

Cabana Beach

Share Block Proprietary Limited

Registration No. 1965/004874/07

Annual Report

for the year ended 31 December 2025

Southern Sun
RESORTS

Cabana Beach Share Block Proprietary Limited
Annual Financial Statements
for the year ended 31 December 2025

COMPANY INFORMATION

Registration number:	1965/004874/07
Registered address:	Nelson Mandela Square 4th Floor, South Tower Corner 5th and Maude Streets Sandton 2196
Postal address:	Private Bag X200 Bryanston 2021

CONTENTS

	PAGES
Chairman's Annual Review	**1 – 3**
Notice of Meeting	**4**
Form of Proxy	**5**
• Statement of Directors' Responsibility	6
• Declaration by the Company Secretary	6
• Report of the Audit Committee	7
• Report of the Social and Ethics Committee	8 - 9
• Report of the Directors	10 - 11
• Report of the Independent Auditors	12 - 13
• Statement of Comprehensive Income	14
• Statement of Financial Position	15
• Statement of Changes in Equity	15
• Statement of Cash Flows	16
• Notes to the Annual Financial Statements	17 - 24

The following supplementary information does not form part of the financial statements and is unaudited:

• Detailed Levy Fund Operating Statement	25 - 26
Minutes of the Previous Annual General Meeting	**27 - 31**

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 Cabana Beach Share Block Proprietary Limited, supervised the preparation of the annual financial statements.

Cabana Beach Share Block Proprietary Limited

Chairman's Annual Review for the Year Ended 31 December 2025

Dear Shareholders,

2025 has been another remarkable year for our iconic Cabana Beach Resort ("resort"), and as your Chairman, I am extremely pleased to share this year's highlights with you.

The year has been marked by strong performance, continued growth, and an ongoing commitment to delivering exceptional guest experiences. Our team has remained dedicated to excellence, consistently going above and beyond to ensure that every guest enjoys the unique warmth and hospitality that defines our resort.

We have also made meaningful strides in enhancing our facilities and embracing sustainable practices, ensuring that our resort remains not only a premier holiday destination, but also a responsible and benchmark-setting resort.

In addition, Lagoon Drive has undergone significant enhancement following the completion of the Oceans Mall, which offers a luxurious shopping experience directly opposite our resort. As mentioned previously, this landmark mixed-use development includes KwaZulu-Natal's first Radisson Blu Hotel, a 29-floor residential apartment tower, as well as the anticipated development of a third residential tower.

Massive investment is being injected into the area that also benefits our timeshare Shareholders and guests whilst on holiday by providing easy accessibility to a wider variety of restaurants, retail outlets and food stores. The fantastic location of our resort, its well-managed and maintained product, and its high standard of facilities and entertainment on offer is affirmed by the exceptional occupancies achieved.

Our resort offers guests the opportunity to simply relax and quietly unwind in peace, or to enjoy the many exciting activities and entertainment programmes available. Our tailor-made entertainment programme keeps young children engaged for hours whilst also providing a diverse range of activities suited to teenagers and adults. This ensures meaningful experiences for the entire family. For our newer Shareholders, the entertainment team is managed by Clive Napier Enterprises and led by the knowledgeable, and immensely popular Entertainment Manager, Mr Iain Moolman. Under his leadership, the programme continues to set the benchmark for resort entertainment across South Africa. We are extremely proud to have him as part of our team and value the exceptional energy and engagement he brings to our guests' experience.

Even though our resort was closed from 27 July 2024 until 19 October 2024 for the second phase of the major rooms' refurbishment project, it is remarkable that it continues to receive exceptional recognition. In fact, as a result of the refurbishment, our resort is achieving new hights in terms of popularity. Our resort continues to maintain its RCI Gold Crown status and 4-Star Tourism Grading. Feedback through various social media platforms consistently reflect strong overall guest satisfaction with both the property and its facilities, along with repeated positive comments acknowledging the outstanding service provided by our staff members.

