58 561)	-	-
Payment of loan raising fees	(14 525)			
Proceeds from borrowings	289 977		-	-
Non cashflow movements				
Loan raising fee amortisation	756	353	-	-
New instalment agreements entered into	95 722	31 971	-	-
Interest accrued	1 601	-	-	-
Closing balance	**463 410**	**393 677**	**-**	**-**

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023
Lease liabilities				
Opening balance	**30 161**	**32 131**		
Cashflow movement:				
Repayment of Leases	(10 306)	(9 382)	-	-
Non cashflow movements				
Interest accrued	2 067	2 400	-	-
Additions to lease liability	-	5 012	-	-
Closing balance	**21 922**	**30 161**	**-**	**-**

31. Income tax paid

Income tax paid

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023
Amounts receivable / (payable) at the beginning of the year	2 771	(4 380)	2	2
Amounts receivable at the end of the year	(2 668)	(2 771)	(2)	(2)
Taxation (credit) /expense	(49 838)	113 095	-	-
Less deferred tax included in taxation expense	49 270	(116 493)	-	-
	(465)	**(10 549)**	**-**	**-**

32. Segment information

The Group determines and presents operating segments based on the information that is internally provided to the Group's Chief Operating Decision-Maker (CODM) comprising senior management and Executive Committee members.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets head office expenses and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill.

32.1 General information

The Group has four reportable segments which are the Group’s strategic divisions. Management has identified the segments based on the internal reports reviewed monthly by the Group’s Chief Operating Decision-Maker (CODM). The CODM at the reporting date is senior management and the Executive Committee members. The responsibility of the CODM is to assess performance and to make resource allocation decisions related to the individual operations of the Group. The segment financial information provided to and used by the CODM forms the basis of the segment disclosure in these audited consolidated and separate annual financial statements.

The business is considered from an operating perspective based on the products cultivated or produced and sold. The reportable segments comprise:

• Processing plants: The Group has aggregated two divisions. These divisions produce timber-related products and have therefore been assessed as one segment by management. The cash generating units are:

~ Sawmilling: Two sawmills located in close proximity to Sabie and Warburton that produce and sell a broad range of structural and industrial sawn timber products.

~ Plywood: A plywood plant in Sabie that manufactures and sells plywood timber products.

• Forestry and Fleet: The Group owns plantations in the Mpumalanga Province on which it grows pine and eucalyptus trees that are cultivated and managed on a rotational basis. The segment sells its products to the Processing segment and to external customers. Fleet Solutions owns heavy motor vehicles used to transport logs.

• Wholesale: The Group has five distribution centres located in Germiston, Polokwane, Gqeberha, Durban and Cape Town, that sell timber-related products from the sawmills, plywood plant and external suppliers.

• Agricultural: The Group owns land with avocados, citrus and macadamias orchards and a fruit packing facility in the Mpumalanga province.

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. Refer to the section on credit risk in note 35 for disclosure on major customers.

Performance in internal management reports is measured based on earnings before interest, taxation, depreciation and amortisation (EBITDA) and fair value adjustment on biological assets. Management believes that such information is the most relevant in evaluating the results of the segments relative to other entities that operate in the industry.

The amounts included in the internal management reports are measured in a manner consistent with the audited consolidated and separate annual financial statements.

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Segment information continued...

The segment assets and liabilities are not separately disclosed as this information is not presented to the CODM. All non current assets owned by the Group are located in South Africa.

In the current year, the results of the Stadsrivier sawmill was aggregated with the Processing segment. In the prior year, the sawmill's results was aggregated with the Agricultural segment.

Transactions between segments are done at arm's length.

