

Beacon Island Share Block Proprietary Limited

Registration No. 1983/005957/07

Annual Report

for the year ended 31 December 2024



Beacon Island Share Block Proprietary Limited

Annual Financial Statements
for the year ended 31 December 2024

COMPANY INFORMATION

Registration number: 1983/005957/07

Registered address: Nelson Mandela Square
4th Floor, South Tower
Corner 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 financial statements and is unaudited:

- Detailed Levy Fund Operating Statement 23 - 24

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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 Beacon Island Share Block Proprietary Limited, supervised the preparation of the annual financial statements.

Beacon Island Share Block Proprietary Limited

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

Since opening its doors in December 1972, Beacon Island Resort ("resort") has grown from strength to strength and is still a world-class flagship property, situated in a highly sought-after destination for Shareholders and guests to thoroughly appreciate and enjoy.

Improvements

The resort underwent various upgrades and improvements over the 2024 year. These included:

- **Porte cochere** - Waterproofing repairs, a full replacement of the bulkhead, new gardens planted on either side and new signage;
- **Garden lighting** - Replacement of the bollard lights with more elegant light fittings to reflect ambient lighting and to highlight the gardens and walkways at night;
- **Curtains** - Replacement of all curtains including block-out curtains is ongoing and is being phased-in over 2024 and 2025;
- **Sea Lounge** - Replacement of the tiled floor and carpeting has shown vast improvement;
- **Shaded parking** - Replacement of all shade cloth covers and lighting to the parking bays; and
- **Multipurpose court** - A well-deserved facelift of the facilities to ensure that the multipurpose court can now incorporate additional activities such as bowls.

Human resources

The staff members of our resort strive to create exceptional experiences. Ongoing training and development of the staff members is therefore critical in order to ensure that they can deliver and maintain the world-class service and high standard that our guests have grown accustomed to.

Occupancy

I am thrilled to report that the average occupancy recorded in 2024 was a phenomenal 90.2%, a significant increase from the previous year of 88.7%.

The statement of comprehensive income for the year ended 31 December 2024 reflects total income including net finance income of R65.3m (2023: R59.6m) and total expenditure of R49.6 (2023: R46.6m). The levy surplus after taxation of R14.5m (2023: R12.1m) has been transferred to the reserve for property, plant, and equipment. A more detailed review of year-on-year variances in income and expenditure reveals that:

Income

Income, including interest received, increased by 9.6% year-on-year due to the R1m increase in short-term rentals and R580k growth in finance income.

Expenditure

Total expenditure increased by 6.5% for the following reasons:

- **Rooms** increased by 8.1% mainly due to increased occupancy and related services;
- **Administration and general** increased by 9.4% mainly due to above inflationary increases in information technology and insurance costs;
- **Electricity, water and refuse** decreased by 2.1% mainly due to the decrease in episodes of load shedding;
- **Repairs and maintenance** increased by 3.6% mainly due to repairs to the laundry machine and additional costs relating to the SunCare programme;
- **Corporate charges** increased by 15.3% mainly due to higher rates, sewerage charges and an increase in rental expense;
- **Personnel costs** increased by 6.8% due to filling all staff vacancies; and
- **Management fees** increased by 5.9% in line with CPI in accordance with the management agreement.

Statement of financial position

The statement of financial position on page 14 together with the related notes thereto, reflects the financial position of Beacon Island Share Block ("the Company") as at 31 December 2024. The reserve for the replacement of property, plant and equipment reflects a balance of R33.5m (2023: R28.1m) after transfer of the operating surplus for 2024 of R14.5m (2023: R12.1m) and capital expenditure costs of R9.1m (2023: R10.9m). Levies receivable decreased to R756k (2023: R862k) and levies received in advance increased to R22.8m (2023: R20m).

Surplus funds were invested for the benefit of all Shareholders. Cash and cash equivalents increased to R5.2m (2023: R2.3m) whilst fixed deposits increased to R52m (2023: R46.5m).

On behalf of your Board, I would like to thank all of our Shareholders for meeting their levy obligation and for paying their annual levy timeously.

Beacon Island Share Block Proprietary Limited

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

Capital expenditure

Capital expenditure of R9.1m (2023: R10.9m) was incurred in respect of the following major items:

	R
Lift car replacement	2,306,847
Building works	1,529,127
Fire doors	787,444
Gardens and grounds lighting	491,016
Bedroom fixtures, fittings and softs	476,733
Porte cochere	391,813
Multipurpose court	373,853
Lift replacement	371,948
Washing machines	262,880
Shade cloth	221,177
Generator	183,915
Swimming pool loungers	151,826

Levy 2025

Levies for the following year will be aligned to CPI and approved in August 2025. This will be communicated to all Shareholders in due course. Your Board is acutely mindful of the ongoing economic challenges. Due diligence is always exercised to meet our resort's fiscal obligations whilst ensuring stable growth in the reserve fund for future maintenance projects and improvements.