All guest feedback, whether positive or constructive, is highly valued, and I encourage all Shareholders and guests to complete the surveys provided to them. This enables the staff and management team to promptly address any concerns and continuously improve our resort's offerings. The team at our resort always welcomes constructive suggestions and fresh ideas, as we remain committed to enhancing every guest's holiday experience and maintaining the exceptional standards for which our resort is known.

Occupancy

Occupancy for 2025 increased to 93%, compared to 90.6% the prior year. This result excluded the closure for Phase 1 and 2 of the major rooms refurbishment project.

Financial results for the year ended 31 December 2025

The statement of comprehensive income detailed on page 14 reflects total income of Cabana Beach Share Block ("the Company"), including net finance income, of R99.2m (2024: R93.7m) and total expenditure of R79.3m (2024: R67.7m). The levy surplus after taxation of R18.8m (2024: R24.7m), was transferred to the reserve for property, plant and equipment, resulting in an improved negative balance of R8.1m (2024: negative R14.8m).

Income

Total income, including net finance income, increased by 5.9% year on year. Net non-levy income included parking revenue, the unclaimed surplus on the sale of repossessed weeks, and rental income. Interest income decreased by 68.1% as available funds were utilised to finance the major rooms refurbishment project.

Expenditure

Total expenditure increased by 17.2% to R79.3m (2024: R67.7m), with major variances recorded as follows:

- **Rooms expenditure** increased by 25.4% due to the resort being closed for 12 weeks in 2024, for the room refurbishment project;
- **Administration and general expenditure** decreased by 3.2%, mainly due to a lower provision for repossessed weeks by R310k;
- **Electricity, water, and refuse expenditure** increased by 53.7% due to the resort being closed for a period in 2024, as well as the reduced performance of the borehole in 2025;
- **Repairs and maintenance expenditure** increased by 10.9%, due to the resort being closed for a period in 2024;
- **Capital charges** increased by 13% due to higher municipal rates and taxes;
- **Personnel costs** increased by 12.5% due to the filling of staff vacancies and a full year of operations; and
- **Management fees** increased by 4.3% in line with CPI and the management agreement.

Statement of the financial position

The statement of financial position detailed on page 15 together with the related notes thereto, reflects the financial position of the Company.

The reserve for property, plant and equipment improved to negative R8.1m (2024: negative R14.8m), while fixed deposits increased to R7.5m (2024: nil). Cash and cash equivalents increased to R11.7m (2024: R8.4m). Levies receivable decreased to R1.5m (2024: R2.1m), while levies received in advance increased to R30.5m (2024: R27.4m).

Thank you to all Shareholders who have paid their levy obligations timeously. These funds are invested at favourable rates for the benefit of the Company and all Shareholders, and they ensure a healthy and consistent cash flow.

Capital expenditure

Capital expenditure decreased to R12.1m (2024: R68m) with the major capital expenditure items incurred being:

	R
Rooms' refurbishment	9,511,844
Restaurant white boxing	900,000
Additional borehole	310,618
Beds replacement	230,854
Kitchen fittings, fixtures and equipment	193,336
Heat pump	155,315

Levy budget

The Board examines each item of expenditure on a line-by-line basis and is satisfied that the management team has made every effort to keep cost increases to a minimum, without compromising the standards and facilities enjoyed by all Shareholders and guests. Levies for the following year will be approved in August 2026 and will be communicated to all Shareholders in due course.

Resort update

As previously mentioned, the resort successfully completed Phase 2 of the major room refurbishment project, and I am delighted to report that all 217 units were upgraded to an exceptional standard. The final closure phase, which took place from 27 July 2024 to 19 October 2024, focused significantly on the six Penthouse units. These units feature a fresh, modern design with a more open layout, as well as the addition of a guest bathroom. The transformation has been truly remarkable, and we continue to receive overwhelmingly positive feedback from both Shareholders and guests.