32.2 Segment revenues

2024	Processing	Wholesale	Forestry and fleet	Agriculture	Total
Revenue: external sales					
• Lumber sales	589 584	262 832	-	-	852 416
• Plywood sales	479 231	153 175	-	-	632 406
• Fruit and nut sales	-	-	-	24 573	24 573
• Chip sales and other revenue	55 568	994	4	92	56 658
• Log sales (external)	-	-	154 194	-	154 194
• Transport income	-	-	3 337	-	3 337
• Income from fruit packed		-	-	16 700	16 700
• Treating income	3 261	1 120	-	-	4 381
Revenue: inter-segment sales	314 715	532	695 300	-	1 010 547
	1 442 359	418 653	852 835	41 365	2 755 212
Revenue by Geographical location					
• South Africa	854 273	383 681	157 535	35 314	1 430 803
• Southern Africa Development Community (SADC)	162 992	33 860	-	-	196 852
• International (Non-SADC)*	110 379	580	-	6 051	117 010
Revenue: inter-segment sales	314 715	532	695 300	-	1 010 547
	1 442 359	418 653	852 835	41 365	2 755 212

* International sales refer to plywood sales to the United Kingdom, Belgium, Italy, Holland and Germany.

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Figures in R `000

Segment information continued...

2023	Processing	Wholesale	Forestry and fleet	Agriculture	Total
Revenue: external sales					
• Lumber sales	543 185	259 846	-	20 225	823 256
• Plywood sales	444 664	208 037	-	-	652 701
• Fruit and nut sales	-	-	-	14 655	14 655
• Chip sales and other revenue	35 255	1 365	-	1 814	38 434
• Log sales (external)	-	-	108 700	91	108 791
• Transport income	-	-	3 189	-	3 189
• Income from fruit packed	-	-	-	19 628	19 628
• Treating income	3 890	518	-	-	4 408
Revenue: inter-segment sales	316 733	94 050	719 479	9 279	1 139 541
	1 343 727	563 816	831 368	65 692	2 804 603

	Processing	Wholesale	Forestry and fleet	Agriculture	Total
Revenue by Geographical location					
• South Africa	727 765	441 710	111 889	56 413	1 337 777
• Southern Africa Development Community (SADC)	170 720	28 056	-	-	198 776
• International (Non-SADC)*	128 509	-	-	-	128 509
Revenue: inter-segment sales	316 733	94 050	719 479	9 279	1 139 541
	1 343 727	563 816	831 368	65 692	2 804 603

* International sales refer to plywood sales to the United Kingdom, Belgium, Canada, Italy, Holland, Germany and the United States of America.

Figures in R `000

Segment information continued...

32.3 Material segment expenses

2024	Processing	Wholesale	Forestry and fleet	Agriculture	Total
Depreciation, amortisation and impairment	(72 576)	(9 612)	(30 389)	(2 708)	(115 285)
Employment cost	(243 238)	(18 387)	(86 138)	(11 567)	(359 330)
Utilities	(90 084)	(4 059)	(3 134)	(2 250)	(99 527)
Fuel	(25 689)	(4 106)	(30 885)	(1 245)	(61 925)
Transport	(92 138)	(8 774)	(40 791)	(3)	(141 706)
External log purchases^	-	-	(283 088)	-	(283 088)
Insurance^	(25 232)	(1 485)	(26 220)	(2 786)	(55 723)
Purchases: Inter-segment^	(695 441)	(314 918)	-	(3)	(1 010 362)
Reportable segment profit*	42 554	5 868	45 769	552	94 743
Other non-cash item:					
• Fair value adjustment to biological asset included in cost of sales	-	-	250 667	3 967	254 634
2023					
Depreciation, amortisation and impairment	(70 343)	(9 706)	(29 544)	(2 966)	(112 559)
Employment cost	(211 526)	(16 311)	(76 959)	(21 652)	(326 448)
Utilities	(74 957)	(2 402)	(3 292)	(4 134)	(84 785)
Fuel	(22 265)	(4 685)	(33 959)	(4 157)	(65 066)
Transport #	(74 779)	(10 392)	(27 807)	(1 470)	(114 448)
External log purchases^	-	-	(240 582)	-	(240 582)
Insurance^	(23 138)	(1 402)	(24 727)	(1 664)	(50 931)
Purchases: Inter-segment^	(802 459)	(326 011)	-	-	(1 128 470)
Reportable segment profit*	64 453	21 113	17 205	2 494	105 265
Other non-cash item:					
• Fair value adjustment to biological asset included in cost of sales	-	-	(385 779)	1 680	(384 099)

* Being EBITDA and fair value adjustments on biological assets.

Forestry and Fleet transport expense was corrected from R141 million to R27.8 million and the total transport expense from R227 million to R115 million, due to an inter-segment elimination error.