Vacation ownership association of Southern Africa ("VOASA")

Our resort continues to be a member of VOASA, the self-regulatory member-based trade association for the shared vacation ownership industry in South Africa. It protects consumer rights and is committed to ongoing growth within the timeshare industry, in both a positive and organised manner.

Conclusion

I am extremely proud of our resort's phenomenal performance in 2024. I thank my fellow Directors for their dedication, guidance, support and hard work over this past year. I am extremely fortunate to have such a capable Board of Directors, all of whom are dedicated to the best interests of all Shareholders and the prosperity of our wonderful resort.

In closing, I encourage every Shareholder to either attend the AGM on Monday, 25 August 2025 or to complete the proxy form enclosed in this annual report on page 5 if they are unable to attend in person.

I wish you all a prosperous, safe and healthy year ahead.



A handwritten signature in black ink, consisting of stylized, overlapping loops and strokes, positioned to the right of the portrait photo.

LM Hodes
CHAIRMAN

**Beacon Island Share Block
Proprietary Limited**
Registration Number: 1983/005957/07
("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 **Monday, 25 August 2025 at 10h00 at Southern Sun The Cullinan, 1 Cullinan Street, Cape Town Waterfront** for the purpose 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 Companies 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 of Directors 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

In accordance with Company's Memorandum of Incorporation ("MOI"), the number of Directors shall be no less than three and no more than seven and the longest serving Directors shall retire at an AGM. The longest serving Directors shall be those who have held office for three successive AGMs excluding the meeting at which they are elected or re-elected and including the third meeting at which they shall automatically retire. By rotation, Mr Laurance Hodes, Mr Anthony Ridl and Ms Laurelle McDonald shall retire at this AGM. **It would facilitate secretarial procedures if nominations for the appointment of Directors be received by no later than 10h00 on Friday, 22 August 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 Mr Laurance Hodes 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 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;

Ordinary resolution 2.3: Resolved as an ordinary resolution that Ms Laurelle McDonald 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 Mr Gary Kaplan 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 Ms Laurelle McDonald 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. Insured value of property

Ordinary resolution 4: Resolved as an ordinary resolution that 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

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.

Special resolution 1: It is noted that an amount of R8,000 for non-executive Directors' fees was approved at the previous AGM for the year until 25 August 2025. Resolved as a special resolution that the increased fees of R8,500 (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 26 August 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 South African 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 Tuesday, 26 August 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 Tuesday, 19 August 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 10h00 on Friday, 22 August 2025. A form of proxy is enclosed on page 5 for this purpose.

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

**Beacon Island Share Block
Proprietary Limited**
Registration Number: 1983/005957/07
("the Company")

Registered Office:
Nelson Mandela Square
4th Floor, South Tower
Cnr 5th and Maude Streets
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Resorts.companysecretarialservices@southernsun.com

Form of proxy for use by Shareholders at the Annual General Meeting ("AGM") of the Company to be held on **Monday, 25 August 2025 at 10h00 at Southern Sun The Cullinan, 1 Cullinan Street, Cape Town Waterfront.**

Form of proxy

I/We, being the Shareholder/s of ordinary shares
in the Company, with right of use of unit, 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 Laurance Hodes			
2.2 Anthony Ridl			
2.3 Laurelle McDonald			
Ordinary Resolution 3: Appointment of audit committee			
3.1 Gary Kaplan			
3.2 Laurelle McDonald			
3.3 Anthony Ridl			
Ordinary resolution 4: Insured value of property			
Special Resolution 1: Non-executive Directors' fees (R8,500)			

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 10h00 on Friday, 22 August 2025.

Beacon Island Share Block Proprietary Limited

Statement of Directors' 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 Beacon Island Share Block Proprietary Limited. The annual financial statements presented on pages 13 to 22 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 11 to 12.

Approval of annual financial statements

The financial statements set out on pages 13 to 22 were approved by the Directors on 26 May 2025 and are signed by :



LM Hodes
Chairman



G Kaplan
Director (Chairman - Audit Committee)

Declaration by the Company Secretary

I hereby confirm in my capacity as Company Secretary of Beacon Island 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 Mahloe
For Southern Sun Secretarial Services Proprietary Limited

Beacon Island 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 myself as Chairman, Ms Laurelle McDonald and Mr Anthony Ridl.

2. Frequency of meetings

The Audit Committee met twice during the financial year under review and 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 focusses 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 to independence.



G Kaplan
Chairman
26 May 2025

Beacon Island Share Block Proprietary Limited

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

The Social and Ethics Committee ("the Committee") of Beacon Island Share Block Proprietary Limited ("the Company") is a statutory committee governed by the South African Companies Act 71, of 2008, is guided by King IV, and is mandated to fulfil all other responsibilities assigned to it by the Board of Directors.

