

Pine Lake Share Block Proprietary Limited

Registration No. 1981/008079/07

Annual Report

for the year ended 31 December 2024

Pine Lake Share Block Proprietary Limited
Annual Financial Statements
for the year ended 31 December 2024

COMPANY INFORMATION

Registration number:	1981/008079/07
Registered address:	Nelson Mandela Square 4th Floor, South Tower Cnr 5th and Maude Streets Sandton 2196
Postal address:	Private Bag X200 Bryanston 2021

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The following supplementary information does not form part of the annual financial statements and is unaudited:	
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The financial statements have been audited as required by Section 30(2)(b)(1) of the South African Companies Act 71, of 2008. Mr Darren Park CA(SA), in his capacity as financial manager of Pine Lake Share Block Proprietary Limited, supervised the preparation of the annual financial statements.

Pine Lake Share Block Proprietary Limited

Chairman's Annual Review for the Year Ended 31 December 2024

On behalf of your Directors of Pine Lake Share Block Proprietary Limited ("the Company"), I report on the operations, financial results, and prospects of Pine Lake Resort for the year ending 31 December 2024 and provide a few comments of subsequent relevance, indicated as a post period note.

Facilities management

As I live in close proximity to the resort, it is always with pride and a pleasure to visit Pine Lake. The manicured grounds, the well-maintained chalets, and the warm greetings from the staff are all testament to the culture of care nurtured by the management team. Ms Marike van Wyk continued to deliver an excellent performance as General Manager until October 2024, when she relocated to the Drakensburg Sun Resort and was replaced by Ms Julie Esquino as Resort Manager. Julie has been with Southern Sun in the Lowveld since 1989 and at Pine Lake Resort since 2016. Previously handling reservations and deputising for Marike, it has been a seamless transition to managing the resort and Julie has adapted excellently to the role.

Overall occupancy for the year declined from 70.5% in 2023 to 67.1% and within this figure, our reliance on rental income is edging upwards. As the majority of these bookings are via third party portals, your Board and management team forfeit a degree of control in managing expectations of guests prior to their arrival – for example, Pine Lake Resort has a reputation for tranquillity, and so, excessive noise late into the evening from an adjoining chalet has on occasion presented challenges for the management team, which has implemented a policy to handle such situations with "assertive sensitivity".

Post period note: the Directors have asked management to investigate ways of improving sound insulation between adjoining patios and to create an eco-friendly partition between chalets on the lawn area beyond the patios.

Your Board has continued its policy of focussing capital expenditure on chalet maintenance and enhancements but not at the expense of essential maintenance and upgrades in common areas and administration. Of the R1.4m expenditure incurred (2023: R1.25m), the major items were:

• Lounge and sofa reupholstering	R 229k
• IT server upgrade	R173k
• Resurfacing of the swimming pool	R106k
• Paddle boat replacement	R86k
• Chalet aluminium window frames	R84k
• Chalet Blinds	R84k

• Plumbing upgrades	R73k
• Tree felling	R38k
• Games room and deck safety measures	R128k
• Jetty	R59k
• Swimming pool umbrellas	R29k
• Braai ashtrays	R62k

Environmental, social and governance

Pine Lake Resort again managed a year-on-year reduction in water consumption without any detrimental effect on the flora. The purge on non-indigenous plant varieties is an ongoing policy which includes tree trimming between the units.

Load shedding suspension was a welcome relief, and the Company has noted the benefits of reduced diesel usage, realising a net energy saving of R439k, notwithstanding the electricity tariff increase.

The management team on behalf of your Board continuously engages with our neighbours on a range of issues and plays its part in the maintenance of the tar road access to the resort whilst it awaits a decision from the Department of Roads and Transport regarding a full upgrade, hopefully in the near future.

The borehole registration on the resort was finalised in 2024 and water usage is monitored and controlled by the Inkomati-Usuthu Catchment Management Agency (Department of Water and Sanitation).

The agreed budget of R112,274 of non-levy income was stretched to cover the following community outreach projects:

- Paediatric Care Africa (based in White River) – Gas bottles to the value of R10,638 were donated to assist with hot water during outreach programs in rural areas;
- Grace Baby Haven – Formula, nappies and blankets to the value of R9,259 were donated to help nurture infants during the transitioning period, before adoption is finalised (predominantly abandoned infants);
- The Power of 8000 is a community action group which aims to enhance the town of White River in many ways. An amount of R55,740 was contributed towards a joint effort with the MTO Group (a local timber group) and RSA Projects and Maintenance (a local construction company) to build an enclosed children's play park in one of the main parks of White River;
- Nelspruit SPCA received a donation of dogs and cats' food to the value of R10,026; and

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Chairman's Annual Review for the Year Ended 31 December 2024

- **Feed the Need** – a White River community feeding scheme where food parcels are made up and distributed to registered hungry families – R10,222 was contributed towards this very worthy cause.

Timeshare exchange activity, including SunSwop

2024 Recorded an increase of around 9% in exchange activity undertaken by Pine Lake timeshare owners through SunSwop. The number of timeshare owners who actually occupy their week remains very low at 5.1%, and although this is a slight increase over 2023 (4.5%), it is low compared to other resorts within the Southern Sun Resorts fold.

Pine Lake timeshare owners made a total of 1813 exchanges in 2024 and these are broken down as follows:

- 944 exchanges into Southern Sun and SunSwop affiliated properties;
- 741 exchanges into RCI affiliated resorts in South Africa; and
- 128 exchanges into RCI affiliated resorts internationally

Financial results for the year ended 31 December 2024

The statement of comprehensive income for the year ended 31 December 2024 reflects total income (including net finance income) of R18.433m (2023: R17.053m) and total expenditure of R14.933m (2023: R14.461m). The levy surplus of R3.268m after taxation (2023: R2.409m) has been transferred to the reserve for property, plant and equipment.

Income

Income, excluding net finance income, increased by 7.3% year-on-year. Management continues to pursue opportunities to increase revenue particularly through the short-term rental and rental pool options.

Expenditure

Total expenditure for the year of 2024 increased by 3.3% to R14.933m (2023: R14.461m). Below is a more detailed year-on-year review of the expenditure:

- **Rooms** – expenditure increased by 3.3%;
- **Administration and general** - expenditure increased by 18.2%. The provision for repossessed debtors was reviewed and increased by R1.8m in line with prudent risk management principles and now stands at R5.5m;
- **Electricity, water and refuse** – expenditure decreased by 26.9% primarily due to the decrease in diesel spend because of the suspension of load shedding;

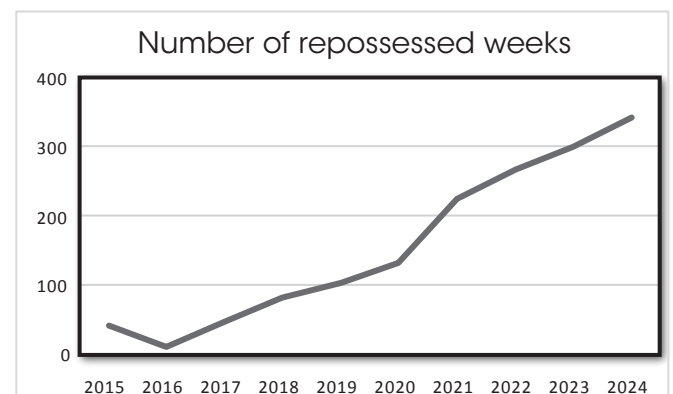
- **Repairs and maintenance** - expenditure decreased by 18.9% due to fewer services of the generator and generator repairs in electrical and mechanical. Building expenditure decreased by 58.3% due to fewer repairs to the tarmac road and other structural assets which had been damaged by storms in the prior year;
- **Corporate charges** – expenditure increased by 28.6% mainly due to an increase in municipal rates and taxes following the July 2023 municipal valuation increase of 15.2%;
- **Personnel costs** – expenditure increased by 8.6%; and
- **Management fees** – expenditure increased by 5.9% in line with CPI as per the management agreement.

