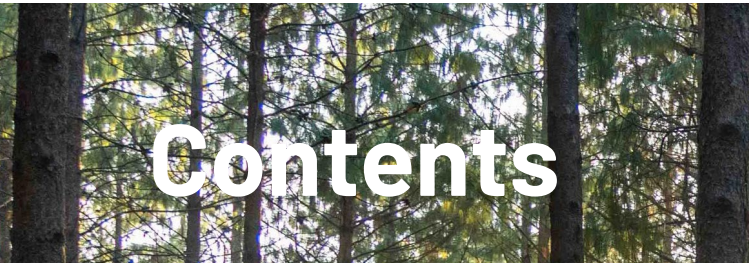




YORK
TIMBERS

ANNUAL REPORT 2025



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About this report

This annual report is compiled and presented in accordance with:

- International Financial Reporting Standards (IFRS®);
- Companies Act of South Africa, 71 of 2008, as amended (Companies Act);
- Companies Regulations, 2011 (Companies Regulations);
- JSE Limited (JSE) Listings Requirements; and
- King IV Report on Corporate Governance for South Africa, 2016™ (King IV™).

In the section About York Timbers, we introduce York Timber Holdings Limited (York, York Timbers, the Company or the Group), how we create value, what we offer, our eight-year financial overview and the risks and opportunities arising from our operating environment.

The Chairperson's report and Chief Executive Officer's review outline York's performance for the reporting period and also provide further information on York's future outlook and approach.

The corporate governance section is presented in line with King IV™.

Materiality

We determined which issues could influence the decisions, actions and performance of the Group. All material issues have been included in this annual report and management is not aware of any information that was unavailable or any legal prohibitions to the publication of any information.

Forward-looking statements

Any forward-looking statements contained in this annual report about York's operations and financial position were prepared based on information available to us at the time of writing. No warranty is provided in relation to the fairness, accuracy, correctness, completeness or reliability of the information, opinions or conclusions expressed herein.

This annual report is not intended to be relied upon as advice to investors, whose needs should be considered in consultation with a professional advisor. We do not undertake to update or revise these forward-looking statements after the date of the annual report. Some assumptions will not materialise. Unanticipated events and circumstances may affect the ultimate financial results. Projections are inherently subject to substantial and numerous uncertainties and therefore, the actual results achieved may vary significantly from the forecasts and the variations may be material.

Assurance

Deloitte & Touche, our external auditor, audited the consolidated and separate annual financial statements and issued an unmodified audit opinion thereon.

The external auditor also read the annual report and considered whether any information is materially inconsistent with the consolidated and separate annual financial statements or their knowledge obtained during their audit or otherwise appears to be materially misstated. No such misstatement was reported.

The Group's broad-based black economic empowerment (B-BBEE) rating and scorecard have been verified by an accredited rating agency, Moore Infinity.

The Audit Committee had oversight of the preparation of the annual report, including the consolidated and separate annual financial statements, and recommended it for approval by York's Board of Directors (Board).

Responsibility for this annual report

This annual report was prepared under the supervision of the Company Secretary, Kilgetty Statutory Services (South Africa) Proprietary Limited, and the Chief Financial Officer (CFO), Schalk Barnard CA(SA).

The Board is ultimately responsible for ensuring the integrity of the annual report, assisted by the Audit Committee and further supported by management, which convened and contracted the relevant skills and experience to undertake the reporting process and provided management oversight.

The Board, after applying its collective mind to the preparation and presentation of the annual report, approved it for publication.

This annual report is signed on behalf of the Board by:

Nonzukiso Siyotula
Chairperson

Gabriël Stoltz
Chief Executive Officer (CEO)

3 October 2025

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All signatures have been removed to protect the security and privacy of the signatories.



YOUR GUIDE

These icons serve as a guide for further information:

This icon accompanies page number references to elsewhere in this annual report

This icon denotes information that can be found on our website: www.york.co.za



About York Timbers

York Timber Holdings Limited is a JSE-listed forestry company intent on creating value for all its stakeholders. Established in 1916, York has evolved into a modern, fully integrated forestry group, combining sustainable forestry practices with advanced processing capabilities to serve both local and international markets.

How we create value

York’s vision is to create value for all stakeholders.

 York owns and manages extensive, sustainably certified plantations under the Forest Stewardship Council® (FSC® C002336), supplying raw material to its processing facilities and where required, supplemented from external sources. The Company’s previous decision to increase the tree rotation age and the acquisition of the Pine Valley and Schultz farms further strengthens fibre security and supports long-term growth.

 By investing in people with growth mindsets and applying modern technology and methods, York delivers high-quality, value-added products and services to customers.

What we offer

Timber is a versatile, carbon-positive and sustainable resource with architectural appeal, rural economic benefits and structural reliability. As consumers increasingly commit to using more timber for housing, furniture, doors, decking, frames and innovation in construction, York delivers through quality, compliance and sustainability.

We are South Africa’s largest solid wood processor, offering premium sawn timber and plywood that is South African National Standards (SANS) 929 certified and fully complies with the National Building Regulations and Standards, underpinning our commitment to quality and safety.

Mass timber construction, using advanced engineered wood products, is emerging as a sustainable and preferred alternative building method. We are committed to stimulating the growth of a sustainable, mass timber construction industry in South Africa using advanced engineered wood products from locally grown forest plantations.

 York safeguards the environment by managing forests responsibly, protecting biodiversity and promoting renewable resource use.

- York owns and manages sustainable plantations with a long-term rotation strategy;
- We harness innovation and modern forestry practices to maximise efficiency;
- We operate efficient and integrated processing plants;
- We respond to evolving customer needs;
- We deliver quality products through a reliable distribution network; and
- We foster community relationships to support resilience and shared value.

Financial overview

Long-term value creation requires consistent performance and positive cash generation.

Revenue

R1 995 million  14%

(2024: R1 745 million)

Gross profit

(excluding fair value adjustment on biological assets)

R437 million  24%

(2024: R352 million)

Net cash from operations

R147.6 million  420%

(2024: R28.4 million)

Core loss per share

0,28 cents  97%

(2024: core loss per share of 10,74 cents)

Net finance cost

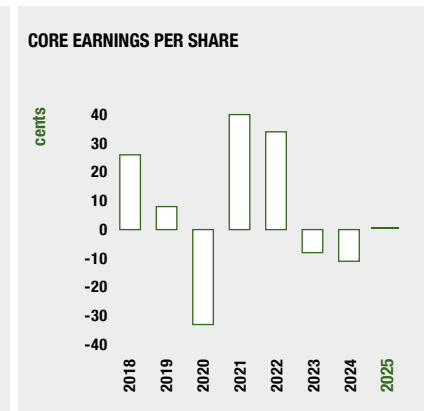
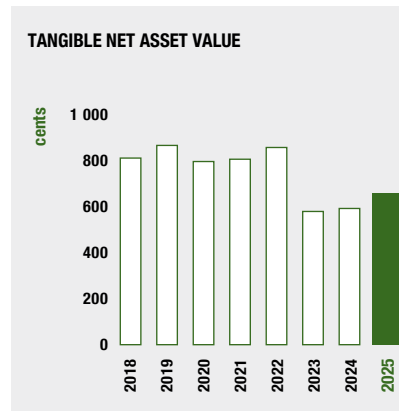
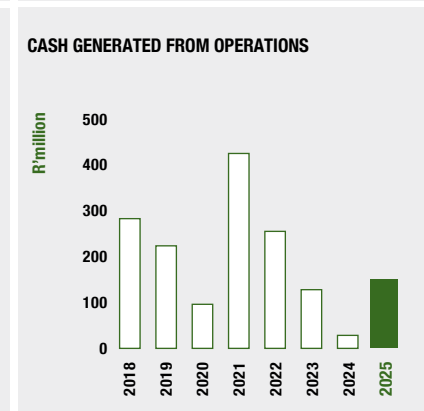
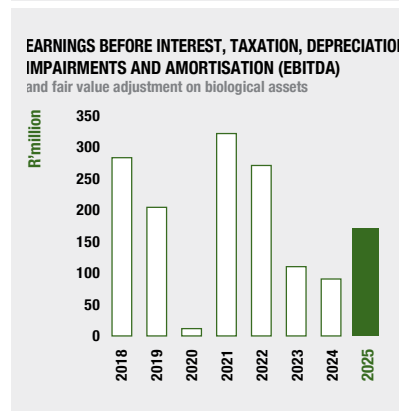
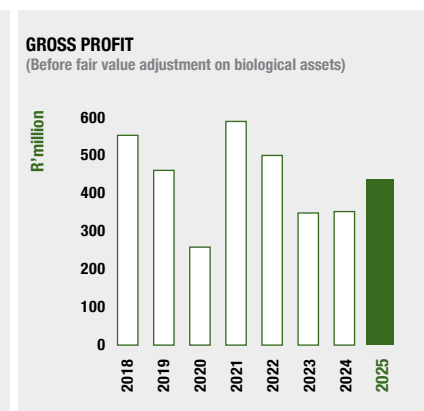
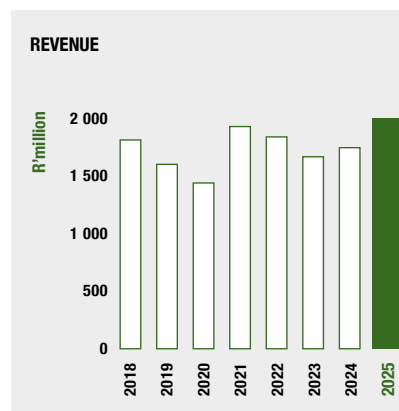
R58 million  40%

(2024: R41 million)

Interest-bearing borrowings

R590 million  27%

(2024: R463 million)



Eight-year financial review

		2025 R'000	2024 R'000	2023 R'000	2022 R'000	2021 R'000	2020 R'000	2019 R'000	2018 R'000
Group revenue	R'000	1 994 906	1 745 219	1 666 294	1 838 810	1 928 589	1 438 825	1 600 522	1 812 350
Gross profit (before fair value adjustment on biological assets)	R'000	437 286	351 782	348 033	499 591	589 312	258 067	460 355	552 631
Gross profit margin	%	21,9	20,2	20,9	27,2	30,6	17,9	28,8	30,5
Operating profit/(loss) (before fair value adjustments)	R'000	55 882	(27 339)	(9 438)	158 137	219 480	(82 108)	(106 314)	196 045
Operating margin	%	2,8	(1,6)	(0,6)	8,6	11,4	(5,7)	(6,6)	10,8
EBITDA ¹	R'000	165 858	90 605	110 257	271 292	322 099	11 646	204 668	283 666
EBITDA ¹ to revenue	%	8,3	5,2	6,6	14,8	16,7	0,8	12,8	15,7
Fair value adjustments	R'000	435 409	150 603	(384 099)	90 811	14 173	(159 301)	207 901	71 327
Profit/(loss) before finance costs	R'000	510 828	140 126	(378 850)	253 957	243 540	(238 392)	106 856	272 271
Finance costs	R'000	77 334	58 247	47 109	37 484	48 447	61 049	77 537	84 325
Cash flow from operations	R'000	147 611	28 369	128 102	255 387	425 446	96 191	223 822	283 173
Biological assets	R'000	3 248 647	2 721 110	2 536 265	2 881 636	2 738 600	2 906 890	3 154 557	2 918 550
Interest-bearing borrowings	R'000	589 585	463 410	393 677	419 914	551 641	583 898	683 436	804 595
Investment in property, plant and equipment and biological assets	R'000	204 121	144 900	61 063	88 701	82 096	42 085	81 170	64 680
Net working capital	R'000	222 717	204 786	128 726	141 542	117 161	159 218	161 517	230 155
Basic earnings	R'000	316 538	60 130	(312 864)	182 755	137 069	(217 637)	(36 268)	138 280
Weighted average number of shares	Number	464 225	463 753	404 077	343 963	317 080	318 873	317 439	316 874
Earnings per share	Cents	68,19	12,97	(77,43)	53,13	43,23	(69,25)	(11,43)	43,64
Core earnings per share	Cents	(0,28)	(10,74)	(8,04)	34,12	40,01	(33,28)	7,84	26,07
Headline earnings per share	Cents	66,69	13,74	(75,89)	53,30	41,58	(70,06)	49,61	45,33
EBITDA ¹ per share	Cents	36	20	27	79	102	4	64	90
Net asset value per share	Cents	659	592	579	857	806	912	980	990
Tangible net asset value per share	Cents	659	592	579	857	806	796	866	811
Return on equity	%	10,3	2,2	(11,7)	6,6	5,4	(7,6)	(1,2)	4,4
Total cost	R'000	1 939 024	1 772 558	1 675 733	1 680 673	1 709 109	1 520 933	1 499 024	1 616 305
External log purchases	R'000	275 641	283 088	240 582	258 046	247 834	230 986	261 728	201 723
Cost excluding log purchases	R'000	1 663 383	1 489 470	1 435 150	1 422 627	1 461 275	1 289 947	1 237 296	1 414 582
Cost as % of revenue	%	83,4	85,3	86,1	77,4	75,8	89,7	77,3	78,1

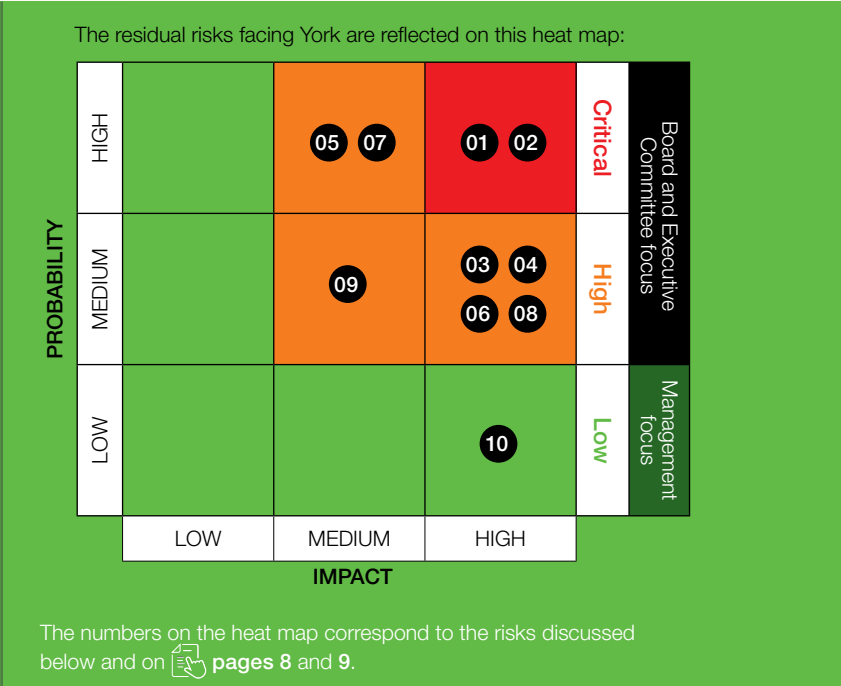
¹ Earnings before interest, tax, depreciation, impairment and amortisation (EBITDA) and fair value adjustment on biological assets.

Top 10 risks – value creation

The top risks York faces, together with the probability of these events occurring and the impact thereof (high, medium and low), are listed here. The mitigating strategies, together with opportunities arising and measurement of the impact, are listed on the following pages.

The Board and management continuously assess York's top corporate risks to ensure an appropriate understanding of our operating environment.

● High ● Medium ● Low



York continually assesses its major risks and responses thereto.

01 Sabie sawmill operational performance

Probability	Impact
●	●
- Ageing production technology, focused on small-diameter logs using x-ray and finger jointing processes, has led to unpredictable output and high unit costs. - Modernisation requires substantial capital investment to improve efficiency and competitiveness, with operational reliability remaining a key priority. - The turnaround depends on the successful implementation of the replacement and refurbishment roadmap and the restructuring of the mill to rebalance the required skillset and operational needs.	
Mitigating strategies and opportunities - Implementation of a phased refurbishment roadmap, prioritising critical bottlenecks. - HewSaw replacement approved and secured, with project milestones tracked by the Board. - Strengthened maintenance regimes and predictive maintenance technologies to improve uptime. - Skills restructuring via section 189A (Labour Relations Act) process to align workforce capacity with operational needs. - External engineering expertise engaged to stabilise operations and improve process flow.	

Top 10 risks continued

● High
 ● Medium
 ● Low

02 Plywood market

Probability ●	Impact ●
- Profitability highly sensitive to weaker US Dollar and weak European demand. - Local competition from uncertified plywood products that undercut prices. - Uncertified imported plywood into the South African market.	
Mitigating strategies and opportunities - Increasing the number of countries we are exporting to and growing our customer base. - Certification under SANS 929 to position York as a compliant, premium supplier. - Targeted brand positioning and customer education campaigns highlighting the risks of uncertified plywood. - Focus on operational efficiencies and automation of production processes to reduce cost of production. - Installation of panel sizer to diversify panel sizes for different markets (Australia). - Expanded product range – added 9mm and 15mm, eucalyptus plywood.	

03 Log supply and delivery dependency

Probability ●	Impact ●
- York remains highly dependent on log supply from the South African Forestry Company Limited (SAFCOL) and external sources. - SAFCOL's ability to meet contractual obligations due to operational capacity constraints, rateability of log deliveries and continued shortfalls until York's own plantations mature.	
Mitigating strategies and opportunities - Ongoing engagement with SAFCOL's executive management to strengthen contractual reliability and delivery consistency. - Joint oversight with SAFCOL on execution of their Annual Plan of Operation to improve control and delivery rateability. - Investment in in-sourced mechanised harvesting operations, particularly in the Escarpment, to improve flexibility and responsiveness to supply disruptions. - Dependence on external log suppliers is expected to reduce in 2026, supported by improved own fibre supply and the acquisition of the Pine Valley and Schultz plantations, which bolster long-term fibre security and help bridge harvesting gaps. - Diversification of procurement channels to reduce reliance on single suppliers and mitigate regional risks.	

04 Liquidity and cash flow management

Probability ●	Impact ●
High capital investment requirements, combined with lower sales prices and plywood volumes, and the strategy to increase tree rotation age, place significant pressure on cash flow and debt levels.	
Mitigating strategies and opportunities - Rigorous cash flow forecasting, stress testing and scenario modelling. - Tight governance over capital allocation through Board review of all major projects. - Active monitoring of working capital with clear targets for receivables, inventory and payables. - Continuous assessment of product margins and cost optimisation programmes to preserve cash. - York retains the ability to harvest its own plantations to generate cash flow if required, but purposefully manages its plantations to uphold the strategic decision to increase rotation age, securing long-term value and fibre quality. - Relaxation of the net debt-to-EBITDA covenant ratio over the next five measurement periods.	

05 Illegal mining and land encroachments

Probability ●	Impact ●
Persistent illegal mining activities on York properties pose safety, environmental and reputational risks.	
Mitigating strategies and opportunities - Deployment of targeted security upgrades, patrols and surveillance in high-risk areas. - Partnerships with the South African Police Service, the “Vala Umgodi” Task Team and municipal authorities to co-ordinate responses. - Community awareness campaigns highlighting the risks of illegal mining to safety and the environment. - Use of legal enforcement mechanisms and land use rights to protect operations. - Engagement with local leaders to promote lawful economic alternatives. - Forestry South Africa membership and implementation of its Master Plan that includes addressing illegal mining activities in collaboration with the South African Government.	

06 Climate, fire and environmental risks

Probability ●	Impact ●
Plantations face increasing risks from drought, high fuel loads, escalating firefighting costs and neighbour preparedness.	
Mitigating strategies and opportunities - Further invest in self-insurance fund. - Proactive fire prevention: early firebreaks, under-canopy burning and high-risk area mapping. - Use of specialised patrols, including canine units, to reduce arson and illegal access risk. - Collaboration with fire protection associations, neighbours and industry partners for rapid response. - Regular review of detection technology (thermal cameras, satellite systems) to ensure early warning capacity. - Ongoing analysis of firefighting association costs versus effectiveness to optimise spend. - Deployment of mobile accommodation units in plantations to reduce response times in difficult-to-reach areas during fire events. - Ongoing research into new hybrid species to adapt to expected climate change. - Implementation of pest and disease management programmes to safeguard plantation health and fibre security.	

07 Rising electricity costs

Probability ●	Impact ●
24/7 operations exposed to rising tariffs and potential supply instability.	
Mitigating strategies and opportunities - Feasibility studies on renewable energy solutions, including solar and biomass. - Energy efficiency audits to reduce baseload requirements. - Load management programmes to minimise peak consumption costs. - Exploration of renewable energy solutions, including potential wheeling agreements with independent power producers.	

08 Cybersecurity and IT system resilience

Probability ●	Impact ●
Increasing reliance on digital platforms for operations, payroll and reporting exposes York to cybersecurity and information technology (IT) system downtime risks.	
Mitigating strategies and opportunities - Regular IT security audits and disaster recovery planning. - Cyber awareness training for employees. - Investment in secure and backup IT systems.	

09 Stakeholder, ESG and reputation risks

Probability ●	Impact ●
- Poor/lack of basic service delivery of municipalities in the areas we operate in, leading to public unrest and industrial action. This has an indirect impact on operations as well as staff retention. - Land claims could result in uncertainty over property rights, which may affect operations, fibre security and long-term planning.	
Mitigating strategies and opportunities - Structured engagement with municipalities to support service delivery and infrastructure repair. - Active participation in community forums, trade unions and employee engagements. - Delivery of social and upliftment projects (healthcare, skills, education) to strengthen relationships. - Transparent environmental, social and governance (ESG) reporting aligned with International Finance Corporation Performance Standards and investor expectations. - Progress on empowerment schemes and responsible land stewardship communicated to stakeholders. - York actively engages with stakeholders and authorities, maintains comprehensive legal and historical land-use records.	

10 Talent pipeline and succession risks

Probability ●	Impact ●
A shortage of artisans, technical experts and future leaders could constrain York's operational capacity and long-term strategic execution. Retention and development of critical skills remain a major focus.	
Mitigating strategies and opportunities - Expansion of artisan development programmes, including recognition of prior learning. - Structured succession planning for key leadership and technical roles. - Partnerships with local colleges and universities to create a feeder pool of skilled graduates. - Retention initiatives including competitive pay structures, career development and wellness programmes.	

Chairperson's report



Introduction

This year has been marked by both significant challenges and opportunities, and I am proud of the resilience and strategic focus demonstrated by the Board, management and employees in navigating these complexities.

Navigating economic and market challenges

The global and local economic landscapes have remained volatile, influenced by fluctuating market conditions, specifically export plywood demand, ongoing economic pressures, competition from uncertified plywood products and the continued impact of climate change. Illegal mining and environmental risks also required heightened focus and proactive responses from the Board and management. Despite these adverse conditions, York remained steadfast in protecting shareholder value, adjusting operations responsibly and taking decisive steps to preserve liquidity. The resilience demonstrated in these circumstances underscores the strength of York's underlying business model.

Strategic response and long-term growth

Our extensive, sustainable plantations have continued to provide the raw materials necessary for our operations, supported by selective external sourcing. Through investment in advanced technologies, mechanised forestry operations and disciplined execution, York is strengthening its role in South Africa's transition to a timber-based built environment. These steps, alongside prudent financial discipline, align with our strategy of driving long-term resilience and value creation.

Resilience and responsible stewardship in a volatile environment

Nonzukiso Siyotula, Chairperson

York's performance in 2025

The year has presented ongoing challenges in terms of financial performance, particularly with cash flow and EBITDA. Financial performance was impacted by subdued plywood export markets, capital expenditure on the Pine Valley and Schultz plantations and inflationary pressures on operating costs. Nevertheless, through cost management initiatives, mechanised equipment investments and operational efficiencies, York achieved a revenue increase of 14% and improved plant reliability, while continuing to strengthen our biological assets base.

Changes to the Board

The Board has remained stable throughout the financial year, with no changes to its composition.

Gabriël Stoltz continues to serve as CEO, following his appointment on 1 July 2022, and Schalk Barnard has continued in his role as CFO since his appointment on 1 May 2023.

The stability of our Board has been a key factor in navigating the complexities of the past year. The continuity in leadership has allowed York to stay focused on its strategic goals while adapting to the evolving economic landscape.

The Board provided strategic oversight across operational, financial and ESG-related risks, ensuring that mitigation plans were effectively implemented throughout the year.

The past year has underscored the significance of a strong, cohesive Board, and I am truly privileged to work alongside such a talented and committed group of individuals. York's Board members bring a wealth of expertise from various industries, enabling the Company to make well-informed decisions that drive sustainable growth. Their dedication and valuable contributions have been instrumental in guiding York through these challenging times. I am immensely proud of the collaborative spirit and professionalism displayed by each Board member.

The Board is satisfied that it currently reflects an appropriate balance of knowledge, skills, experience and competencies in industries and fields relevant to the Group's business operations, as well as diversity and independence to execute its roles and responsibilities effectively.

Refer to the Board members' abbreviated curricula vitae on  pages 16 and 17.

Looking ahead – sustaining momentum

As we look to the future, York remains well-prepared to continue its journey of growth and innovation. We will maintain a strong focus on sustainability, community engagement and transformation, while also consolidating financial resilience. Strategic investment in timber technologies, forestry efficiencies and people development will remain central to York's value creation model.

Appreciation

During these challenging times, I would like to express my deepest gratitude to York's shareholders and stakeholders whose commitment and adaptability have been instrumental in sustaining operations during a challenging year, and to our shareholders for their trust as we balance short-term pressures with long-term growth investments.

As we move into the new financial year, we will continue to invest in our people and focus on long-term sustainability. Our dedication to ethical business practices, innovation and the pursuit of excellence will remain at the core of our initiatives.

In closing, I would like to express my sincere gratitude to our customers, employees and partners for their support and trust in York. I also wish to extend my appreciation to my fellow Board members and the management team for their dedication and commitment to driving our shared vision forward.

We look forward to another year of growth, innovation and sustainable value creation.

Nonzukiso Siyotula
Chairperson

3 October 2025

Chief Executive Officer's review



York's performance in 2025

The current financial year reflected the continued momentum from the second half of the previous year. We have substantially completed the harvesting of *Pinus taeda* in the Escarpment, a species not suitable for plywood production. Group EBITDA increased from R90,6 million to R165,9 million.