Role of the Committee

The Committee serves to ensure that the resort complies with relevant laws and regulations, exercises corporate social responsibility and operates in line with the goals of the Company. Furthermore, the Committee ensures that the resort manages its resources in a safe, legally compliant, sustainable and strategic way, and that it continues to build constructive relationships with stakeholders vital to its success, being guests, employees, community, and broader society.

Composition and functioning

The Committee meets twice a year and comprises three non-executive Directors. I was appointed Chairman and am supported by fellow Directors, Ms Janine Pieterse and Mr Johannes ("John") van Rooyen. Other Directors are invited to participate in the meetings and the Committee is wholeheartedly supported by the resort's staff members.

Activities of the Committee

The Committee provides direction, oversight and impetus to a variety of activities that works to the good of the resort, its environmental and socio-economic framework. The energy that goes into these activities and the outstanding results achieved, demonstrate the commitment of the Committee and the team of staff members who help follow through.

Environmental health and public safety

Environmental health and public safety interlock the priorities of the Committee's work. While focus is on energy, water and waste programmes, attention is also given to complying with the organisational resilience management system ("ORMS") that Southern Sun implements at its properties.

The ORMS programme is a comprehensive planning, monitoring and auditing framework to ensure that the resort's core services and facilities are safe, compliant, robust and working well. It monitors numerous factors that routinely require attention in order to operate the resort, ranging from the safe working conditions of the lifts and fire safety systems, good quality of the water supply, cleanliness of the property, good standard of hygiene in the kitchen, suitability of security, and more. ORMS covers the base in preventing and mitigating risks and ensuring that back-up systems are in place as and when needed. Risk audits are thus essential, and I am pleased to note that the resort surpassed its ORMS target of 90% by achieving an overall score of 97% for the year.

The resort recycled 34.28% of its total waste last year and this accounted for 36,722kg of recyclable waste.

To reduce the property's consumption of electricity, staff members operated within a "switch-off-something" programme; utilized equipment during set operational times; and the resort installed additional motion sensor lighting and energy efficient lights around the property, as well as installed one new 36Kw indoor pool heat pump. While the property still experienced episodes of load shedding during the year under review, the impact was greatly reduced with the operation of a new generator and other efficiencies within the resort. In 2024, the resort experienced 319 hours of downtime from the municipal electricity supply and expensed a total of R420,250 to purchase the 20,000 liters of diesel required to run the generator.

Guest relations and correspondence

Guest relations are of paramount importance which means that guest feedback is encouraged and is closely monitored and investigated where necessary when received.

I am so pleased to note the following great results:

- Through the Guest Revu satisfaction survey, the resort scored a very satisfactory 91%;
- The resort received the accolade of being the Best Gold Crown Resort in the Large Category, in RCI's Resort Recognition Programme; and
- In addition, the resort also received the following awards through RCI:
 - 1st place in Top Unit Maintenance;
 - 1st place in Top Resort Maintenance;
 - 1st place in Top Check-In and Check-Out; and
 - 2nd place in Top Housekeeping.

Labour, employment relations and BBBEE

Beacon Island Resort is a prestigious timeshare property that is comparatively successful amongst the largest employers within the Plettenberg Bay area that employ majority of its labour force from the surrounding communities.

Training and development of our staff component is a key aspect to enhance guest service and empower positive labour relations. The management team builds positive relationships with all staff members through effective communication and performance management. Staff members are encouraged to pursue training opportunities made available through the Southern Sun online learning platform, to improve their skills for personal and professional development.

Strong emphasis is placed on buying goods and services through local and sustainable organisations or local persons to help stimulate entrepreneurship in the area.

Under the Southern Sun Resorts portfolio, the resort proudly holds a level one BBBEE certificate status.

Beacon Island Share Block Proprietary Limited

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

Corporate citizenship and social investment

The Committee has strong regard for good corporate citizenship. Throughout the year, it assisted and supported the health, welfare, and educational sectors through donations of staff members' time and expertise; prize letters for accommodation and meals to aid fundraising events; written-off linen, furniture, and equipment; and the purchase of wish list items required for repair or replacement by an initiative or for an organisation.

I am delighted to report that the Committee surpassed its special projects' corporate social investment target for the year and recorded participation in the following areas:

- Volunteering SA – Donation of literacy packs and stationery to 435 learners of Phakamisani and Kwanokuthula Primary schools;
- Plett Animal Welfare Society ("PAWS") – Donation of blankets and equipment;
- Sabrina Love Foundation – Donation of therapy equipment for children with special needs;
- Wittedrift Primary School: Donation of various stationary items and office equipment;
- Bitou Rugby Club: Donation of rugby balls and equipment;
- Protea Service Centre: Donation of fleece blankets, gardening tools and seedlings. On Heritage Day, staff members helped the centre to create its own vegetable garden;
- Shark Spotters: Donation of umbrellas and two-way radios as well as prize letters in aid of their fundraising drives;
- CANSA: Hosting of a popular shavathon event and donation of the R38,500 funds raised to the CANSA organisation; and
- Adopt a swimmer: Contribution towards the adult swimming programme in support of nominated staff members wanting to learn how to swim. The support of this initiative and programme will continue in the year ahead as it was hugely successful for our staff members who truly appreciated the opportunity.