^ The segment information for the 2024 and 2023 financial year has been presented in light of the guidance provided by the IFRS® Interpretations Committees (IFRIC) final agenda decision relating to the IFRS 8 – "Operating Segments" on the disclosure of income and expense line items for reportable segments. The Group has elected to provide additional disclosure in light of the IFRIC agenda decision.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Segment information continued...

32.4 Segment assets

2024	Processing	Wholesale	Forestry and fleet	Agriculture	Total
Property, plant and equipment	522 464	21 654	199 204	87 977	831 299
Biological assets	-	-	2 814 112	11 029	2 825 141
Inventory	198 482	67 581	44 147	4 470	314 680
Capital expenditure	71 632	124	67 636	5 915	145 307
Total assets	**792 578**	**89 359**	**3 125 099**	**109 391**	**4 116 427**
2023					
Property, plant and equipment #	422 249	31 254	166 410	99 987	719 900
Biological assets	-	-	2 529 202	7 063	2 536 265
Inventory	148 138	59 226	30 025	6 295	243 684
Capital expenditure	27 204	911	24 731	3 234	56 080
Total assets	**597 591**	**91 391**	**2 750 368**	**116 579**	**3 555 929**

The wholesale property, plant and equipment balance was corrected from R56 million to R31 million. The total segment property, plant and equipment balance was consequently changed from R745 million to R720 million.

32.5 Reconciliations

32.5.1 Revenue

	Group 2024	Group 2023	Company 2024	Company 2023
Total revenue for reportable segments	2 755 212	2 804 603	-	-
Non-reporting segment revenue	554	1 232	-	-
Elimination of reportable inter-segment revenue	(1 010 547)	(1 139 541)	-	-
Consolidated revenue	**1 745 219**	**1 666 294**	**-**	**-**

32.5.2 Operating profit

	Group 2024	Group 2023	Company 2024	Company 2023
Total profit for reportable segments*	94 743	105 265	-	-
Depreciation and amortisation for reportable segment	(115 285)	(116 692)	-	-
Depreciation and amortisation and impairment for non reporting segments	(2 659)	(3 002)	-	-
Non-reporting segments (loss)/ profit*	(4 138)	4 991	-	-
Fair value adjustment on biological assets	254 634	(384 099)	-	-
Operating profit / (loss)	**227 295**	**(393 537)**	**-**	**-**

* Being EBITDA and fair value adjustments on biological assets

Segment information continued...

Refer to note 35 where sales to the three largest customers are disclosed. Refer also to note 26, where the components of operating profit or loss are disclosed.

33. Related parties

33.1 Group companies

Subsidiaries	Agentimber Proprietary Limited
	Global Forest Products Proprietary Limited(1)(2)
	Mbulwa Estates Proprietary Limited
	Madiba Forest Products Proprietary Limited(2)
	Madiba Timbers Proprietary Limited(2)
	Nicholson and Mullin V2 Proprietary Limited(2)
	Sonrach Properties Proprietary Limited
	South African Plywood Proprietary Limited(1)(2)
	Stadsrivier Vallei Proprietary Limited
	York Carbon Proprietary Limited(2)
	York Power (RF) Proprietary Limited(2)
	York Fleet Solutions Proprietary Limited
	York Timbers Proprietary Limited
	York Timbers Energy (RF) Proprietary Limited(2)
	York Timbers Chile Limitada(2)
	York Timbers Zambia Limited(2)
Other related entities	York Timbers Community Proprietary Limited(2)
	York Timber Staff Proprietary Limited(2)

(1) The Company has a direct investment in these companies. All other companies are indirect investments.

(2) These companies are dormant.

All of the companies are incorporated and domiciled in the Republic of South Africa, except for York Timbers Chile Limitada which is incorporated and domiciled in Chile, respectively. The holdings in and voting power of York Timber Holdings Limited in all subsidiaries is 100%, except in York Carbon Limited, where it is 51%.

Transactions between York Timber Holdings Limited and the respective subsidiaries, which are related parties, have been eliminated on consolidation.

Figures in R `000

Related parties continued...