Statement of financial position

The statement of financial position together with the related notes thereto, reflect the financial position of the Company as at 31 December 2024. Fixed deposits held with bank amounted to R11.800m (2023: R9.500m), cash and cash equivalents amounted to R442k (2023: R1.242m) with levies received in advance amounted to R4.131m (2023: R3.730m). The reserve for property, plant and equipment was R10.314m compared with R8.445m as of 31 December 2023. As always, I wish to thank Shareholders for promptly paying their levies. The Company incurred capital expenditure of R1.399m (2023: R1.250m), major items are detailed on the previous page.

Sustainability

Thanks to astute financial management of the resort's operations and tight control over capital expenditure, the reserves at the end of 2024 increased from R8.45m to R10.32m, so there is no short-term threat to sustainability. The "elephant in the room" remains the escalating number of repossessed weeks, as the graph below illustrates:



Pine Lake Share Block Proprietary Limited

Chairman's Annual Review for the Year Ended 31 December 2024

In perspective, current repossessions exceed 6 units out of 34 with levies unpaid for a full year. As stated last year, the Directors do not foresee this trend reversing for several reasons, including:

- Although the Kruger National Park is close by, the Numbi Gate has been stigmatised by safety concerns;
- A lack of alternative attractions;
- Limited facilities at the resort to fulfil expectations of a younger generation of guests; and
- The advancing age of original timeshare owners

As your Board is investigating a possible change of use, it has stopped all sales of the Company's timeshare weeks, though SunSwop and RCI exchanges are, of course, still active.

Repossessions are fully provided for on the income statement and the relevant shares are returned to the Company for the ultimate benefit of all Shareholders.

Post period note: Your Board is investigating the maximum number of additional dwellings that could potentially be added within the resort grounds, if converted to sectional title. This will assist in optimising the commercial valuation of the property. In the meantime, your Board is also considering the viability of making a few units available for long-term rentals.

Conclusion

Despite the lower occupancy levels and escalating repossessions, the Company returned a very good financial performance and Julie and her staff continue to provide an exceptional holiday experience to all our guests.

Thanks are due to Ms Samantha Croft and her team at the Southern Sun Resorts' division for the strong, effective management and attention to detail. Thanks also to my fellow Directors, Ms Louise McMillan and Mr Anthony Ridl for their commitment, guidance and support.

As your Board navigates the best future for all Shareholders, it undertakes to appraise them of development milestones along this journey, and I would like to encourage all Shareholders to attend the Annual General Meeting on 16 July 2025, either in person or virtually. If you are unable to attend, kindly complete the form of proxy enclosed on page 5 of this report.

In closing, the team at Pine Lake Resort hope to welcome you as guests at your pristine resort soon.

Best wishes for a safe and healthy 2025.



James Olive
JS Olive
Chairman

Pine Lake Share Block Proprietary Limited
Registration Number: 1981/008079/07
("the Company")

Registered Office:
Nelson Mandela Square
4th Floor, South Tower
Cnr 5th and Maude Streets
Sandton 2196

Private Bag X200, Bryanston, 2021
Telephone (031) 366 7061
Facsimile (086) 765 2272
Resorts.companysecretarialservices@southernsun.com

Notice is hereby given to the Shareholders of the Company that the Annual General Meeting ("AGM") of the Company will be held on **Wednesday 16 July 2025 at 14h00 at Southern Sun Hyde Park, 1st Road, Hyde Park, Sandton** for the purposes of considering the following business to be transacted and, if deemed fit, passing with or without amendment, the ordinary and special resolutions set out hereunder, and considering any other matters raised by shareholders at the AGM.

1. Presentation of annual financial statements of the Company including reports of the Directors, independent auditors, Audit Committee and Social and Ethics Committee for the year ended 31 December 2024

The audited financial statements of the Company together with the reports of the Directors, Audit Committee and independent auditors for the financial year ended 31 December 2024, as required in terms of Section 30(3)(d) of the Companies Act, are hereby presented to Shareholders as required in terms of Section 61(8)(a) of the Company Act. The Social and Ethics Committee report is also included in the annual financial statements and is presented to Shareholders for information purposes.

2. Appointment of auditors

Ordinary resolution 1: Resolved as an ordinary resolution upon the recommendation of the Board that BDO South Africa Incorporated ("BDO") be and are hereby re-appointed as independent auditors of the Company until the conclusion of the next AGM of the Company.

3. Election of Directors

The Board is limited by the Memorandum of Incorporation ("MOI") to five Directors in number however, due to the size of the share block, the Board recommends that the Directors be kept to a maximum of three. It would facilitate secretarial procedures if **nominations for the appointment of those Directors representing the timesharers be received by no later than 14h00 on Monday, 14 July 2025 at the registered office of the Company or email address. Nominations must be in writing with the name of the proposer and seconder and be accompanied by the acceptance of such nomination by the nominee and their curriculum vitae ("CV").**

Ordinary resolution 2.1: Resolved as an ordinary resolution that Ms Louise McMillan who retires in terms of the Company's MOI, and who is eligible and available for re-election, be and is hereby elected as a Director of the Company;

Ordinary resolution 2.2: Resolved as an ordinary resolution that Mr James Olive who retires in terms of the Company's MOI, and who is eligible and available for re-election, be and is hereby elected as a Director of the Company; and

Ordinary resolution 2.3: Resolved as an ordinary resolution that Mr Anthony Ridl who retires in terms of the Company's MOI, and who is eligible and available for re-election, be and is hereby elected as a Director of the Company.

4. Appointment of Audit Committee

Ordinary resolution 3.1: Resolved as an ordinary resolution that Ms Louise McMillan be and is hereby appointed as a member of the Company's Audit Committee in terms of the Company's MOI;

Ordinary resolution 3.2: Resolved as an ordinary resolution that Mr James Olive be and is hereby appointed as a member of the Company's Audit Committee in terms of the Company's MOI; and

Ordinary resolution 3.3: Resolved as an ordinary resolution that Mr Anthony Ridl be and is hereby appointed as a member of the Company's Audit Committee in terms of the Company's MOI.

5. Approval of insured value of property

Ordinary resolution 4: Resolved as an ordinary resolution the recommended insured value of the property, as tabled at the meeting at which this resolution was proposed, be and is hereby approved.

6. Non-executive Directors' fees

Special resolution 1: ***The reason for and effect of this special resolution:***

In terms of Section 66(8) of the South African Companies Act 71, of 2008, the Company may pay remuneration to its Directors for their service as Directors. Section 66(9) requires the remuneration to be paid in accordance with a special resolution approved by the Shareholders within the previous two years. Section 66(12) requires that any particular Director appointed to more than one Committee of the Company, be calculated only once. Directors will be entitled to be paid attendance fees/emoluments in respect of the above period.