In addition to the abovementioned participation, written-off towels and bed sheets were donated to a local and unemployed lady who cut patterns and created hooded towels, school shirts and small soft toys. The resort then purchased the items from the lady for her to generate income for herself and the resort in turn donated the items to various schools in under-privileged areas.

Staff members and guests of the resort celebrated the following celebratory Days during the year:

- Earth Hour;
- World Oceans Day;
- Mandela Day; and
- Arbor Day.

Conclusion

I extend a big thank you to my fellow Committee members and to the staff of Beacon Island Resort for their support that resulted in 2024 being yet another phenomenal year. The Committee strives to create a positive impact on each staff member and on the larger community and I am incredibly proud to be part of this Committee.



Robert Segal
Chairman

Beacon Island 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 leases the land and buildings known as Beacon Island 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 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 against this amount annually. Before providing for property, plant and equipment additions and replacements, a surplus of R14,535,297 (2023: R12,087,156) 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 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:

LM Hodes	Chairman
G Kaplan *	
L McDonald *	
J Pieterse ^	
AN Ridl *	(Alternate MN Ridl)
RJ Segal ^	
JPF van Rooyen ^	

* 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.

Beacon Island Share Block Proprietary Limited

Report of the Independent Auditors

To the Shareholders of Beacon Island Share Block Proprietary Limited

Opinion

We have audited the financial statements of Beacon Island Share Block Proprietary Limited ("the Company") set out on pages 13 to 22, 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 Beacon Island 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 "Beacon Island 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.

Beacon Island 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

30 June 2025

5A Rydall Vale Office Park

38 Douglas Saunders Drive

La Lucia, 4051

Beacon Island Share Block Proprietary Limited

Statement of Comprehensive Income for the Year Ended 31 December 2024

	Note	2024 R	2023 R
Income		60 543 342	55 430 683
Levy income		56 398 028	52 719 326
Other income		4 145 314	2 711 357
Expenses		(49 594 382)	(46 583 385)
Levy surplus before interest and taxation	3	10 948 960	8 847 298
Finance income	4	4 709 372	4 129 428
Levy surplus before taxation		15 658 332	12 976 726
Income tax expense	5	(1 123 035)	(889 570)
Levy surplus for the year		14 535 297	12 087 156

Beacon Island 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	12 520 029	10 892 144
Levies receivable	7	756 419	862 227
Fixed deposits held with bank	11	52 000 000	46 500 000
Cash and cash equivalents	12	5 245 766	2 342 299
Total current assets		70 522 214	60 596 670
Total assets		70 522 214	60 596 670
EQUITY			
Capital and reserves			
Share capital	10	320 000	320 000
Reserve for property, plant and equipment	8	33 503 626	28 061 042
Total equity		33 823 626	28 381 042
LIABILITIES			
Current liabilities			
Trade and other payables	9	12 783 900	11 329 028
Levies received in advance	13	22 791 652	19 997 030
Current tax liabilities		1 123 036	889 570
Total current liabilities		36 698 588	32 215 628
Total liabilities		36 698 588	32 215 628
Total equity and liabilities		70 522 214	60 596 670

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

	Note	2024 R	2023 R
Share capital			
Ordinary shares at the beginning of the year and at year-end	10	320 000	320 000
Reserve for property, plant and equipment			
At the beginning of the year		28 061 042	26 887 866
Levy surplus for the year		14 535 297	12 087 156
Property, plant and equipment additions and replacements during the year	8	(9 092 713)	(10 913 980)
At year-end		33 503 626	28 061 042

Beacon Island 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	15 658 332	12 976 726
Adjustments for		
Interest received	(4 709 372)	(4 129 428)
Net surplus before working capital changes	10 948 960	8 847 298
Changes in working capital		
Movement in levies receivable	105 808	14 869
Movement in trade and other receivables	(1 627 885)	(1 807 018)
Movement in levies received in advance	2 794 622	(1 658 417)
Movement in trade and other payables	1 454 872	1 009 159
Cash flows from operating activities	13 676 377	6 405 891
Interest received	4 709 372	4 129 428
Tax paid	(889 569)	(601 058)
Net cash inflow from operating activities	17 496 180	9 934 261
Cash flow from investing activities		
Property, plant and equipment additions and replacements	(9 092 713)	(10 913 980)
Movement in fixed deposits held with bank	(5 500 000)	(1 000 000)
Net cash outflow from investing activities	(14 592 713)	(11 913 980)
Net movement in cash and cash equivalents	2 903 467	(1 979 719)
Cash and cash equivalents at the beginning of the year	2 342 299	4 322 018
Cash and cash equivalents at year-end	5 245 766	2 342 299

Beacon Island 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 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.