Forestry's EBITDA growth of 182% from the prior year was driven by volumes available from own plantations with clearfell increasing by 11%. The investment in mechanised equipment provided the capacity to execute this plan.

Log processing and market conditions

Lumber production volumes remained consistent with the prior year. At Jessievale sawmill, production increased by 11% while Sabie sawmill decreased by 9% year-on-year.

Lumber demand was stable with industry sales volumes increasing by 1%. York's lumber sales, however, grew by 12% supported by strong performance from our Wholesale division. Average lumber selling prices increased by 3%.

The plywood plant performed well, with production volumes up by 17%. Sales volumes, however, increased by only 8% leading to a significant stock build-up reflected in our total Inventory holding which increased by R57 million. Plywood pricing declined by 5% during the year, following a 6% decline in the prior year.

The capital investments at the plywood plant supported the higher production volumes, but declining selling prices negated these improvements. Export volumes increased by 55% for the year with domestic market sales volumes declining by 5%.

Strengthening
resilience,
unlocking
opportunities

Gabriël Stoltz, Chief Executive Officer

Investment in growing stock

The reporting period marked the third consecutive year of delayed harvesting as we continued to invest in our growing stock.

The multiplier effect of increased harvesting volumes on EBITDA can be seen in Forestry's results over the past three years. Clearfell volumes grew at a compound annual growth rate (CAGR) of 12%, with corresponding EBITDA growth of 189%.

While the biological asset value (BAV) has increased during the reporting period, the discount rate and revenue and price assumptions were the largest drivers of change. The BAV is calculated by discounting the projected volumes at maturity age across all compartments planted at the reporting date.

Internally, we monitor the standing or stumpage value of all trees older than three years. This value is derived from the actual standing volume and yield at the reporting date, assuming clearfelling. By delaying harvesting in the Escarpment, the standing volume has increased by 3% on a CAGR basis over the past four years. More importantly, growth in larger-diameter log classes has improved. Standing value has increased by 6% per year (real) CAGR over the same period.

Operational challenges

The Sabie sawmill continues to drag on Group results, recording a R49 million loss. Production volumes declined by 9% year-on-year due to continued plant breakdowns and unavailability.

Despite this, the mill remains strategically important for optimising value extraction from our Escarpment operations. The incremental contribution from log sales from Forestry to Sabie sawmill was R66 million.

We have completed an assessment and prioritisation of equipment requiring refurbishment or replacement. Alongside this, York initiated a section 189A (Labour Relations Act) process at the mill. This process aims to restructure shifts to improve efficiency and maintenance while rebalancing the staff complement to meet the skillset requirement for the mill. The replacement and refurbishment projects will continue in phases over the next 12 to 24 months.

Agricultural operations

During the year, we completed the closure of the Stadsrivier Hout sawmill. The first 38 hectares (of 98 hectares established) of soft citrus crops were harvested. Yields were in line with expectations but pack-out for export fruit was influenced by hail and wind damage. Hail netting will improve quality, reduce risk and provide better predictability of cash flows.

Outlook

Manufacturing in South Africa continues to face significant pressure. The increase in electricity costs has far exceeded inflation, compounded by above-inflationary wage increases and high logistics costs. This erodes competitiveness in the global economy, requiring us to find differentiation in both products and markets.

Our plywood business faces headwinds from new entrants in the domestic market as well as uncertified imports. Prices remain tied to import parity, and recent US Dollar weakness has further reduced profitability. We expanded our international footprint by adding customers in Northern and Eastern Europe. Export sales grew by 55% but still lag available production capacity, with ex-mill prices at very low margins. We continue to explore cost-reduction measures and maintain high-quality products for global markets to optimise plant capacity.

The lumber market outlook is stable with some recovery in average selling prices expected.

Timber remains an important sustainable natural resource. We are committed to continue investing in our growing stock while exploring efficient processing technologies and diversified products to harness this potential. In the short term, managing cash flows and prioritising targeted maintenance remain critical as we allocate available capital.

Gratitude

I want to thank York's employees for their continued dedication and the resilience displayed during the past financial year. We have also been well supported by our customers and suppliers during the year.

A special word of thanks to York's Board of Directors, who have supported management in its initiatives to respond to market conditions and provided us with the necessary resources.

Gabriël Stoltz
Chief Executive Officer

3 October 2025

An aerial photograph of a dense, green forest. A narrow, light-colored road or path runs horizontally across the middle of the image, slightly below the center. The trees are tall and closely packed, creating a textured canopy of various shades of green. The lighting suggests a sunny day, with some areas of the forest appearing brighter than others.

02

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Remuneration and Nomination Committee
report 27

Corporate governance

for the reporting period

- | | |
|------|---------------------------------------|
| Exc. | Executive Committee |
| R&N | Remuneration and Nomination Committee |
| A | Audit Committee |
| R&O | Risk and Opportunity Committee |
| S&E | Social and Ethics Committee |

A portrait of Nonzukiso Siyotula, a woman with short dark hair, smiling. She is wearing a light-colored patterned blouse and a pearl necklace. To her left is a green box with the text 'Nonzukiso Siyotula (Born 1984) Chairperson, independent non-executive'. Below this box are two small circles, one green with 'R&N' and one orange with 'R&D'. At the bottom of the image is a green banner with the text 'Appointed: 21 June 2022'.

Skills and experience: Nonzukoiso's diverse professional experience ranges from general management, finance, corporate governance, strategy, restructuring and business development through to sales and distribution. She currently serves as a non-executive director on various boards in the listed, unlisted and public sectors, namely the Bidvest Group Limited, Toyota Financial Services (South Africa) Limited, African Bank Limited, Ogvy & Mather and Conduit Capital Limited.



Gabriël Stoltz
(Born 1978)
Chief Executive Officer

Exc R&D S&E

Appointed: to the Board on 1 December 2017 and as CEO on 1 July 2022

Skills and experience: Gabriel has close to 20 years of experience in the timber industry. Before he was appointed as CFO, he functioned successfully as the Corporate and Processing Financial Manager and participated on the senior management committee for five years at the Company. As CFO and acting CEO, he managed the Company through the post-pandemic recovery and industrial action during this financial year. He has valuable knowledge and experience of the Company and the timber industry. He has extensive expertise in financial modelling and demonstrates sound financial technical expertise. His strategic financial decision-making skills, leadership experience shown in a listed environment as well as proficiency in solid wood processing and forestry financial management are extremely valuable to York.



**Schalk
Barnard**
(Born 1974)
Chief
Financial
Officer

Ex-

Appointed:
1 May 2023

His experience includes capital and debt raisings, business rationalisation projects, buy-side due diligence, initial public offerings and external audit. He was an assurance partner at PricewaterhouseCoopers Incorporated (PwC) from 2019 to 2023.



Maxwell Nyanteh
(Born 1978)
Lead Independent Non-executive

Appointed:
14 February 2019

Skills and experience: Max has over 15 years of experience in financial services, which includes, inter alia, current employment at Identity Capital Partners as part of a team of professionals whose activities include carrying out strategic investments and advisory work. His previous employment was at Standard Bank in the capacity of Dealmaker – Leveraged Finance where he was responsible for deal sourcing, financial structuring, negotiation and execution of leveraged financed-type transactions in the business banking area.



Hetisani Mbanyele-Ntshinga
(Born 1980)
Independent
non-executive

R&N **S&E**

Appointed:
14 February 2019

Skills and experience: Hetisani has extensive experience in the forestry and agricultural sectors and was responsible for growing Yaronia Farms from a subsistence farming company to an award-winning maize producer in the Free State. Her valuable knowledge of human resource practices and outsourced management was attained in various capacities in senior management at Eskom, National Treasury, the National Empowerment Fund and Afagri.



**Andries
Brink**
(Born 1958)
Independent
non-executive

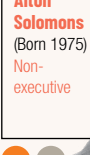
A **R&D**

Appointed:
14 February 2019

Skills and experience: Andries is a qualified chartered accountant with over 30 years of experience in auditing domestic and multinational companies until his retirement in 2018. He currently serves as a non-executive director at a number of international companies in South Africa. He served on the Africa Governance Board of PwC for four years and, until recently, he acted as a leader of Africa Private Company Services (PCS) and the PwC Global PSC leadership team.

Skills and experience: Lindani has over 25 years' experience in corporate finance, financial management and auditing and is well informed in governance and risk. She currently serves as the CEO and co-founder of SKX Protiviti and previously served as member of the boards of Mustek Limited, Afrocentric Limited, Old Mutual Alternative Solutions, Old Mutual Investment Group SA and the Industrial Development Corporation.

Alton Solomons
(Born 1975)
Non-
executive



Appointed:
17 July 2022

Skills and experience: Alton has served on numerous boards and other governing structures both in the listed and private space, across various industries. He served as the CEO of Sanlam Private Equity from January 2012 until January 2019 and is currently Head of Growth Catalyst and Listed Equities at the Industrial Development Corporation of South Africa.



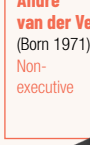
Adrian Zetler
(Born 1981)
Non-executive

A **S&P**

Appointed:
1 September 2021,
reappointed on 15 July 2022

Skills and experience: Adrian is a qualified chartered accountant and CFA® Charterholder. He started his career at PwC where he first completed his articles and then spent two years as a valuation specialist in their UK corporate finance team. Adrian is currently a partner at A2 Investment Partners Proprietary Limited. Prior to this, he served as an analyst and portfolio manager at Coronation Fund Managers for 12 years, where he co-managed Coronation's Houseview strategies and the Coronation Industrial Fund.

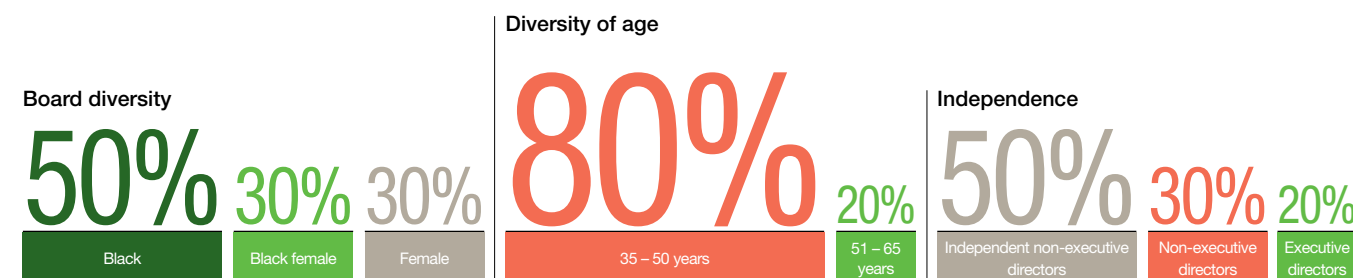
André van der Veen
(Born 1971)
Non-executive



R&N R&O

Appointed:
11 November 2019

André was the CEO of Johnnic Holdings Limited, KVV Holdings Limited, Niveus Investments Limited and E-Media Holdings Limited, the parent company of ETV. He established and served as Chairman of HCl Coal Proprietar Limited. André is currently a partner at A2 Investment Partner and is the Chairman of Alphaway Holdings, a specialised technology holding company and a director of Novus Holdings Limited.



Corporate governance

Commitment to ethical and effective leadership

York's governing body, the Board of Directors, plays a central role in upholding the Company's commitment to ethical and effective leadership. The Board recognises that robust corporate governance is fundamental to building stakeholder trust, driving long-term sustainability and enhancing value across York and its subsidiaries (the Group).

The Board firmly believes that ethical conduct is the cornerstone of a successful and enduring business. It acknowledges that principled leadership is essential in guiding York toward the achievement of its strategic objectives and in delivering sustainable growth for all stakeholders.

Dedicated to maintaining the highest standards of governance, the Board remains committed to fostering a culture of accountability, transparency and value creation for York shareholders.

Statement of compliance

York is fully committed to compliance with the Companies Act and all relevant legislation governing its establishment and incorporation. The Company operates in strict accordance with its memorandum of incorporation (MOI), the JSE Listings Requirements and the principles and recommended practices of King IV™. In addition, York adheres to all other applicable laws, regulations and governance frameworks that underpin its operations and corporate accountability.

Application of King IV™

The report adheres to the JSE Listings Requirements, incorporating mandatory practices from King IV™.

The King IV™ application register is available at  <https://www.york.co.za/read/corporate-governance/>.

Governance structure

The Board operates in accordance with a formal charter that clearly defines its roles, responsibilities and authority. The charter ensures a balanced distribution of power at Board level, safeguarding against any single director exercising unfettered decision-making authority. To promote effective oversight and strategic execution, the Board delegates specific responsibilities to its established committees. These committees are tasked with overseeing matters relating to strategy, performance, resource allocation, ethical conduct and responsible governance.

The roles of the independent non-executive Chairperson, the lead independent director and the CEO are distinctly defined to preserve clarity and accountability. The CEO is responsible for leading the implementation of approved strategies, policies and operational plans, and serves as the primary conduit between management and the Board.

The Company Secretary plays a pivotal role in supporting and co-ordinating the activities of the Board and its committees, ensuring that governance processes are executed efficiently and in accordance with statutory and regulatory requirements.

A brief résumé of each director is on  **pages 16 and 17** reflecting diversities in terms of field of knowledge, skills, experience, race, culture and age.

Independent non-executive directors

The Board evaluates director independence in accordance with the indicators outlined in King IV™, applying a substance-over-form approach to ensure a comprehensive and meaningful assessment. This evaluation considers the absence of any interest, position, association or relationship that could unduly influence or bias a director's judgement.

A majority of the directors currently serving on the Board are classified as independent, having no material ties that could compromise their objectivity. The Board is satisfied that these directors consistently demonstrate independence of mind and act in the best interests of the Company and its stakeholders.

Board changes

Directors are appointed through a formal and transparent process, guided by the Nomination Committee, which identifies candidates with the requisite skills, experience, qualifications and ethical integrity to contribute meaningfully to the Company's strategic direction and performance.

The Board places a high value on diversity, actively considering candidates who bring varied perspectives and backgrounds. All appointments are made based on the committee's recommendations and are ratified by shareholders at the annual general meeting (AGM).

During the 2025 financial year, there were no changes to the Board's composition. This continuity has provided York with a stable governance foundation, enabling the Company to navigate challenges and execute its strategy effectively.

In line with the Companies Act and York's MOI, one-third of the non-executive directors are required to retire by rotation at each AGM. Shareholders are provided with full details of the directors eligible for re-election in the AGM notice. The Board has reviewed these directors and fully supports their re-election, confident in their continued contribution to York's success.

Director development

As part of York's ongoing commitment to director development, a structured programme of meetings, workshops, presentations, site visits and stakeholder engagement events is conducted throughout the year. These initiatives offer directors meaningful insights into the Company's operations and strategic priorities, enabling them to effectively monitor and evaluate value creation across all stakeholder groups.

Board committee composition

The allocation of roles and responsibilities and the composition of Board committees have been considered holistically by the Board with the aim of promoting effective collaboration among committees with minimal overlap and fragmentation of duties, as well as a balanced distribution of power. These delegation arrangements are to promote independent judgement, to assist with balance of power and to assist with the effective discharge of the duties by the Board. Members of executive and senior management are invited to attend Board committee meetings, either by standing invitation or on an ad hoc basis to provide pertinent information and insights in their areas of responsibility.

Broad diversity disclosure

York has adopted a formalised policy on the promotion of broad diversity at Board level, which is reflective of the process followed in appointing the Board. The voluntary target set for female representation on the Board has been set at 10% and a voluntary target for race diversity was set at 40%. Gender and race diversity targets remained at 30% and 50%, respectively, during the financial year.

Diversity targets relating to the composition of the Board are considered and, in the event of replacement opportunities for directors, the balance of skills, experience, independence and knowledge required to enable the Board to properly perform its duties and meet its responsibilities is taken into account.

York's policy on the promotion of broader diversity at Board level is available at  www.york.co.za.

Evaluation of the performance of the Board

The process of performance evaluations is a critical aspect of governance that ensures the Board and its committees operate effectively. By conducting these evaluations internally, the Board demonstrates a commitment to self-assessment and continuous improvement.

The positive outcomes of the evaluations reflect the dedication and expertise of the members, contributing to the Board's overall performance and compliance with their defined roles and responsibilities. This practice not only enhances the Board's functionality but also reinforces the principles of transparency and accountability.

Directors' disclosures of contractual interests

Directors of the Company provide disclosures of contractual interests to the Company Secretary as soon as such contractual interests arise. Directors are also given the opportunity to disclose any material interest in contracts with the Company or its subsidiaries at every Board meeting in terms of section 75 of the Companies Act. These updated disclosures are noted by the Company Secretary and kept in a separate register of directors' disclosures.

Corporate governance continued

Board and committee meeting frequency

Board committee membership, attendance and compliance with King IV™

Board and committee meeting attendance for the year under review:

	Director	Board	Audit Committee	Remuneration and Nomination Committee	Social and Ethics Committee	Risk and Opportunity Committee
Independent	Maxwell Nyanteh	4/4	5/5		2/2	
	Hetisani Mbanyele-Ntshinga	4/4		2/2	2/2 ¹	
	Andries Brink	4/4	5/5 ¹			2/2
	Lindani Dhlamini	4/4	5/5	1/2		2/2 ¹
	Nonzukiso Siyotula	4/4 ¹		2/2 ¹		2/2
Non-executive	Adrian Zetler	4/4	5/5		2/2	
	André van der Veen	3/4		2/2 ¹		1/2
	Alton Solomons	2/4			2/2	2/2
Executive	Gabriël Stoltz	4/4	5/5 ²	2/2 ²		
	Schalk Barnard	4/4	5/5 ²	2/2 ²		
Membership compliance with King IV™		Majority independent non-executive directors	Majority independent non-executive directors	Remuneration Majority independent non-executive directors Nomination Majority independent non-executive directors	Executive and non-executive directors with the majority being non-executive directors	Executive and non-executive directors with the majority being non-executive directors
Each committee comprises at least three members						

¹ Chairperson during the period.

² By invitation.

Company Secretary

The Company Secretary provided professional, independent guidance on matters of corporate governance. In addition to co-ordinating the effective functioning of the Board and its committees, the Company Secretary ensures that all statutory and regulatory records are accurately maintained.

The Board is satisfied that the Company Secretary possesses the requisite competence, objectivity and authority to support the highest levels of decision-making within the Company. The role is appropriately empowered and carries the necessary standing to fulfil its governance responsibilities.

The Board further confirms that the Company Secretary maintains an arm's-length relationship with both the Board and individual directors and is not a director of the Company. Following a formal assessment conducted by the Chairperson and CEO, the Board is of the view that the Company Secretary demonstrates the necessary qualifications, expertise and independence to effectively discharge the duties of a public company secretary and to serve as a trusted custodian of York's corporate governance framework.

Dealings in securities

During the period under review, York's share trading policy and rules were adhered to and, when required, the necessary consent was obtained by directors and/or staff to trade in York securities. The policy and rules mirror the provisions of the Financial Markets Act, 19 of 2012, and the JSE Listings Requirements and were drawn up in the spirit of good corporate governance. In summary, the directors, prescribed officers and the Company Secretary are prohibited from trading in York securities during any prohibited periods which includes any time when any of the directors are aware of unpublished price-sensitive information and/or if clearance to deal in securities has been refused.

Directors, prescribed officers and the Company Secretary, as well as directors, prescribed officers and the Company Secretary of a major subsidiary of York, must obtain clearance to deal in York securities from the Chairperson of the Board and, in the case of the Chairperson, from the Chairman of the Audit Committee or the majority of the other directors serving on the Board.

The closed periods are from 1 January to the date of publication of the interim results and from 1 July to the date of publication of the preliminary, abridged or provisional annual financial statements, as well as during any cautionary period.

The policy is freely available to directors and employees from either the Company Secretary or York's Human Resources division.

Clearance for director dealings was given in terms of paragraph 3.66 of the JSE Listings Requirements.

Directors' shareholdings are detailed on  page 39.

Organisational integrity and code of ethics

York is committed to upholding the highest standards of ethical conduct across all levels of the organisation. Directors and employees are expected to act with integrity and good faith in all interactions, thereby reinforcing stakeholder confidence in the Company's values and operations. To support this commitment, York has implemented a comprehensive Code of Ethics and Business Conduct (the Code), which serves as a guiding framework for ethical decision-making and responsible behaviour. The Code aligns with statutory obligations, recognises best practices and reflects York's vision of creating sustainable value for its stakeholders. The Code is available online and in the employee handbook.

Fair business practices

York is committed to upholding the principles of fair competition as outlined in the Competition Act, 89 of 1998, under the oversight of the Competition Commission of South Africa. The Company maintains a strict policy prohibiting all employees and officers from engaging in anti-competitive conduct, including any form of collusion or co-ordinated behaviour that may distort market dynamics or undermine consumer trust. This commitment reflects York's broader dedication to ethical business practices, market integrity, and responsible corporate citizenship.

Going concern

The directors believe that the Group will continue as a going concern in the financial year ahead.

More detail is available in the Audit Committee report on  pages 36 and 37.

Certificate of the Chairperson and Company Secretary in terms of the JSE Listings Requirements

The Chairperson and Company Secretary hereby certify that, to the best of their knowledge, judgement and belief and after due and careful enquiry, the Company has complied, where applicable, with the JSE Listings Requirements.

Nonzukiso Siyotula <i>Chairperson</i>	Kilgetty Statutory Services (South Africa) Proprietary Limited <i>Company Secretary</i>
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3 October 2025

Social and Ethics Committee report

Composition as at the reporting date

Chairperson:

Hetisani Mbanyele-Ntshinga

Other committee members:

Adrian Zetler

Maxwell Nyanteh

Alton Solomons

Gabriël Stoltz

The Company Secretary of York acts as the Committee Secretary.

The Social and Ethics Committee (the committee) is mandated to oversee York's performance in relation to social responsibility, ethics and sustainability, in alignment with the requirements of the Companies Act, King IV™ principles, and the Company's broader ESG commitments. The committee's work in the past year has focused on strengthening York's role as a responsible corporate citizen, safeguarding employee welfare, promoting community development and advancing ethical business conduct.

Focus areas

B-BBEE and empowerment initiatives

During the reporting period, York maintained a Level 1 B-BBEE status, underscoring its sustained dedication to transformation and empowerment throughout the Group. The committee monitored implementation of the employment equity plan and noted progress made in addressing racial and gender representation across occupational levels. The Company maintained a strong focus on employment equity, particularly in the senior management and executive levels. Despite challenges related to a limited candidate pool in certain specialised fields, efforts to develop and upskill middle and senior management employees remain a priority. Additionally, more aggressive strategies to address the shortfalls in achieving senior and executive management employment equity targets were explored.

Corporate social investment

The committee reviewed and supported the CSI project plan centred on education, health and welfare, entrepreneurial development, food security and environmental management. The plan was implemented in phases throughout the year.

During the year, York continued to focus on initiatives that enhance the well-being of the communities in which we operate. Our approach is grounded in the understanding that our success is

closely linked to the prosperity and resilience of our surrounding communities.

We invested in community health and wellness through programmes such as tuberculosis and cancer screenings, HIV awareness and support campaigns, as well as education campaigns against gender-based violence and human trafficking. These initiatives were conducted in partnership with local organisations and health authorities, ensuring wide community reach and meaningful impact.

York also played a direct role in supporting education and infrastructure. The Company assisted with the improvement of school facilities, including the provision of safe drinking water, teacher accommodation and ongoing firewood supplies, which are essential for cooking and heating during the colder months.

At our Hendriksdal office, a small-scale vegetable garden provides fresh produce such as spinach, cabbage and cucumbers that are shared among staff, promoting nutrition and wellness. In addition, York supports a vegetable farming initiative in Sabie, aimed at strengthening community food security and encouraging local self-sufficiency. Together, these projects demonstrate a practical commitment to sustainable living and resilience.

Similarly, through awareness initiatives and sustainable forestry practices, York worked with community stakeholders to curb illegal mining and preserve the integrity of the land.

The committee is satisfied that York's corporate citizenship initiatives during the reporting period not only complied with legislative and regulatory requirements but also reflected our values of fairness, responsibility and long-term shared value creation.

Training and development

The Company expanded its apprenticeship and artisan development programme, incorporating recognition of prior learning. This has created new pathways for long-serving employees to transition into critical artisan roles.

Employee welfare and labour relations

The committee noted successful negotiations with unions on wage increases and maternity leave parity for salaried and waged employees. The introduction of the revised minimum wage was implemented with effect from 1 March 2025, in line with statutory requirements. The committee monitored and ensured that the Company's policies and practices align with best practices and legal requirements.

The established York Employee Forums remained highly effective, fostering constructive dialogue between employees, management

and unions. These forums have proven to be effective in functioning as a first point of contact for employees to raise concerns or suggestions and improving consensus building, and facilitating dispute resolution, reinforcing a culture of open communication and collaboration within the Company.

Ethics and compliance

The committee maintained its oversight of the Company's ethical practices and compliance with relevant regulations. The ethics line report was reviewed, and the committee noted the handling and resolution of reported incidents. York deliberately increased visibility and employee awareness of the independent KPMG-managed ethics hotline during the year. The hotline number was prominently displayed across operational sites and regularly communicated through internal newsletters and other platforms.

These proactive measures resulted in an increase in the number of reported incidents – a development welcomed by the committee, as it demonstrates employee confidence in the system and reflects a maturing culture of transparency and accountability.

The committee also oversaw the annual employee declarations of interest, ensuring transparency and addressing any potential conflicts of interest in a timely and appropriate manner.

Governance enhancements

The committee reflected on feedback from the Board's evaluation process and agreed to refine its terms of reference to better align with King IV™ responsibilities. Recommendations included the incorporation of consumer protection oversight and clarifying the committee's role in governance matters.

The committee's terms of reference were reviewed and recommended to the Board for approval, ensuring that the committee's activities remain aligned with its mandate and the overall governance framework of York.

Compliance declaration

The committee has fulfilled its mandate as prescribed by the Companies Regulations, with no instances of material non-compliance to disclose. The Board is satisfied that the committee has performed its responsibilities in compliance with its terms of reference for the period under review.