It is noted that an amount of R5,300 for non-executive Directors fees was approved at the previous AGM for the year until 16 July 2025. Resolved as a special resolution the increased fees of R6,000 (Vat payable, to the extent applicable to this remuneration) payable to the non-executive Directors of the Company for their services as Directors of the Company and as members of sub-Committees, per meeting or cluster of meetings, in respect of the period from 17 July 2025 until the next AGM of the Company, and tabled at the meeting at which this resolution was proposed, be and is hereby approved.

Subject to the provisions of the Companies Act 71, of 2008, no business shall be transacted at any AGM unless a quorum of Shareholders is present at the time when the meeting proceeds to business. The quorum at any AGM shall be no less than three Shareholders present, holding at least five percent (5%) of the share capital and voting rights, personally or by proxy, and who are entitled to be exercised at the meeting.

In the event of a quorum not being present within half-an-hour of the appointed time for the meeting to begin, the AGM will be automatically adjourned for one business day, to Thursday, 17 July 2025 and if at such adjourned meeting a quorum is not present within half-an-hour of the start time, the Shareholders there present in person or by proxy shall be deemed to constitute the necessary quorum.

For an ordinary resolution to be adopted by Shareholders at the AGM, it must be supported by more than fifty-percent (50%) of the voting rights in favour of such a resolution. For a special resolution to be adopted by Shareholders at the meeting, it must be supported by more than sixty-percent (60%) of the voting rights in favour of such a resolution.

The record date for determining Shareholder's voting rights is Wednesday, 9 July 2025.

Any Shareholder entitled to attend and vote, is entitled to appoint a proxy to attend, vote and speak in his/her stead, and such proxy need not be a Shareholder of the Company. **Forms of proxy should be forwarded to reach the registered office of the Company for the attention of the Company Secretary, by no later than 14h00 on Monday, 14 July 2025. A form of proxy is enclosed on page 5 for this purpose.**

By order of the Board
Southern Sun Secretarial Services Proprietary Limited
12 May 2025

Pine Lake Share Block Proprietary Limited
Registration Number: 1981/008079/07
("the Company")

Registered Office:
Nelson Mandela Square
4th Floor, South Tower
Cnr 5th and Maude Streets
Sandton 2196

Private Bag X200, Bryanston, 2021
Telephone (031) 366 7061
Facsimile (086) 765 2272
Resorts.companysecretarialservices@southernsun.com

Form of proxy for use by Shareholders at the Annual General Meeting ("AGM") of the Company to be held on **Wednesday, 16 July 2025, at 14h00 at Southern Sun Hyde Park, 1st Road, Hyde Park, Sandton.**

Form of proxy

I/We, being the Shareholder/s ofordinary
shares in the Company, with right of use of Chalet, week, hereby appoint:

1., or failing him/her,
2., or failing him/her,
3. The Chairman of the AGM

as my/our proxy to vote for me/us on my/our behalf at the AGM of the Company, to be held on the above-mentioned date and at any adjournment thereof as follows:

	In Favour Of	Against	Abstain
Ordinary resolution 1: Appointment of auditors			
Ordinary resolution 2: Election of Directors			
2.1 Louise McMillan			
2.2 James Olive			
2.3 Anthony Ridl			
Ordinary resolution 3: Appointment of Audit Committee			
3.1 Louise McMillan			
3.2 James Olive			
3.3 Anthony Ridl			
Ordinary resolution 4: Insured value of property			
Special resolution 1: Non-executive Directors' fees (R6,000)			

Signed at this day of 2025.

Signature assisted by (where applicable)

Unless otherwise instructed specifically as above, the form of proxy will vote as the appointee deems fit.

Any alteration or correction made to this form of proxy (excluding the deletion of alternatives and excluding the deletion of singular/plural alternatives) must be initialled by the signatory/ies. **Documentary evidence establishing the authority of a person signing this form of proxy in an appointee/representative capacity (e.g. on behalf of a Company, Close Corporation, Body Corporate or Trust) must be attached to this form, failing which the proxy will be invalid.**

The completion and lodging of this form of proxy will not preclude the relevant Shareholder from attending the meeting and speaking and voting in person thereat, to the exclusion of any proxy appointed in terms thereof, should such Shareholder wish to do so. Any Shareholder entitled to attend and vote, is entitled to appoint a proxy to attend, vote and speak in his/her stead and such proxy need not be a Shareholder of the Company.

Forms of proxy should be forwarded to reach the registered office of the Company for the attention of the Company Secretary, by no later than 14h00 on Monday, 14 July 2025.

Pine Lake Share Block Proprietary Limited

Statement of Director's Responsibility for the Year Ended 31 December 2024

The Directors and management are responsible for the preparation, integrity and fair presentation of the annual financial statements of Pine Lake Share Block Proprietary Limited. The annual financial statements presented on pages 12 to 21 have been prepared in accordance with the IFRS for SMEs Accounting Standard and in the manner required by the South African Companies Act 71, of 2008.

The Directors and management are also responsible for maintaining the Company's systems of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the annual financial statements and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss.

Nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The Directors and management have the responsibility for ensuring that accounting records are kept. The accounting records should disclose with reasonable accuracy the financial position, financial performance and cash flows of the Company to enable the Directors to ensure that the annual financial statements comply with the relevant legislation. The Directors are satisfied that the information contained in the annual financial statements fairly presents the results of operations for the year and the financial position of the Company at year-end.

The going concern basis has been adopted in preparing the annual financial statements. The Directors have no reason to believe that the Company will not be a going concern in the foreseeable future.

The Company's external auditors, BDO South Africa Incorporated, audited the financial statements and their report is presented on pages 10 to 11.

Approval of annual financial statements

The annual financial statements set out on pages 12 to 21 were approved by the Directors on 12 May 2025 and are signed by:



JS Olive
Chairman



AN Ridl
Director (Chairman - Audit Committee)

Declaration by the Company Secretary

I hereby confirm in my capacity as Company Secretary of Pine Lake Share Block Proprietary Limited, that for the year ended 31 December 2024, the Company has filed all required returns and notices in terms of the South African Companies Act 71, of 2008, and that all such returns and notices are to the best of my knowledge and belief, true, correct and up to date.



MJ Mahloele
For Southern Sun Secretarial Services Proprietary Limited

Pine Lake Share Block Proprietary Limited

Report of the Audit Committee for the Year Ended 31 December 2024

The Audit Committee has pleasure in submitting this report as required by Section 94 of the South African Companies Act 71, of 2008 ("Companies Act"). The Audit Committee is an independent statutory committee appointed by the Shareholders at each Annual General Meeting ("AGM").

1. Members of the Audit Committee

The members of the Audit Committee comprise three non-executive Directors being Ms Louise McMillan, Mr James Olive and Mr Anthony Ridl (Chairman).

2. Frequency of meetings

The Audit Committee met twice during the financial year under review. Provision is made for additional meetings to be held, when and if necessary.

3. Attendance

The external auditors, in their capacity as auditors to the Company, attend and report to the meetings of the Audit Committee. Relevant senior managers attend the meeting by invitation.