33.2 Compensation paid to directors

2024 **Name**	**Emoluments**	**Bonus**	**Other benefits***	**Director's fees**	**Total remuneration**
PS Barnard	2 932	896	468	-	4 296
AW Brink	-	-	-	474	474
L Dhlamini	-	-	-	496	496
HM Mbanyele-Ntshinga	-	-	-	404	404
KM Nyanteh	-	-	-	556	556
N Siyotula	-	-	-	955	955
AJ Solomons	-	-	-	293	293
GCD Stoltz	3 774		293	-	4 067
A van der Veen	-	-	-	404	404
A Zetler	-	-	-	378	378
Total compensation paid to directors and prescribed officers	**6 706**	**896**	**761**	**3 960**	**12 323**

2023 **Name**	**Emoluments**	**Bonus**	**Other benefits***	**Director's fees**	**Total remuneration**
PS Barnard	490	-	226	-	716
AW Brink	-	-	-	663	663
L Dhlamini	-	-	-	644	644
HM Mbanyele-Ntshinga	-	-	-	571	571
KM Nyanteh	-	-	-	710	710
N Siyotula	-	-	-	1 563	1 563
AJ Solomons	-	-	-	434	434
GCD Stoltz	4 087		392	-	4 479
A van der Veen	-	-	-	546	546
A Zetler	-	-	-	470	470
Dr AP Jammine	-	-	-	265	265
Total compensation paid to directors and prescribed officers	**4 577**	**-**	**618**	**5 866**	**11 061**

* Other benefits relate to expense allowance and pension fund contributions.

Figures in R `000

Related parties continued...

33.3 Related party transactions and balances (Company)

	York Timbers Proprietary Limited	A2 Investment Partner Proprietary Limited	Total
Year ended 30 June 2024			
Related party transactions			
Recoveries received	6 294	-	**6 294**
Finance cost to group companies	(7 161)	-	**(7 161)**
Outstanding loan accounts			
Amounts receivable	1 405 551	-	**1 405 551**
Year ended 30 June 2023			
Related party transactions			
Recoveries received	6 404	-	**6 404**
Finance cost to group companies	(68 557)	-	**(68 557)**
Underwriting fees paid to related party	-	(4 780)	**(4 780)**
Outstanding loan accounts			
Amounts receivable	1 411 971	-	**1 411 971**

The directors (A Zetler, A van der Veen and GCD Stoltz) held 205 256 427 shares (2023: 150 548 373 shares directly and indirectly) in York Timber Holdings Limited.

34. Capital management

The Group and Company's objectives when managing capital are to safeguard the Group and Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group and Company consists of debt, which includes the borrowings disclosed in note 17, cash and cash equivalents disclosed in note 13, and equity as disclosed in the statement of financial position.

In order to maintain or adjust the capital structure, the Group and Company may return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure and gearing ratio is managed at Group level. Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio percentage.

The Group’s loans with FMO are 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 30 June 2024.
The following covenants are required:

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Capital management continued...

Financial covenant	Required ratio	Actual ratio	Compliance
Current cover ratio	> 1.5	2.2	Yes
Solvency ratio	> 45%	63%	Yes
Net debt-to-EBITDA ratio	< 5.5	5	Yes

Gearing ratio

	Group 2024	Group 2023	Company 2024	Company 2023
Borrowings payable within one year	118 287	156 302	-	-
Borrowings repayable after one year	345 123	237 375	-	-
Lease liabilities	21 924	30 161	-	-
Cash and cash equivalent	(56 939)	(191 916)	-	-
Net debt	**428 395**	**231 922**	**-**	**-**
Equity	**2 820 001**	**2 682 931**	**-**	**-**
Gearing ratio	**15%**	**9%**	**0%**	**0%**

35. Financial risk management

Overview

The Group is exposed to the following risks from its use of financial instruments:
• Market risk {currency risk, interest rate risk and price risk};
• Credit risk; and
• Liquidity risk.

This note presents information about the Group and Company's financial risk management framework, objectives, policies and processes for measuring and managing risk, and the Group and Company's exposure to these financial risks, and the Group and Company's management of capital. Furthermore, quantitative disclosures are included throughout the audited consolidated and separate annual financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group and Company's executives are responsible for developing and monitoring the Group and Company's risk management policies. The Group and Company's executives report regularly to the Board of Directors on these activities.