Hetisani Mbanyele-Ntshinga

Chairperson of the Social and Ethics Committee

3 October 2025



Risk and Opportunity Committee report

Composition as at the reporting date

Chairperson:

Lindani Dhlamini

Other committee members:

Nonzukiso Siyotula
Andries Brink
Gabriel Stoltz
André van der Veen
Alton Solomons

Certain members of senior management and Internal Audit attend the committee meetings by invitation.

The Company Secretary of York acts as the Committee Secretary.

The Risk and Opportunity Committee (the committee), composed of experienced and knowledgeable members, plays a vital role in overseeing the identification, assessment and management of risk factors that could impact York Timbers. Throughout the year, the committee actively reviewed York's risk management framework and strategies, evaluated emerging risks and provided recommendations for mitigating risks and capitalising on opportunities. The committee remains committed to continuous improvement, maintaining a proactive stance in addressing risks and seizing opportunities to create sustainable value for York's stakeholders.

In relation to risk

The oversight of risk governance is allocated to the committee. The committee comprises executive and non-executive directors as members, with the majority being non-executive directors, ensuring independent oversight. As the Risk and Opportunity Committee and Audit Committee of the Company are separate, the Audit Committee Chairman is a member of both committees to strengthen integration and effectiveness.

York's risk management function plays a central role in improving the Company's performance by ensuring regular identification, assessment and prioritisation of emerging risks at both strategic and operational levels. Mitigation measures are monitored and refined continuously, with risk registers updated quarterly and standing as a permanent item on the agenda. Internal Audit provides additional assurance by confirming the adequacy and effectiveness of mitigation actions.

During the reporting period, the committee strengthened York's enterprise risk management processes, particularly by refining and calibrating its risk appetite and tolerance thresholds. The aim is to embed a practical risk culture that enables value creation while safeguarding the Group's sustainability.

In relation to information and technology

The Board retains accountability for technology and information governance and delegates oversight to the Audit Committee and Risk and Opportunity Committee. York's operations are increasingly reliant on digital infrastructure. At the same time, the speed of technological change and the sophistication of cyber threats continue to grow, presenting significant risks to the integrity, availability and confidentiality of data and systems.

The committee oversaw a range of initiatives during the reporting period to strengthen York's information and technology governance framework.

This included:

- physical and digital security of servers, networks and firewalls;
- reviewing the adequacy of backup, retention and recovery protocols to safeguard business continuity;
- testing readiness for system disruptions and refining recovery plans;
- maintaining insurance cover and monitoring cyber risk trends to anticipate and respond to evolving threats; and
- monitoring upgrades to hardware and software infrastructure, including automation and system integration to enhance efficiency and reduce downtime risks.

The committee noted progress in improving York's cyber resilience, particularly through enhanced monitoring and improved disaster recovery readiness. Nevertheless, information and technology risks remain a material focus area, requiring constant vigilance and investment.

Oversight is supported by a combined assurance model. Internal Audit provides assurance on the design and effectiveness of IT controls. The external auditor evaluates the integrity of financial systems and reporting. Specialist external assurance providers, including cybersecurity experts, further strengthen confidence by independently assessing compliance, sustainability and operational resilience. Together, these layers of assurance provide the Board with a comprehensive and reliable view of York's technology and information governance environment.

Focus areas

Plant availability

One of the primary risks identified remained plant availability and machine breakdowns. The committee noted the strategic response to excessive downtime at production facilities, specifically the Sabie plywood plant. Preventive maintenance reporting was enhanced with detailed root cause analysis and trend data, aiding targeted interventions to address recurring blockages, steam pressure issues and mechanical breakdowns. In collaboration with Woodtechie, the committee reviewed opportunities to enhance equipment effectiveness across York's processing facilities. At the Sabie sawmill, a condition and risk assessment was completed. Based on this roadmap, the refurbishment and replacement programme has been applied. The fingerjointing line was assessed with overall equipment effectiveness (OEE) of 50%, highlighting scope for improvement through preventive audits and equipment upgrades. Projects approved and overseen were the replacement of mechanised harvesting equipment, the plywood core composer and panel sizer.



Sabie sawmill

The committee continued to review the viability and strategic importance of the Sabie sawmill. While the mill has remained under margin pressure, targeted operational improvement initiatives are being implemented in collaboration with external advisors as needed. Priority projects include optimising the fingerjoint and planer operations, where OEE was assessed at approximately 50%, highlighting significant potential for efficiency gains. Interventions under evaluation include scanner upgrades to improve structural grade recovery, preventive maintenance audits by original equipment manufactures, and process improvements to reduce downtime.

Although profitability remains constrained, these measures are expected to enhance productivity and cost efficiency over time. The committee will continue to closely monitor the mill's performance, recognising its importance to York's integrated processing capacity and regional employment.

Liquidity

Liquidity remained a material focus area in 2025. The committee noted increased pressure on working capital due to lower sales volumes and a build-up of plywood finished goods, particularly for export markets. Management's focus on diversifying and growing exports, especially to Australia and New Zealand, was supported. Additional mitigation includes harvesting timber from its Schultz farm to reduce reliance on external log purchases and generate savings. The committee continued to monitor this risk closely to ensure liquidity stability.

Illegal mining activities

The committee monitored the heightened risks associated with illegal mining. While York's own landholdings remained largely under control, adjacent properties have experienced increased activity. Through co-ordinated operations with the South African Police Service, the Department of Mineral and Petroleum Resources, the National Prosecuting Authority, municipalities and other agencies, York has contributed to dismantling support structures of organised crime. Notably, the "Side Shaft" syndicate in Sabie was stopped, and rehabilitation of affected areas progressed. The committee remains alert to the rising aggression of syndicates and continues to prioritise employee and community safety.

Project oversight and strategic investments

In the 2024 reporting period, the committee approved the acquisition of two John Deere mechanical harvesting units (a 1270G wheeled harvester and a 1510 forwarder) to mechanise

operations in the Escarpment. These machines were commissioned to address supply instability from SAFCOL and rising contractor costs. The committee monitored their implementation during 2025 and noted their positive impact: daily output improved, costs per cubic metre harvested were well below contractor rates and operations continued effectively during wet conditions due to the tracked system. This investment reduced York's reliance on contractors and strengthened resilience in its harvesting operations.

Building on these gains, during the reporting period, the committee reviewed and approved a further investment in a John Deere 859MH tracked harvester to replace ageing Ponsse equipment. The Ponsse fleet had become costly to maintain, with excessive downtime and maintenance expenses. The new tracked harvester is expected to significantly reduce annual maintenance costs and increase processing volumes. Its tracked system enhances stability on steep and wet terrain, ensuring operational continuity in challenging conditions.

This investment, supported by a long-term service plan and warranty, is aligned with York's mechanisation and clearfell strategy. It further reduces operational risks, improves cost competitiveness and supports sustainability goals through lower fuel usage and reduced soil disturbance.

The committee is satisfied that the mechanisation programme – from the forwarder and harvester introduced in 2024 to the tracked harvester approved in 2025 – represents a structured approach to de-risking harvesting operations, ensuring long-term fibre security and improving overall efficiency.

Legal matters

The committee also monitored legal and compliance matters, particularly those related to land claims and the challenges posed by illegal mining activities. These issues have significant implications for York's operations, and the committee worked closely with management to ensure that they are managed effectively.

The Board is satisfied that the committee has performed its responsibilities in compliance with its terms of reference for the period under review.

Lindani Dhlamini

Chairperson of the Risk and Opportunity Committee

3 October 2025

Remuneration and Nomination Committee report

Composition as at the reporting date

Chairman: André van der Veen (Remuneration)

Chairperson: Nonzukiso Siyotula (Nomination)

Other committee members:

Hetisani Mbanye-Ntshinga and Lindani Dhlamini

Invitees: Adrian Zetler, Gabriël Stoltz and Schalk Barnard

Some members of the senior management team attend meetings of the Remuneration and Nomination Committee (Remco) by invitation. The Company Secretary acts as the Committee Secretary.

York has a combined Remuneration and Nomination Committee, holding joint meetings for both. When nomination matters are discussed at Remco meetings, the Chairperson of the Board chairs such discussions. The Chairperson of Remco chairs the meeting when remuneration matters are discussed.

The overall role and associated responsibilities and functions of Remco are to have oversight of the process for nominating, electing and appointing members of the Board and to oversee the setting and administering of remuneration at all levels in the Company.

Focus areas

Nomination Committee

During the reporting period, there were no changes to the Board's composition. The Nomination Committee confirmed that the current Board structure is well-balanced in terms of skills, experience, diversity and independence.

The Nomination Committee is satisfied that the composition of the Board enabled the Board to properly and collectively perform its duties in meeting its responsibilities during the 2025 financial reporting period.

Remuneration Committee

During the reporting period, the committee continued to refine York's remuneration structures to ensure alignment with the Company's strategic priorities, shareholder expectations and the broader socio-economic environment. A key focus was on addressing wage and salary adjustments across the organisation in a fair and responsible manner.

The committee considered inflationary pressures, the statutory increase in the national minimum wage and the ongoing cost-of-living challenges facing employees. The final outcome reflected 4,5% for the wage bargaining unit, in line with industry benchmarks and affordability constraints. Importantly, artisans' salary structures were adjusted, and the change increased their guaranteed income.

Further employee benefits were enhanced, including maternity benefits for salaried employees being improved from 33% to 60% of salary for the statutory four-month period. This change reflects York's commitment to employee wellness, gender diversity and supporting employees during key life stages. Continued implementation of employee wellness initiatives included housing maintenance support.

In addition, artisan training and learning programmes were expanded to address technical skills shortages, supporting York's operational efficiency and long-term talent pipeline.

These measures reinforced York's commitment to fair, responsible and competitive remuneration practices while balancing the Company's financial sustainability and strategic focus on long-term resilience.

Short-term incentive schemes

A central focus of the year was the ongoing implementation of York's short-term incentive (STI) and long-term incentive (LTI) schemes. These schemes are designed to reward high performance while aligning executive and senior management rewards with shareholder interests and cash flow requirements.

The qualification criteria requires both 80% of budgeted EBITDA and 80% of net working capital targets to be met before any STI awards would vest.

The CEO's STI is weighted 75% towards EBITDA performance and 25% towards operational KPIs. Eligibility for the STI is subject to achieving at least 80% of budgeted EBITDA as well as meeting defined working capital thresholds. For the period under review, the EBITDA threshold of 80% was achieved, however, the working capital threshold was not met. Consequently, no STI payment was approved.

Remuneration and Nomination Committee report continued

Long-term incentive scheme

The broad purpose of York's LTIs is to attract, motivate, retain and reward individuals who are able to influence the Company's performance and strategic direction. LTIs are aligned to multi-year targets for growth and long-term value creation, ensuring that executive directors and key senior and middle management employees, whose deliverables are essential to York's success, have a direct stake in its long-term performance.

Participation in the York 2015 Share Plan (the Share Plan) is limited to high-performing individuals critical from a retention perspective. Eligible individuals are selected at the discretion of Remco, and allocations under the Share Plan are not guaranteed. Awards made to date have focused primarily on the retention aspects of the scheme, with the goal of ensuring leadership and technical continuity across the Group.

Under the 2015 Share Plan, performance shares and restricted shares vest after three years, subject to both Group and individual performance conditions. Shares vested under this plan during the current reporting period as the original performance conditions were met, with no new scheme introduced.

The 2022 LTI scheme, approved alongside the STI scheme in November 2022, was introduced to further align long-term rewards with shareholder value creation and sustained financial performance. Operating on a rolling three-year basis, annual STI achievement factors determine contributions to the LTI scheme, with participants having the option to convert deferred awards into York shares, strengthening alignment between employee and shareholder interests.

Due to the STI qualification criteria not being met, no LTI awards vested under the 2022 scheme for the year.

During the period under review, Remco has also commenced a review of the LTI arrangements to ensure continued alignment with York's evolving strategic priorities and shareholder expectations. Potential changes were discussed, however, as these proposals have not yet been finalised, any amendments will be reported in the next financial year once approved.

Retention schemes

The committee remains focused on ensuring York attracts and retains the critical skills necessary to deliver on its strategy. In addition to market-aligned remuneration practices, targeted retention measures were implemented during the year to address scarcity of technical expertise and leadership talent. These measures included retention incentives for key employees in mission-critical roles, aligned with performance and business continuity needs.

These schemes are designed to balance short-term operational requirements with long-term succession planning, ensuring that York continues to build a sustainable workforce while protecting shareholder value.

The committee also monitored succession planning for critical roles during the year. This included identifying high-potential individuals, assessing skills gaps and implementing development programmes such as artisan training initiatives to address technical and leadership capacity needs.

Remuneration policy and implementation report

Background statement

Remco is mandated by the Board to establish a remuneration policy that promotes the achievement of York's strategic objectives and encourages performance, while aligning with shareholder interests. The committee considered a number of factors in determining annual increases based on the underlying principle of fair and responsible remuneration for all employees, taking into consideration individual performance assessments.

In accordance with the JSE Listings Requirements and King IV™ principles, if more than 25% of York shareholders vote against the Company's remuneration policy and/or implementation report, Remco is required to engage with dissenting shareholders.

At York's 2024 AGM, less than 25% of shareholders voted against the Company's remuneration policy and implementation report. As a result, there was no need to invite dissenting shareholders for engagement on these matters.

Overview of the remuneration policy

The Company's remuneration policy is designed to reflect the complexity of roles, responsibilities, skillsets required and the number of employees reporting to each role. The Paterson grading system is used to determine job grade, title and remuneration levels.

The goal of the remuneration policy is to align employee rewards with the Company's strategic, financial and operational objectives, ensuring alignment with shareholder interests. This is vital for attracting, developing and retaining top talent and technical skills. There are no provisions in executive employment contracts that could trigger payments on termination, except in relation to specific LTI and STI awards, under certain circumstances.

Implementation report

Guaranteed remuneration

York's remuneration policy ensures that all employees are fairly compensated for their contributions to the Company's operational and financial performance.

Guaranteed remuneration includes an employee's fixed salary, excluding additional benefits incorporated into the employee's cost-to-company calculation such as medical aid and pension and/or provident fund benefits.

Benefits

York provides employees with a variety of benefits that go beyond guaranteed remuneration, including:

- Short-term incentives;
- Long-term incentives;
- Variable remuneration (13th cheque for wage employees);
- Benefits and allowances of a compulsory and non-compulsory nature appropriate to the market contributing to the well-being of employees;
- Employee wellness initiatives promoting work-life balance;
- A challenging and dynamic work environment that encourages professionalism;
- A participative management structure; and
- A performance-driven culture, supported by a growth mindset.

Short-term and long-term incentive schemes (schemes)

Both schemes were implemented from June 2023. The features, eligibility and changes of the schemes are set out earlier in this report.

A significant focus was placed on ensuring that the performance management system accurately reflects employee contributions and aligns with the Company's financial performance. During the period under review, the system was further refined to enhance objectivity and consistency across all levels of the business. The revised approach provides greater transparency in performance assessments and ensures that outcomes for incentive schemes, such as the STIs and LTIs, directly reflect measurable achievements rather than subjective evaluations.

Performance targets and measuring executive performance

The results for the financial year ended 30 June 2025 were assessed against the STI policy approved by the Board. The CEO's STI performance weighting remained at 75% on EBITDA and 25% on operational KPIs, with payouts determined by the proportion of targets achieved.

Despite the EBITDA threshold being met the net working capital target fell below the required 80% threshold. In terms of the STI policy, both conditions must be satisfied before any STI awards can be made. Accordingly, no STI payout was approved for the CEO or other executives for 2024/25.

The CFO's STI remained subject to his minimum guaranteed incentive for the first two years of employment, with payments of R1 million in year one and R750 000 in year two, as approved at the time of his appointment.

Remuneration and Nomination Committee report continued

Payments to executive directors in respect of the 2025 financial year

	Basic salary R'000	Other cash benefits R'000	Bonus R'000	Total R'000
2025				
GCD Stoltz	3 915	207	314	4 436
PS Barnard	3 068	371	958	4 397
Total	6 983	578	1 272	8 833
2024				
GCD Stoltz	3 774	293	–	4 067
PS Barnard	2 932	468	896	4 296
Total	6 706	761	896	8 363

Non-executive directors

Non-executive directors are paid an annual fee and a meeting fee per attendance. They do not receive performance incentive payments (short-term or long-term), shares, pension fund benefits or any other form of financial assistance. The Chairpersons of the Board and its Board committees are paid at higher levels than the other members to reflect the complexity and amount of preparation required of them.

At the AGM of shareholders held on 5 November 2024, shareholders approved an increase in non-executive directors' fees (save for the Chairperson of the Board's fees) for the period January 2025 onwards of 5,5%.

Non-executive directors' fees paid for the 2024 and 2025 financial years

Non-executive directors	2025 R'000	2024 R'000
AW Brink	529	474
L Dhlamini	564	496
HM Mbanyele-Ntshinga	452	404
N Siyotula (Chairperson)	1 069	955
AJ Solomons ¹	333	293
KM Nyanteh	622	556
A van der Veen ¹	414	404
A Zetler ¹	422	378
Total	4 405	3 960

¹ Directors' fees paid to these non-executive directors were paid to the companies represented by them.

The Board and Board committee fee structure consists of an annual retainer and a fee per meeting. Remco considered non-executive director fees for the period 1 January 2026 onwards and proposed an increase of 4,5% on the approved non-executive director fees for January 2026 onwards, which is in line with the Company's salary and wage increase for the financial year ended 30 June 2025. The proposed fees, as set out below, are included in the notice of AGM for payment on a quarterly basis.

Proposed remuneration for the period from 1 January 2026 onwards (annual fee and meeting fees paid quarterly in arrears)

	Annual retainer R	Fee per meeting R
Chairperson of the Board	477 372	97 242
Lead independent director	310 416	29 885
Board members	122 257	24 904
Chairpersons of Board committees	107 521	27 379
Board committee members	58 157	14 809

The annual scheduled meetings for the Board and Audit Committee are four meetings each. The Remco, the Risk and Opportunity Committee and the Social and Ethics Committee have two annual scheduled meetings. If additional meetings are required and held by the Board and/or other Board committees, the Chairperson and Board/committee members will be paid a fee per meeting as set out above.

Remco is satisfied that it has fulfilled its responsibilities per its terms of reference for the reporting period. Remco is also satisfied that there was compliance with and no deviations from the remuneration policy.

If either the remuneration policy or the implementation report, or both, are voted against by 25% or more of the votes exercised at the upcoming AGM, York commits to engage with its shareholders as to the reasons therefore and undertakes to appropriately address legitimate and reasonable objections and concerns raised, which may include amending the remuneration policy or clarifying or adjusting remuneration governance and/or processes.

André van der Veen

Chairman of the Remuneration Committee

Nonzukiso Siyotula

Chairperson of the Nomination Committee

3 October 2025





03

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Consolidated and separate annual financial statements

Directors’ responsibilities and approval

The directors are required by the Companies Act 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 IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB®) and it is the responsibility of the directors to ensure that the audited consolidated and separate annual financial statements satisfy the financial reporting standards with regard 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 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 upon 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 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 financial statements have been audited by the independent auditing firm, Deloitte & Touche, which have been given unrestricted access to all financial records and related data, including minutes of all meetings of the shareholders, the directors and Board committees. 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 42 to 45.**

The audited consolidated and separate financial statements set out on  **pages 46 to 119,** which have been prepared on the going concern basis, were approved by the directors and signed on 26 September 2025 on their behalf by:

Nonzukiso Siyotula
Chairperson

Gabriël Stoltz
Chief Executive Officer (CEO)

Company Secretary’s certificate

In terms of section 88(2)(e) of the Companies Act, we certify that to the best of our knowledge and belief, York Timber Holdings Limited and its subsidiaries have lodged all returns required in terms of the Companies Act with the Registrar of Companies for the financial year ended 30 June 2025 and that the returns are true, correct and up to date.

Kilgetty Statutory Services (South Africa) Proprietary Limited
Company Secretary

26 September 2025

Responsibility statement by the executive directors

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

- the audited consolidated and separate annual financial statements set out on  **pages 46 to 119,** fairly present in all material respects the financial position, financial performance and cash flows of the Group and Company in terms of the IFRS Accounting 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 has 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 auditor 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.

Gabriël Stoltz
Chief Executive Officer

26 September 2025

Schalk Barnard
Chief Financial Officer

Level of assurance

These consolidated and separate annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa, 71 of 2008, (Companies Act) and the JSE Limited (JSE) Listings Requirements.

Preparer

These consolidated and separate annual financial statements were prepared under the supervision of:

Schalk Barnard CA(SA)
Chief Financial Officer (CFO)

26 September 2025

Audit Committee report

We are pleased to present our report for the financial year ended 30 June 2025.

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, the King IV Report on Corporate Governance for South Africa, 2016™ (King IV™) and the 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 2024 and the audited consolidated and separate annual financial statements for the year ended 30 June 2025;
 - Satisfied itself that the external auditor, Deloitte & 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 2025 financial year;
 - Determined the nature and extent of non-audit services (agreed-upon procedures) provided by the external auditor and preapproved 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 2025 financial year;
 - Reviewed the Audit Committee charter in line with the 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 as part of its 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 CFO, 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 Accounting Standards 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, as required in terms of paragraph 3.84(g)(ii) of the JSE Listings Requirements;
- 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 is presented and included as a resolution at the annual general meeting (AGM) 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 auditor, that the key audit matters relating to the going concern and the valuation of biological assets for pine and eucalyptus trees have been presented fairly in the audited consolidated and separate annual financial statements.

Audit Committee members and attendance

In terms of section 94(2) of the Companies Act, the Audit Committee is a statutory committee, and in accordance with the JSE Listings Requirements and King IV™, comprises at least three independent non-executive members, elected by the shareholders at each AGM. The members of the Audit Committee for the 2025 financial year were:

- AW Brink CA(SA) (Independent non-executive, Audit Committee Chairman);
- KM Nyanteh CA(SA) (Lead 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 CEO, CFO, 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, five meetings were held.

Name of director	12 Sep 2024	17 Sep 2024	11 Nov 2024	13 Mar 2025	13 Jun 2025
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

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 CEO and CFO'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; and
- divisional finance managers providing assurance over internal controls over material account balances in their divisions, by formally signing off on an internal control attestation.

The committee has noted the prior period error in the Group financial statements in relation to the plantation biological asset. The root cause was due to human error which occurred during the Light Detection and Ranging (LiDAR) update of the Microforest data. This data is the source of plantation volumes. As part of the year-end close process, management requested an independent review of the LiDAR update process, which was conducted by Microforest. The findings of this review confirmed that the process followed to update the error was in line with the valuation methodology. Additional controls have been put in place over the management of the Microforest database and change process.

Management provided assurance that all shortcomings in internal controls identified by Internal and External Audit have been and are in the process of being remediated. The committee has discussed and documented the basis for its conclusion, which includes discussions with the 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.

Recommendation of 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, IFRS Accounting Standards, 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 2025 were approved by the Board of Directors on 26 September 2025. 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 AGM to answer questions falling within the mandate of the Audit Committee.

Andries Brink
Chairman of the Audit Committee

26 September 2025

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 ended 30 June 2025.

Review of activities

Main business and operations

York is incorporated in South Africa as an investment holding company. The activities of the Group are undertaken through its subsidiaries. The Group comprises 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, the Southern African Development Community (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.

International and local markets remained challenging during the year. Plywood prices have reduced, offset by an increase in volumes. Lumber volumes and prices increased slightly year-on-year.

The total consolidated comprehensive income for the year was R315,9 million (2024: R60,4 million (restated*)). The main contribution to the profit for the year was the increase in the biological asset value of R435,4 million.

* Refer to **note 39** for details on the restatement.

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 will commence harvesting its own trees in the Escarpment in 2026, consistent with the revised rotation plan. In the current year, R275,6 million (2024: R283,1 million) was spent on external log purchases. The Group has the flexibility to increase the harvesting of its own plantations instead of procuring logs externally to manage liquidity.

The Group is in compliance with the financial covenants imposed by the Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden (FMO) under the Amended Facility Agreement at year-end. Looking ahead, covenants were revised after year-end and the Group expects to comply with the covenants for the following 12 months, based on current projections.

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.

Events after the reporting date

The Group negotiated revised covenants under the FMO debt facility which will be in place from the first measurement period after year-end. Specifically, the net debt-to-EBITDA ratio was increased for the following five measurement periods, starting 30 September 2025.

The directors are not aware of any other matters or circumstances that arose since the end of the financial year to the date of this report that could have a material effect on the financial position of the Group and Company.

Directors’ shareholding

As at 30 June 2025, the directors of the Company held direct beneficial interests in 0,22% (2024: 0,21%) and indirect beneficial interests in 43,08% (2024: 43,08%) of its issued ordinary shares, as set out below. There were no changes to the directors’ shareholding between 30 June 2025 and the date of approval of the audited consolidated and separate annual financial statements.

Interest in shares	Number of shares		% shareholding	
	2025	2024	2025	2024
GCD Stoltz (direct interest)	996 452	996 452	0,21	0,21
PS Barnard (direct interest)	57 104	–	0,01	–
A Zetler and A van der Veen represented by A2 Investment Partners Proprietary Limited, Peresec SA Nominees Proprietary Limited, Long View Asset Management Limited and Standard Bank Group Limited (indirect interest) ¹	204 259 975	204 259 975	43,08	43,08
	205 313 531	205 256 427	43,30	43,29

¹ 16 150 904 shares (2024: 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.

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

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.

Issued	R’000		Number of shares	
	2025	2024	2025	2024
Ordinary shares	1 776 465	1 773 427	474 097 739	474 097 739

Borrowing limitations

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

The Group is subject to an externally imposed capital requirement in the form of a net debt-to-EBITDA ratio in terms of the FMO loan facility (refer to **note 34**).

Dividend

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

Directors’ report continued

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	<i>Executive</i>
AW Brink		<i>Non-executive independent</i>
L Dhlamini		<i>Non-executive independent</i>
HM Mbanyele-Ntshinga		<i>Non-executive independent</i>
KM Nyanteh		<i>Non-executive lead independent</i>
N Siyotula	Chairperson	<i>Non-executive independent</i>
AJ Solomons		<i>Non-executive</i>
GCD Stoltz	Chief Executive Officer	<i>Executive</i>
A van der Veen		<i>Non-executive</i>
A Zetler		<i>Non-executive</i>

Secretary

The Group’s designated secretary is Kilgetty Statutory Services (South Africa) Proprietary Limited.