4. Duties of the Audit Committee

The work of the Audit Committee during the year focused on:

- 4.1 evaluating the independence and effectiveness of the external auditors, the fees and terms of engagement;
- 4.2 ensuring that the appointment of the audit firm complies with the provision of the Companies Act and any other legislation relating to the appointment of auditors;
- 4.3 approving external and internal audit plans;
- 4.4 determining, subject to the provisions, the nature and extent of any non-audit services that the auditors may provide to the Company;
- 4.5 reviewing prospective accounting standards' changes;
- 4.6 evaluating financial reporting procedures;
- 4.7 reviewing and recommending to the Board for approval, the annual financial statements;
- 4.8 assessing the internal control environment, particularly in relation to the systems on internal financial controls; and
- 4.9 performing such other oversight functions as may be determined by the Board.

5. Independence of external auditors

The Audit Committee is satisfied that the external auditors are independent of the Company, as set out in Section 94(8) of the Companies Act, and that requisite assurance is provided by the auditors that internal governance processes within the audit firm both support and demonstrate its claim of independence.



AN Ridl

Chairman

12 May 2025

Pine Lake Share Block Proprietary Limited

Report of the Social and Ethics Committee for the Year ended 31 December 2024

It gives me great pleasure to present the report of the Social and Ethics Committee ("the Committee") for the financial year ending 31 December 2024. This is a statutory committee that is governed by the South African Companies Act 71, of 2008, guided by King IV and includes any other responsibility allocated to it by the Board.

Composition and functioning

The Committee comprises myself as Chairperson and my fellow Directors: Mr James Olive; and Mr Anthony Ridl. The Committee was again well supported by Ms Samantha Croft and Mr Peter Pienaar of Southern Sun Resorts and by Ms Julie Esquino, our Resort Manager.

The Committee met twice in 2024 and the frequency of meetings is adequate to discuss and deal with various matters.

Role of the committee

The Committee ensures that Pine Lake Resort's ("the resort") corporate social investment ("CSI") programmes as well as the energy, water and waste management programmes are effective; good corporate citizenship is upheld; employee engagement and development programmes are maintained; and that health and safety remains a focus.

Social and economic development

The Committee assists and supports various local organisations and initiatives with the goal of making a positive and lasting influence in the community. I have pleasure in recording the following donations and contributions throughout 2024:

Youth segment:

- **Grace Baby Haven:** Blankets, formula and baby essentials were donated. Grace Baby Haven provides a secure, loving, and nurturing environment for abandoned and abused infants before transitioning to foster homes or adoptive families; and
- **Paediatric Care Africa:** Gas bottles were donated for use during scheduled medical treatment and surgeries. The organisation arranges and provides appropriate medical and surgical assistance to impoverished children at no cost.

Community engagement:

- **Feed the Need Missions:** Food parcels were donated. The local Christian mission distributes hot meals through a feeding scheme to underprivileged people within the White River community; and
- **The Power of 8000:** The local organisation, founded on the premise that the 8000 ratepayers in White River together, has significant power to contribute positively to the town. The collaborative mission is to rejuvenate and maintain White River as a clean, functioning and pleasant town to live in and visit. Volunteers identified projects and activities to rehabilitate parks and green spaces, and offer a sustainable area for the residents and visitors of White River. A children's play park was constructed and fenced on municipal grounds for the community to enjoy. A donation of cash was made towards the purchase of Clearview fencing to enclose the play park.

Environmental, health and public safety

The Committee ensures that the resort's energy, water and waste programmes are effective and each contributes to the sustainability of the resort.

The real-time Livewire system sends daily reports. Management is immediately alerted to any irregular usage of water and electricity and is able to investigate the situation to prevent unnecessary loss and costs escalating.

Management also encourages staff members and guests to switch lights and appliances off when not in use to conserve electricity consumption.

In 2024, the electricity tariff increased by 18% but to help maintain savings in consumption, the resort carried out a few projects to replace 80% of the property's lighting with LED energy saving globes and replace various electrical appliances with more eco-friendly and energy-efficient appliances. The air-conditioning units will be replaced with inverter air-conditioning units as and when the budget permits.

Various water-saving initiatives provided improvement and a reduction in water consumption has been achieved. Older and eroding water pipes are in the process of being replaced with multilayer PVC pipes.

The organisational resilience management system ("ORMS")

The ORMS system implemented by Southern Sun throughout its properties, is a comprehensive management system that records and plans systems related to fire protection, safety, security, business continuity, environmental impact, risk analysis and the effects of these on the business.

The ORMS system is audited by management quarterly and is audited by Southern Sun's Risk Department on an annual basis. This ensures the resort's compliance with regulations as well as ensuring that proactive and preventative measures were in place.

Guest relations and correspondence

Guest satisfaction is of utmost importance. Feedback surveys are encouraged, monitored and responded to immediately. Guest feedback is vital and staff are requested to be more interactive with guests to remedy any issues and ensure that the resort is operating optimally for the best guest experience.

The resort has maintained: its 4-star rating through Tripadvisor; its Gold Crown status through RCI; its 4.5 out of 5 rating through Google Reviews; and achieved an overall satisfaction score of 9 out of 10 through Booking.com. The results are exceptional and I congratulate and commend all staff members on this accomplishment and for making the resort sustainable.

Labour, employment relations, training and BBBEE

The resort complies with the Labour Relations Act of South Africa. The management team regularly engages with each staff member and where necessary, on-the-job training is provided to develop the individual. Southern Sun provides all staff members access to its online learning platform, for further development and enhancement, to better understand their role and duties at the resort.

Within the Hotel portfolio of the Southern Sun Group, Pine Lake Resort proudly holds a Level One BBBEE certification.

Corporate citizenship

The resort continues to operate in compliance with government-regulated health and safety guidelines and protocols and the Committee assures that it is committed to social and economic development, fair labour practice, environmental responsibility, responsible supply chain management, and good corporate citizenship.



Louise McMillan
Chairman

Pine Lake Share Block Proprietary Limited

Report of the Directors for the Year Ended 31 December 2024

The Directors present their annual report of the Company for the year ended 31 December 2024.

1 Business activity

The Company owns the land and buildings known as Pine Lake Resort that is utilised by the Shareholders on a timeshare basis with respective Shareholders' time interest being apportioned through the issue of shares according to share block regulations. These regulations provide for the following:

1. Shares are issued in predefined blocks that are linked by a use agreement relating to specific units during specific weeks of the year;
2. Linked to the respective share blocks, are obligations on the share block Shareholders to make loans to the Company; and
3. Obligations on share block Shareholders to contribute levies to enable the Company to defray its expenditure.

2 Financial results

The financial results of the Company are set out in the attached annual financial statements.

In accordance with the provisions of the Share Blocks Control Act and in common with other timeshare operations in South Africa, the Company has since its inception as a share block company, raised an annual levy making a provision for the maintenance and upkeep of the property. Asset replacement costs and additions to property, plant and equipment have been charged annually against this amount. Before providing for property, plant and equipment additions and replacements, a surplus of R3,268,143 (2023: R2,408,970) was transferred to the reserve for property, plant and equipment.

No dividends have been declared during the year and none are recommended (2023: R Nil).

3 Share capital

The authorised and issued ordinary share capital has remained unchanged.