The Group and Company's risk management policies are established to identify and analyse the risks faced by the Group and Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group and Company's activities. The Group and Company through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Financial risk management continued...

The Board has a Risk and Opportunity Committee, which oversees how management monitors compliance with the Group and Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group and Company. The Risk and Opportunity Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures.

The Group and Company monitors its forecasted financial position on a regular basis. The Group and Company's executive meets regularly and considers cash flow projections for the following 12 months in detail, taking into consideration the impact of market conditions. The Group and Company's executive also receives reports from independent consultants and receives presentations from advisors on current and forecasted economic conditions.

The Group and Company's objectives, policies and processes for managing risks arising from financial instruments have not changed from the previous reporting period.

The Group and Company's forecasted financial risk position with respect to key financial objectives and compliance with treasury practice are regularly reported to the Board.

35.1 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Group and Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising returns.

35.1.1 Foreign exchange risk

The Group operates in three geographical segments, namely South Africa, countries within the SADC and non-SADC regions. All transactions with customers in the SADC countries are denominated in SA Rand and do not expose the Group to currency risks. Transactions with non-SADC countries are denominated in United States Dollar (USD).

The Group sells to foreign customers in USD and Euro's and collects the money in the USD and Euro's denominated bank account. Future commitments as well as recognised assets and liabilities that are denominated in a currency that is not the functional currency, expose the Group to currency risks. Most of the Group's purchases are denominated in SA Rand. However, certain engineering machinery and equipment was purchased and plywood products imported denominated in USD, Euro's and GBP was purchased during the year. This exposed the Group to changes in the foreign exchange rates. Sales denominated in foreign currency provides a natural hedge to purchases denominated in foreign currency. In the current year, the Group had realised foreign exchange profit of R5 thousand (2023: loss of R4.1 million).

The Group's cash deposits are all denominated in SA Rand, USD and Euro's.

Exposure

The group's exposure to foreign currency risk at the end of the reporting period, expressed in South African Rand, was as follows:

Figures in R `000

Financial risk management continued...

30 June 2024	US Dollar exposure	Euro exposure	CAD exposure	GBP exposure
Trade receivables	136	146	-	-
Trade payables	(6)	(458)	-	(5)
Cash and cash equivalents	277	41	-	-

30 June 2023	US Dollar exposure	Euro exposure	CAD exposure	GBP exposure
Trade receivables	67	77	-	-
Trade payables	(59)	(156)	(3)	-
Cash and cash equivalents	1 023	293	-	-

Sensitivity

The following information presents the sensitivity of the Group to an increase or decrease in the respective currencies it is exposed to. The sensitivity rate is the rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated amounts and adjusts their translation at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period. The sensitivity analysis was calculated based on 1% higher and lower than the actual rate.

	Impact on post tax profit		Impact on post tax profit	
	2024	2023	2024	2023
South African Rand	20	238	-	-

35.1.2 Cash flow and fair value interest rate risk

Interest rate risk is the risk that the Group's financial position will be adversely affected by movements in interest rates.

Exposure

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk, while borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company does not have a policy to hedge long term interest rate risk. All debt are carried at variable interest rates.

There have been no significant changes in the interest rate risk management policies and processes since the prior reporting period.

Figures in R `000

Financial risk management continued...

Sensitivity

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only loans held at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period. The sensitivity analysis was calculated based on 1% higher and lower than the actual rate.

	Impact on post tax profit		Impact on post tax profit	
	2024	**2023**	**2024**	**2023**
Borrowings	3 581	3 806	-	-
Taxation	(967)	(1 028)	-	-

35.2 Credit risk

Exposure is as follows:

Group	**2024**		**2023**	
	Gross carrying amount	**Amortised cost**	**Gross carrying amount**	**Amortised cost**
Other financial assets at amortised cost	132 558	132 558	133 005	133 005
Trade and other receivables	228 328	219 698	213 509	206 266
Cash and cash equivalents	56 939	56 939	191 916	191 916
	417 825	**409 195**	**538 430**	**531 187**

Company	**2024**		**2023**	
	Gross carrying amount	**Amortised cost**	**Gross carrying amount**	**Amortised cost**
Loans to group companies	1 405 551	1 405 551	1 411 971	1 411 971
Trade and other receivables	178	-	178	-
Cash and cash equivalents	1	1	1	1
	1 405 730	**1 405 552**	**1 412 150**	**1 411 972**

35.2.1 Risk management

Management has established a centralised receivables department and a credit policy. Under the credit policy, each new customer is analysed individually for creditworthiness before the Group and Company's standard payment and delivery terms and conditions are offered. The Group and Company's review includes external ratings, when available, and in some cases bank references. Otherwise, if there is no independent rating risk control assesses the credit quality of the customer considering its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Financial risk management continued...