Details of the Company Secretary are as follows:

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

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.

Independent auditor

Deloitte & Touche was reappointed as the independent auditor of York Timber Holdings Limited.

Shareholder profile

The shareholder profile as at 30 June 2025 was as follows:

Shareholder spread	Number of shareholder accounts	% number of shareholder accounts	Number of shares	% number of shares
1 – 1 000	3 599	78,94	321 693	0,07
1 001 – 10 000	520	11,41	1 957 517	0,41
10 001 – 100 000	317	6,95	10 973 634	2,31
100 001 – 1 000 000	94	2,06	26 619 939	5,61
Over 1 000 000	29	0,64	434 224 956	91,60
Total	4 559	100,00	474 097 739	100,00

	Number of shareholder accounts	% number of shareholder accounts	Number of shares	% number of shares
Close corporations	13	0,29	490 867	0,10
Collective investment schemes	11	0,24	40 837 402	8,61
Custodians	6	0,13	4 520 003	0,95
Foundations and charitable funds	11	0,24	323 019	0,07
Hedge funds	5	0,11	23 109 763	4,87
Investment partnerships	7	0,15	1 491 715	0,31
Managed funds	4	0,09	75 033 551	15,83
Private companies	73	1,60	74 604 345	15,74
Public companies	3	0,07	88 180	0,02
Public entities	1	0,02	95 136 513	20,07
Retail shareholders	4 353	95,48	37 831 022	7,98
Retirement benefit funds	2	0,04	214 938	0,05
Script lending	3	0,07	97 802 574	20,63
Share schemes	1	0,02	48 200	0,01
Stockbrokers and nominees	8	0,18	16 238 332	3,43
Trusts	57	1,25	6 325 894	1,33
Unclaimed scrip	1	0,02	1 421	0,00
Total	4 559	100,00	474 097 739	100,00

Shareholder type	Number of shareholder accounts	% number of shareholder accounts	Number of shares	% number of shares
Non-public shareholders				
Directors and associates	5	0,11	205 313 531	43,30
Share schemes	1	0,02	48 200	0,01
Public shareholders	4 553	99,87	268 736 008	56,69
Total	4 559	100,00	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	16 150 904	3,41
A Zetler and A van der Veen (represented by A2 Investment Partners Proprietary Limited)	71 322 021	15,04
Rozendal Partners	22 543 817	4,76
Long View Asset Management Limited	21 000 000	4,43
Coronation Fund Managers	15 080 693	3,18
Bridge Creek Trading 10 Proprietary Limited	29 356 410	6,19
Peresec SA Nominees Proprietary Limited	95 838 175	20,21
Total	366 428 533	77,29

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 Timber Holdings Limited (the Group and Company) set out on  **pages 46 to 119**, which comprise the consolidated and separate statements of financial position as at 30 June 2025, 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 2025, 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.

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	R29,4 million (2024: R26 million)	R26,6 million (2024: R26 million)
How we determined it	Based on 1,5% (2024: 1,5%) of Revenue	Based on 1,0% (2024: 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. The input factor remained consistent with that used in the prior year. 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.

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:

We selected components at which audit work in support of the group audit opinion needed to be performed in order to provide an appropriate basis for undertaking audit work to address the risks of material misstatement. Our selection was informed by taking into account the component’s contribution to relevant classes of transactions, account balances or disclosures.

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 (2024: 5 components) were subject to a full scope audit;
- No components (2024: 1 component) were 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
- 2 components (2024: 1 component) were subject to group analytical procedures.

The 5 components subject to full scope audits account for 99,4% of the Group’s Assets (2024: 99,4%) and 99,7% of the Group’s Revenue (2024: 99,8%). The other components subject to specified balance procedures and group analytical procedures account for 0,6% of the Group’s Assets (2024: 0,6%) and 0,3% of the Group’s Revenue (2024: 0,2%).

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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 R3 241 million (Restated 2024: R2 710 million). The net fair value adjustment for the year ended 30 June 2025 amounted to an increase in profit of R435 million (Restated 2024: increase in profit of R151 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. • Tested the operating effectiveness of the controls relating to thinning, planting, harvesting and enumerations which inform 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 considered whether the error related to 2024 volume movements and its correction had been adequately determined, disclosed and explained in the financial statements. • Assessed the competence, qualifications and objectivity of managements expert, including an assessment of the scope of their work performed. • 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 and IAS 41 as disclosed in note 6.

Independent auditor’s report continued

Key audit matter	Our audit procedures to address the key audit matter were as follows:
Valuation of biological assets (timber plantation) continued	We evaluated the appropriateness of the restatement and resultant disclosures with the assistance of our accounting and auditing technical specialists. Based on the procedures performed, we found the valuation of the Timber plantation to be reasonable and the related disclosures to be appropriate.
Going Concern assumption International Standards on Auditing 570: Going Concern prescribes the preparation of the financial statements on the assumption that the entity is a going concern and will continue its operations for the foreseeable future. Note 37 of the consolidated financial statements sets out managements going concern considerations. The note further describes the Group’s compliance with the financial covenants imposed by the Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden (FMO) under the Amended Facility Agreement at year-end as well as revised covenants for the next 12 months. Due to the significant and pervasive impact that the going concern assumption has on the financial statements and the extent of judgement involved in assessing the appropriateness of the going concern assumption, given the circumstances outlined above, this was considered to be a key audit matter in our audit of the consolidated financial statements.	Our audit procedures to address the key audit matter were as follows: - Obtained management’s assessment of going concern, including the revised future forecasted cash flows impacting the next 12 months. - Tested management’s assessment, including challenging and critically assessing the assumptions made by management against observable data and the Group’s historical performance, and assessing the budget and forecast process. - Performed scenario analysis over management’s cashflow forecasts. - Assessed the appropriateness of the disclosure in note 37 of the consolidated financial statements in relation to going concern. - Entrusted the audit work to senior personnel and personnel with specialized experience. - Engaged with a legal specialist to review the lender agreements for any restrictive clauses and assess the impact thereof on the going concern assertion. - Engaged with audit technical specialist to assess the impact that potential breaches and available remedies may have on the going concern assertion. - Reviewed and assessed the terms of the negotiated revised covenants with FMO entered into post year end. Based on our procedures performed above, the going concern assumptions appears appropriate in all material aspects. Please refer to note 37 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 2025”, 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 financial statements, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated 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

Audit Tenure

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 3 years.



Deloitte & Touche
Registered Auditor

Per: Logan Govender CA(SA); RA
Partner

26 September 2025

2 Vuna Close
Umhlanga Ridge
4319
South Africa

Statements of financial position

as at 30 June 2025

		GROUP		COMPANY	
			Restated*		
	Note	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Assets					
Non-current assets					
Property, plant and equipment	5	943 727	897 778	–	–
Investment property		13 884	13 884	–	–
Intangible assets		2	33	–	–
Biological assets*	6	2 779 622	2 311 171	–	–
Investments in subsidiaries	7	–	–	1 262 326	1 262 207
Deferred tax assets	8	2 613	5 158	–	–
Other financial assets	9	89 297	81 210	–	–
Loan to Group company	10	–	–	1 418 844	1 405 551
Total non-current assets		3 829 145	3 309 234	2 681 170	2 667 758
Current assets					
Inventories	11	337 519	314 875	–	–
Trade and other receivables	12	263 731	243 534	441	269
Current tax assets		–	2 668	2	2
Biological assets*	6	469 025	409 939	–	–
Other financial assets	9	50 466	51 348	–	–
Cash and cash equivalents	13	29 036	56 939	–	1
Total current assets		1 149 777	1 079 303	443	272
Total assets		4 978 922	4 388 537	2 681 613	2 668 030
Equity and liabilities					
Equity					
Share capital	14	1 738 034	1 735 670	1 776 465	1 773 427
Retained income*		1 305 593	989 055	903 982	889 675
Reserves	15	15 837	19 334	–	2 919
Total equity		3 059 464	2 744 059	2 680 447	2 666 021
Liabilities					
Non-current liabilities					
Provisions	16	7 103	6 778	–	–
Deferred tax liabilities*	8	870 688	757 903	–	–
Borrowings	17	459 521	345 123	–	–
Lease liabilities	18	6 706	12 928	–	–
Retirement benefit obligations	19	24 266	23 526	–	–
Total non-current liabilities		1 368 284	1 146 258	–	–
Current liabilities					
Provisions	16	18 158	14 403	–	–
Trade and other payables	20	378 533	353 622	1 166	2 009
Current tax liabilities		5 346	–	–	–
Borrowings	17	130 064	118 287	–	–
Lease liabilities	18	15 972	8 996	–	–
Retirement benefit obligations	19	3 101	2 912	–	–
Total current liabilities		551 174	498 220	1 166	2 009
Total liabilities		1 919 458	1 644 478	1 166	2 009
Total equity and liabilities		4 978 922	4 388 537	2 681 613	2 668 030

* Refer to **note 39** for details on the restatement.

Statements of profit or loss and other comprehensive income

for the year ended 30 June 2025

	Note	GROUP		COMPANY	
		2025 R'000	Restated* 2024 R'000	2025 R'000	2024 R'000
Revenue	22	1 994 906	1 745 219	5 472	6 294
Cost of sales ¹ *	23	(1 122 211)	(1 242 834)	–	–
Gross profit		872 695	502 385	5 472	6 294
Other income	24	18 396	16 047	–	–
Other expenses	26	(411 564)	(395 874)	(5 472)	(6 452)
Other gains	25	11 764	706	–	–
Profit/(loss) from operating activities		491 291	123 264	–	(158)
Finance income	27	19 537	16 862	14 307	4
Finance costs	28	(77 334)	(58 247)	–	(7 161)
Profit/(loss) before tax		433 494	81 879	14 307	(7 315)
Income tax expense*	29	(116 956)	(21 749)	–	–
Profit/(loss) for the year		316 538	60 130	14 307	(7 315)
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss					
Remeasurement of retirement benefit obligation		(792)	678	–	–
Taxation related to remeasurement of retirement benefit obligation		214	(435)	–	–
Total other comprehensive (loss)/income that will not be reclassified to profit or loss		(578)	243	–	–
Total other comprehensive (loss)/income net of tax		(578)	243	–	–
Total comprehensive income/(loss)		315 960	60 373	14 307	(7 315)
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	68,19	12,97	3,02	(1,54)
Diluted earnings per share (cents)					
Diluted earnings/(loss) per share (cents)*	38	68,19	12,94	3,02	(1,54)

* Refer to **note 39** for details on the restatement.

¹ The fair value gain on biological assets of R435 million (2024: gain of R151 million (restated*)) is included in cost of sales.

Statements of changes in equity

for the year ended 30 June 2025

	GROUP					
	Share capital R'000	Retirement benefit obligation reserve R'000	Share-based payment reserve R'000	Revaluation reserve R'000	Retained income* R'000	Total R'000
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 (restated*)	–	–	–	–	60 130	60 130
Other comprehensive income	–	243	–	–	–	243
Total comprehensive income for the year	–	243	–	–	60 130	60 373
Employee share option scheme	–	–	755	–	–	755
Balance at 30 June 2024	1 735 670	1 737	2 919	14 678	989 055	2 744 059
Balance at 1 July 2024 as previously stated	1 735 670	1 737	2 919	14 678	1 064 997	2 820 001
Adjustment due to restatements and prior period error (refer to note 39)	–	–	–	–	(75 942)	(75 942)
Balance at 1 July 2024 as restated	1 735 670	1 737	2 919	14 678	989 055	2 744 059
Changes in equity						
Profit for the year	–	–	–	–	316 538	316 538
Other comprehensive loss	–	(578)	–	–	–	(578)
Total comprehensive income for the year	–	(578)	–	–	316 538	315 960
Share-based payment expenses	–	–	119	–	–	119
Vested shares from share-based payment	2 364	–	(3 038)	–	–	(674)
Balance at 30 June 2025	1 738 034	1 159	–	14 678	1 305 593	3 059 464

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* Refer to **note 39** for details on the restatement.

	COMPANY			
	Share capital R'000	Share-based payment reserve R'000	Retained income R'000	Total R'000
Balance at 1 July 2023	1 773 427	2 164	896 990	2 672 581
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	889 675	2 666 021
Balance at 1 July 2024	1 773 427	2 919	889 675	2 666 021
Changes in equity				
Profit for the year	–	–	14 307	14 307
Total comprehensive profit	–	–	14 307	14 307
Share-based payment expenses	–	119	–	119
Vested shares from share-based payment	3 038	(3 038)	–	–
Balance at 30 June 2025	1 776 465	–	903 982	2 680 447

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Statements of cash flows

for the year ended 30 June 2025

	Note	GROUP		COMPANY	
		2025 R'000	Restated* 2024 R'000	2025 R'000	2024 R'000
Net cash flows from/(used in) operations	30	147 611	28 369	(1 015)	(4)
Income taxes refunded/(paid)	31	6 603	(465)	–	–
Net cash flows from/(used in) operating activities		154 214	27 904	(1 015)	(4)
Cash flows (used in)/from investing activities					
Proceeds from sales of property, plant and equipment		16 502	8 345	–	–
Purchase of property, plant and equipment		(111 415)	(62 275)	–	–
Purchase of biological assets (plantations)		(53 274)	–	–	–
Proceeds from contingency insurance fund		29 108	63 494	–	–
Contributions to contingency insurance fund		(35 458)	(63 047)	–	–
Investment in shares		(855)	–	–	–
Advance from subsidiary		–	–	1 010	–
Interest received*		19 537	16 862	4	4
Establishment cost on biological assets		(38 853)	(34 243)	–	–
Cash flows (used in)/from investing activities		(174 708)	(70 864)	1 014	4
Cash flows used in financing activities					
Repayment of borrowings	30	(40 604)	(303 798)	–	–
Proceeds from borrowings	30	118 025	289 977	–	–
Payment of loan raising fees	30	–	(14 525)	–	–
Repayment of lease liabilities	30	(13 685)	(10 306)	–	–
Interest paid*		(73 520)	(53 821)	–	–
Cash flows used in financing activities		(9 784)	(92 473)	–	–
Net decrease in cash and cash equivalents before effect of exchange rate changes		(30 278)	(135 433)	(1)	–
Effect of exchange rate changes on cash and cash equivalents		2 375	456	–	–
Net decrease in cash and cash equivalents		(27 903)	(134 977)	(1)	–
Cash and cash equivalents at the beginning of the year		56 939	191 916	1	1
Cash and cash equivalents at the end of the year		29 036	56 939	–	1

* Refer to **note 39** for details on the restatement.

Notes and accounting policies to the audited consolidated and separate annual financial statements

for the year ended 30 June 2025

1. General information

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

The audited consolidated and separate annual financial statements for the year ended 30 June 2025 were approved by the Board of Directors on 26 September 2025.

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 audited 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 IASB at the time of preparing these consolidated and separate annual financial statements and the Companies Act.

These audited 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. In the event of a conflict, IFRS Accounting Standards prevail.

The audited consolidated and separate annual financial statements have been prepared on the historical 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 Rand 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 except for the classification changes in the cash flow statement as disclosed in **note 39**.

In the current financial year, the Group and Company have changed their accounting policy on the presentation of finance income and finance cost in the statement of cash flows. Previously, finance income and finance cost were classified within operating activities. Finance income is presented within investing activities and finance cost in financing activities.

Consolidation

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 Accounting Standards 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 audited consolidated and separate annual financial statements, refer to:

- **Note 5** – Property, plant and equipment; and
- **Note 6** – Biological assets.

Refer to the accounting policies and notes for the financial statement areas noted above for disclosure regarding the significant judgement and estimation uncertainties.

Notes and accounting policies to the audited consolidated and separate annual financial statements

continued

for the year ended 30 June 2025

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 IFRS Accounting Standards that are relevant to their operations and effective for annual reporting periods beginning on or after 1 January 2024.

At the date of authorisation of these audited consolidated and separate annual financial statements for the year ended 30 June 2025, the following IFRS Accounting Standards were adopted:

Non-current Liabilities with Covenants (Amendments to IAS 1)

Application of this standard did not impact these audited consolidated and separate financial statements as the entity did not breach loan covenants.

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 2024. The directors anticipate that the new standards, amendments and interpretations will be adopted in the Group and Company's consolidated and separate annual financial statements when they become effective.

- IFRS 18: *Presentation and Disclosure in Financial Statements*
- IFRS 19: *Subsidiaries without Public Accountability: Disclosures*
- Amendments to IFRS 9 and IFRS 7: *Classification and Measurement of Financial Instruments*
- IFRS S1: *General Requirements for Disclosure of Sustainability-related Financial Information*
- IFRS S2: *Climate-related disclosures*

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

IFRS 18 will change the layout of the statement of profit or loss and other comprehensive income and the categorisation of the income and expense line items.

Management does not expect IFRS 19 and the amendments to IFRS 9 and IFRS 7 to have a material effect on the Group and Company's net assets, financial position or cash flows.

IFRS S1 and IFRS S2 are not required to be applied in South Africa in the current year.

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 their current form or condition are 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 the last revaluation. The residual value of the residential buildings equals their fair value therefore no depreciation was recognised. Valuations are performed every three years by an independent valuer. Property, plant and equipment are recognised when cost can be measured reliably and future economic benefits are probable. Assets are tested for impairment annually when impairment indicators exist in terms of IAS 36.

The Group recognises right-of-use assets and corresponding lease liabilities in accordance with IFRS 16: *Leases* at the commencement date of each lease. Right-of-use assets comprise warehouse and office premises leased for periods of between three and five years, as well as forestry machinery leased for a period of 12 months. Lease payments for five of the warehouse and office premises include fixed annual escalations, while one warehouse lease contains variable lease payments linked to movements in the Consumer Price Index. The right-of-use assets 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 right-of-use asset and lease liability are remeasured with changes to lease terms and indexation where applicable.

The gain or loss on disposal of an item of property, 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.

5. Property, plant and equipment

continued

The Group 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. The lease payments for exempt leases are expensed on a straight-line basis in profit or loss.

No lease extension periods were included in the assessment of the right-of-use assets and lease liabilities 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 residual values, depreciation methods and useful lives are reassessed annually at the reporting date and adjusted prospectively. The useful lives of items of property, plant and equipment have been assessed as follows:

Asset class	Useful life	Depreciation method
Land	Indefinite	
Buildings	5 – 50 years	Straight-line
Plant and machinery	2 – 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
Right-of-use assets – forestry machinery	7 years	Straight-line
Motor vehicles	3 – 20 years	Straight-line
Other property, plant and equipment ¹	2 – 30 years	Straight-line
Bearer plants	20 – 30 years	Straight-line

¹ Other property, plant and equipment refers to furniture and fittings, computer equipment and critical spares. The total other equipment has 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 continued
for the year ended 30 June 2025

5. Property, plant and equipment continued
5.1 Balances at year-end and movements for the year

	GROUP					GROUP							
	2025					2025							
	Land R'000	Buildings R'000	Residential buildings R'000	Plant and machinery R'000		Motor vehicles R'000	Bearer plants ¹ R'000	Capital work in progress R'000	Right-of-use assets – warehouses and office space R'000	Right-of-use assets – forestry machinery R'000	Roads R'000	Other property, plant and equipment ² R'000	Total R'000
Reconciliation for the year ended 30 June 2025													
Balance at 1 July 2024													
At cost or revaluation	140 880	314 182	34 090	738 149		250 485	29 804	30 514	64 673	–	39 904	20 708	1 663 389
Accumulated depreciation and impairment	(4)	(114 758)	(189)	(432 630)		(134 435)	(4 555)	–	(46 198)	–	(19 184)	(13 658)	(765 611)
Carrying amount	140 876	199 424	33 901	305 519		116 050	25 249	30 514	18 475	–	20 720	7 050	897 778
Movements for the year ended 30 June 2025													
Additions	53 228	2 633	1 258	29 645		29 901	469	32 672	3 419	8 742	–	1 044	163 011
Depreciation	–	(12 938)	(216)	(52 975)		(27 074)	(1 101)	–	(8 764)	(1 041)	(1 037)	(2 664)	(107 810)
Impairments	–	(2 139)	–	–		–	–	–	–	–	–	–	(2 139)
Transfers	–	3 487	–	15 512		335	–	(22 322)	–	–	–	2 988	–
Disposals	(632)	–	–	(3 141)		(3 229)	–	–	–	–	–	(111)	(7 113)
Property, plant and equipment at the end of the year	193 472	190 467	34 943	294 560		115 983	24 617	40 864	13 130	7 701	19 683	8 307	943 727
Closing balance at 30 June 2025													
At cost or revaluation	193 476	320 301	35 348	769 839		264 428	30 273	40 864	68 093	8 742	39 904	21 996	1 793 264
Accumulated depreciation and impairment	(4)	(129 834)	(405)	(475 279)		(148 445)	(5 656)	–	(54 963)	(1 041)	(20 221)	(13 689)	(849 537)
Carrying amount	193 472	190 467	34 943	294 560		115 983	24 617	40 864	13 130	7 701	19 683	8 307	943 727

¹ From the R24,6 million bearer plants, R8,7 million are immature bearer plants and R15,9 million mature.

² Other property, plant and equipment refers to furniture and fittings, computer equipment and critical spares. The total other equipment has 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 continued
for the year ended 30 June 2025

5. Property, plant and equipment continued

5.1 Balances at year-end and movements for the year continued

	GROUP				GROUP						
	2024				2024						
	Land R'000	Buildings R'000	Residential buildings R'000	Plant and machinery R'000	Motor vehicles R'000	Bearer plants ¹ R'000	Capital work in progress R'000	Right-of-use assets – warehouses and office space R'000	Roads R'000	Other property, plant and equipment ² R'000	Total R'000
Reconciliation for the year ended 30 June 2024											
Balance at 1 July 2023											
At cost or revaluation	140 880	321 628	24 567	680 327	233 149	26 689	33 576	64 377	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	24 567	280 740	100 334	23 159	33 576	27 338	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)	(189)	(56 102)	(25 081)	(1 026)	(2)	(8 863)	(1 172)	(2 596)	(107 727)
Impairments	(4)	(107)	–	(6 164)	(1 602)	–	(1 295)	–	(336)	(615)	(10 123)
Transfers	–	(7 516)	9 523	8 616	772	2 595	(14 594)	–	–	604	–
Disposals	–	(22)	–	(525)	(7 498)	–	–	–	–	(46)	(8 091)
Property, plant and equipment at the end of the year	140 876	199 424	33 901	305 519	116 050	25 249	30 514	18 475	20 720	7 050	897 778
Closing balance at 30 June 2024											
At cost	140 880	314 182	34 090	738 149	250 485	29 804	30 514	64 673	39 904	20 708	1 663 389
Accumulated depreciation and impairment	(4)	(114 758)	(189)	(432 630)	(134 435)	(4 555)	–	(46 198)	(19 184)	(13 658)	(765 611)
Carrying amount	140 876	199 424	33 901	305 519	116 050	25 249	30 514	18 475	20 720	7 050	897 778

¹ From the R25,2 million bearer plants, R8,6 million are immature bearer plants and R16,6 million mature.

² Other property, plant and equipment refers to furniture and fittings, computer equipment and critical spares. The total other equipment has 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

continued

for the year ended 30 June 2025

5. Property, plant and equipment

continued

5.2 Additional disclosures

Assets whose title is restricted and pledged as security

Landholdings, bearer fruits and buildings with a carrying value of R289,1 million (2024: R215,9 million) were encumbered in favour of Micawber 558 Proprietary Limited (unrelated to the Group), as security for loans and borrowings, as per **note 17.5**.

The carrying values of assets pledged as security under instalment sale agreements are as follows:

	GROUP	
	2025 R'000	2024 R'000
Plant and machinery	54 660	47 718
Motor vehicles	73 861	66 566
Other equipment	200	310
Total	128 721	114 594

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 R118 million (2024: R110 million) (refer to **note 17**).

5.3 Impairments

Impairment losses recognised were as follows:

Current year

The Group performed impairment assessments on the Sabie sawmill cash-generating unit (CGU), due to losses incurred in the current period, and on the Driekop sawmill CGU, which remains mothballed. The recoverable amount of both CGUs was determined using the fair value less costs of disposal method. External valuations obtained in the prior year were updated for current market conditions. These valuations were performed by an independent external valuer with specific experience in the sawmill industry. Fair value was based on the market value of the assets in their current condition. Based on the assessment, the recoverable amount of both CGUs exceeded their carrying amounts, and accordingly no impairment was recognised in the current year.

Sensitivity analysis

Management assessed the sensitivity of the recoverable amounts to reasonably possible changes in key assumptions used in the valuation. A decrease of 5% in estimated market values would not result in the recoverable amount of either the Sabie or Driekop CGU falling materially below its carrying amount. Accordingly, management does not consider there to be a significant risk of material impairment under reasonably possible changes in assumptions.

Fair value hierarchy disclosure

The determination of fair value less costs of disposal has been classified as a Level 3 measurement in terms of the IFRS 13 fair value hierarchy, as it relies on significant unobservable inputs, including marketability discounts and adjustments for the condition of specialised sawmill assets to reflect the current use and condition of the Group's property, plant and equipment.

During the year, an impairment loss of R2,1 million was recognised in respect of the Nicholson and Mullin drymill building, which was damaged and subsequently disposed of after year-end. The impairment loss has been recognised in other operating expenses in the statement of profit or loss.

Prior year

R10,1 million in total, comprising:

- work-in-progress projects that were discontinued and not capitalised as property, plant and equipment;
- motor vehicles no longer in use;
- land, roads, buildings and plant and equipment at the Sabie sawmill, impaired due to operating losses incurred; and
- land, roads, buildings and plant and equipment at the Driekop sawmill, impaired as a result of restructuring activities.

6. Biological assets*

The biological assets comprise plantation biological assets (pine and eucalyptus trees) and unharvested fruit. Biological assets are recognised when the Group controls the assets, future economic benefits are probable and fair value can be measured reliably.