Beacon Island Share Block Proprietary Limited

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

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 flows at cost.

1.6 Revenue recognition

Revenue is stated exclusive of value-added tax.

Levy revenue is recognised when the right to occupation arises.

Special levy revenue is recognised when raised.

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

Rental income from tenants are disclosed net of the related management fee.

Other 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.

Beacon Island Share Block Proprietary Limited

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

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 the 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.

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.

Beacon Island 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 benefits	12 478 435	11 671 546
Contributions to retirement funds	845 926	808 973
Management fees	2 744 376	2 591 275
Audit fees	212 736	200 946
Professional and legal fees	34 500	32 169
Other operating expenses	33 278 409	31 278 476
	49 594 382	46 583 385
4 Finance income		
Interest income earned on fixed deposits, call deposits and current account	4 709 372	4 129 428
5 Income tax expense		
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(1)(e) of the Income Tax Act.		
Current year	1 123 035	889 570
A reconciliation of the taxation charge is not considered appropriate as share block companies are only liable for taxation on net non-levy income.		
6 Trade and other receivables		
Trade receivables (refer note 15)	1 190 324	670 447
Other receivables (refer note 15)	33 445	146 801
Interest receivable	628 415	849 978
Prepayments	10 667 845	9 224 918
	12 520 029	10 892 144
7 Levies receivable		
Levy debtors	452 481	706 360
Reposessed debtors	303 938	155 867
	756 419	862 227
8 Reserve for property, plant and equipment		
At the beginning of the year	28 061 042	26 887 866
Levy surplus for the year	14 535 297	12 087 156
	42 596 339	38 975 022
Property, plant and equipment additions and replacements during the year	(9 092 713)	(10 913 980)
At year-end	33 503 626	28 061 042

Beacon Island Share Block Proprietary Limited

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

	2024 R	2023 R
8 Reserve for property, plant and equipment (continued)		
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 recommended replacement reserve expenditure for 2025 of R24,856,715 (2023: R19,576,863). There were capital commitments made for R5,574,106 at year-end (2023: R3,399,478).		
9 Trade and other payables		
Trade payables (refer note 15)	4 292 559	4 921 639
Other payables		
Accruals (refer note 15)	1 962 285	1 535 397
Provision for auditor's remuneration	212 736	199 940
SARS - VAT	2 119 395	1 586 034
Sundry payables (refer note 15)	4 196 925	3 086 018
	12 783 900	11 329 028
10 Share capital		
Authorised and issued		
32,000,000 ordinary shares of 1 cent each	320 000	320 000
11 Fixed deposits held with bank		
Fixed deposits held with bank	52 000 000	46 500 000
12 Cash and cash equivalents		
Bank balances	5 226 366	2 322 899
Cash on hand	19 400	19 400
	5 245 766	2 342 299
13 Levies received in advance		
Levies received in advance	22 791 652	19 997 030

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.

The Company acquired the rights to a property lease that includes Beacon Island Resort, situated on:

Erf No 253 Plettenberg Bay, Division of Knysna, measuring 1.3365 hectares.

Period of lease - 99 years commencing 1 July 1983.

Rental - R240,000 per annum payable in 12 equal monthly instalments. (refer note 15)

Beacon Island 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	251 547	104 927
Rental pool	492 580	414 244
Management fee	2 744 376	2 591 275
Central accounting and levy collection fees	3 262 008	3 080 030
SSHI provides management services in respect of leases of the commercial areas to third party tenants. The fee for this service is a fixed percentage of gross rentals received by the Company.		
Tenants management	774 302	721 628
Southern Sun Timesharing Proprietary Ltd ("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	(265 141)	(236 511)
Share Registry Management Services ("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	(76 800)	(73 253)
Secretarial fees on repossessed debtors and use agreement fees - SRMS	31 957	14 643
The Company also leases the property on which the Beacon Island Resort is situated from SSHI in terms of a 99 year lease. (refer note 14)		
Lease payments	240 000	240 000
During the financial year the Company paid the following SSHI internal charges:		
Administration - Information technology, tenancing, industrial relations, training, etc	912 133	827 069
Training	7 785	-
Frequent guest loyalty program	11 367	5 669
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 a loan account.		
Balance owing (to)/by SSHI and its subsidiaries:		
Included in trade receivables (refer note 6)	229 353	9 455
Included in other receivables (refer note 6)	-	91 403
Included in trade payables (refer note 9)	(2 113 393)	(2 858 977)
Included in sundry payables (refer note 9)	(2 327 536)	(1 885 125)
Included in accruals (refer note 9)	(14 392)	(14 351)
	(4 225 968)	(4 657 595)