4 Insurance

The resort buildings and its contents are insured at current replacement values under an all-risk policy. In addition, Sasria (Riot) cover has been arranged for the sum insured. The Company does not insure personal belongings of the individual timesharers. The Company does not guarantee the provision of alternative accommodation in the event of a disaster and does not take out insurance for this.

5 Directors and secretary

The Directors in office during the year under review and at the date of this report are:

JS Olive *^	Chairman	(Alternate SJ Croft)
LE McMillan *^		(Alternate DA Park)
AN Ridl *^		(Alternate MN Ridl)

* Audit Committee members

^ Social and Ethics Committee members

The secretary of the Company is Southern Sun Secretarial Services Proprietary Limited, whose business and postal addresses are:

Business:	Postal:
Nelson Mandela Square	Private Bag X200
4th Floor, South Tower	Bryanston
Corner 5th and Maude Streets	2021
Sandton	
2196	

6 Management

The operations of the Company are managed by Southern Sun Hotel Interests Proprietary Limited.

7 Material events after year-end

The Directors are not aware of any matter or circumstance arising since the end of the financial year, not otherwise dealt with in this report or in the annual financial statements, that would significantly affect the financial position of the Company or the results of its operations.

Pine Lake Share Block Proprietary Limited

Report of the Independent Auditors

To the Shareholders of Pine Lake Share Block Proprietary Limited

Opinion

We have audited the financial statements of Pine Lake Share Block Proprietary Limited (the Company) set out on pages 12 to 21, which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Pine Lake Share Block Proprietary Limited as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis of 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 Financial Statements section of our report. We are independent of the Company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements 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' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the document titled "Pine Lake Share Block Proprietary Limited Annual Report for the yearended 31 December 2024", which includes the Declaration by the Company Secretary, Report of the Audit Committee, Report of the Social and Ethics Committee and the Directors' Report as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the 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, 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 Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS for SMEs Accounting Standard 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Pine Lake Share Block Proprietary Limited

Report of the Independent Auditors

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

BDO South Africa Inc

BDO South Africa Incorporated

Registered Auditors

Leanne Laxson

Director

Registered Auditor

23 June 2025

5A Rydall Vale Office Park
38 Douglas Saunders Drive
La Lucia, 4051

Pine Lake Share Block Proprietary Limited

Statement of Comprehensive Income for the Year Ended 31 December 2024

	Note	2024 R	2023 R
Income		17 443 739	16 263 993
Levy income		16 908 046	15 802 908
Other income		535 693	461 085
Expenses		(14 932 831)	(14 460 748)
Levy surplus before interest and taxation	3	2 510 908	1 803 245
Finance income	4	989 162	788 535
Levy surplus before taxation		3 500 070	2 591 780
Income tax expense	5	(231 927)	(182 810)
Levy surplus for the year		3 268 143	2 408 970

Pine Lake Share Block Proprietary Limited

Statement of Financial Position as at 31 December 2024

	Note	2024 R	2023 R
ASSETS			
Current assets			
Trade and other receivables	6	2 355 942	2 440 834
Levies receivable	7	1 372 503	1 132 472
Fixed deposits held with bank	11	11 800 000	9 500 000
Cash and cash equivalents	12	441 660	1 242 215
Total current assets		15 970 105	14 315 521
Total assets		15 970 105	14 315 521
EQUITY			
Capital and reserves			
Share capital	10	5 730	5 730
Reserve for property, plant and equipment	8	10 313 561	8 444 667
Total equity		10 319 291	8 450 397
LIABILITIES			
Current liabilities			
Trade and other payables	9	1 288 103	1 952 125
Levies received in advance	13	4 130 784	3 730 188
Current tax liability		231 927	182 811
Total current liabilities		5 650 814	5 865 124
Total liabilities		5 650 814	5 865 124
Total equity and liabilities		15 970 105	14 315 521

Statement of Changes in Equity for the Year Ended 31 December 2024

	Note	2024 R	2023 R
Share capital			
Ordinary shares at the beginning and at year-end	10	5 730	5 730
Reserve for property, plant and equipment			
At beginning of year		8 444 667	7 285 495
Levy surplus for the year		3 268 143	2 408 970
Property, plant and equipment additions and replacements during the year	8	(1 399 249)	(1 249 798)
At year-end		10 313 561	8 444 667

Pine Lake Share Block Proprietary Limited

Statement of Cash Flows for the Year Ended 31 December 2024

	2024 R	2023 R
Cash flow from operating activities		
Levy surplus before taxation	3 500 070	2 591 780
Adjustments for		
Interest received	(989 162)	(788 535)
Net surplus before working capital changes	2 510 908	1 803 245
Changes in working capital		
Movement in levies receivable	(240 031)	(455 616)
Movement in trade and other receivables	84 892	875 529
Movement in levies received in advance	400 596	(492 589)
Movement in trade and other payables	(664 022)	318 738
Cash flows from operating activities	2 092 343	2 049 307
Interest received	989 162	788 535
Tax paid	(182 811)	(140 587)
Net cash inflow from operating activities	2 898 694	2 697 255
Cash flow from investing activities		
Property, plant and equipment additions and replacements	(1 399 249)	(1 249 798)
Movement in fixed deposits held with bank	(2 300 000)	(1 050 000)
Net cash outflow from investing activities	(3 699 249)	(2 299 798)
Net movement in cash and cash equivalents	(800 555)	397 457
Cash and cash equivalents at beginning of year	1 242 215	844 758
Cash and cash equivalents at year-end	441 660	1 242 215

Pine Lake Share Block Proprietary Limited

Notes to the Annual Financial Statements for the Year Ended 31 December 2024

1 Accounting policies

The principal accounting policies adopted in the preparation of these annual financial statements are set out below:

1.1 Basis of preparation

The annual financial statements have been prepared in accordance with the IFRS for SMEs Accounting Standard and the South African Companies Act 71, of 2008. The annual financial statements have been prepared on the historical cost basis unless otherwise indicated in the policies set out below.

The accounting policies are consistent with previous periods.

The preparation of annual financial statements in conformity with the IFRS for SMEs Accounting Standard requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the annual financial statements and the reported amounts of revenues and expenses during the reporting period, based on management's best knowledge of current events and actions. Actual results may ultimately differ from these estimates. During the current year, there were no areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the annual financial statements.

1.2 Reserve for property, plant and equipment

Normal maintenance expenditure is written-off against the statement of comprehensive income.

A reserve for capital expenditure in respect of additions and replacements of property, plant and equipment is provided. This reserve is intended to provide for the expenditure incurred. Transfers are made to and from this reserve, having regard to surpluses if any, in the statement of comprehensive income and to amounts expended in respect of property, plant and equipment. The right of use of all property, plant and equipment is vested in the Shareholders.

All proceeds on the disposals of property, plant and equipment are credited to the statement of comprehensive income.

1.3 Leases

Leases of assets under which substantially all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

1.4 Financial instruments

Fixed deposits held with bank are recognised when the Company becomes a party to the contractual provisions of the respective instrument and are held to collect contractual cash flows where those cash flows represent solely payments of principal and interest. Fixed deposits held with bank are recognised initially at fair value and subsequently measured at amortised cost. Fixed deposits held with bank are derecognised when the right to receive cash flows from the asset has expired or has been transferred and the Company has transferred substantially all the risks and rewards of ownership. Interest income from these fixed deposits held with bank is included in finance income using the effective interest rate method.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, less any provision for impairment. Such provision is established when there is evidence that the Company will not be able to collect the full amount owing. The provision is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows, discounted at the market rate of interest for similar borrowers. Bad debts are written-off in the year during which they are identified.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost.