Biological assets are measured on initial and subsequent recognition and at the end of each reporting period at fair value less costs to sell at the point of harvest, in accordance with IAS 41. The consequent gain or loss arising on initial and subsequent recognition of biological assets at fair value less costs to sell is included in operating profit or loss, in the cost of sales line item.

* Refer to **note 39** for details on the restatement.

Plantation biological assets (pine and eucalyptus trees)

Valuation technique and significant inputs

Fair value is determined using a discounted cash flow model that reflects current market participant assumptions and the condition and location of the plantations. The model incorporates sustainable harvesting plans and estimates of standing volumes, biological growth and yield, market-determined timber prices, harvesting, silviculture and selling costs, and a post-tax discount rate. The fair value measurement is classified as Level 3 in the IFRS 13 fair value hierarchy due to significant unobservable inputs. Management reviews the key inputs at each reporting date and performs sensitivity analyses over the most significant unobservable inputs (timber prices, discount rate, yields and costs).

The model reflects a single-rotation harvest cycle (average clearfell age 20 to 23 years for pine plantations and 10 to 14 years for eucalyptus plantations) and does not include cash flows from replanting after clearfell.

Cost

Biological assets are measured at fair value less costs to sell with any resultant gain or loss recognised in cost of sales in the statement of profit or loss and other comprehensive income. Establishment costs which include activities such as site preparation, planting and the cost of the seedlings are capitalised to the biological asset. All subsequent costs are expensed through profit or loss.

Harvest and transfer to inventories

On harvest, the agricultural produce (felled logs) is measured at its fair value less costs to sell at the point of harvest (roadside price). This amount becomes the cost of inventories under IAS 2 (refer to **note 11**). Biological assets are transferred to inventories upon harvest.

Classification as current/non-current

Biological assets expected to be harvested within 12 months after the reporting date, based on the annual plan of operations, are classified as current; all others are classified as non-current.

In the current year, the Group bought the Schultz plantations with 77 286m³ standing volume for R17,8 million as well as the Pine Valley plantations with 96 658m³ standing volume for R35,5 million.

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

Unharvested fruit

Valuation technique and significant inputs

The fair value of avocados, citrus and macadamias growing on the bearer plants is determined by reference to market prices for local, export and reject classes, 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.

Cost

Avocados, citrus and macadamias growing on bearer plants are accounted for as biological assets until the point of harvest. 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. A gain or loss arising on initial recognition of agricultural produce at fair value less costs to sell is included in operating profit or loss, in the cost of sales line item, for the period in which it arises as a fair value adjustment. 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.

* Refer to **note 39** for details on the restatement.

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

6. Biological assets* continued

Plantation biological assets (pine and eucalyptus trees) continued

Unharvested fruit continued

Harvest and transfer to inventories

Harvested produce is transferred to inventory (refer to **note 11**) at fair value less cost to sell at the point of harvest. The unharvested fruit biological assets have been classified as Level 3 in the fair value hierarchy.

Classification as current/non-current

Biological assets expected to be harvested within 12 months after the reporting date are classified as current and all others are classified as non-current.

6.1 Reconciliation of changes in biological assets

	GROUP		
	2025		
	Unharvested fruit R'000	Pine and eucalyptus plantations R'000	Total R'000
Reconciliation for the year ended 30 June 2025			
Opening balance	11 029	2 710 081	2 721 110
Movements for the year ended 30 June 2025			
Purchase of biological assets	–	53 274	53 274
Establishment cost	–	38 853	38 853
Fair value adjustment			
– Change in fair value of avocados, citrus and macadamias due to growth	7 425	–	7 425
– Change in fair value of avocados, citrus and macadamias due to harvesting	(11 029)	–	(11 029)
– Increase due to growth and enumeration ¹	–	334 758	334 758
– Decrease due to harvesting	–	(232 394)	(232 394)
– Adjustment to standing timber values to reflect changes to sales price, cost and discount rate assumptions ²	–	336 650	336 650
Biological assets at the end of the year	7 425	3 241 222	3 248 647
Classified as non-current assets	–	2 779 622	2 779 622
Classified as current assets ³	7 425	461 600	469 025
	7 425	3 241 222	3 248 647

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 Being the movement after the increases in growth and enumerations and decreases due to harvesting from the opening balance value and consist of the impact of changes to the discount rate, log sales prices and operating costs from the prior year balance.

³ The biological assets to be harvested and sold in the 12 months after year-end.

* Refer to **note 39** for details on the restatement.

6. Biological assets* continued

6.1 Reconciliation of changes in biological assets continued

	GROUP		
	2024		
	Unharvested fruit R'000	Pine and eucalyptus plantations Restated* R'000	Total R'000
Reconciliation for the year ended 30 June 2024			
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, citrus and macadamias due to growth	11 029	–	11 029
– Change in fair value of avocados, citrus and macadamias due to harvesting	(7 063)	–	(7 063)
– Increase due to growth and enumeration ²	–	313 725	313 725
– 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	–	84 017	84 017
Biological assets at the end of the year*	11 029	2 710 081	2 721 110
Classified as non-current assets	–	2 311 171	2 311 171
Classified as current assets ³	11 029	398 910	409 939
	11 029	2 710 081	2 721 110

* Refer to **note 39** for details on the restatement.

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 Being the movement after the increases in growth and enumerations and decreases due to harvesting from the opening balance value and consist of the impact of changes to the discount rate, log sales prices and operating costs from the prior year balance.

³ The biological assets to be harvested and sold in the 12 months after year-end.

The net fair value movement for the year was a gain of R435,4 million (2024: gain of R150,6 million (restated*)) included in cost of sales.

* Refer to **note 39** for details on the restatement.

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

6. Biological assets* continued

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

	GROUP	
	2025	Restated*
	R'000	2024
		R'000
Opening balance	2 710 081	2 529 202
Change in product mix and age ^{4^}	182 222	257 090
Revenue and price ^{5^}	247 746	(55 060)
Operating costs [^]	(68 073)	(102 736)
Discount rate [^]	100 605	188 352
Change in volume ^{6^}	(23 486)	(141 010)
Establishment cost	38 853	34 243
Purchased plantations	53 274	–
	3 241 222	2 710 081

* Refer to **note 39** for details on the restatement.

[^] The total of these lines equals the fair value adjustment of the pine and eucalyptus plantations.

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.

⁵ Revenue and price changes relate to inflationary adjustments over year one, year two and over the long term in the forecast period.

⁶ Change in volume in the DCF model indicates changes in the forecast yield at maturity of planted trees. This is impacted by several factors including temporary unplanted hectares (TUP). The TUP increased by 694 hectares in 2025 (2024: increase of 299 hectares (restated*)). The DCF volumes over the 20 to 23-year period decreased from the prior year by 123 460m³ (2024: decrease of 1 282 700m³ (restated*)). 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

	GROUP	
	2025	Restated*
	m ³	2024
		m ³
Opening balance	7 061 124	6 890 527
Increase due to growth, enumeration and purchased plantation ⁷	1 044 563	854 708
Decrease due to harvesting and sales	(612 885)	(684 111)
	7 492 802	7 061 124

⁷ 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.

* Refer to **note 39** for details on the restatement.

6. Biological assets* continued

6.4 Landholding

	GROUP	
	2025	Restated*
	Hectares	2024
		Hectares
Pine	55 177	55 485
Eucalyptus	1 266	444
Temporary unplanted areas	3 528	2 834
Conservancy areas	31 090	30 701
Agricultural land	115	115
	91 176	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.

The valuation is driven by the underlying volumes derived from the Microforest model and database. This model includes key assumptions such as stocking per hectare, diameter at breast height, basal area (function of diameter at breast height and trees per hectare, and is an indicator of stand density and level of site utilisation) and growth curves. The model is continuously updated with actual data through enumerations. In 2024, the Escarpment plantation's data was refined and updated with LiDAR technology. The Group continues to enhance and refine the model with the use of better technology and specific research on species and climate change impacts.

Log prices: Log prices per cubic metre and per log class are based on current and future expected market prices. Future prices were adjusted upwards for price increases by 2,5% over year one, 3% over year two and 4,5% over the long term (2024: 1,6% over year one, 1,5% over year two and 4,5% over the long term). It is expected that prices will increase below inflation as a result of the continued constrained lumber market.

Operating costs: Costs include harvesting, maintenance and associated fixed overhead costs. No replanting and associated costs are included. The overhead costs are based on a unit cost on the remaining planted hectares, and are reduced over the discount period as the remaining planted hectares reduce. Future costs, other than electricity and wages, were adjusted upwards for inflation by of 4,5% over year one, 4,5% over year two and 4,5% over the long term (2024: 4,6% over year one, 4,5% over year two and 4,5% over the long term). Electricity and wages were adjusted by 6,2% and 6% (2024: 12% and 5,9%).

Costs to sell: Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income taxes. Costs to sell include harvesting and short hauling costs to bring the timber to roadside. This forms part of the operating cost.

Discount rate: In determining the weighted average cost of capital (WACC), a comparable group of 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.

* Refer to **note 39** for details on the restatement.

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

6. Biological assets* continued

6.5 Methodology and assumptions used in determining fair value continued

Volumes and volume adjustment factor: The projected volumes from Microforest are risk-adjusted downwards by a weighted average of 1% (2024: 2%) based on the most recent actual yield reconciliation data to account for normal and abnormal deviations and operational losses. Risk-adjusted volumes at maturity can be analysed as follows:

	GROUP	
	2025	Restated* 2024
	m³	m³
Maturity volumes		
Year 1 to 5	3 798 301	3 703 967
Year 6 to 10	5 755 887	5 583 479
Year 11 to 15	5 938 339	5 816 102
Year 16 and above	6 355 106	6 620 625
	21 847 633	21 724 173

	GROUP	
	2025	2024
Key assumptions used in the calculation of the discount rate		
Beta factor	1,04	0,97
Risk-free rate (%) ⁸	9,96	11,41
Cost of equity (%) ¹⁰	17,16	17,41
Post-tax cost of debt (%)	7,85	8,58
After-tax WACC (%)	15,01	15,43
Debt/equity ratio ⁹	23:77	22:78

* Refer to **note 39** for details on the restatement.

⁸ The GSAB10YR yield curve was used (2024: GSAB10YR yield curve).

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

¹⁰ The cost of equity incorporates a risk-free rate, an equity market risk premium and Company-specific risk adjustments to capture risks not reflected in market data, such as climate change.

6. Biological assets* continued

6.5 Methodology and assumptions used in determining fair value continued

Unharvested fruit

Prices: The fair value of avocados, citrus and macadamias growing on the bearer plants is determined by reference to market prices for local, export and reject classes adjusted for expected costs to reach maturity, which is typically one to three months after the end of the reporting period.

	GROUP	
	2025	2024
	R/kg	R/kg
Avocado	1,53 to 11,28	1,54 to 25,75
Macadamia	38,19	31,86
Citrus	1,57 to 9,07	0,84 to 8,77

Costs to sell: Costs to sell include packaging and harvesting costs.

	GROUP	
	2025	2024
	R/kg	R/kg
Avocado	1,25	0,96
Macadamia	6,89	5,38
Citrus	0,54	0,74

Volume: The agricultural produce volumes were reduced by a weighted average percentage as illustrated in the table below. 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.

	GROUP	
	2025	2024
	%	%
Avocado	1	1
Macadamia	10	11
Citrus	1	1

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

During the year, 1 851 tonnes (2024: 1 148 tonnes) of agricultural produce were harvested.

	GROUP	
	2025	2024
	tonnes	tonnes
Avocado	910	1 119
Macadamia	33	29
Citrus	908	–
	1 851	1 148

* Refer to **note 39** for details on the restatement.

* Refer to **note 39** for details on the restatement.

Notes and accounting policies to the audited consolidated and separate annual financial statements

for the year ended 30 June 2025

6. Biological assets* continued

6.5 Methodology and assumptions used in determining fair value continued

Unharvested fruit continued

Mature and immature bearer plants

	GROUP		
	Mature bearer plants Hectares	Immature bearer plants Hectares	Total Hectares
2025			
Bearer plant			
Avocado	53	–	53
Macadamia	26	–	26
Citrus	38	60	98
	117	60	177
2024			
Bearer plant			
Avocado	53	–	53
Macadamia	26	–	26
Citrus	38	60	98
	117	60	177

6.6 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 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.

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 change and pest tolerance. To address climate change, the Group developed hybrid material that is more heat-tolerant and less dependent on water.

* Refer to **note 39** for details on the restatement.

6. Biological assets* continued

6.7 Pledged as security

Landholdings amounting to 91 176 hectares (2024: 89 579 hectares) with biological assets valued at R3,2 billion (2024: R2,7 billion) were encumbered in favour of Micawber 558 Proprietary Limited as security for loans and borrowings as per **note 17**.

6.8 Sensitivity analysis

The sensitivity analysis below shows how the present value of the DCFs 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 DCFs. A decrease by the same percentage would have the opposite effect on the valuation.

	GROUP	
	2025 R'000	Restated* 2024 R'000
Pine and eucalyptus plantations		
100 basis points increase in the current log price	53 987	47 827
25 basis points increase in forecast log prices (years 1 and 2 and long term)	100 686	91 553
25 basis points increase in the forecast cost inflation rate	(33 710)	(33 582)
50 basis points increase in the pre-tax cost of debt	(22 277)	(18 846)
25 basis points increase in the discount rate	(65 435)	(56 928)
100 basis points increase in projected volumes	43 927	38 280
Unharvested fruit		
100 basis points increase in market prices	84	119
25 basis points increase in harvesting cost	(2)	(2)
100 basis points increase in volumes	74	110

* Refer to **note 39** for details on the restatement.

* Refer to **note 39** for details on the restatement.

Notes and accounting policies to the audited consolidated and separate annual financial statements

for the year ended 30 June 2025

7. Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses. The carrying amounts of such investments are reviewed annually for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in profit or loss when the recoverable amount of the investment is less than its carrying amount.

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

	COMPANY	
	2025 R'000	2024 R'000
Investments in subsidiaries	1 262 326	1 262 207

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 Properties Proprietary Limited [^]	Property holding used both as an office building and accommodation	South Africa
Stadsrivier Vallei Proprietary Limited [^]	Farming, sawmilling and packhouse	South Africa

[^] The Company has an indirect investment in these subsidiaries. All other investments are direct investments.

7.2.2 Interest held in material subsidiaries

	COMPANY			
	Interest 2025 %	Carrying amount 2025 R'000	Interest 2024 %	Carrying amount 2024 R'000
Global Forest Products Proprietary Limited	100	1 117 743	100	1 117 743
York Timbers Proprietary Limited	100	144 583	100	144 464
Agentimber Proprietary Limited	100	–	100	–
York Fleet Solutions Proprietary Limited	100	–	100	–
Mbulwa Estate Proprietary Limited	100	–	100	–
Sonrach Properties Proprietary Limited	100	–	100	–
Stadsrivier Vallei Proprietary Limited	100	–	100	–
		1 262 326		1 262 207

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

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 or to the extent of taxable temporary differences.

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.

The deferred tax assets and the deferred tax liabilities relate to income tax in the same entity and jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

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

	GROUP	
	2025 R'000	Restated* 2024 R'000
Deferred tax assets	2 613	5 158
Deferred tax liability	(870 688)	(757 903)
Net deferred tax liabilities	(868 075)	(752 745)
Provisions, prepayments and deferred income	21 608	18 863
Estimated tax loss	45 120	39 774
Total deferred tax assets	66 728	58 637
Capital allowances	(66 210)	(72 606)
Biological assets	(864 812)	(734 700)
Defined benefit plan reserve and revaluation reserve	(3 781)	(4 076)
Total deferred tax liability	(934 803)	(811 382)
Net deferred tax liability	(868 075)	(752 745)

* Refer to note 39 for details on the restatement.

* Refer to note 39 for details on the restatement.

Notes and accounting policies to the audited consolidated and separate annual financial statements

for the year ended 30 June 2025

8. Deferred tax* continued

8.2 Deferred tax balances and movements

GROUP						
	Restated* Balance as at 1 July 2024 R'000	Increase in tax losses available for set-off against future taxable income ¹ R'000	Deductible temporary differences ¹ R'000	Changes to other comprehensive income R'000	Prior year under provision ¹ R'000	Closing balance as at 30 June 2025 R'000
Deferred tax	(752 745)	5 502	(123 122)	214	2 076	(868 075)
Total	(752 745)	5 502	(123 122)	214	2 076	(868 075)

GROUP						
	Balance as at 1 July 2023 R'000	Increase in tax losses available for set-off against future taxable income ¹ R'000	Taxable temporary differences ¹ R'000	Changes to other comprehensive income R'000	Prior year under provision ¹ R'000	Restated* Closing balance as at 30 June 2024 R'000
Deferred tax	(731 131)	22 408	(42 018)	(432)	(1 572)	(752 745)
Total	(731 131)	22 408	(42 018)	(432)	(1 572)	(752 745)

* Refer to **note 39** for details on the restatement.

¹ The total of these amounts equals the deferred tax movement in profit or loss in **note 29**.

8.3 Deferred tax asset not recognised

GROUP		
	2025 R'000	2024 R'000
Assessed loss not recognised	27 578	6 651
Potential tax benefit on assessed loss	7 446	1 796

* Refer to **note 39** for details on the restatement.

9. Other financial assets

Contingency insurance fund

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 are held to collect the contractual cash flows; and
- The contractual terms give rise to cash flows that are solely payments of principal and interest.

Other financial assets comprise funds accumulated under a contingency insurance policy. These funds are invested in two Hollard-managed investment funds with a low-risk investment strategy. Investment returns are reinvested in the funds and accumulated over time. The fund balance is automatically rolled forward into each subsequent policy year.

The capacity target of the fund is reassessed annually to align with changes in insurance cover requirements. At year-end, the capacity target amounted to R227,2 million (2024: R197,9 million). The investments held by the Group expose it primarily to interest rate risk, as returns on the underlying funds are sensitive to changes in market interest rates. The Group's exposure to market risk, credit risk and liquidity risk, together with the risk management processes and mitigation strategies, is disclosed in **note 35**: Financial risk management.

Current/non-current classification

The contingency fund relates to two insurance policies. One policy is renewed annually with the other over a period beyond 12 months. The funds invested under the one-year policy are classified as current.

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.

Investment in shares

Classification of financial assets at fair value through profit or loss

The Group classifies the investment in equity instruments as financial assets in accordance with IFRS 9. The equity instruments are not held for trading and do not give rise to cash flows that are solely payments of principal and interest and are measured at fair value through profit or loss. Unlisted equity investments are measured at fair value at each reporting date. Changes in fair value are recognised directly in profit or loss.

The Group purchased 169 shares and holds a non-controlling equity interest in Westfalia Marketing Proprietary Limited, a South African-based unlisted fruit marketing and distribution company.

Dividends

Dividends are recognised in profit or loss when the right to receive payment is established, provided they are not a recovery of investment.

Derecognition

Upon derecognition of the equity instruments, any gain or loss realised will be recognised in profit or loss.

Fair value measurement

The fair value of the Westfalia shares is determined annually, in December, by an expert appointed by Westfalia.

The valuation technique used is classified as Level 3.

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

9. Other financial assets continued

Other financial assets at amortised cost incorporate the following balances:

	GROUP	
	2025 R'000	2024 R'000
Contingency insurance fund	138 908	132 558
Investment in shares	855	–
	139 763	132 558
Non-current assets	89 297	81 210
Current assets	50 466	51 348
	139 763	132 558

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 inter-company loan was assessed by taking into account macroeconomic 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 were 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.

The subsidiary's credit risk improved during the year, evidenced by a decrease in its lending rates from Absa and Daimler. The loan to York Timbers Proprietary Limited has been subordinated as security for the FMO 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** for details of risk exposure and the processes and policies adopted to mitigate these.

10.1 Loan to Group company comprises the following balances:

	COMPANY	
	2025 R'000	2024 R'000
York Timbers Proprietary Limited	1 418 844	1 405 551
Non-current assets	1 418 844	1 405 551
Current assets	–	–
	1 418 844	1 405 551

10. Loan to Group company continued

10.2 Face value of loan

	COMPANY	
	2025 R'000	2024 R'000
York Timbers Proprietary Limited	1 580 775	1 581 786

11. Inventories

Raw materials, work in progress and finished goods of timber, 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 is 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 costs 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.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the 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	
	2025 R'000	2024 R'000
Raw materials	31 013	47 742
Consumables	69 600	60 389
Work in progress	86 064	72 849
Timber products	155 702	139 578
Agricultural produce	3 561	2 463
Provision for write-downs	(8 421)	(8 146)
	337 519	314 875

The total movement in cost of sales regarding inventory write-downs was a loss of R0,3 million (2024: loss of R5 million). Inventory recognised as an expense in cost of sales was R1 463 million (2024: R1 138 million).

11.2 Finished goods at net realisable value

	GROUP	
	2025 R'000	2024 R'000
Finished goods	43 238	22 512

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

12. Trade and other receivables

Trade and other receivables, excluding, when applicable, value added tax (VAT) and prepayments, are classified as financial assets initially measured at fair value plus directly attributable transaction costs and subsequently measured at amortised cost in terms of IFRS 9.

Trade receivables inherently expose the Group and Company to credit risk, being the risk that the Group and Company will incur a financial loss if customers fail to make payments as they fall due. Refer to **note 35** for details of risk exposure and the processes and policies adopted to mitigate risks.

The 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. In the current year, trade receivables are segmented into the following categories based on shared credit risk characteristics:

- Independent customers (smaller or privately owned businesses); and
- Corporate customers (large, corporate, well-capitalised organisations).

Refer to **note 35.2.2** for details on the expected credit loss.

Derecognition

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

12.1 Trade and other receivables comprise:

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Trade receivables	228 158	209 599	178	178
Trade receivables impairment	(13 187)	(8 630)	(178)	(178)
Trade receivables – net	214 971	200 969	–	–
Other receivables	7 988	5 968	–	–
Prepaid expenses	22 292	21 318	289	269
Deposits	9 682	10 348	–	–
Employee costs in advance	2 291	2 413	–	–
VAT	6 507	2 518	152	–
Total trade and other receivables	263 731	243 534	441	269

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

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Prepaid expenses	22 292	21 318	289	269
VAT	6 507	2 518	152	–
Employee costs in advance	2 291	2 413	–	–
Total non-financial instruments included in trade and other receivables	31 090	26 249	441	269
Financial assets included in trade and other receivables	232 641	217 285	–	–
Total trade and other receivables	263 731	243 534	441	269

12. Trade and other receivables continued

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

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
At the beginning of the year	8 630	7 243	178	178
Remeasurement of loss allowance	4 775	2 100	–	–
Bad debt written off	(218)	(713)	–	–
At the end of the year	13 187	8 630	178	178

12.4 Trade and other receivables pledged as security

At year-end, trade receivables and Credit Guarantee Insurance Corporation of Africa Limited (CGIC) insurance had been ceded to Absa Bank as security for the IMX banking facility (refer to **note 17**). The amount of trade receivables that has been pledged as security was R212,5 million (2024: R194,7 million).

Refer to **note 35** for details on credit risk.

13. Cash and cash equivalents

Cash and cash equivalents are classified as financial assets and initially measured at fair value and subsequently measured at amortised cost in terms of IFRS 9 and comprise cash on hand, bank balances and money market deposits.

Cash and cash equivalents included in current assets:

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Cash				
Cash on hand	91	135	–	–
Balances with banks	15 757	38 625	–	1
Short-term deposits	13 188	18 179	–	–
	29 036	56 939	–	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.

A total of 9,7 million shares (2024: 10,3 million shares) were held by a subsidiary at 30 June 2025 and are treated as treasury shares for accounting purposes. The treasury shares decreased in the current year due to shares transferred to qualifying employees in terms of the share-based payment scheme that vested in the current year.

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

14. Issued capital continued

Authorised and issued share capital

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Authorised				
600 000 000 ordinary shares of R0,05 each	30 000	30 000	30 000	30 000
Issued				
474 097 739 (2024: 474 097 739) ordinary shares	23 705	23 705	23 705	23 705
9 709 026 (2024: 10 344 355) treasury shares	(485)	(517)	–	–
Rights issue cost	(6 006)	(6 006)	(6 006)	(6 006)
	17 214	17 182	17 699	17 699
Exercise of options	2 332	–	3 038	–
Share premium	1 718 488	1 718 488	1 755 728	1 755 728
	1 738 034	1 735 670	1 776 465	1 773 427

All issued shares are paid in full.

	GROUP		COMPANY	
	2025 '000	2024 '000	2025 '000	2024 '000
Share reconciliation – number of shares				
Shares outstanding – beginning of the period	463 753	463 753	474 098	474 098
Exercise of options	635	–	–	–
Shares outstanding – closing	464 388	463 753	474 098	474 098

15. Share-based payment

Share-based payment

The Group had 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. The grant date fair value was deemed to be equal to the share price at award date.

The share-based payment scheme vested in the current year with 635 329 shares transferred to the qualifying employees.

15. Share-based payment continued

Share-based payment reserve continued

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Share-based payment reserve				
Opening balance	2 919	2 164	2 919	2 164
Share-based payment movement	(2 919)	755	(2 919)	755
Total reserves	–	2 919	–	2 919

During the year ended 30 June 2025, the Company did not have any share-based payment schemes (2024: one scheme). The detail of the scheme that existed in the prior year is listed below.

	GROUP		COMPANY	
	2025	2024	2025	2024
Key assumptions used in the 2022 award				
York share price at the reporting date	–	R1,71	–	R1,71
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%	–	70,40%
Vesting conditions	–	Three years' service	–	Three years' service

	GROUP		COMPANY	
	2025	2024	2025	2024
Unit reconciliation				
Opening balance	1 300 000	1 300 000	1 300 000	1 300 000
Units vested	(1 300 000)	–	(1 300 000)	–
Closing balance	–	1 300 000	–	1 300 000

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

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 the costs for personnel reductions. The restructuring provision of R3 million pertains to the reorganisation of operations at the Sabie sawmill, undertaken as part of a strategic rebalancing initiative aimed at enhancing operational efficiency and optimising workforce allocation in line with business requirements. The restructuring process 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 reassessed. The expected timing of the outflow of economic benefits is estimated to be during the next two to five years. The remaining provision relates to requirements to meet environmental legislation.