Beacon Island 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 (continued)			
The Company receives rental income from SST for the letting of office space:			
Rental income		(92 222)	(86 189)
In addition, SST provides a rental service and recovers levies from the sale and rental of timeshare weeks on behalf of the Company.			
Balance owing from SST:			
Included in trade receivables (refer note 6)		20 113	-
SSHI own weeks in the Company as follows:			
	Number of weeks	Levies paid R	Levies received in advance R
SunSwop (a division of SSHI) - 2024 shareholding	112	628 980	19 530
SunSwop (a division of SSHI) - 2023 shareholding	115	789 270	18 450
The following entity, related through common directorship, own weeks in the Company as follows:			
AN Ridl - Club Leisure Group - 2024 shareholding	573	3 462 674	715 490
AN Ridl - Club Leisure Group - 2023 shareholding	573	3 244 490	1 170 394
16 Directors' emoluments			
For their services to the Company, the 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 L McDonald are borne by Southern Sun.			
Directors' emoluments paid for the year:			
LM Hodes		32 000	32 000
G Kaplan		32 000	32 000
J Pieterse		32 000	32 000
AN Ridl		32 000	32 000
RJ Segal		32 000	24 000
JPF van Rooyen		24 000	32 000
L McDonald		-	-
MN Ridl		-	-
		184 000	184 000

Beacon Island 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	56 398 028	52 719 326
Net rent received	435 581	395 458
Rental pool	738 870	620 453
Short-term rentals	1 951 593	910 131
Sale of capital assets	344 746	261 391
Net non-levy income		
- telephone, rentals, penalties, etc.	674 524	523 924
	60 543 342	55 430 683
EXPENDITURE		
Rooms' expenses		
Cleaning supplies	218 076	104 560
Covid-19 expenses	17 213	27 249
Guest entertainment, Band/Live music and DSTV	4 791 599	4 710 781
Guest supplies	784 020	670 093
Laundry	1 268 196	1 143 829
Personnel costs - outside services	5 017 091	4 624 141
Pest control	28 638	28 253
Plants and decorations	58 822	97 120
Printing and stationery	340 043	350 298
Replacement of linen, towels, uniforms, etc	564 571	462 852
Security and banking services	2 239 274	1 958 664
	15 327 543	14 177 840
Administration and general		
Audit fees		
- current year	212 736	199 941
- expenses current year	-	1 005
Bank charges	16 290	14 888
Central accounting and levy collection fees	3 262 008	3 080 030
Corporate social initiatives	146 776	66 377
Credit card commission	144 530	135 883
Directors' emoluments	184 000	184 000
Fax and house calls	42 193	48 527
Information technology costs	1 719 409	1 428 098
Insurance		
- premium	1 028 188	913 671
Licences and permits	168 276	141 211
Loss and damage	19 806	95 849
Loss on repossessed debtors	26 389	47 095
Marketing	33 171	31 003
Postage	2 611	12 980
Professional and legal fees	34 500	32 169
Railage, cartage and hire transport	18 626	7 422
Subscriptions	161 205	150 684
Travel - management and Directors	592 920	549 982
	7 813 634	7 140 815

Beacon Island 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 and water		
Electric bulbs	53 816	32 544
Electricity	3 532 342	2 842 883
Generator fuel	776 418	2 257 309
Water	1 508 377	867 045
	5 870 953	5 999 781
Repairs and maintenance		
Buildings and elevators	374 297	518 991
Electrical and mechanical	460 425	300 924
Gardens and grounds	586 008	495 499
Major repairs and maintenance	643 559	845 522
Painting and redecorating	22 101	72 453
Plumbing and heating	129 264	52 365
Room maintenance care	256 966	213 224
Swimming pool cleaning and repairs	176 705	137 559
Vehicles	195 793	109 221
	2 845 118	2 745 758
Company costs		
Municipal rates and taxes / cost recovery	1 289 855	1 207 397
Rent paid	378 542	240 000
	1 668 397	1 447 397
Personnel costs		
Rooms	7 584 236	7 280 359
Administration and general	2 816 106	2 783 095
Repairs and maintenance	2 924 019	2 417 065
	13 324 361	12 480 519
Management fee	2 744 376	2 591 275
Total expenditure	49 594 382	46 583 385
Excess of income over expenditure before finance income and taxation	10 948 960	8 847 298
Finance income		
Interest received	4 709 372	4 129 428
Excess of income over expenditure before taxation	15 658 332	12 976 726
Taxation		
Current year	1 123 035	889 570
Excess of income over expenditure after taxation for the year transferred to reserve for property, plant and equipment	14 535 297	12 087 156

Beacon Island Share Block Proprietary Limited

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR THE YEAR ENDED 31 DECEMBER 2023 HELD ON MONDAY 9 SEPTEMBER 2024 AT 10H00 AT SOUTHERN SUN THE CULLINAN 1 CULLINAN STREET CAPE TOWN

1 WELCOME AND PREAMBLE

The Chairman of the Company Mr Laurance Hodes welcomed all Shareholders present both in person and online through the Microsoft Office Teams platform and he introduced his fellow Directors: Mr Gary Kaplan; Mr Robert Segal; Ms Janine Pieterse; and Ms Laurelle McDonald who were physically present. Mr Anthony Ridl was present online and Mr Johannes ("John") van Rooyen had tendered apologies as he was overseas on holiday. The Chairman noted that members of Senior Management, the Company Secretariat team, and an audit firm representative were also present.