Management continues to closely monitor water and energy consumption and to seek ways to conserve resources and reduce reliance on municipally supplied water. These initiatives have resulted in significant savings over the years. During the current year, ongoing monitoring and investigation revealed a decline in the yield of the existing borehole. While it continues to provide high-quality water, it has not been able to supply at the same level. This matter was presented to the Board, and a decision was taken to install a second borehole to supplement our resort's water supply. The installation was completed at the end of 2025, and we are optimistic that this additional source will contribute to further cost savings and improved water security for our property.

Following the heavy rains experienced in KwaZulu-Natal, the Board considered the installation of weather canopies in the light wells. This initiative is intended to prevent the stairs leading to the units from becoming excessively wet and the passageways from flooding during periods of intense rainfall. This poses a safety risk to both staff and guests on our property. Following the receipt of specialised design input and a thorough assessment of the associated risk factors, your Board, after careful deliberation, approved the installation of weather canopies in each affected area. A sample installation was completed in 2025, with a full rollout anticipated to be completed in the second quarter of 2026.

Something that the Board and management team looked forward to in 2025 is the much-anticipated upgrade of our in-house restaurant facilities. Wimpy continues to operate exceptionally well and guests are very happy with the service and offering from this tenant.

The resort's new tenant, Surf Riders Café, opened its doors on 9 June 2025. The owner, Mr Jason Caradas, has built a well-established and highly successful brand that promises an exceptional dining experience for in-house guests, the local community, and visitors strolling along the promenade. Surf Riders Café also offers a pet-friendly menu for guests walking their dogs, adding to its unique and inclusive appeal. Feedback received to date has been overwhelmingly positive, with guests expressing great satisfaction with this outstanding offering.

In addition, The Beach Club opened at the end of 2025 at the adult swimming pool bar space. The Beach Club, also operated by Mr Caradas and his vibrant team, offers an additional food and beverage option, featuring wood-fired pizzas and speciality cocktails. This exciting new offering enhances the poolside experience and operates in conjunction with the existing service provided by Wimpy.

SunSwop and RCI affiliation

SunSwop's affiliation with RCI continues to provide both local and international holiday exchange options for its members.

Vacation ownership association of South Africa ("VOASA")

For the benefit of new Shareholders and as a reminder to all, VOASA is a self-regulatory, member-based trade association for the shared vacation ownership industry in South Africa. It exists to support and protect consumers' rights and commit to continued growth of the timeshare industry in a positive and organised manner. The Company remains a member of VOASA.

External business

The development of Oceans uMhlanga included a significant upgrade to the road infrastructure along Lagoon Drive, which has helped to enhance traffic flow in the area. Construction of the residential North Tower was completed in September 2025, marking a key milestone for the precinct. Development of the South Tower commenced in 2025 and is anticipated to be completed in 2027. Both towers will offer mixed-use occupancy, combining hotel accommodation with residential living, contributing to the continued growth and vibrancy of uMhlanga's coastal hub. Adjacent to our resort, recent extensions to The Pearls Mall, completed in mid-2025, have further enhanced the precinct by introducing studio apartments and additional office space. This expansion supports the growing demand for integrated living and working environments in the area, while also contributing to the continued development and appeal of uMhlanga as a premier destination.

Special thanks

The continued success of our Company, and the memorable holiday experiences delivered at our resort, are made possible through the unwavering commitment and reliability of our Board, the management team, staff members, and Shareholders. I am truly proud to be associated with such an exceptional resort, and I extend my sincere gratitude to every Shareholder for their valued contributions over the past year.