Retirement plan contribution provision

The provision relates to Company contributions and interest in relation to one of the Group's provident funds. 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	
	2025 R'000	2024 R'000
Environmental rehabilitation	7 103	6 778
Non-current portion	7 103	6 778
Retirement plan contribution provision	15 000	8 270
Restructuring provision	3 158	6 133
Current portion	18 158	14 403
	25 261	21 181

16.2 Provisions

	GROUP			
	Environmental rehabilitation R'000	Restruc- turing R'000	Retirement plan contribution provision R'000	Total R'000
Balance at 1 July 2024	6 778	6 133	8 270	21 181
Net movement	325	(2 975)	6 730	4 080
Balance at 30 June 2025	7 103	3 158	15 000	25 261
Balance at 1 July 2023	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

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 costs.

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.

17.1 Borrowings comprise:

	GROUP	
	2025 R'000	2024 R'000
FMO	397 426	280 776
Absa Capital fund loan	2 275	3 602
Instalment sale agreements	118 082	109 935
Absa IMX facility	85 616	83 622
Loan raising fee	(13 814)	(14 525)
	589 585	463 410
Non-current portion of borrowings	459 521	345 123
Current portion of borrowings	130 064	118 287
	589 585	463 410

The carrying amounts reasonably approximate their fair value.

17.2 Terms of the aforementioned 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 advances 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 is secured by the cession of a clearing account held with Absa Bank and the cession of trade receivables with a maximum exposure limit of R175 million, and CGIC insurance (refer to **note 12**). The IMX facility bears interest at the prime interest rate less 35 basis points (2024: prime interest rate) on the utilised amount. This facility is available to all companies in the Group. The availability of the Absa invoice discounting facility is limited to the lower of 85% of qualifying debtors or R175 million.

Absa Capital fund loan: This loan bears interest at an interest rate of prime less 0,75% (2024: prime less 0,75%) per annum and is payable in monthly instalments in arrears, over a period of 10 years, of which 1,5 years are remaining.

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

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

17. Borrowings continued

17.2 Terms of the aforementioned loans continued

FMO loan: The Group has three facilities with FMO with the following terms:

- **Facility A:** The facility has a limit of R350 million, which is fully utilised, with interest charged at the Johannesburg Interbank Average Rate (JIBAR) plus a margin of 3,38%, currently at 10,67%, with a repayment term of nine years, of which seven years and eight months are left and an initial capital repayment holiday up to 10 June 2027.
- **Facility B:** The facility has a limit of R56,3 million of which R26,3 million was utilised, with interest charged at JIBAR plus a margin of 3,30% and a basis swap spread and cost at funds spread, currently at 10,637%, with a repayment term of nine years, of which seven years and eight months are left and an initial capital repayment holiday up to 10 June 2027.
- **Facility C:** The facility has a limit of R18,8 million, which is fully utilised, with interest charged at JIBAR plus a margin of 3,30% and a basis swap spread, currently at 10,567%, with a repayment term of nine years, of which seven years and eight months are left and an initial capital repayment holiday up to 10 June 2027.

The interest margin applied above JIBAR on the FMO facilities can be reduced by 50 basis points when the Group delivers two consecutive years of net profit after tax and has a net debt-to-EBITDA ratio of less than three times.

Refer to **note 35** for details relating to the fair value of borrowings. Refer to **note 34** for details on the covenant compliance.

17.3 Instalment sale agreement obligation

	GROUP	
	2025 R'000	2024 R'000
Present value of minimum instalment sale agreement payments		
Within one year	54 122	43 793
Second to fifth year inclusive	83 192	89 416
Less: Future finance charges	(19 232)	(23 274)
	118 082	109 935

These liabilities consist of 101 (2024: 80) instalment sale agreements, payable over a period of three to five years at effective interest rates of between 9,75% to 11,25% (2024: 10,75% to 12,25%) per annum. These liabilities are secured by plant and equipment and motor vehicles with a carrying value of R128,7 million (2024: R114,6 million); refer to **note 5**. These instalment sale agreements have no escalation clauses. Repayments are based on the outstanding debt at the prevailing interest rate.

	GROUP	
	2025 R'000	2024 R'000
Present value of minimum instalment sale agreement payments		
Within one year	42 833	32 937
Second to fifth year inclusive	75 249	76 998
	118 082	109 935

17. Borrowings continued

17.4 Instalment sale providers

	GROUP			
	2025		2024	
	Number of instalment sale agreements	Interest rates %	Number of instalment sale agreements	Interest rates %
Absa Bank	70	9,75 – 11,25	53	10,75 – 12,25
Mercedes Finance/Daimler Truck	27	10,10 – 11,05	20	11,25 – 12,05
Toyota Finance	4	10,25	7	10,75 – 11,25
	101		80	

17.5 Security and subordination arrangements

Security over FMO debt:

- Security provided is held via a special purpose vehicle (SPV), Micawber 558 Proprietary Limited. All security provided for the facility is in favour of Micawber 558 Proprietary Limited, which in turn holds the security in favour of FMO.

Security provided for the FMO facility comprises:

- 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 costs 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; and
- Ceded rights in and to certain insurance policies of the Group.

Further security provided to Absa Bank for the Group's general facilities includes:

- First covering mortgage bonds over certain land holdings and property of Stadsrivier Vallei Proprietary Limited with a maximum value of R150 million; and
- Limited guarantee for R250 million by Stadsrivier Vallei Proprietary Limited over certain land holdings (not included as part of Micawber 558 Proprietary Limited's security).

The agreement with FMO contains the following subordinated arrangements:

To secure York Timbers' obligations under the FMO facility:

- Micawber 558 Proprietary Limited, acting as a security SPV, has issued a guarantee in favour of the lenders. The security SPV holds collateral and counter-indemnities from York Timbers Proprietary Limited to secure repayment of the guaranteed obligations.

In addition, in terms of a subordination agreement:

- Claims of Agentimber Proprietary Limited and York Fleet Solutions Proprietary Limited, together with York Timber Holdings Limited (the subordinated creditors), against York Timbers Proprietary Limited, have been contractually subordinated to the claims of the lenders; and
- Any amounts owing by York Timbers Proprietary Limited to the subordinated creditors may not be demanded or repaid until all obligations to the lenders under the amended term facility agreement have been unconditionally and irrevocably settled in full.

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

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 is measured at amortised cost. The lease liability relates to the rental of office space, warehouses and forestry machinery.

Lease payments are allocated between principal and finance cost. The finance cost is charged 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 the accounting policy, **note 26** for short-term leases and variable lease payments and **note 28** for the finance cost on lease liabilities.

18.1 Lease liabilities comprise:

	GROUP	
	2025 R'000	2024 R'000
Lease liability	22 678	21 924
Non-current liabilities	6 706	12 928
Current liabilities	15 972	8 996
	22 678	21 924

18.2 Contractual undiscounted cash flow

	GROUP	
	2025 R'000	2024 R'000
Less than one year	10 805	10 355
One to five years	7 034	13 763
	17 839	24 118

18.3 Assumptions used

	GROUP	
	2025	2024
Lease terms	1 – 5 years	3 – 5 years
Group's incremental borrowing rate (%)	7 – 11,25	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 (%)	7,50 – 11,75	7,5 – 10,5

19. Retirement benefit obligations

Defined benefit plan – medical scheme contributions

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.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised immediately in other comprehensive income. The Group determines the net interest expense on the net defined benefit liability 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, taking into account any changes in the net defined benefit liability 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. The projected unit credit method is used to measure obligations.

19.1 Post retirement medical scheme contribution subsidies

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

	GROUP	
	2025 R'000	2024 R'000
Opening balance	26 438	26 429
Interest cost	3 252	3 409
Actuarial loss/(gain)	793	(678)
Benefits paid	(3 116)	(2 722)
Closing balance	27 367	26 438
Included in non-current liabilities	24 266	23 526
Included in current liabilities	3 101	2 912
	27 367	26 438

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 loss for the current year consists of two factors, demographic and financial. The demographic factors contributed a loss of R1 million (2024: loss of R0,2 million) and the financial factors a gain of R0,3 million (2024: gain of R0,8 million).

Notes and accounting policies to the audited consolidated and separate annual financial statements

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19. Retirement benefit obligations continued

19.1 Defined benefit plan – retirement benefit obligation continued

19.1.2 Actuarial assumptions

The significant actuarial assumptions were as follows:

	GROUP	
	2025	2024
Number of retired members	33	34
Average expected discounted duration of the scheme for pensioners (years)	6,8	7
Discount rate (estimated corporate bond yield) (%)	11,30	12,30
Medical contribution inflation rate (%)	9,30	10,30

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 or loss. A 1% increase in the medical inflation rate would have the following effects:

	GROUP	
	2025 R'000	2024 R'000
<i>A 1% increase in the medical inflation rate would have the following effects:</i>		
100 basis points increase: Increase in aggregate of the service cost and interest cost	219	79
100 basis points increase: Increase in defined benefit obligation	1 939	1 920
<i>A 1% change in the investment discount rate would have the following effects:</i>		
100 basis points increase: Increase in aggregate of the service cost and interest cost	65	116
100 basis points increase: Decrease in defined benefit obligation	(1 695)	(1 676)

The limitations that apply to the valuation's assumptions and methodology also apply to the sensitivity analysis. Furthermore, 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.

	GROUP	
	2025 R'000	2024 R'000
Contributions towards defined benefit plan	3 116	2 784

19. Retirement benefit obligations continued

19.2 Future cash flow impact

Below is the undiscounted maturity analysis of the retirement benefit obligation. The weighted average duration for pensioners in payment is 15,4 years (2024: 17 years).

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

	GROUP			
	Less than a year R'000	1 to 2 years R'000	2 to 5 years R'000	More than 5 years R'000
Year ended 30 June 2025				
Post-retirement medical benefits	3 233	3 354	10 592	73 447
Year ended 30 June 2024				
Post-retirement medical benefits	3 030	3 186	10 357	89 613

19.3 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	
	2025	2024
The number of members at year-end:		
Hospitality and General Provident Fund	73	87
York Timbers Provident Fund	1 486	1 391
Alexander Forbes Provident Fund	379	286
Alexander Forbes Pension Fund	7	7

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 become a party to the contractual provisions and are measured, at initial recognition, at fair value plus transaction costs, if any. They are subsequently measured at amortised cost using the effective interest rate method in terms of IFRS 9.

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 the management thereof.

The accrual for employee entitlements to wages, salaries and annual leave represents the amount which the Group and Company have 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.

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

Notes and accounting policies to the audited consolidated and separate annual financial statements

for the year ended 30 June 2025

20. Trade and other payables continued

20.1 Trade and other payables comprise:

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Trade payables	280 196	260 163	535	958
Income received in advance	315	–	–	–
Deposits received	311	439	–	–
Accruals	52 498	52 617	631	1 007
Payroll-related accruals	40 724	35 248	–	–
Other payables	4 489	5 156	–	–
VAT	–	–	–	43
Total trade and other payables	378 533	353 623	1 166	2 008

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

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Income received in advance	315	–	–	–
VAT	–	–	–	43
Payroll-related accruals	40 724	35 248	–	–
Total non-financial liabilities included in trade and other payables	41 039	35 248	–	43
Financial liabilities included in trade and other payables	337 494	318 375	1 166	1 965
Total trade and other payables	378 533	353 623	1 166	2 008

21. Commitments

Authorised capital expenditure

	GROUP	
	2025 R'000	2024 R'000
Property, plant and equipment and biological assets		
Not yet contracted for and authorised by the directors	5 788	39 229
Already contracted for but not provided for	7 599	73 778

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 at year-end, 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 fruit; and
- 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 the 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.

Wood 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 sale 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 is then satisfied when the goods are delivered to the customer.

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 fruit

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.

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

22. Revenue continued

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.

Administration and management fees

The Company earns recoveries from subsidiaries in respect of costs incurred on their behalf, including shared services, management fees and other central expenses. Recoveries are recognised in profit or loss when the related costs are incurred and are presented as a separate line item within revenue.

22.1 Revenue comprises:

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Sale of goods ¹	1 979 537	1 724 819	–	–
Rendering of services	15 369	20 400	5 472	6 294
Total revenue	1 994 906	1 745 219	5 472	6 294

¹ R4,4 million of treated lumber sales was disclosed separately in the prior year, as treating income, and this year, it is included as part of the sale of lumber products, as treated timber.

22.2 Disaggregation of revenue from contracts with customers

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Sale of goods¹			–	–
Fruit and nut sales	50 049	24 573	–	–
Log sales	207 025	154 194	–	–
Lumber sales ¹	983 601	856 797	–	–
Wood chip sales and other revenue ²	54 113	56 849	–	–
Plywood sales	684 749	632 406	–	–
	1 979 537	1 724 819	–	–
Rendering of services				
Accommodation income	169	363	–	–
Administration and management fees	–	–	5 472	6 294
Transport income	824	3 337	–	–
Income from fruit packed	14 376	16 700	–	–
	15 369	20 400	5 472	6 294
Total revenue	1 994 906	1 745 219	5 472	6 294

¹ R4,4 million of treated lumber sales was disclosed separately in the prior year, as treating income, and this year, it is included as part of the sale of lumber products, as treated timber.

² Mainly consist of wood chip sales, sawdust and other ancillary sales.

22. Revenue continued

22.3 Timing of revenue recognition

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
At a point in time				
Sale of goods ¹	1 979 537	1 724 819	–	–
Rendering of services	15 200	20 037	5 472	6 294
	1 994 737	1 744 856	5 472	6 294
Over time				
Rendering of services – accommodation income	169	363	–	–
	169	363	–	–
Total revenue from contracts with customers	1 994 906	1 745 219	5 472	6 294

¹ R4,4 million of treated lumber sales was disclosed separately in the prior year, as treating income, and this year, it is included as part of the sale of lumber products, as treated timber.

Refer to **note 32** for revenue per geographical area.

23. Cost of sales

Cost of sales comprises:

	GROUP	
	2025 R'000	Restated* 2024 R'000
Raw material, timber purchases and transport	794 488	653 776
Fair value adjustment on biological assets (restated*)	(435 409)	(150 603)
Employee costs	323 188	302 490
Utilities	95 195	85 374
Depreciation	69 108	68 709
External log purchases	275 641	283 088
Total cost of sales	1 122 211	1 242 834

* Refer to **note 39** for details on the restatement.

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

24. Other income

Other income comprises:

	GROUP	
	2025 R'000	2024 R'000
Scrap sales	961	856
Insurance income	2 242	4 976
Sundry income ¹	9 339	4 230
Bad debt recovered	127	148
Other rental income ²	5 727	5 837
Total other income	18 396	16 047

¹ Sundry income relates to seedlings sold and income received for training programmes.

² Other rental income relates to income derived from rental income on telecommunication infrastructure placed on the Group's property and other property rental.

25. Other gains

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 or loss in the year in which the difference occurs.

The foreign exchange gains/losses relate to certain engineering machinery and equipment purchased and plywood products imported, denominated in US Dollar (USD) and Euro, during the year. This exposed the Group to changes in the foreign exchange rates.

Other gains comprise:

	GROUP	
	2025 R'000	2024 R'000
Gain on disposal of property, plant and equipment	9 389	254
Gain on foreign exchange differences	2 375	452
Total other gains	11 764	706

26. Profit/(loss) from operating activities

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

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Other operating expenses include:				
Property, plant and equipment				
– depreciation	28 894	30 154	–	–
– impairment loss	2 139	10 123	–	–
Intangible assets				
– amortisation	30	94	–	–
Right-of-use assets				
– depreciation	9 805	8 864	–	–
Other impairments				
– trade and other receivables	4 062	1 773	–	–
Utilities	20 765	23 135	–	–
Employee costs	124 282	135 310	–	–
Non-executive directors' remuneration	–	–	3 559	4 817
Share-based payments				
– equity-settled share-based payments	119	755	–	–
Insurance	47 369	46 023	–	–
Repairs and maintenance	14 738	12 503	–	–
Security	21 768	19 002	–	–
Roads	21 930	17 117	–	–
Other operating expenses	83 734	60 878	940	655
Short-term leases	2 335	1 437	–	–
Administration and consultation fees	24 416	22 921	973	980
Auditor's remuneration – Deloitte: External audit	5 043	5 644	–	–
Auditor's remuneration – Deloitte: Other assurance and related services	135	125	–	–
Auditor's remuneration – A3ccube: Other assurance and related services	–	16	–	–
Total operating expenses	411 564	395 874	5 472	6 452

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

27. Finance income

Group finance income comprises interest income on funds invested. In the Company, finance income relates to the amortisation of the interest-free inter-company loans in terms of IFRS 9 at an interest rate equal to the prime interest rate in South Africa.

Interest was generated from financial assets at amortised cost.

Interest income is recognised as it accrues, using the effective interest method.

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Finance income comprises:				
Financial assets	18 984	16 862	4	4
Group loans	–	–	14 303	–
Non-investment interest	127	–	–	–
Bank and other cash	426	–	–	–
Total finance income	19 537	16 862	14 307	4

28. Finance costs

Group finance costs comprise interest expense on borrowings, interest charged on trade payables and interest expense on lease liabilities.

The Company's finance costs relate to the amortisation of the interest-free inter-company loans in terms of IFRS 9 at an interest rate equal to the prime interest rate in South Africa.

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Finance costs included in profit or loss:				
Trade and other payables	428	593	–	–
Interest on borrowings held at amortised cost	72 673	54 829	–	–
Group loans	–	–	–	7 161
Lease liabilities	2 278	2 069	–	–
Loan raising fee – amortised	1 955	756	–	–
Total finance costs	77 334	58 247	–	7 161

29. Income tax expense (*restated)

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

29.1 Income tax recognised in profit or loss

	GROUP	
	2025 R'000	Restated* 2024 R'000
Current tax		
Current year	(310)	66
Prior periods	1 721	502
Total current tax	1 411	568
Deferred tax		
Prior periods	(2 076)	1 572
Current year	117 621	19 609
Total deferred tax	115 545	21 181
Total income tax expense	116 956	21 749

* Refer to **note 39** for details on the restatement of the 2024 figures.

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

	GROUP		COMPANY	
	2025	Restated* 2024	2025	2024
Profit/(loss) before tax from operations (restated*) (R'000)	433 494	81 879	14 307	(7 315)
Income tax calculated at 27% (%)	27,00	27,00	27,00	27,00
Tax effect of legal fees, fines and penalties (%)	1,42	4,53	–	–
Learnership agreements (%)	(1,32)	(8,36)	–	–
Assessed loss not recognised (%)	0,08	0,85	(0,01)	(0,57)
Amortisation of inter-Group loans (%)	–	–	(26,99)	(26,43)
Prior year under provision (%)	(0,20)	2,54	–	–
Effective tax rate (%)	26,98	26,56	–	–
Taxation related to components of other comprehensive income				
Remeasurement of defined benefit liability (R'000)	214	(435)	–	–

* Refer to **note 39** for details on the restatement.

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

30. Cash flows from operating activities (restated*)

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Profit/(loss) for the year	316 538	60 130	14 307	(7 315)
Adjustments for:				
Income tax expense	116 956	21 749	–	–
Finance income	(19 537)	(16 862)	(14 307)	(4)
Finance costs	77 334	58 247	–	7 161
Depreciation and amortisation expense	107 837	107 820	–	–
Impairment losses on property, plant and equipment	2 139	10 122	–	–
Share-based payment expense: equity-settled	(554)	755	–	–
Fair value gains	(435 409)	(150 603)	–	–
Impairment of trade receivables and trade receivable claims	4 557	1 773	–	–
Gains on foreign exchange realised in profit or loss	(2 375)	(452)	–	–
Gains on disposal of non-current assets	(9 389)	(254)	–	–
Movement in retirement benefit liabilities	136	684	–	–
Change in operating assets and liabilities:				
Increase in inventories	(22 644)	(70 944)	–	–
Increase in trade accounts receivable	(18 559)	(16 522)	–	–
(Increase)/decrease in other operating receivables	1 588	14 363	(172)	(85)
Increase/(decrease) in trade accounts payable	20 035	(13 370)	(424)	239
Increase/(decrease) in other operating payables	4 878	21 726	(419)	–
Movement in provisions	4 080	7	–	–
Net cash flows from operations	147 611	28 369	(1 015)	(4)

* Refer to **note 39** for details on the restatement of the 2024 fair value adjustment.

30. Cash flows from operating activities (restated*) continued

	GROUP	
	2025 R'000	2024 R'000
Borrowings		
Opening balance	463 410	393 677
<i>Cash flow movement:</i>		
Repayment of borrowings	(40 604)	(303 798)
Payment of loan raising fees	–	(14 525)
Proceeds from borrowings	118 025	289 977
<i>Non-cash flow movements:</i>		
Loan raising fee amortisation	711	756
New instalment agreements entered into	47 219	95 722
Interest accrued	824	1 601
Closing balance	589 585	463 410
Lease liabilities		
Opening balance	21 922	30 161
<i>Cash flow movement:</i>		
Repayment of leases	(13 685)	(10 306)
<i>Non-cash flow movements:</i>		
Interest accrued	2 278	2 067
Additions to lease liability	12 163	–
Closing balance	22 678	21 922

31. Income tax paid

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Amounts receivable at the beginning of the year	2 668	2 771	2	2
Amounts receivable/(payable) at the end of the year	5 346	(2 668)	(2)	(2)
Taxation credit	(116 956)	(21 749)	–	–
Less deferred tax included in taxation expense	115 545	21 181	–	–
	6 603	(465)	–	–

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

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 CODM. 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 divisions 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; and
 - 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. The segment also includes a forestry mechanised harvesting division.
- 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. The Gqeberha warehouse closed in June 2025.
- Agriculture:** The Group owns land with avocado, citrus and macadamia orchards and a fruit packing facility in the Mpumalanga province.

The Group's sales channels target both wholesale and retail markets in South Africa and countries in the 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, impairment 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.

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.

Transactions between segments are done at arm's length.

32. Segment information continued

32.2 Segment revenues

GROUP					
2025					
	Processing R'000	Wholesale R'000	Forestry and Fleet R'000	Agriculture R'000	Total R'000
Revenue: External sales					
– Lumber sales	705 240	278 357	–	4	983 601
– Plywood sales	569 111	115 638	–	–	684 749
– Fruit and nut sales	–	–	–	50 049	50 049
– Wood chip sales and other revenue	53 673	273	1	59	54 006
– Log sales (external)	–	–	207 025	–	207 025
– Transport income	–	–	824	–	824
– Income from fruit packed	–	–	–	14 376	14 376
Revenue: Inter-segment sales	233 740	986	743 898	–	978 624
	1 561 764	395 254	951 748	64 488	2 973 254
Revenue by geographical location					
– South Africa	976 850	368 442	207 850	41 394	1 594 536
– SADC	201 844	25 564	–	–	227 408
– International (non-SADC) ¹	149 330	262	–	23 094	172 686
Revenue: Inter-segment sales	233 740	986	743 898	–	978 624
	1 561 764	395 254	951 748	64 488	2 973 254

¹ International sales refer to plywood and fruit sales to Europe, Australia and New Zealand.

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

32. Segment information continued

32.2 Segment revenues continued

	GROUP				
	2024				
	Processing R'000	Wholesale R'000	Forestry and Fleet R'000	Agriculture R'000	Total R'000
Revenue: External sales					
– Lumber sales ¹	592 845	263 952	–	–	856 797
– Plywood sales	479 231	153 175	–	–	632 406
– Fruit and nut sales	–	–	–	24 573	24 573
– Wood 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
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
– SADC	162 992	33 860	–	–	196 852
– International (non-SADC) ²	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

¹ R4,4 million of treated lumber sales was disclosed separately in the prior year, as treating income, and this year, it is included as part of the sale of lumber products, as treated timber.

² International sales refer to plywood and fruit sales to Europe.

32. Segment information continued

32.3 Material segment expenses

	GROUP				
	2025 ¹				
	Processing R'000	Wholesale R'000	Forestry and Fleet R'000	Agriculture R'000	Total R'000
Depreciation, amortisation and impairment	64 184	9 459	30 232	3 066	106 941
Employment cost	259 415	11 006	101 187	15 714	387 322
Utilities	98 214	3 223	3 562	2 638	107 637
Fuel	20 382	3 317	27 251	1 092	52 042
Transport	105 006	6 438	53 001	3 415	167 860
External log purchases	–	–	275 641	–	275 641
Insurance	16 619	720	19 219	3 145	39 703
Purchases: Inter-segment	747 210	230 810	320	229	978 569
Harvesting cost	–	–	129 813	–	129 813
Silviculture and maintenance cost	–	–	41 339	–	41 339
Reportable segment profit ²	21 804	14 329	122 078	4 803	163 014
Other non-cash item:					
– Fair value adjustment to biological assets included in cost of sales	–	–	429 184	6 225	435 409

¹ The total of the expenses is material, however, the allocation to certain segments is immaterial and has been included for consistency. The Group has elected to provide additional disclosure in light of the IFRS Interpretations Committee (IFRIC) agenda decision.

² Being EBITDA and fair value adjustments on biological assets.

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

32. Segment information continued

32.3 Material segment expenses continued

	GROUP				
	2024 ¹				
	Processing R'000	Wholesale R'000	Forestry and Fleet R'000	Agriculture R'000	Total R'000
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
Harvesting cost	–	–	104 974	–	104 974
Silviculture and maintenance cost	–	–	39 778	–	39 778
Reportable segment profit ²	42 554	5 868	45 769	552	94 743
Other non-cash item:					
– Fair value adjustment to biological assets included in cost of sales (restated*)	–	–	146 636	3 967	150 603

¹ The total of the expenses is material, however, the allocation to certain segments is immaterial and has been included for consistency. The segment information for the June 2024 reporting period has been presented in light of the guidance provided by the IFRIC final agenda decision relating to 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.

² Being EBITDA and fair value adjustments on biological assets.

* Refer to **note 39** for details on the restatement.