Gains and losses on subsequent measurement of financial instruments are reflected in the statement of comprehensive income.

1.5 Cash and cash equivalents

Cash and cash equivalents include deposits held on call with the bank. These are reflected in the statement of financial position and statement of cash flow at cost.

Pine Lake Share Block Proprietary Limited

Notes to the Annual Financial Statements for the Year Ended 31 December 2024

1.6 Revenue recognition

Revenue is stated exclusive of value-added tax.

Levy revenue is recognised when the right to occupation arises.

Interest income is recognised as it accrues, taking into account the effective yield on the asset.

Sundry revenue is recognised when it is earned.

1.7 Provisions

Provisions are recognised when the Company has a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be established.

The Company recognises a provision for onerous contracts when the expected benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract.

1.8 Equity

Ordinary shares are classified as equity.

1.9 Current taxes

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the financial year-end date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authority.

1.10 Retirement benefits

The Company participates in a defined contribution plan, the assets of which are held in a separate trustee-administered fund. The Company pays fixed contributions into a separate entity. Contributions are charged to the statement of comprehensive income in the year to which they relate. The Company has no further payment obligations once the contributions have been paid. The Pension Fund Act of South Africa governs the defined contribution plan. All permanent employees are required to belong to the defined contribution plan.

2 Financial risk management

Capital management

All costs associated with the maintenance of the resort, including the refurbishment of the property and replacements of movable property, plant and equipment, are financed out of levies from shareholders.

Financial risk factors

The financial risks to which the Company is exposed are liquidity, credit and interest rate risk.

Liquidity risk

In terms of the use agreements associated with the shares of the Company, Shareholders are obliged to contribute levies sufficient to cover the costs of maintenance, upkeep, control and management of the resort.

In order to manage the liquidity requirements of the Company, a rolling 10-year capital replacement and refurbishment plan is maintained and reviewed regularly by the Directors. This plan provides for the orderly refurbishment of the property and maintenance of sufficient contingency reserves, based on increases in annual levies.

The financial instruments to which the Company is exposed represent bank balances and accounts receivable and payable in respect of the operation of the levy fund. Accounts payable are generally settled within 30 days. The carrying values of the financial instruments approximate fair value.

Pine Lake Share Block Proprietary Limited

Notes to the Annual Financial Statements for the Year Ended 31 December 2024

Credit risk

Credit risk arises from bank balances and amounts due from Shareholders. There is no significant concentration of credit risk on amounts due by Shareholders.

The Company invests surplus cash on deposit and on call only with the four largest South African banking institutions.

Credit risk arising from levy amounts due is managed by close monitoring of outstanding balances and prompt repossession of defaulting units through the exercise of a lien on shares as provided in the Memorandum of Incorporation of the Company.

In terms of the Company's accounting policies, levies receivable are recognised in the statement of financial position only when the right to occupation arises.

Interest rate risk

The Company is exposed to interest rate risk to the extent that interest rates on bank balances with financial institutions may vary. As a matter of practice, adverse interest rate risk is minimised by conservative budgeting.

Pine Lake Share Block Proprietary Limited

Notes to the Annual Financial Statements for the Year Ended 31 December 2024

	2024 R	2023 R
3 Levy surplus before interest and taxation		
The levy surplus before interest and taxation is stated after taking into account the following:		
Employee costs		
Salaries, wages and other benefits	2 944 781	2 711 257
Contributions to retirement funds	185 337	172 164
Management fees	1 026 920	969 631
Audit fees	131 679	79 477
Other operating expenses	10 644 114	10 528 219
	14 932 831	14 460 748
4 Finance income		
Interest income earned on fixed deposits, call deposits and current account	989 162	788 535
5 Income tax expense		
A provision is made for Company taxation on the net non-levy income of the levy fund.		
No tax is payable on levy income from the Shareholders, in terms of Section 10(i)(e) of the Income Tax Act.		
Current year	231 927	182 810
A reconciliation of the taxation charge is not considered appropriate as share block companies are only liable for taxation on their net non-levy income.		
6 Trade and other receivables		
Trade receivables	4 745	1 832
Other receivables	201 355	189 989
Interest receivable	103 215	133 934
Prepayments	2 046 627	2 115 079
	2 355 942	2 440 834
7 Levies receivable		
Levy debtors	550 061	582 537
Reposessed debtors	6 305 409	4 216 188
Provision for reposessed debtors	(5 482 967)	(3 666 253)
Opening balance	(3 666 253)	(2 233 763)
Movement	(1 816 714)	(1 432 490)
	1 372 503	1 132 472
8 Reserve for property, plant and equipment		
At beginning of year	8 444 667	7 285 495
Levy surplus for the year	3 268 143	2 408 970
	11 712 810	9 694 465
Property, plant and equipment additions and replacements during the year	(1 399 249)	(1 249 798)
At year-end	10 313 561	8 444 667

The Directors have reviewed a forward estimate, prepared by management, of the costs of property, plant and equipment additions and replacements over the next 10 years.

The Directors have approved capital expenditure for 2025 of R4,465,766 (2023: R3,193,063). There were capital commitments made for R1,738 at year-end (2023: R Nil).

Pine Lake Share Block Proprietary Limited

Notes to the Annual Financial Statements for the Year Ended 31 December 2024

	2024 R	2023 R
9 Trade and other payables		
Trade payables (refer note 15)	372 975	458 737
Other payables		
Accruals	348 673	146 809
Provision for auditor's remuneration	50 220	37 325
SARS - Vat	205 995	847 173
Sundry payables (refer note 15)	310 240	462 081
	1 288 103	1 952 125
10 Share capital		
Authorised		
162,146 "A" Class ordinary shares of 4 cents each		
Issued		
143,248 "A" Class ordinary shares of 4 cents each	5 730	5 730
11 Fixed deposits held with bank		
Fixed deposits held with bank	11 800 000	9 500 000
12 Cash and cash equivalents		
Bank balances	441 660	1 235 215
Cash on hand	-	7 000
	441 660	1 242 215
13 Levies received in advance		
Levies received in advance	4 130 784	3 730 188

Shareholders are billed 12 months in advance. This represents levies received in advance (for the future year) that have been received at the end of the financial year.

14 Property, plant and equipment

The Company complies with the SAICA Guide on Financial Reporting for Share Block Companies with respect to the treatment of property, plant and equipment. In terms of the SAICA Guide the right of use of property vested with the Shareholders, has been offset against the loan from Shareholders with the balance transferred to the reserve for property plant and equipment.

Land and buildings comprise the following property:

Portion 47 of the farm Klipkopje 228 registration division, JT Transvaal District, White River with buildings thereon, known as Pine Lake Resort.

Land and buildings were originally purchased for R6,238,858 and are not recognised. Although the Company has legal title to the property, it effectively only owns the bare dominium over the property that is considered to be of no value. The property is currently valued by the Municipality at R34,905,000 for rates purposes. There are no bonds on the property.