2 QUORUM

A number of Shareholders had tendered apologies for the meeting and had submitted their forms of proxy for voting purposes. The Chairman noted that 3,921,650 ordinary shares were represented in person and by proxy at the start of this meeting and that this constituted a quorum of approximately 12.26% of the Company's issued share capital. With the required quorum present, being at least three Shareholders present and holding at least 5% of the share capital, he declared the meeting duly constituted.

3 NOTICE OF MEETING

All Shareholders present consented that the notice of meeting dated 27 May 2024 be and is hereby taken as read.

4 VOTING

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

5 ADOPTION OF ANNUAL FINANCIAL STATEMENTS AND REPORTS

ORDINARY RESOLUTION 1

Ordinary resolution 1 as set out in the notice convening the meeting, related 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. No questions or comments were recorded, and it was unanimously RESOLVED that the Annual Financial Statements for the year ended 31 December 2023 be and are hereby adopted.

6 APPOINTMENT OF AUDITORS - BDO SOUTH AFRICA INCORPORATED ("BDO")

ORDINARY RESOLUTION 2

Ordinary resolution 2 related to the appointment of BDO as the independent auditors of the Company until conclusion of the next AGM of the Company. A Shareholder enquired whether the audit firm had a rotation plan. The Chairman replied that the previous audit firm was Grant Thornton and Mr Darren Park stated that each audit firm followed its own internal rotation of audit partner every 5-years. It was unanimously RESOLVED that BDO be and is hereby appointed as the independent auditors of the Company.

7 DIRECTORS

In terms of the Company's Memorandum of Incorporation ("MOI") the Board was limited to 7 Directors and that the longest serving Directors shall retire at an AGM. By rotation, Mr Segal retired at this AGM and had indicated that he was eligible and available for re-election. No additional nominations had been received to date and no nominations were received from the floor.

7.1 ORDINARY RESOLUTION 3.1

Ordinary resolution 3.1 related to the election of Mr Robert Segal as a Director of the Company. It was unanimously RESOLVED that Mr Robert Segal be and is hereby re-elected as a Director of the Company.

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8 APPOINTMENT OF AUDIT COMMITTEE

In terms of the Company's MOI, the Company was required at each AGM to appoint an Audit Committee comprising at least 3 members.

The Chairman proposed that Ordinary Resolution 4, as outlined in the annual report be taken as read and recommended that the Shareholders vote for all eligible Committee members en bloc. There was no objection and it was unanimously RESOLVED that Mr Gary Kaplan, Mr Anthony Ridl and Ms Laurelle McDonald be and are hereby re-appointed members of the Company's Audit Committee.

9 INSURED VALUE OF PROPERTY

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 R672,304,028 (Buildings valued at R563,013,680 and furniture, fittings and equipment valued at R109,290,348). It was unanimously RESOLVED that the insured value of the property be and is hereby approved at R672,304,028.

10 NON-EXECUTIVE DIRECTORS' FEES

10.1 SPECIAL RESOLUTION 1

Special resolution 1 related to the approval of the fees payable to non-executive Directors for their services as a Director. The Chairman advised that Directors' fees had not increased for the past 5 years and that it was not recommended for increase for the year ahead. It was unanimously RESOLVED that in terms of the provisions of Section 66(9) of the Companies Act 71 of 2008 that R8,000 (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 10 September 2024 until the next AGM of the Company, be and is hereby approved.

11 OTHER BUSINESS

11.1 REPORT OF THE SOCIAL AND ETHICS COMMITTEE AND PRESENTATION OF THE GENERAL MANAGER

The General Manager, Ms Louise Otto, greeted the Shareholders present and proudly stated that the resort was operating exceptionally well and that it was in good hands through the management team.

Beacon Island Resort was one of the largest employers in the Plettenberg Bay area and staff of the resort were appreciative of the work opportunities. It was therefore extremely important for the resort to have a vested interest in its community. Through Corporate Social Investment ("CSI"), the Social and Ethics Committee ("the Committee") continued its support of a local seamstress who produced white school shirts from written-off linen and swimming hoodies from written-off swimming towels. Ms Otto explained that the written-off items were in good condition however, a small blemish or hole was not to the resort's standard and the items were instead donated to the community member for her to start a small business, create a garment and earn income from the opportunity. As at the end of June 2024, 50 swimming hoodies and 150 school shirts were sewn for donation to a charity of the Committee's choice. The initiative was spearheaded by Ms Mariaan Booysen who lived in the community and had worked at the resort for over 30-years.