32.4 Segment assets

	GROUP				
	2025				
	Processing R'000	Wholesale R'000	Forestry and Fleet R'000	Agriculture R'000	Total R'000
Property, plant and equipment	501 050	17 609	267 337	90 388	876 384
Biological assets	–	–	3 241 222	7 425	3 248 647
Inventory	237 199	55 993	38 082	6 091	337 365
Capital expenditure	45 916	1 994	147 832	3 952	199 694

32. Segment information continued

32.4 Segment assets continued

	GROUP				
	2024				
	Processing R'000	Wholesale R'000	Forestry and Fleet R'000	Agriculture R'000	Total R'000
Property, plant and equipment	522 464	21 654	199 204	87 977	831 299
Biological assets (restated*)	–	–	2 710 081	11 029	2 721 110
Inventory	198 482	67 581	44 147	4 470	314 680
Capital expenditure	71 632	124	67 636	5 915	145 307

* Refer to **note 39** for details on the restatement.

32.5 Reconciliations

32.5.1 Revenue

	GROUP	
	2025 R'000	2024 R'000
Total revenue for reportable segments	2 973 254	2 755 212
Non-reporting segment revenue	276	554
Elimination of reportable inter-segment revenue	(978 624)	(1 010 547)
Consolidated revenue	1 994 906	1 745 219

32.5.2 Operating profit

	GROUP	
	2025 R'000	2024 R'000
Total profit for reportable segments ¹	163 014	94 743
Depreciation and amortisation for reportable segment	(106 941)	(115 285)
Depreciation and amortisation and impairment for non-reporting segments	(3 035)	(2 659)
Non-reporting segments (loss)/profit ¹	2 844	(4 138)
Fair value adjustment on biological assets (restated*)	435 409	150 603
Operating profit/(loss)	491 291	123 264

¹ Being EBITDA and fair value adjustments on biological assets.

* Refer to **note 39** for details on the restatements.

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.

Notes and accounting policies to the audited consolidated and separate annual financial statements

continued

for the year ended 30 June 2025

33. Related parties

33.1 Group companies

Subsidiaries	Agentimber Proprietary Limited
	Global Forest Products Proprietary Limited ^{1, 2}
	Mbulwa Estate 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 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 Zambia Limited which is incorporated and domiciled in Zambia. The holdings in and voting power of York Timber Holdings Limited in all subsidiaries are 100%, except in York Carbon Proprietary Limited, where it is 51%.

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

33. Related parties

continued

33.2 Compensation paid to directors

	Emoluments R'000	Bonus R'000	Other benefits ¹ R'000	Directors' fees R'000	Total remuneration R'000
2025					
PS Barnard	3 068	958	371	–	4 397
AW Brink	–	–	–	529	529
L Dhlamini	–	–	–	564	564
HM Mbanyele-Ntshinga	–	–	–	452	452
KM Nyanteh	–	–	–	622	622
N Siyotula (Chairperson)	–	–	–	1 069	1 069
AJ Solomons	–	–	–	333	333
GCD Stoltz	3 915	314	207	–	4 436
A van der Veen	–	–	–	414	414
A Zetler	–	–	–	422	422
Total compensation paid to directors and prescribed officers	6 983	1 272	578	4 405	13 238
2024					
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 (Chairperson)	–	–	–	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

¹ Other benefits relate to expense allowance and pension fund contributions.

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

33. Related parties continued

33.3 Related party transactions and balances

	COMPANY	
	York Timbers Proprietary Limited R'000	Total R'000
Year ended 30 June 2025		
Related party transactions		
Recoveries received	5 472	5 472
Finance income on inter-company loan	14 303	14 303
Outstanding loan accounts		
Amounts receivable	1 418 844	1 418 844
Year ended 30 June 2024		
Related party transactions		
Recoveries received	6 294	6 294
Finance income on inter-company loan	(7 161)	(7 161)
Outstanding loan accounts		
Amounts receivable	1 405 551	1 405 551

The directors (A Zetler, A van der Veen, GCD Stoltz and PS Barnard) held 205 313 531 shares (2024: 205 256 427 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 are managed at Group level. Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio percentage.

The Group has loans with FMO that are subject to covenants (current ratio, solvency ratio, net debt-to-EBITDA ratio and debt service coverage ratio) that are measured quarterly on a rolling 12-month basis. The Group met all covenants as at 30 June 2025 and during the year.

	GROUP		
Financial covenant	Required ratio	Actual ratio	Compliance
Current cover ratio	> 1,5	2,1	Yes
Solvency ratio	> 45%	61%	Yes
Net debt-to-EBITDA ratio	< 4	3,8	Yes
Debt service coverage ratio	>1	1,6	Yes

34. Capital management continued

	GROUP	
	2025 R'000	2024 R'000
Borrowings payable within one year	130 064	118 287
Borrowings repayable after one year	459 521	345 123
Lease liabilities	22 678	21 924
Cash and cash equivalents	(29 036)	(56 939)
Net debt	583 227	428 395
Equity (restated*)	3 059 464	2 744 059
Gearing ratio (%)	19	16

* Refer to **note 39** for details on the restatements.

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 its exposure to these financial risks. 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's executives are responsible for developing and monitoring the risk management policies. The executives report regularly to the Board of Directors on these activities.

Risk management policies are established to identify and analyse the risks faced by the Group, 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. The Group 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.

The Board has a Risk and Opportunity Committee, which oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. 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 monitors its forecast financial position on a regular basis. The executives meet regularly and consider cash flow projections for the following 12 months in detail, taking into consideration the impact of market conditions.

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

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

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

35. Financial risk management continued

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 their 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 and countries within SADC and other international regions. All transactions with customers in SADC countries are denominated in South African Rand and do not expose the Group to currency risks. Transactions with other countries are denominated in United States Dollar (USD), Euro and Great Britain Pound (GBP).

The Group sells to foreign customers in USD and Euro and collects the money in the USD and Euro-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 South African Rand. However, certain engineering machinery and equipment were purchased and plywood products imported denominated in USD, Euro and GBP during the year. This exposed the Group to changes in the foreign exchange rates. Sales denominated in foreign currency provide a natural hedge to purchases denominated in foreign currency. An unrealised net loss of R0,9 million (2024: net loss of R0,2 million) and a realised foreign exchange gain of R3,3 million (2024: gain of R0,7 million) were realised during the year.

The Group's cash deposits are denominated in South African Rand, USD and Euro.

Exposure

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

	GROUP		
	USD'000 exposure	EUR'000 exposure	GBP'000 exposure
2025			
Trade receivables	126	176	–
Trade payables	(187)	(73)	–
Cash and cash equivalents	192	97	–
2024			
Trade receivables	136	146	–
Trade payables	(6)	(458)	(5)
Cash and cash equivalents	277	41	–

35. Financial risk management continued

35.1 Market risk continued

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.

	GROUP	
	Impact on post-tax profit	
	2025 R'000	2024 R'000
South African Rand	45	20

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 both short- and 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 is 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.

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 0,5% (2024: 1%) higher than the actual rate. A 0,5% interest rate sensitivity is considered sufficient as it reflects reasonable market fluctuations on historical rate volatility.

	GROUP	
	Impact on post-tax profit	
	2025 R'000	2024 R'000
Borrowings	2 560	3 581
Taxation	(691)	(967)

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

35. Financial risk management continued

35.2 Credit risk

Exposure is as follows:

	GROUP			
	2025		2024	
	Gross carrying amount R'000	Amortised cost R'000	Gross carrying amount R'000	Amortised cost R'000
Other financial assets at amortised cost	139 763	139 763	132 558	132 558
Trade and other receivables	245 828	232 641	228 328	219 698
Cash and cash equivalents	29 036	29 036	56 939	56 939
	414 627	401 440	417 825	409 195

	COMPANY			
	2025		2024	
	Gross carrying amount R'000	Amortised cost R'000	Gross carrying amount R'000	Amortised cost R'000
Loan to Group company	1 418 844	1 418 844	1 405 551	1 405 551
Trade and other receivables	178	–	178	–
Cash and cash equivalents	–	–	1	1
	1 419 022	1 418 844	1 405 730	1 405 552

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's standard payment and delivery terms and conditions are offered. The Group'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.

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 prepayment basis. The Group does not require collateral in respect of trade and other receivables.

Credit guarantee insurance is purchased from CGIC. The total credit limit guaranteed by CGIC is R100 million.

The Group has an invoice discounting facility with Absa Bank, secured by a cession of a clearing account held with Absa Bank and a cession of trade receivables with a maximum exposure limit of R175 million, and CGIC insurance. This banking facility of R175 million is available to all companies in the Group.

35. Financial risk management continued

35.2 Credit risk continued

35.2.1 Risk management continued

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 28% (2024: 26%) of the Group's revenue is attributable to sales transactions with three (2024: three) multinational customers. The outstanding balance on these customers was approximately 30% (2024: 24%) of the trade receivables balance. These are customers of the Processing and Wholesale divisions. Refer to the table below for the percentage of sales to the three multinational customers.

	GROUP	
	2025 %	2024 %
Customer		
A	11	11
B	10	8
C	7	7
	28	26

The risk rating grades of cash and cash equivalents and the contingency insurance fund are set out as follows. Given these credit ratings, management does not expect any counterparty to fail to meet its obligations.

	Credit rating of financial institution	GROUP	
		Net cash equivalents and other financial assets at amortised cost	
		2025 R'000	2024 R'000
FirstRand Bank Limited	BB-	14 976	37 423
Absa Bank Limited	AA+	13 969	19 382
The Hollard Insurance Group Limited (contingency insurance fund)	A	138 908	132 558
		167 853	189 363

Notes and accounting policies to the audited consolidated and separate annual financial statements

continued

for the year ended 30 June 2025

35. Financial risk management

continued

35.2 Credit risk

continued

35.2.2 Impairment of financial assets

Trade receivables and contract assets

The Group 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 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.

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-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 R0,2 million (2024: R0,7 million) were written off.

Trade receivables are segmented into the following categories based on shared credit risk characteristics:

- Independent customers (smaller or privately owned businesses); and
- Corporate customers (large, corporate, well-capitalised organisations).

For current to 60 days outstanding receivables, the following credit loss ratios have been applied, informed by historical loss rates and adjusted for forward-looking information:

- Independent customers: 2,54% to 4,60% (2024: 2,4% to 2,17%); and
- Corporate customers: 0,97% to 0,93% (2024: 2,4% to 2,17%).

These ratios incorporate overlays to reflect forward-looking macroeconomic factors, including inflationary pressures and the broader economic outlook.

An additional overlay has been included to account for heightened future economic uncertainty:

- Independent customers: 0,40% (2024: 0,30%); and
- Corporate customers: 0,30% (2024: 0,30%).

For receivables aged over 90 days and covered by credit insurance, a default loss rate of 20% (2024: 20%) is applied, reflecting expected recoveries from insurance.

Receivables not covered by credit insurance are assessed on an individual basis, with expected credit losses determined based on the debtor's financial position, past payment history, information from debt collectors and observable market data.

The Company reviews the expected credit loss model and assumptions on a regular basis to ensure alignment with actual collection experience and evolving macroeconomic conditions.

Management assessed the probability-weighted expected credit loss on other receivables and concluded it is immaterial.

35. Financial risk management

continued

35.2 Credit risk

continued

35.2.2 Impairment of financial assets

continued

Trade receivables and contract assets

continued

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

	GROUP				
	Current R'000	30 days past due R'000	60 days past due R'000	90 days past due R'000	Total R'000
30 June 2025					
Independent customers					
Gross carrying amount – trade receivables	85 140	37 825	5 773	21 458	150 196
Loss allowance	(2 005)	(847)	(144)	(9 547)	(12 543)
Corporate customers					
Gross carrying amount – trade receivables	70 263	7 305	318	76	77 962
Loss allowance	(581)	(59)	(3)	(1)	(644)
30 June 2024					
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)

Segmentation was not done in the 2024 financial year.

	COMPANY				
	Current R'000	30 days past due R'000	60 days past due R'000	90 days past due R'000	Total R'000
30 June 2025					
Gross carrying amount – trade receivables	–	–	–	178	178
Loss allowance	–	–	–	(178)	(178)
30 June 2024					
Gross carrying amount – trade receivables	–	–	–	178	178
Loss allowance	–	–	–	(178)	(178)

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

35. Financial risk management continued

35.3 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Group's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and 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.

The Group's liquidity risk is a function of the funds available to cover future commitments. The Group manages liquidity risk through an ongoing 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:

	GROUP			
	2025		2024	
	Facility R'000	Utilised R'000	Facility R'000	Utilised R'000
Absa IMX facility/receivable finance facility	175 000	85 616	150 000	83 622
Guarantees	1 400	–	6 000	–
Letters of credit	1 000	–	1 000	–
Guarantees to Eskom Holdings Limited	708	–	708	–
Forward exchange contracts	1 000	–	1 000	–
Foreign exchange settlement limit	5 000	–	5 000	–
Absa asset and vehicle finance facility	90 000	83 243	90 000	83 042
Daimler asset and vehicle finance facility	60 000	34 839	50 000	25 905
FMO facility	425 000	397 426	350 000	280 776

35. Financial risk management continued

35.3 Liquidity risk 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. The contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the tables 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	GROUP						Carrying amount R'000
	Less than 6 months R'000	Between 6 months and 1 year R'000	Between 1 and 2 years R'000	Between 2 and 5 years R'000	Over 5 years R'000	Total contractual cash flows R'000	
Year ended 30 June 2025							
Non-derivatives							
Trade and other payables excluding non-financial liabilities (note 20)	337 494	–	–	–	–	337 494	337 494
Borrowings (note 17)	107 971	22 184	60 125	292 595	211 649	694 524	485 317
Lease liabilities (note 18)	5 715	5 090	6 018	1 016	–	17 839	22 678
Instalment sale agreements (note 17)	28 905	25 217	42 112	41 080	–	137 314	118 082
Total non-derivatives	480 085	52 491	108 255	334 691	211 649	1 187 171	963 571
Year ended 30 June 2024							
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 continued

for the year ended 30 June 2025

35. Financial risk management continued

35.3 Liquidity risk continued

35.3.1 Maturities of financial liabilities continued

	COMPANY						Carrying amount R'000
	Less than 6 months R'000	Between 6 months and 1 year R'000	Between 1 and 2 years R'000	Between 2 and 5 years R'000	Over 5 years R'000	Total contractual cash flows R'000	
Contractual maturities of financial liabilities							
Year ended 30 June 2025							
Non-derivatives							
Trade and other payables excluding non-financial liabilities (note 20)	1 166	–	–	–	–	1 166	1 168
Year ended 30 June 2024							
Non-derivatives							
Trade and other payables excluding non-financial liabilities (note 20)	1 965	–	–	–	–	1 965	1 966

36. Events after the reporting date

The Group negotiated revised covenants under the FMO debt facility which will be in place from the first measurement period after year-end. Specifically, the net debt-to-EBITDA ratio was increased for the following five measurement periods, starting 30 September 2025.

The directors are not aware of any other matters or circumstances that arose since the end of the financial year to the date of this report that could have a material effect on the financial position of the Group and Company.

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 will commence harvesting its own trees in the Escarpment in 2026, consistent with the revised rotation plan. In the current year, R275,6 million (2024: R283,1 million) was spent on external log purchases. The Group has the flexibility to increase the harvesting of its own plantations instead of procuring logs externally to manage liquidity.

The Group is in compliance with the financial covenants imposed by the FMO under the Amended Facility Agreement at year-end. Looking ahead, the covenants were revised after year-end and the Group expects to comply with the covenants for the following 12 months, based on current projections.

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.

38. Earnings per share

38.1 Basic earnings per share (restated*)

There was no share-based payment scheme in the current year. The bonus element on the share-based payment scheme had a dilutive effect on the prior year.

	GROUP		COMPANY	
	2025	2024	2025	2024
Basic earnings/(loss) (cents)	68,19	12,97	3,02	(1,54)
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 (R'000)	316 538	60 130	14 307	(7 315)
Weighted average number of ordinary shares used in the calculation of basic earnings per share ('000)	463 753	463 753	474 098	474 098
<i>Adjusted for:</i>				
Treasury shares utilised in settlement of vested share-based payments ('000)	472	–	–	–
	464 225	463 753	474 098	474 098

38.2 Diluted earnings per share (restated*)

	GROUP		COMPANY	
	2025	2024	2025	2024
Diluted basic earnings/(loss) (cents)	68,19	12,94	3,02	(1,54)
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 (R'000)	316 538	60 130	14 307	(7 315)
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 ('000)	464 225	463 753	474 098	474 098
<i>Adjusted for:</i>				
Bonus element of share-based payment ('000)	–	1 025	–	1 025
Weighted average number of ordinary shares used in the calculation of diluted earnings per share ('000)	464 225	464 778	474 098	475 123

* Refer to note 39 for details on the restatement.

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

38. Earnings per share continued

38.3 Headline earnings per share (restated*)

There was no share-based payment scheme in the current year. The bonus element on the share-based payment scheme had a dilutive effect on the prior year.

	GROUP		COMPANY	
	2025 cents	2024 cents	2025 cents	2024 cents
Headline earnings/(loss) per share (restated*)	66,69	13,74	3,02	(1,54)
Diluted headline earnings/(loss) per share (restated*)	66,69	13,71	3,02	(1,54)

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
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	316 538	60 130	14 307	(7 315)
Gain on sale of assets	(9 389)	(254)	–	–
Tax on loss on sale of assets	2 535	69	–	–
Impairment of property, plant and equipment	2 139	10 123	–	–
Tax on impairment of property, plant and equipment	(578)	(2 733)	–	–
Insurance payouts from loss of assets	(2 242)	(4 975)	–	–
Tax on insurance payouts from loss of assets	605	1 343	–	–
Earnings/(loss) used in the calculation of headline earnings/(loss) per share for continuing operations	309 608	63 702	14 307	(7 315)

* Refer to **note 39** for details on the restatement.

38. Earnings per share continued

38.4 Core earnings/(loss) per share¹

There was no share-based payment scheme in the current year. The bonus element on the share-based payment scheme had a dilutive effect on the prior year.

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Core loss per share (cents)	(0,28)	(10,74)	3,02	(1,54)
Diluted core loss per share (cents)	(0,28)	(10,72)	3,02	(1,54)

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

	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Core earnings per share are as follows (restated*):				
Profit/(loss) for the year attributable to owners of the Company for continuing operations	316 538	60 130	14 307	(7 315)
Fair value adjustment on biological assets	(435 409)	(150 603)	–	–
Tax on fair value adjustment on biological assets	117 560	40 663	–	–
(Loss)/earnings used in the calculation of core (loss)/earnings per share for continuing operations	(1 311)	(49 810)	14 307	(7 315)

* Refer to **note 39** for details on the restatement.

¹ Core earnings are defined as basic earnings adjusted for fair value adjustments on biological assets after taxation. This is a non-IFRS Accounting Standards measure.

39. Restatement and prior period error

Prior period error

In the prior year, enhancements to the plantation database incorporating LiDAR technology were incorrectly processed on Microforest due to human error. This error resulted in total maturity volumes decreasing by 512 784m³ from 22 236 957m³ to 21 724 173m³.

The correction of this error led to a net decrease of 4% (R104 million) in the carrying value of biological assets in the statement of financial position, together with a corresponding fair value adjustment recognised in the statement of profit or loss and other comprehensive income. The deferred tax liability was reduced by R28 million.

Change in presentation of finance income and finance cost in the statement of cash flows

In the current financial year, the Group and Company have changed their accounting policy on the presentation of finance income and finance cost in the statement of cash flows. Previously, finance income and finance cost were classified within operating activities. From the current year onward, finance income was presented within investing activities and finance cost in financing activities. The change in accounting policy was applied retrospectively.

This presentation aligns the finance cost and finance income with the Group and Company's investing and financing structures.

This change represents a reclassification in presentation under IAS 7 and does not constitute a change in accounting policy under IAS 8, as both presentations are permitted alternatives under IFRS Accounting Standards.

Notes and accounting policies to the audited consolidated and separate annual financial statements continued

for the year ended 30 June 2025

39. Restatement and prior period error continued

Prior period error continued

The comparative figures for the prior year have been restated to conform with the current year’s presentation. The effect of the reclassification on the prior year’s cash flow statement is disclosed below.

	GROUP		
	Balance previously stated R'000	Restatement R'000	Balance restated R'000
Statement of financial position			
Non-current assets			
Biological assets	2 413 641	(102 470)	2 311 171
Current assets			
Biological assets	411 500	(1 561)	409 939
Equity			
Retained income	(1 064 997)	75 942	(989 055)
Non-current liabilities			
Deferred tax liabilities	(785 991)	28 088	(757 903)
Statement of profit or loss and other comprehensive income			
Cost of sales	1 138 803	104 031	1 242 834
Income tax expense	49 838	(28 089)	21 749
Notes to the financial statements			
Basic earnings per share (cents per share)	29,34	(16,37)	12,97
Diluted earnings per share (cents per share)	29,28	(16,34)	12,94
Headline earnings per share (cents per share)	30,12	(16,38)	13,74
Diluted headline earnings per share (cents per share)	30,05	(16,34)	13,71
Statement of cash flows			
Interest paid	(53 821)	53 821	–
Interest received	16 862	(16 862)	–
Net cash flows from operating activities	(9 055)	36 959	27 904
Interest received	–	16 862	16 862
Cash flows used in investing activities	(87 726)	16 862	(70 864)
Interest paid	–	(53 821)	(53 821)
Cash flows used in financing activities	(38 652)	(53 821)	(92 473)

39. Restatement and prior period error continued

Prior period error continued

	COMPANY		
	Balance previously stated R'000	Restatement R'000	Balance restated R'000
Statement of cash flows			
Interest received	4	(4)	–
Net cash flows from operating activities	–	(4)	(4)
Interest received	–	4	4
Cash flows used in investing activities	–	4	4



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Shareholders' Information

Notice of annual general meeting



Notice is hereby given that the annual general meeting (AGM) of shareholders of the Company will be held on Tuesday, 4 November 2025 at 09:00 at the Auditorium at Glencore, South 32 Building, 39 Melrose Boulevard, Melrose Arch, Sandton, subject to any cancellation, postponement or adjournment, to deal with such business as may lawfully be dealt with at an AGM and to consider and, if deemed fit, pass, with or without modification, the ordinary and special resolutions set out hereunder in the manner required by the Companies Act of South Africa, 71 of 2008, as amended (the Companies Act), the memorandum of incorporation of the Company (MOI) and the JSE Limited (JSE) Listings Requirements.

The notice of the Company's AGM has been sent to shareholders who were recorded as such in the Company's securities register maintained by the transfer secretaries (Computershare Investor Services Proprietary Limited) on 26 September 2025, being the record date used to determine which shareholders are entitled to receive this notice of AGM.

The record date on which shareholders must be recorded as such in the Company's securities register for the purpose of being entitled to participate in and vote at the AGM is Friday, 24 October 2025. The last day to trade in order to be entitled to participate in and vote at the AGM will be Tuesday, 21 October 2025.

Meeting participants (including shareholders and/or their proxies) are required to provide satisfactory identification before being entitled to attend or participate in the AGM.

Forms of identification include valid identity documents, driver's licences and passports.

As required in terms of sections 61(8)(a)(iv) and (v) of the Companies Act, as read with regulation 43(5)(c) of the Companies Regulations, 2011, promulgated under the Companies Act, the report of the Social and Ethics Committee and the remuneration report are included in the annual report available on the Company's website at  <https://www.york.co.za/read/integrated-annual-reports/>.

York Timber Holdings Limited

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

Shareholders are requested to consider, and if deemed fit, pass, with or without modification, the following resolutions by way of separate resolutions:

Ordinary resolution number 1 Adoption of the consolidated and separate annual financial statements for the year ended 30 June 2025

"Resolved that the consolidated and separate annual financial statements of the Company and its subsidiaries, incorporating the reports of the external auditor, the Audit Committee of the Company (Audit Committee) and directors of the Company (directors) for the year ended 30 June 2025, be and are hereby adopted."

The consolidated and separate annual financial statements of the Company, as approved by the Board of Directors (the Board), incorporating the reports of the external auditor, Audit Committee and directors for the year ended 30 June 2025, have been distributed as required and are presented.

The percentage of voting rights that will be required for this resolution to be adopted is more than 50% of the votes exercised on the resolution.

The complete consolidated and separate annual financial statements are available on the Company's website at  <https://www.york.co.za/docs/fin/Yorkyearend2025.pdf>.

The annual report will be available on or about 6 October 2025 on the Company's website at  <https://www.york.co.za/read/integrated-annual-reports/>.

Ordinary resolutions numbers 2.1 to 2.3 Re-election of directors

"Resolved that shareholders elect each director listed below, by way of a separate vote, who retire by rotation in terms of the MOI, and who, being eligible, have offered themselves for re-election:

- 2.1 Maxwell Nyanteh;
- 2.2 Andries Brink; and
- 2.3 André van der Veen."

Brief résumés of the directors offering themselves for re-election by shareholders are contained in the annual report on  **pages 16 and 17.**

The percentage of voting rights that will be required for each of these resolutions to be adopted is more than 50% of the votes exercised on each resolution.

Ordinary resolution number 3 Appointment of the external auditor

"Resolved that Deloitte & Touche (with Mr Logan Govender being the designated external audit partner) be and are hereby appointed as the external auditor of the Company from the conclusion of this AGM."

The percentage of voting rights that will be required for this resolution to be adopted is more than 50% of the votes exercised on the resolution.

Ordinary resolutions numbers 4.1 to 4.4 Election of the Social and Ethics Committee members

"Resolved that shareholders elect by way of a separate vote, the following non-executive directors, as members of the Social and Ethics Committee, subject to the election of Maxwell Nyanteh as a director in terms of ordinary resolution number 2.1, with effect from the end of this AGM until the conclusion of the next AGM of the Company.

- 4.1 Hetisani Mbanyele-Ntshinga;
- 4.2 Maxwell Nyanteh;
- 4.3 Alton Solomons; and
- 4.4 Adrian Zetler."

Brief résumés of the directors offering themselves for election as members of the Social and Ethics Committee are contained in the annual report on  **pages 16 and 17.**

The percentage of voting rights that will be required for each of these resolutions to be adopted is more than 50% of the votes exercised on each resolution.