The utilisation of credit limits is regularly monitored. Customers that fail to meet the Group’s benchmark on creditworthiness may transact with the Group only on a pre-payment basis. The Group does not require collateral in respect of trade and other receivables.

Credit guarantee insurance is purchased from Credit Guarantee Insurance Corporation of Africa ltd (CGIC). The total credit limit guaranteed by CGIC is R100 million, with a deductible annual aggregate of R0.5 million.

Trade receivables comprise a widespread customer base. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Approximately 26% (2023: 26%) of the Group's revenue is attributable to sales transactions with three (2023: three) multi-national customers. The outstanding balance on these customers were approximately 24% (2023: 26%)of the trade receivables balance. These are customers of the processing plants and wholesale division. See below table for percentage of sale to three multi-national customers:

Customer				
A	11%	12%	-	-
B	8%	6%	-	-
C	7%	8%	-	-
	26%	**26%**	**-**	**-**

The risk rating grade of cash and cash equivalents and self-insurance fund is set out below. Given these credit ratings, management does not expect any counterparty to fail to meet its obligations.

	Credit ratings of financial institution	**Net cash equivalents and other financial assets at amortised cost**	
		2024	**2023**
FirstRand Bank Limited	BBB-	37 423	29 342
Absa Bank	AA+	19 382	89 777
The Hollard Insurance Group Limited (self insurance fund)	AA	132 558	133 005
		189 363	**252 124**

35.2.2 Impairment of financial assets

Trade receivables

The Group an Company's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles. The loss allowance provision is determined as follows:

Figures in R `000

Financial risk management continued...

A 0.3% - 2.41% (2023: 0.25% - 2.52%) credit loss ratio is applied to current up to 60 days debtors, taking into account the historical payment profile and adjusted for macro-economic factors such as the inflation rate and economic outlook. Included in the credit loss ratio is an additional loss ratio of 0.30% (2023: 0.20%) applied to take account of the future economic uncertainty. A default loss ratio of 20% (2023: 20%) was applied to debtors aged over 90 days if they are covered by credit insurance. Debtors not covered by credit insurance are reviewed on an individual basis based on historical transactions and communication to determine the expected credit loss.

On that basis, the loss allowance was determined as follows for trade receivables:

Group

30 June 2024	Current	30 days past due	60 days past due	90 days and over past due	Total
Gross carrying amount - trade receivables	138 577	44 970	12 666	13 386	209 599
Loss allowance	(3 287)	(1 052)	(293)	(3 998)	(8 630)

30 June 2023	Current	30 days past due	60 days past due	90 days and over past due	Total
Gross carrying amount - trade receivables	128 427	48 973	8 654	7 408	193 462
Loss allowance	(2 753)	(1 070)	(233)	(3 187)	(7 243)

Company

30 June 2024	Current	30 days past due	60 days past due	90 days and over past due	Total
Gross carrying amount - trade receivables	-	-	-	178	178
Loss allowance	-	-	-	(178)	(178)

30 June 2023	Current	30 days past due	60 days past due	90 days and over past due	Total
Gross carrying amount - trade receivables	-	-	-	178	178
Loss allowance	-	-	-	(178)	(178)

35.3 Liquidity risk

Liquidity risk is the risk that the Group and Company will encounter difficulty in meeting its obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Group and Company'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 and Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate level of committed credit facilities. Due to the dynamic nature of the underlying businesses Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Figures in R `000

Financial risk management continued...