In celebration of Mandela Day, the staff of Beacon Island Resort visited the Protea Service Centre in Kranshoek. Many of the older and retired staff members went to the facility for food and assisted other community members through a feeding programme. Staff helped to clean the vegetable garden and plant additional vegetables. The Committee continued active involvement throughout the year.

Focusing on environmental initiatives staff planted a Butterspoon tree at the Kranshoek Community Centre on Arbor Day and staff, guests and community members cleaned the beach on World Beach Clean Up Day.

With the staff of the resort being its greatest asset, the housekeeping team was acknowledged for its hard work and celebrations were held over a period of a week. A Family Fun Day was held for all departments, with the children of parents working at the resort invited to spend a day at the resort and to experience the property as a guest. The children were treated to lunch, entertained with activities and they got to see and understand the importance of what their parents did during the day. The children went into rooms to see how beds are made, went to the maintenance workshop and so on, to understand and it evoked a sense of pride for where their parents worked and how hard they worked.

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Together with photographic evidence, Ms Otto presented an overview of the following achievements and results during the 2023 year:

- CSI:
 - Kranshoek Kindergarden: Entertainment and donation of a small gift on Christmas Day (R5k);
 - Sterreweg Day Care for Disabled Children: Donation of stationery packs (R35k);
 - Volunteering SA: Donation of educational packs (R16k);
 - Wittedrift Primary School: Donation of stationery packs (R13k);
 - Muddy Pooches: Donation of dog food (R15k);
 - Ruby Bitou Club: Donation of rugby kit (R13k); and
 - Protea Service Centre: Cleaning of vegetable garden and donation of meals and blankets (R26k).
- Training and development:
 - Formal development, On-the-Job training, Webinars and skill builders training was provided to staff members;
 - Ms Jaydee Majavee in a supervisory position was promoted to Assistant Housekeeper; and
 - Mr Matthew Salmons in a supervisory position was promoted to Assistant Maintenance Manager.
- Water and energy:
 - Comparative to 2022, occupancy increased by 1% (61,893 rooms nights occupied); and
 - Based on room nights, electricity consumption reduced by 10% (24.4kWh) while based on the number of beds occupied, water consumption increased by 3% (206.2kl).
- Diesel consumption:
 - Due to episodes of load shedding, the cost to operate the generator was R1,966,607. 79,090 litres of diesel was used over 1,438 hours.
- Safety measures:
 - Following two shark attack fatalities in 2022, shark spotters in partnership with the Bitou Municipality were based in the Plettenberg Bay area, with two stations situated on the roof of Beacon Island Resort, one facing the main beach of Plettenberg Bay and the other facing Robberg Beach. The spotters were on duty 7-days a week from 7am to 7pm and were in constant communication with other shark spotters and organisations in the area.
- Consumer relations:
 - GuestRevu satisfaction 91%; Tripadvisor 4.5 out of 5; RCI 4.61 out of 5; and Google Review satisfaction 91%. All guests were encouraged to complete the reviews and provide feedback.

The projects completed in 2023 included:

- Guest lifts upgrade;
- Wifi upgrade;
- CCTV upgrade;
- Generator upgrade (700KvA capacity);
- Tennis court fence replacement;
- Rooms softs refurbishment;
- Ice machines upgrade; and
- Replacement of resort kombi.

Projects planned for completion in 2024 included:

- Multi-purpose sports court upgrade;
- Service lift upgrade;
- Porte cochere refurbishment;
- Fire doors upgrade;
- Exterior and garden light upgrade; and
- Hot water upgrade.

Ms Otto shared that the staff cabaret show was back by popular demand and that water aerobics had been introduced as a new fitness activity. Staff continuously strive to improve service delivery and were willing to work on any shortcomings. With the guidance of guest feedback and support, there was always room for improvement and Ms Otto thanked all Shareholders and guests for the support extended to both her and her team over the last year.

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11.2 SHAREHOLDERS' CORRESPONDENCE AND COMMENTS

A Shareholder had prior to this meeting requested that consideration be given to installing a charging station for electronic vehicles and the Board had agreed to investigate options in the weeks ahead. His other request was to investigate wifi connectivity as it had seemed slow and unreliable. Ms Otto advised that the wifi system had been upgraded and since the upgrade, connectivity as well as the speed and reliability had greatly improved.


Another Shareholder had requested that consideration be given to creating a larger public area workspace by potentially reducing a smoking room in size to accommodate a larger and more usable working area. The Chairman advised that discussions would be held to provide a larger and better equipped workspace for guests needing the private area.

A Shareholder at the meeting suggested that room dividers be made available for families who had to share rooms with adult children and wanted a sense of privacy. The Chairman thanked him for his suggestion and noted that options would be investigated to provide a temporary and removable room divider.

Another Shareholder thanked management and the Board for all that it did for the resort as her family only wanted to holiday at Beacon Island Resort, with the experience far exceeding the other timeshare options the family held.

12 IN CLOSING

There being no further business the Chairman declared the meeting closed at 10h29.



CHAIRMAN