I would also like to take this opportunity to personally thank my fellow Directors for their time, energy, professionalism, and guidance throughout the year. Together, the Board and management team have achieved a great deal, and I am excited about what we will continue to accomplish as a unified team. We welcomed Mr Mziwandle ("Al") Zoya who was appointed as a Director of the Board at the last Annual General Meeting ("AGM"). Mr Zoya brings much experience in the timeshare industry and his professional expertise from running his own businesses. He previously worked for RCI, initially as a General Manager from 1988 and later as a Business Development Manager from 2000 to 2002. He also serves as a Director on the Boards of Umhlanga Sands Share Block and Breakers Resort and brings a wealth of knowledge and experience in the hospitality industry.

Our management team has been outstanding, leading and managing a highly motivated team, demonstrating exceptional attention to detail, delivering efficient service, and showing genuine passion for our product. Their willingness to consistently go the extra mile is commendable. Thank you for your dedication and for continually striving to uphold the high standards synonymous with our resort.

Closing

In closing, I invite you all to attend our AGM on 13 August 2026. Should you find yourself unable to attend, please complete the form of proxy included on page 5 of this annual report.





William ("Bill") Liebenberg
Chairman

Cabana Beach Share Block Proprietary Limited
Registration Number: 1965/004874/07
("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 **Thursday, 13 August 2026 at 12h00 at uMhlanga Sands Resort, 44 Lagoon Drive, uMhlanga** 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 2025**

   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 2025, 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 is 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 not less than three and not more than seven Directors in number. It would facilitate secretarial procedures if **nominations for the appointment of those Directors representing the Shareholders be received by no later than 12h00 on Tuesday, 11 August 2026 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 Anthea Faulds 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 William Liebenberg 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 Mr Robert More 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 2.4: Resolved as an ordinary resolution that Mr Ajith Ramsarup 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 2.5: 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; and
   Ordinary resolution 2.6: Resolved as an ordinary resolution that Mr Jacob Weihmann 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 2.7: Resolved as an ordinary resolution that Mr Mzwandile Zoya 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 Anthea Faulds 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 Ajith Ramsarup 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 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**
   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 R8,500 for the remuneration of non-executive Directors was approved at the previous AGM for the period up to 13 August 2026. Resolved, as a special resolution that, the retained 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 14 August 2026 until the next AGM of the Company, as 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 Friday, 14 August 2026 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 Shareholders' voting rights is Thursday, 6 August 2026.

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 12h00 on Tuesday, 11 August 2026. A form of proxy is enclosed on page 5 for this purpose.**

By order of the Board
Southern Sun Secretarial Services Proprietary Limited
8 May 2026

Cabana Beach Share Block Proprietary Limited
Registration Number: 1965/004874/07
("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 **Thursday, 13 August 2026 at 12h00 at uMhlanga Sands Resort, 44 Lagoon Drive, uMhlanga.**

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 Anthea Faulds			
2.2 William Liebenberg			
2.3 Robert More			
2.4 Ajith Ramsarup			
2.5 Anthony Ridl			
2.6 Jacob Weihmann			
2.7 Mzwandile Zoya			
Ordinary resolution 3: Appointment of Audit Committee			
3.1 Anthea Faulds			
3.2 Ajith Ramsarup			
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 ……..…….. 2026

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 12h00 on Tuesday, 11 August 2026.

Cabana Beach Share Block Proprietary Limited

Statement of Directors' Responsibility for the Year Ended 31 December 2025

The Directors and management are responsible for the preparation, integrity and fair presentation of the annual financial statements of Cabana Beach Share Block Proprietary Limited. The annual financial statements presented on pages 14 to 24 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.

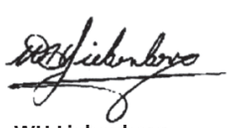
The Directors and management have the responsibility for ensuring that accounting records are kept. The accounting records should disclose with reasonable accuracy the financial position, financial performance and cash flows of the Company to enable the Directors to ensure that the annual financial statements 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 12 and 13.