The Group and Company's liquidity risk is a function of the funds available to cover future commitments. The Group and Company manages liquidity risk through an on-going review of future commitments and credit facilities. Cash flow forecasts are prepared and adequate utilised borrowing facilities are maintained and monitored.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts

The total facilities and guarantees available to the Group are as follows:

	2024		**2023**	
	Facility	**Utilised**	**Facility**	**Utilised**
Absa IMX facility	150 000	83 622	150 000	72 645
Guarantees	6 000	-	6 000	-
Letters of credit	1 000	-	1 000	-
Guarantees to Eskom Holdings Limited	708		3 334	
Forward exchange contracts	1 000	-	1 000	-
Foreign Exchange settlement limit	5 000	-	5 000	-
Absa asset and vehicle finance facility	90 000	83 042	90 000	51 229
Daimler asset and vehicle finance facility	50 000	25 905	50 000	8 865
FMO facility	350 000	280 776	-	-

Figures in R `000

Financial risk management continued...

35.3.1 Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities, which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Less than 6 months	Between 6 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Year ended 30 June 2024 - Group							
Non-derivatives							
Trade and other payables excluding non-financial liabilities (Note 20)	318 375	-	-	-	-	**318 375**	**318 375**
Borrowings (Note 17)	17 125	17 268	34 624	258 157	151 464	**478 638**	**379 788**
Lease liabilities (Note 18)	5 347	5 008	8 936	4 827	-	**24 118**	**21 924**
Instalment sale agreements (Note 17)	23 205	20 588	38 586	50 830	-	**133 209**	**83 622**
Total non-derivatives	**364 052**	**42 864**	**82 146**	**313 814**	**151 464**	**954 340**	**803 709**

Notes and Accounting Policies to the Audited Consolidated and Separate Annual Financial Statements

Figures in R `000

Financial risk management continued...

	Less than 6 months	Between 6 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Year ended 30 June 2023 - Group							
Non-derivatives							
Trade and other payables excluding non-financial liabilities (Note 20)	310 990	-	-	-	-	**310 990**	**310 990**
Borrowings (Note 17)	116 009	43 396	86 222	145 687	-	**391 314**	**393 677**
Lease liabilities (Note 18)	4 986	5 312	10 355	13 158	-	**33 811**	**30 161**
Instalment sale agreements (Note 17)	15 934	13 542	22 444	19 788	-	**71 708**	**72 645**
Total non-derivatives	**447 919**	**62 250**	**119 021**	**178 633**	**-**	**807 823**	**807 473**

Contractual maturities of financial liabilities	Less than 6 months	Between 6 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
Year ended 30 June 2024 - Company							
Non-derivatives							
Trade and other payables excluding non-financial liabilities (Note 20)	1 967	-	-	-	-	**1 967**	**1 967**
Year ended 30 June 2023 - Company							
Non-derivatives							
Trade and other payables excluding non-financial liabilities (Note 20)	233	-	-	-	-	**233**	**233**

36. Events after the reporting date

Non-adjusting events

As announced to the market during the year, the Group entered into a sale and purchase agreement for the purchase of the Steven's Lumber plantations (Wolkberg and Schultz) for a total of R75 million.

As announced on SENS on 21 August 2024, the purchase of the Wolkberg plantation was terminated due to the plantation being destroyed by a fire. However, the acquisition of the Schultz plantation for R41.3 million, that was part of the original acquisition, will go ahead subject to financing.

Working capital facilities with Absa Bank was renewed during September 2024, with an increase in the IMX facility from R150 million to R175 million. A R250 million guarantee was issued to Absa Bank by Stadsrivier Vallei Proprietary Limited as security.

37. Going concern

The audited consolidated and separate annual 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 successfully refinanced its debt with the Landbank and Absa Capital (Stadsrivier Vallei Proprietary Limited) with a R350 million facility from the Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. (FMO). The Group is in compliance with the covenants imposed under the facility as at 30 June 2024 and is expected to be in compliance for the 2025 year based on the 2025 budget. Working capital facilities with Absa were renewed after year-end and both asset-backed financing facilities with Absa and Daimler remains in place.

The Group's strategy to increase the rotation period of its plantations has constrained the Group's liquidity. In the current year R283 million was spent on external log purchases. The Group has the flexibility to harvest its own plantations instead of procuring logs externally to improve liquidity.

The directors believe that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly the audited consolidated and separate annual 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.