Pine Lake Share Block Proprietary Limited

Notes to the Annual Financial Statements for the Year Ended 31 December 2024

	2024 R	2023 R
15 Related party transactions		
The operations of the Company are managed by Southern Sun Hotel Interests Proprietary Limited ("SSHI"). The Company is charged the following fees in terms of the management agreement:		
Short-term rentals	10 265	15 645
Rental pool	172 279	149 157
Management fee	1 026 920	969 631
Central accounting and levy collection	656 475	619 852
Southern Sun Timesharing Proprietary Limited ("SST") is the accredited rental and resale services provider. During the financial year the Company received the following fee in terms of the management agreement:		
Commission on resale and rental of weeks - SST	(2 753)	(181)
Share Registry Management Services Proprietary Limited ("SRMS") provides an exclusive transfer of shares service to Shareholders. During the financial year the Company (received)/paid the following fees in terms of the management agreement:		
Commission on transfer of ownership - SRMS	(11 062)	(7 627)
Secretarial fees on repossessed debtors - SRMS	30 678	24 348
During the year, the Company concluded a bulk deal with SunSwop (a division of SSHI), selling usage of mid-week occupation of repossessed weeks in order to reduce accumulated debt on the weeks. SunSwop purchased mid-week occupation usage of 190 repossessed weeks from the Company for R437,000 (2023: purchased mid-week occupation usage of 119 repossessed weeks from the Company for R178,500).		
During the financial year the Company paid the following SSHI internal charges:		
Administration - Information technology, training, industrial relations, etc.	202 337	188 016
Training	14 415	-
Frequent guest loyalty programme	1 023	319
Certain costs are incurred by SSHI in terms of contracts negotiated on behalf of members of the Southern Sun Group, including the Company. These costs that include insurance, certain maintenance and operating lease contracts are recovered from the Company via loan accounts.		
Due (to)/by SSHI and its subsidiaries:		
Included in trade payables (refer note 9)	(275 760)	(458 737)
Included in sundry payables (refer note 9)	-	(59 402)
	(275 760)	(518 139)

	Number of weeks	Levies paid R	Levies received in advance R
SSHI owns weeks in the Company as follows:			
SunSwop (a division of SSHI) - 2024 shareholding	15	160 650	42 920
SunSwop (a division of SSHI) - 2023 shareholding	15	150 150	42 840

The following entity, related through common directorship, own weeks in the Company as follows:

AN Ridl - Club Leisure Group - 2024 shareholding	163	1 981 340	579 420
AN Ridl - Club Leisure Group - 2023 shareholding	191	1 951 940	869 650

Pine Lake Share Block Proprietary Limited

Notes to the Annual Financial Statements for the Year Ended 31 December 2024

	2024 R	2023 R
16 Directors' emoluments		
For their services to the Company, non-executive Directors have been remunerated an agreed upon fee per meeting attended and are reimbursed for costs incurred whilst performing the Company's business. Further, the Directors are insured for medical costs and personal accident. The Directors are also covered by insurance taken out by the Company as indemnification against all liability of any Director towards the Company, in respect of negligence, default, breach of duty or breach of trust. All costs relating to DA Park and SJ Croft are borne by Southern Sun.		
Directors' emoluments for the year:		
LE McMillan	21 200	21 200
JS Olive	21 200	21 200
AN Ridl	15 900	15 900
SJ Croft	-	-
DA Park	-	-
MN Ridl	-	-
	58 300	58 300

Pine Lake Share Block Proprietary Limited

Unaudited Supplementary Schedules to the Annual Financial Statements
Detailed Levy Fund Operating Statement for the Year Ended 31 December 2024

	2024 R	2023 R
INCOME		
Levies	16 908 046	15 802 908
Rental pool	93 186	210 487
Short-term rentals	236 981	5 070
Sale of capital assets	3 478	1 304
Net sundry income		
- unclaimed surpluses, penalties, etc.	202 048	244 224
	17 443 739	16 263 993
EXPENDITURE		
Rooms expenses		
Cleaning supplies	55 025	64 663
Guest entertainment and DSTV	134 831	150 835
Guest supplies	157 089	191 424
Laundry	888 652	852 568
Personnel costs - outside services	1 203 470	1 113 528
Pest control	19 499	19 303
Plants and decorations	325	1 253
Printing and stationery, including reception	85 757	77 836
Replacement of cutlery, crockery, linen, towels, uniforms, etc.	212 962	204 903
Security and banking services	768 113	737 960
	3 525 723	3 414 273
Administration and general		
Audit fees		
- current year	79 428	74 650
- expenses current year	10 506	-
- expenses prior year	41 745	4 827
Bank charges	13 634	39 392
Central accounting and levy collection fee	656 475	619 852
Corporate social initiatives	109 035	93 213
Credit card commission	81 095	66 186
Directors' emoluments	42 400	58 300
Information technology costs	636 939	609 054
Insurance - premium	234 430	208 198
Licences and permits	18 596	15 966
Loss on repossessed debtors	57 529	19 950
Marketing	156 932	106 069
Postage	(28)	(314)
Provision for repossessed debtors	1 816 714	1 432 490
Railage, cartage and hire transport	4 896	5 514
Subscriptions	25 718	9 221
Telephone	54 705	52 264
Travel - management and Directors	33 317	24 773
Vehicles - fuel and oil	8 867	15 047
	4 082 933	3 454 652

Pine Lake Share Block Proprietary Limited

Unaudited Supplementary Schedules to the Annual Financial Statements
Detailed Levy Fund Operating Statement for the Year Ended 31 December 2024

	2024 R	2023 R
Electricity, water and refuse		
Electric bulbs	22 271	28 561
Electricity	1 123 387	1 562 438
Water	18 045	808
	1 163 703	1 591 807
Repairs and maintenance		
Air-conditioning	20 496	7 974
Buildings	68 345	163 893
Electrical and mechanical	165 186	366 870
Tools	3 255	6 889
Furniture and fixtures	25 955	13 646
Gardens and grounds	843 426	872 828
Painting and redecorating	19 417	41 060
Plumbing and heating	92 130	68 687
Radio and TV	14 028	10 067
Room care	5 015	-
Swimming pool cleaning and repairs	27 868	21 478
Vehicles	6 824	20 471
	1 291 945	1 593 863
Corporate charges		
Annual report and statutory costs	39 297	37 273
Municipal rates and taxes	672 192	515 828
	711 489	553 101
Personnel costs		
Rooms	1 092 481	1 046 117
Administration and general	1 180 118	1 092 077
Repairs and maintenance	857 519	745 227
	3 130 118	2 883 421
Management fee	1 026 920	969 631
Total expenditure	14 932 831	14 460 748
Excess of income over expenditure before finance cost and taxation	2 510 908	1 803 245
Finance income		
Interest received	989 162	788 535
Excess of income over expenditure before taxation	3 500 070	2 591 780
Taxation		
Current year	231 927	182 810
	231 927	182 810
Excess of income over expenditure after taxation for the year transferred to reserve for property, plant and equipment	3 268 143	2 408 970

Pine Lake Share Block Proprietary Limited

MINUTES OF THE ANNUAL GENERAL MEETING OF THE SHAREHOLDERS HELD ON THURSDAY 18 JULY 2024 AT 13H00 AT SOUTHERN SUN HYDE PARK HOTEL 1ST ROAD HYDE PARK SANDTON AND THROUGH THE MICROSOFT OFFICE TEAMS PLATFORM

1 WELCOME AND PREAMBLE

The Chairman of the Company Mr James Olive representing the "A" Class Shareholders, welcomed all shareholders present to the meeting. The Chairman advised that the meeting had been convened in terms of the notice of the Annual General Meeting ("AGM"), dated 20 May 2024.