Ordinary resolutions numbers 5.1 to 5.4 Election of the Audit Committee members

"Resolved that shareholders elect, by way of a separate vote, the following non-executive directors, the majority of whom are independent, as members of the Audit Committee, subject to the election of Maxwell Nyanteh as a director in terms of ordinary resolution number 2.1 and Andries Brink as a director in terms of

ordinary resolution number 2.2 with effect from the end of this AGM until the conclusion of the next AGM of the Company:

- 5.1 Andries Brink;
- 5.2 Maxwell Nyanteh;
- 5.3 Lindani Dhlamini; and
- 5.4 Adrian Zetler."

Brief résumés of the directors offering themselves for election as members of the Audit Committee are contained in the annual report on  **pages 16 and 17.**

The percentage of voting rights that will be required for each of these resolutions to be adopted is more than 50% of the votes exercised on each resolution.

Ordinary resolutions numbers 6.1 and 6.2 Endorsement of the Company's remuneration policy and implementation report

- 6.1 "Resolved that shareholders endorse, by way of a non-binding advisory resolution, the Company's remuneration policy, as set out in the annual report."
- 6.2 "Resolved that shareholders endorse, by way of a non-binding advisory resolution, the Company's remuneration implementation report, as set out in the annual report."

The percentage of voting rights that will be required for each of these non-binding advisory resolutions to be adopted so that no engagement with dissenting shareholders will be required is more than 75% of the votes exercised on each resolution. Refer to  **pages 29 to 31.**

Ordinary resolution number 7 General authority to issue shares for cash

"Resolved that, subject to the passing of ordinary resolution number 8, the Board be and is hereby authorised, by way of general authority, to (i) allot and issue any authorised but unissued ordinary shares in the Company or securities convertible into ordinary shares in the Company for cash, or (ii) grant any options for the subscription of authorised but unissued ordinary shares in the Company for cash, or (iii) sell or otherwise dispose of ordinary shares in the Company held by York's subsidiaries for cash, in respect of less than 10% of the issued share capital of the Company (excluding treasury shares), representing not more than 46 438 871 ordinary shares in the Company, as at the date of this notice of AGM, subject to the MOI, the Companies Act and the JSE Listings Requirements, and provided that:

Notice of annual general meeting continued

- a) this authority shall be valid until the Company's next AGM or for 15 months from the date on which this resolution is passed, whichever period is shorter;
- b) the equity securities which are the subject of the issue for cash must be of a class already in issue or, where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
- c) such shares may only be issued to public shareholders as defined in paragraphs 4.25 to 4.27 of the JSE Listings Requirements and subject to paragraph (f) as follows, not to related parties;
- d) the maximum discount (if any) at which such shares may be issued is 10% of the weighted average traded price of the Company's shares on the JSE over the 30 business days preceding the date that the price of issue is agreed between the Company and the party subscribing for the shares;
- e) after the Company has issued shares in terms of this general authority representing, on a cumulative basis within the period for which this general authority remains valid, 5% or more of the number of shares in issue prior to that issue, the Company is required in terms of paragraph 11.22 of the JSE Listings Requirements, to publish an announcement containing full details of the issue; and
- f) related parties may participate in a general issue of shares for cash through a bookbuild process at a maximum bid price or at book close price, in compliance with the provisions of paragraph 5.52(f) of the JSE Listings Requirements."

The percentage of voting rights that will be required for this resolution to be adopted is a 75% majority of the votes exercised on the resolution.

Reason for and effect of ordinary resolution number 7

The directors of the Company have no specific intention at the time of this notice to give effect to the provisions of this resolution but will continually review the Company's position.

Ordinary resolution number 8

Placing authorised but unissued shares under the control of the Board

"Resolved that the authorised but unissued ordinary shares in the capital of the Company be and are hereby placed under the control and authority of the Board and that the Board be and is hereby authorised to issue the authorised but unissued ordinary shares in the Company or sell or otherwise dispose of ordinary shares in the Company held by York's subsidiaries, at their discretion, subject always to the provisions of the MOI, the Companies Act and the JSE Listings Requirements."

The percentage of voting rights that will be required for this resolution to be adopted is more than 50% of the votes exercised on the resolution.

Ordinary resolution number 9

Authorisation to implement resolutions

Each of the directors of the Company is authorised to do all things, perform all acts and sign all documents necessary or desirable to effect the implementation of the ordinary and special resolutions adopted at this AGM.

The percentage of voting rights that will be required for this resolution to be adopted is at least 50% of the votes exercised on the resolution.

Special resolutions numbers 1.1 to 1.5

Remuneration of non-executive directors

"Resolved that the fees payable by the Company to non-executive directors for their services as directors (in terms of section 66 of the Companies Act) be and are hereby approved, by way of separate votes, for the period 1 January 2026 onwards as follows:

		Proposed remuneration for the period 1 January 2026 onwards (annual fee and meeting fees paid quarterly in arrears)	
Resolution		Annual retainer R	Fee per meeting R
1.1	Chairperson of the Board	477 372	97 242
1.2	Lead independent director	310 416	29 885
1.3	Board members	122 257	24 904
1.4	Chairperson of a Board committee	107 521	27 379
1.5	Board committee members	58 157	14 809

The annual scheduled meetings for the Board and Audit Committee are four meetings each. The Remuneration and Nomination Committee, Risk and Opportunity Committee and Social and Ethics Committee have two annual scheduled meetings. If additional meetings are required and held by the Board and/or other Board committees, the Chairperson and Board/committee members will be paid a fee per meeting as set out above.

The proposed fees for the period 1 January 2026 onwards have been split into an annual retainer fee and a fee per meeting, which constitutes a 4,5% increase from the approved non-executive director fees for the period 1 January 2025 onwards.

The percentage of voting rights that will be required for each of these resolutions to be adopted is at least 75% of the votes exercised on each resolution.

Reason for and effect of special resolutions numbers 1.1 to 1.5

The Companies Act requires shareholder approval of non-executive directors' fees prior to payment of such fees.

Special resolution number 2

General authority to provide financial assistance in terms of sections 44 and 45 of the Companies Act

"Resolved that the Board be and is hereby authorised, subject to sections 44 and 45 of the Companies Act, the MOI and the JSE Listings Requirements, to authorise the Company to provide direct or indirect financial assistance, to the Company's wholly owned subsidiaries and their respective subsidiaries which assistance is done at commercial arm's-length terms, provided that no such financial assistance may be provided at any time in terms of this authority after the expiry of two years from the date of the adoption of this special resolution number 2."

The percentage of voting rights that will be required for this resolution to be adopted is at least 75% of the votes exercised on the resolution.

Reason for and effect of special resolution number 2

The reason for and effect of the special resolution referred to above is to permit the Company to provide direct or indirect financial assistance to the entities referred to above.

Voting instructions

In terms of the Companies Act, any shareholder entitled to attend, participate in and vote at the AGM may appoint one or more persons as a proxy to attend, participate in and vote in his/her stead. A proxy need not be a shareholder of the Company.

The Company has retained the services of The Meeting Specialist Proprietary Limited (TMS) to act as scrutineers for the AGM and to assist shareholders with the requirements for attendance, participation in and/or voting at the AGM.

Forms of proxy must be emailed to TMS via

proxy@tmsmeetings.co.za or deposited at the office of TMS at JSE Building, One Exchange Square, 2 Gwen Lane, Sandown, 2196, preferably not later than 48 hours before the time fixed for the AGM (excluding Saturdays, Sundays and public holidays), being Friday, 31 October 2025 at 09:00 or be submitted to the Chairperson of the AGM (including copying in the meeting facilitator, TMS, as set out in this notice of AGM), before the appointed proxy exercises any of the relevant shareholder's rights.

If your York shares have been dematerialised and are held in a nominee account, then your Central Securities Depository Participant (CSDP) or broker, as the case may be, should contact you to ascertain how you wish to cast your vote at the AGM and thereafter cast your vote in accordance with your instructions.

If you have not been contacted, it would be advisable for you to contact your CSDP or broker, as the case may be, and furnish them with your instructions. If your CSDP or broker, as the case may be, does not obtain instructions from you, they will be obliged to act in terms of your mandate furnished to them, or if the mandate is silent in this regard, to abstain from voting.

Dematerialised shareholders whose shares are held in a nominee account must not complete the attached form of proxy. Unless you advise your CSDP or broker timeously in terms of the agreement between yourself and your CSDP or broker by the cut-off time advised by them that you wish to attend the AGM or appoint a proxy to represent you at the AGM, your CSDP or broker will assume you do not wish to attend the AGM or appoint a proxy. If you wish to attend the AGM, your CSDP or broker will issue the necessary letter of representation to you to attend the AGM.

Shareholders who have dematerialised their shares through a CSDP or broker, other than "own name" registered dematerialised shareholders, who wish to attend the AGM, must request their CSDP or broker to issue them with a letter of representation, or they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement/mandate entered into between them and the CSDP or broker.

Shareholder rights

In terms of section 58 of the Companies Act, shareholders have rights to be represented by proxy as herewith stated. An extract of section 58 is included in the form of proxy on  **page 132**.

Notice of annual general meeting continued

Telephonic participation in the annual general meeting

In terms of sections 63(2) and 63(3) of the Companies Act, shareholders or their proxies may participate in (but not vote at) the AGM by way of telephone conference call and, if they wish to do so, they must contact TMS (by email to: **proxy@tmsmeetings.co.za**) by no later than Friday, 31 October 2025 at 09:00 in order to obtain a personal identification number (PIN) and dial-in details for the conference call. They will be required to provide satisfactory identification and will be billed separately by their own telephone service providers for their telephone call to participate in the AGM.

Printing and distribution of the annual report

In line with York’s continuous efforts to contain costs, and the environmental benefits of electronic communication with shareholders, the Company hereby proposes to shareholders that various documents, records, statements and notices (report(s)) in respect of the Company, be, as far as possible, delivered to shareholders by electronic mail (email) or posted on the Company’s website with an email alert being sent to shareholders notifying them that, inter alia, the reports are available on the Company’s website.

Should you wish to avail yourself of these options, kindly request this via email to **ecomms@computershare.co.za**.

By order of the Board

Kilgetty Statutory Services (South Africa) Proprietary Limited
Company Secretary

26 September 2025

Meeting facilitator

The Meeting Specialist Proprietary Limited
JSE Building
One Exchange Square, 2 Gwen Lane
Sandown, 2196
PO Box 62043, Marshalltown, 2107
011 520 7951/0/2

proxy@tmsmeetings.co.za

Explanatory notes to the notice of annual general meeting and proposed resolutions



Ordinary resolution number 1: Consolidated and separate annual financial statements

The ordinary business to be considered at the AGM is more fully governed in terms of the MOI. In summary, the ordinary business at an AGM is to receive and consider the consolidated and separate annual financial statements, to declare or sanction dividends (where applicable), to elect directors, the auditor and other officers in the place of those retiring by rotation or otherwise and to elect the Audit Committee members. No special business shall be transacted at an AGM unless due notice thereof has been given.

Ordinary resolutions numbers 2.1 to 2.3: Re-election of directors

The rotation of directors is more fully governed in terms of clauses 5.1.3 to 5.1.8 of the MOI, which require one-third of the non-executive directors to retire from office at the AGM. The retiring directors at each AGM shall be those who have been longest in office since their last election or appointment. If, at the date of the AGM, any director will have held office for a period of three years since his/her last election or appointment, he/she shall retire at such AGM either as one of the directors to retire in pursuance of the foregoing or additionally thereto. A retiring director shall act as a director throughout the AGM at which he/she retires. The retiring directors may be re-elected provided that they are eligible. Maxwell Nyanteh, Andries Brink and André van der Veen have offered themselves for re-election.

Ordinary resolution number 3: Appointment of the external auditor

The Audit Committee has nominated Deloitte & Touche for appointment as the external auditor of the Company under section 90 of the Companies Act. In accordance with paragraph 3.84(g)(iii), as read with paragraphs 3.86 and 3.87 of the JSE Listings Requirements, the Audit Committee has assessed the suitability of Deloitte & Touche (with Mr Logan Govender being the designated external audit partner) for appointment as the external auditor.

The Board has accepted the recommendation of the Audit Committee, subject to shareholder approval as required in terms of section 90(1) of the Companies Act. In addition, notwithstanding the provisions of section 90(6) of the Companies Act, in compliance with paragraph 3.84(g)(iv) of the JSE Listings Requirements,

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the Audit Committee has ensured that the appointment of the external auditor (including the designated external audit partner) is presented and included as a resolution at the AGM pursuant to section 61(8) of the Companies Act.

The external auditor will remain the appointed external auditor until the conclusion of the next AGM of the Company.

Ordinary resolutions numbers 4.1 to 4.4: Election of the Social and Ethics Committee members

In terms of section 72(9A) of the Companies Act, the Company must elect a Social and Ethics Committee at each AGM of the Company, which committee must, in terms of section 72(7A) of the Companies Act, comprise not less than three members, the majority of whom are not involved in the day-to-day management of the business of the Company and have not been so involved at any time during the previous three financial years.

The Board confirms that Hetisani Mbanyele-Ntshinga, Maxwell Nyanteh, Alton Solomons and Adrian Zetler are not involved in the day-to-day management of the business of the Company and have not been so involved at any time during the previous three financial years.

Ordinary resolutions numbers 5.1 to 5.4: Election of the Audit Committee members

In terms of section 94(2) of the Companies Act, and in compliance with the King IV Report on Corporate Governance for South Africa, 2016™ (King IV™), the Company must elect an Audit Committee comprising at least three independent non-executive directors as members. While the members of the Audit Committee are nominated by the Board, the election of each member to the Audit Committee must be individually approved by the shareholders at each AGM. The proposed members of the Audit Committee have experience in audit, accounting, economics, human resources, commerce and general industry, among others.

The Board confirms that Andries Brink, Maxwell Nyanteh, Lindani Dhlamini and Adrian Zetler are non-executive directors, the majority of whom are independent as contemplated in King IV™ and the JSE Listings Requirements.

Explanatory notes to the notice of annual general meeting and proposed resolutions

continued

- Each proposed member of the Audit Committee is a suitably qualified and skilled director. The proposed members of the Audit Committee are, inter alia, not:
- involved in the day-to-day management of the Company and have not been so involved at any time during the previous financial year;
 - prescribed officers or full-time employees of the Company or another related or inter-related company, or have been such an officer or employee at any time during the previous three financial years;
 - material suppliers or customers of the Company; and
 - related to any person who falls within the criteria set out above.

Ordinary resolutions numbers 6.1 and 6.2: Endorsement of the Company’s remuneration policy and implementation report

King IV™ recommends, and the JSE Listings Requirements require, that a company’s remuneration policy and implementation report be tabled as separate non-binding advisory resolutions by shareholders at each AGM. This enables shareholders to express their views on the Company’s remuneration policy and implementation thereof.

Ordinary resolutions numbers 6.1 and 6.2 are of an advisory nature only and failure to pass one or both of these resolutions will therefore not have any legal consequences relating to existing remuneration arrangements.

The Board will, however, take the outcome of the vote into consideration when considering amendments to the Company’s remuneration policy.

Shareholders are reminded that in terms of King IV™ and the JSE Listings Requirements, if 25% or more of the votes be cast against one or both of the non-binding advisory resolutions, York undertakes to engage with its shareholders as to the reasons therefore and undertakes to make recommendations based on the feedback received.

Ordinary resolution number 7: General authority to issue shares for cash

This is to grant the Company and its subsidiaries a general authority to, inter alia, issue shares for cash, as contemplated in paragraph 5.50(b), read with paragraph 5.52, of the JSE Listings Requirements, which general authority shall be valid until the next AGM of the Company, provided that this general authority shall not extend beyond 15 months from the date of the passing of ordinary resolution number 7.

Statement of the Board’s intention

The directors confirm that there is no specific intention to issue any shares for cash as of the date of this notice of AGM.

Ordinary resolution number 8: Placing authorised but unissued shares under the control of the Board

This is to place the authorised but unissued ordinary shares in the capital of the Company under the control and authority of the Board and to authorise the Board to issue and/or sell or otherwise dispose of such unissued ordinary shares in the Company at their discretion, as required in terms of the MOI.

Ordinary resolution number 9: Authorisation to implement resolutions

Each of the directors of the Company is authorised to do all things, perform all acts and sign all documents necessary or desirable to effect the implementation of the ordinary and special resolutions adopted at this AGM.

Special resolutions numbers 1.1 to 1.5: Remuneration of non-executive directors

In terms of sections 66(8) and (9) of the Companies Act, remuneration may only be paid to directors, for their service as directors, in accordance with a special resolution approved by the shareholders within the previous two years and if not prohibited in terms of the MOI.

Special resolution number 2: Financial assistance in terms of sections 44 and 45 of the Companies Act

This general authority would assist the Company with, inter alia, making inter-company loans to wholly owned subsidiaries as well as granting letters of support and guarantees in appropriate circumstances. The existence of a general shareholder authority would avoid the need to refer each instance to shareholders for approval, which might impede the negotiations and add time and expense. If approved, this general authority will expire at the end of two years from the date of the passing of the resolution.

- The Board must, when considering such assistance, either for the specific recipient or generally for a category, ensure that:
- the Company will satisfy the solvency and liquidity test immediately after providing the financial assistance; and
 - the terms under which financial assistance is proposed to be given are fair and reasonable to the Company.

Form of proxy



York Timber Holdings Limited

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

Form of proxy for the annual general meeting (AGM) to be held on Tuesday, 4 November 2025 at 09:00 at the Auditorium at Glencore, South 32 Building, 39 Melrose Boulevard, Melrose Arch, Sandton, subject to any cancellation, postponement or adjournment – for use by certificated ordinary shareholders and dematerialised ordinary shareholders with “own name” registration only.

Holders of dematerialised ordinary shares other than “own name” registration must inform their Central Securities Depository Participant (CSDP) or broker of their intention to attend and/or participate in the AGM and request their CSDP to issue them with the necessary authorisation to attend and/or participate in the AGM in person or provide their CSDP or broker with their voting instructions should they not wish to attend the AGM in person but wish to be represented thereat.

I/We _____
(Please print)

of (address) _____

being the registered holder(s) of _____ ordinary shares in the capital of the Company do hereby appoint

1. _____ or failing him/her,

2. _____ or failing him/her,

the Chairperson of the AGM as my/our proxy to act on my/our behalf at the AGM of the Company which will be held on Tuesday, 4 November 2025 at 09:00 (subject to any cancellation, postponement or adjournment) for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at any adjournment thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares registered in my/our name/s, in accordance with the following instructions:

		For	Against	Abstain
1.	Ordinary resolution number 1: Adoption of the annual financial statements			
2.	Ordinary resolution number 2: Re-election of directors who retire by rotation (by separate resolutions):			
2.1.	Maxwell Nyanteh			
2.2.	Andries Brink			
2.3.	André van der Veen			
3.	Ordinary resolution number 3: Appointment of the external auditor (with Mr Logan Govender being the designated external audit partner)			
4.	Ordinary resolution number 4: Election of the Social and Ethics Committee members (by separate resolutions):			
4.1.	Hetisani Mbanyele-Ntshinga			
4.2.	Maxwell Nyanteh			
4.3.	Alton Solomons			
4.4.	Adrian Zetler			

Form of proxy continued

		For	Against	Abstain
5.	Ordinary resolution number 5: Election of the Audit Committee members (by separate resolutions):			
5.1.	Andries Brink			
5.2.	Maxwell Nyanteh			
5.3.	Lindani Dhlamini			
5.4.	Adrian Zetler			
6.	Ordinary resolution number 6: Endorsement of the Company's remuneration policy and implementation report (by separate non-binding advisory resolutions):			
6.1.	Endorsement of York's remuneration policy			
6.2.	Endorsement of York's remuneration implementation report			
7.	Ordinary resolution number 7: General authority to issue shares for cash			
8.	Ordinary resolution number 8: Placing authorised but unissued shares under the control of the Board			
9.	Ordinary resolution number 9: Authorisation to implement resolutions			
10.	Special resolution number 1: Proposed remuneration for the period 1 January 2026 onwards			
10.1.	Chairperson of the Board			
10.2.	Lead independent director			
10.3.	Board members			
10.4.	Chairperson of a Board committee			
10.5.	Board committee members			
11.	Special resolution number 2: Financial assistance in terms of sections 44 and 45 of the Companies Act			

Please indicate with an “X” in the appropriate spaces provided above how you wish your vote to be cast. If no indication is given, the proxy will be entitled to vote or abstain as he/she deems fit.

Signed at

on

2025

Signature

Assisted by me (where applicable)

Notes to the form of proxy

1.

An ordinary shareholder holding dematerialised shares with “*own name*” registration, or who holds shares that are not dematerialised, may insert the name of a proxy or the names of up to two alternative proxies of the ordinary shareholder’s choice in the space provided, with or without deleting “the Chairperson of the AGM”. The person whose name stands first on the proxy form and who is present at the AGM will be entitled to act as proxy to the exclusion of those whose names follow. Should a proxy not be specified, this will be exercised by the Chairperson of the AGM. A proxy need not be a shareholder of the Company.

2.

An ordinary shareholder is entitled to one vote on a show of hands and, on a poll, to that proportion of the total votes in the Company which the aggregate amount of the nominal value of the shares held by him/her bears to the aggregate amount of the nominal value of all the shares issued by the Company. An ordinary shareholder’s instructions to the proxy must be indicated by inserting the relevant number of votes exercisable by the ordinary shareholder in the appropriate box(es). An “X” in the appropriate box indicates the maximum number of votes exercisable by that shareholder. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the AGM as he/she deems fit in respect of the entire shareholder’s votes exercisable thereat. An ordinary shareholder or his/her proxy is not obliged to use all the votes exercisable by the ordinary shareholder, or to cast all those votes exercised in the same way, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the ordinary shareholder.

3.

If any ordinary shareholder does not indicate on this instrument that his/her proxy is to vote in favour of or against any resolution or to abstain from voting, or gives contradictory instructions, or should any further resolution(s) or any amendment(s) which may be properly put before the AGM be proposed, the proxy shall be entitled to vote as he/she thinks fit.

4.

The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the AGM and speaking and voting in person thereat instead of any proxy appointed in terms hereof.

5.

Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to this form, unless previously recorded by the Company or waived by the Chairperson of the AGM.
6.

The Chairperson of the AGM may reject or accept any form of proxy which is completed and/or received other than in compliance with these notes.

7.

A proxy may not delegate his/her authority to act on behalf of the shareholder to another person.

8.

It is requested that this form of proxy be emailed to The Meeting Specialist Proprietary Limited (TMS) via **proxy@tmsmeetings.co.za** or deposited at the office of TMS at JSE Building, One Exchange Square, Gwen Lane, Sandown, 2196, not later than 48 hours before the time fixed for the AGM (excluding Saturdays, Sundays and public holidays), being Friday, 31 October 2025 at 09:00 or be submitted to the Chairperson of the AGM (including copying in the meeting facilitator, TMS, as set out in this notice of AGM), before the appointed proxy exercises any of the relevant shareholder’s rights.
- Additional forms of proxy are available from the transfer secretaries and/or TMS on request.**

Summary of rights contained in section 58 of the Companies Act

In terms of section 58 of the Companies Act:

- a shareholder of a company may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders' meeting on behalf of such shareholder;
- a proxy may delegate her or his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy;
- irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder;
- any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;
- if an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by: (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the relevant company;
- a proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise; and
- if the instrument appointing a proxy or proxies has been delivered by a shareholder to a company, then, for so long as that appointment remains in effect, any notice that is required in terms of the Companies Act or such company's memorandum of incorporation to be delivered to a shareholder must be delivered by such company to:
 - the relevant shareholder; or
 - the proxy or proxies, if the relevant shareholder has: (i) directed such company to do so, in writing and (ii) paid any reasonable fee charged by such company for doing so.

Election form

TO ELECTRONICALLY RECEIVE THE DOCUMENTS REQUIRED TO BE DISTRIBUTED, PUBLISHED, PROVIDED OR DELIVERED TO SHAREHOLDERS IN TERMS OF THE COMPANIES ACT



York Timber Holdings Limited

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To: The directors

York Timber Holdings Limited

I/We

the undersigned (please print)

of (address)

being the registered holder(s) of _____ ordinary shares in the capital of the Company

do hereby elect to receive i) any documents, notices, records or statements from York (collectively, documents), by electronic communication, and/or ii) electronic communication containing a notification that the documents will be available on the Company's website, to the extent that the Company is permitted to distribute, publish, provide or deliver such documents in terms of the Companies Act of South Africa, 71 of 2008, as amended, and any and every other statute, ordinance, regulation or rule in force from time to time, including the JSE Listings Requirements, concerning companies and affecting York.

I/We hereby furnish the following email address for such electronic communication:

Email address

Any written amendment or withdrawal of any such notice of consent by me/us shall only take effect if signed by me/us and received by the Company.

Signed at _____ on _____ 2025

Signature _____ Assisted by me (where applicable)

Please complete, detach and return this election form to York's transfer secretaries, Computershare Investor Services Proprietary Limited, by no later than Friday, 31 October 2025 at 09:00 by way of any of the methods listed below.

Delivery: Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196
Post: Private Bag X9000, Saxonwold, 2132
Email: ecomms@computershare.co.za
Fax: 011 688 5248

Corporate information

York Timber Holdings Limited

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

Tax reference number

9225/039/71/9

Country of incorporation and domicile

South Africa

Nature of business and principal activities

Operation of plantations, sawmills, a plywood plant and wholesale timber product sales

Directors

Executive directors

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

Non-executive directors

Nonzukiso Siyotula¹ (*Chairperson*)
Maxwell Nyanteh¹
Hetisani Mbanyele-Ntshinga¹
Andries Brink¹
Lindani Dhlamini¹
André van der Veen
Alton Solomons
Adrian Zetler

¹ Independent

Registered office

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

Postal address

PO Box 1191, Sabie, 1260
Mpumalanga, South Africa

Auditor

Deloitte & Touche
Chartered Accountants (SA)
Registered Auditors

Meeting facilitator and scrutineers

The Meeting Specialist Proprietary Limited

Company Secretary

Kilgetty Statutory Services (South Africa) Proprietary Limited

Chief Financial Officer

Schalk Barnard

Sponsor

One Capital Sponsor Services Proprietary Limited

Transfer secretaries

Computershare Investor Services Proprietary Limited

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