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

38. Earnings per share

38.1 Basic earnings per share

The bonus element of the share-based payment did not have a dilutive effect, due to rounding on the shares (2023: did not have a dilutive effect).

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023
Basic earnings / (loss) earnings (cents)	29	(77)	(2)	(17)
The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:				
Profit / (loss) for the year attributable to owners of the company for continuing operations	136 072	(312 864)	(7 315)	(71 094)
Weighted average number of ordinary shares used in the calculation of basic earnings per share	463 753	320 859	474 098	331 241
Adjusted for:				
Bonus element from rights issue	-	23 580	-	23 580
Rights offer shares issued for value	-	59 638	-	59 638
	463 753	404 077	474 098	414 459

38.2 Diluted earnings per share

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023
Diluted basic earnings / (loss) earnings (cents)	29	(77)	(2)	(17)
The earnings used in the calculation of diluted earnings per share are as follows:				
Earnings / (loss) used in the calculation of basic earnings per share for continuing operations	136 072	(312 864)	(7 315)	(71 094)
The weighted average number of ordinary shares for the purpose of diluted earnings per share reconciles to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:				
Weighted average number of ordinary shares used in the calculation of basic earnings per share	463 753	404 077	474 098	414 459
Adjusted for				
Bonus element of share-based payment	1 025	762	1 025	762
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	**464 778**	**404 839**	**475 123**	**415 221**

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023

Earnings per share continued...

38.3 Headline earnings per share**

The bonus element of the share-based payment did not have a dilutive effect, due to rounding on the shares (2023: did not have a dilutive effect).

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023
Headline earnings / (loss) per share (cents)	30	(76)	(2)	(17)
Diluted headline earnings / (loss) per share (cents)	30	(76)	(2)	(17)
The earnings and weighted average number of ordinary shares used in the calculation of headline earnings per share are as follows:				
Profit / (loss) for the year attributable to owners of the company for continuing operations	136 072	(312 864)	(7 315)	(71 094)
(Gain) / loss on sale of assets	(254)	652	-	-
Tax on loss on sale of assets	69	(176)	-	-
Impairment of property, plant and equipment	10 123	9 941	-	-
Tax on impairment of property, plant and equipment	(2 733)	(2 684)	-	-
Fair value adjustment on investment property	-	(1 784)	-	-
Tax on fair value adjustment on investment property	-	482		
Insurance payouts from loss of assets	(4 975)	(322)		
Tax on insurance payouts from loss of assets	1 343	87	-	-
Earnings / (loss) used in the calculation of headline earnings / (loss) per share for continuing operations	**139 645**	**(306 668)**	**(7 315)**	**(71 094)**

** This is a non-IFRS® measure.

38.4 Core earnings / (loss) per share**

The bonus element of the share-based payment did not have a dilutive effect, due to rounding on the shares (2023: did not have a dilutive effect).

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023
Core loss per share (cents)	(11)	(8)	(2)	(17)
Diluted core loss per share (cents)	(11)	(8)	(2)	(17)

The earnings and weighted average number of ordinary shares used in the calculation of headline earnings per share are as follows:

Figures in R `000	Group 2024	Group 2023	Company 2024	Company 2023
Earnings per share continued...				
Core earnings per share are as follows:				
Profit / (loss) for the year attributable to owners of the company for continuing operations	136 072	(312 864)	(7 315)	(71 094)
Fair value adjustment on biological assets	(254 634)	384 099		
Tax on fair value adjustment on biological assets	68 751	(103 707)	-	-
Earnings / (loss) used in the calculation of headline earnings / (loss) per share for continuing operations	**(49 811)**	**(32 472)**	**(7 315)**	**(71 094)**

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

39. Prior period error

The other financial asset as per note 9 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 should it be required for funding needs. As such, this portion of the fund should be classified as a current asset. In the prior year, the total contingency fund was classified as a non-current asset. The correction resulted in the prior year non-current assets reducing by R 54.9 million and current assets increasing by the same amount.

	Balance previously stated	Restatement	Balance restated
Non current assets			
Other financial assets at amortised cost	133 005	(54 873)	78 132
Total non-current assets	3 252 229	(54 873)	3 197 356
Current assets			
Other financial assets at amortised cost	-	54 873	54 873
Total current assets	988 578	54 873	1 043 451