The Chairman welcomed all in attendance both in person and online through the Microsoft Office Teams platform. He introduced his fellow non-executive Director Ms Louise McMillan to the meeting as well as members of the Senior Management and Company Secretariat team. He noted that Mr Anthony Ridl was unable to attend this meeting and that he had transferred his proxy and voting rights to Mr Peter Pienaar who was in attendance. The Chairman noted that two representatives from the independent auditors' firm were online.

2 QUORUM

Many Shareholders had tendered apologies for the meeting and had submitted their forms of proxy for voting purposes. The Chairman noted that Shareholders present in person or by proxy, represented a total of 17,917 "A" ordinary shares, and constituted 12.59% of the Company's issued share capital. With the required quorum being present, being at least three Shareholders present and holding at least 5% of the share capital, the Chairman declared the meeting properly constituted.

3 NOTICE OF MEETING

All Shareholders present consenting, the notice of meeting dated 20 May 2024 was taken as read.

4 VOTING

The Chairman informed the meeting that voting on the resolutions would be conducted by means of a show of hands. For the resolutions to be carried, he advised that 50% of total votes exercised must be in favour of an ordinary resolution and that 60% of total votes exercised must be in favour of a special resolution.

5 ADOPTION OF ANNUAL FINANCIAL STATEMENTS AND REPORTS

The Chairman presented the annual financial statements for the year ended 31 December 2023 together with the reports of Directors, the independent auditors thereon, the reports of the Audit Committee, as well as the Social and Ethics Committee as contained in the annual report of the Company.

ORDINARY RESOLUTION 1

Ordinary resolution 1 as set out in the notice convening the meeting relating to the receipt and adoption of the annual financial statements and accompanying reports contained in the annual report of the Company for the financial year ended 31 December 2023, was taken as read. No questions or comments were recorded.

It was unanimously RESOLVED that the annual financial statements for the year ended 31 December 2023 be and are hereby approved and adopted.

6 APPOINTMENT OF AUDITORS

ORDINARY RESOLUTION 2

Ordinary resolution 2 relating to the appointment of BDO South Africa Incorporated ("BDO") as the independent auditors of the Company until the conclusion of the next AGM of the Company, was taken as read.

It was unanimously RESOLVED that BDO be and is hereby re-appointed as the independent auditors of the Company.

7 DIRECTORS

In terms of the Company's Memorandum of Incorporation ("MOI") the Board is limited to five Directors. Due to the size of the share block, the Board recommended that the Directors be kept to a maximum of three. The Chairman noted that the Directors who retired at this meeting but being eligible, were available for re-election. No additional nominations had been received.

Pine Lake Share Block Proprietary Limited

7.1 ORDINARY RESOLUTION 3.1

Ordinary resolution 3.1 relating to the election of Ms Louise McMillan as a Director was taken as read. There were no questions or comments and it was unanimously RESOLVED that Ms Louise McMillan be and is hereby re-elected as a Director of the Company.

7.2 ORDINARY RESOLUTION 3.2

Ordinary resolution 3.2 relating to the election of Mr James Olive as a Director was taken as read. There were no questions or comments and it was unanimously RESOLVED that Mr James Olive be and is hereby re-elected as a Director of the Company.

7.3 ORDINARY RESOLUTION 3.3

Ordinary resolution 3.3 relating to the election of Mr Anthony Ridl as a Director was taken as read. There were no questions or comments and it was unanimously RESOLVED that Mr Anthony Ridl be and is hereby re-elected as a Director of the Company.

8 AUDIT COMMITTEE

In terms of the Company's MOI, the Company is required at each AGM to elect an Audit Committee comprising at least three members.

8.1 ORDINARY RESOLUTION 4.1

Ordinary resolution 4.1 relating to the appointment of Ms Louise McMillan as a member of the Company's Audit Committee was taken as read. There were no questions or comments and it was unanimously RESOLVED that Ms Louise McMillan be and is hereby re-appointed as a member of the Company's Audit Committee.

8.2 ORDINARY RESOLUTION 4.2

Ordinary resolution 4.2 relating to the appointment of Mr James Olive, as a member of the Company's Audit Committee was taken as read. There were no questions or comments and it was unanimously RESOLVED that Mr James Olive be and is hereby re-appointed as a member of the Company's Audit Committee.

8.3 ORDINARY RESOLUTION 4.3

Ordinary resolution 4.3 relating to the appointment of Mr Anthony Ridl as a member of the Company's Audit Committee was taken as read. There were no questions or comments and it was unanimously RESOLVED that Mr Anthony Ridl be and is hereby re-appointed as a member of the Company's Audit Committee.

9 INSURED VALUE OF PROPERTY

ORDINARY RESOLUTION 5

As recommended by independent quantity surveyors Brian Heineberg and Associates and duly approved by the Board of Directors, the insured value of the property amounted to R154,278,629. Buildings were valued at R135,699,270 and furniture, fittings and equipment were valued at R18,579,359.

It was RESOLVED that the insured value of the property be and is hereby approved.

10 NON-EXECUTIVE DIRECTORS' FEES

SPECIAL RESOLUTION 1

Special resolution 1 relating to the approval of the fees payable to non-executive Directors for their services as a Director was taken as read. The Chairman advised that the Directors' fees had not increased for the past five years and was not recommended for increase for the year ahead.

It was unanimously RESOLVED in terms of the provisions of Section 66(9) of the Companies Act 71, of 2008 that R5,300 (Vat payable to the extent applicable to this remuneration), payable to the non-executive Directors of the Company for their services as Directors and/or members of the sub-Committees per meeting or cluster of meetings in respect of the period from 19 July 2024 until the next AGM of the Company, be and is hereby approved.

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11 OTHER BUSINESS

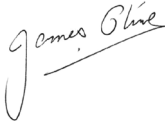
GENERAL MANAGER PRESENTATION AND REPORT OF THE SOCIAL AND ETHICS COMMITTEE

The resort's General Manager, Ms Marike van Wyk presented photograph slides and an overview of the following projects during the 2023 year:

- Corporate Social Investment ("CSI"):
 - Michael's Children's Home underwent repairs and renovations to the interiors of the home – R44,901;
 - Legogoto School, in collaboration with Sabi River Sun Resort's Social and Ethics Committee, received another Wendy House as an additional classroom – R32,980;
 - Shuku-Shukuma Senior Citizens received the old gym equipment, balls, tables and chairs, for use in its exercise and rehabilitation areas – R8,900;
 - Feed the Need received donations of rice, spaghetti and macaroni for local families in need – R10,000; and
 - Mandela Day – in collaboration with Sabi River Sun Resort's Social and Ethics Committee, Sozama Day Care underwent repairs and maintenance to the jungle gym equipment, ablution facilities and received donations of toys for the young children – R2,500.
- Upgrade of the DSTV system with a decoder in each unit;
- Upgrade of the hardware to improve wifi connectivity;
- Paint the resort buildings;
- Replace wooden window frames with aluminum window frames.

12 CLOSURE

There being no further business to discuss, the Chairman thanked all for their attendance and declared the meeting closed at 13h17.



CHAIRMAN