Approval of annual financial statements

The annual financial statements set out on pages 14 to 24 were approved by the Directors on 8 May 2026 and are signed by:



WH Liebenberg
Chairman



AL Faulds
Director (Chairman - Audit Committee)

Declaration by the Company Secretary

I hereby certify in my capacity as Company Secretary of Cabana Beach Share Block Proprietary Limited, that for the year ended 31 December 2025, 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.



LR van Onselen
For Southern Sun Secretarial Services Proprietary Limited

Cabana Beach Share Block Proprietary Limited

Report of the Audit Committee for the Year Ended 31 December 2025

The Audit Committee has pleasure in submitting this report in compliance with the requirements of 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 Audit Committee comprises three non-executive Directors, namely Ms Anthea Faulds (Chairman), Mr Ajith Ramsarup and Mr Anthony Ridl.

2. Frequency of meetings

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

3. Attendance

The external auditors, in their capacity as auditors to the Company, attended and reported to the meetings of the Audit Committee. Relevant members of senior management attended meetings by invitation, as required.

4. Duties of the Audit Committee

The work of the Audit Committee during the financial year under review focused on the following key areas:

4.1 Evaluating the independence and effectiveness of the external auditors, including the audit fees and terms of engagement;
4.2 Ensuring that the appointment of the audit firm complies with the provisions of the Companies Act and all other relevant legislation relating to the appointment of auditors;
4.3 Reviewing and approving external and internal audit plans;
4.4 Determining, subject to the provisions of applicable legislation, the nature and extent of any non-audit services that the auditors may provide to the Company;
4.5 Reviewing changes to prospective accounting standards and assessing their potential impact on the Company;
4.6 Evaluating the Company's financial reporting procedures;
4.7 Reviewing the annual financial statements and recommending them to the Board for approval;
4.8 Assessing the internal control environment, with particular emphasis on internal financial controls; and
4.9 Performing such other oversight functions as may be determined by the Board, from time to time.

5. Independence of external auditors

The Audit Committee is satisfied that the external auditors are independent of the Company, as contemplated in Section 94(8) of the Companies Act. The Audit Committee has further received the necessary assurances from the auditors confirming that internal governance processes within the audit firm support and demonstrate their independence.



AL Faulds
Chairman
8 May 2026

Cabana Beach Share Block Proprietary Limited

Report of the Social and Ethics Committee

The Social and Ethics Committee ("the Committee") of Cabana Beach Share Block Proprietary Limited is a statutory Committee established in terms of the South African Companies Act 71, of 2008. The Committee operates in accordance with its approved mandate, guided by the principles of King IV, and carries out additional responsibilities as delegated to it by the Board of Directors.

Composition and functioning

The Committee is comprised of three Directors, namely Mr Robert More, Mr Jaco Weihmann and Mr Mzwandile (AL) Zoya, who was appointed to the Board and Committee in 2025. In addition, I serve as an external member and act as Chairman of the Committee.

The Committee meets twice annually and conducts comprehensive, well-documented meetings during which wide-ranging responsibilities are diligently addressed. All Board members are welcome to attend these meetings and the Committee is consistently well supported by management and staff.

Role of the committee

The Committee is responsible for monitoring the Company's activities with regards to:

- social and economic development;
- good corporate citizenship;
- environmental health and public safety;
- consumer and guest relations; and
- labour, employment, training and transformation.

Social and economic development

The Committee remains committed to supporting initiatives and outreach programmes within the local community. During 2025, several meaningful initiatives were undertaken across the following pillars:

Youth:

- Ethelbert Child and Youth Care Centre, Sahara Shelter and Mason Lincoln Special School: The Committee donated food, toys, written-off linen and assisted with general maintenance work at these facilities; and
- Reach For A Dream Foundation: Cabana Beach Resort ("the resort") hosted terminally ill children and their families, allowing the "Dreamers" to fulfil their wishes of visiting the beach or spending a day at uShaka Marine World. The resort also hosted an Amazing Race fun day, with staff and tenants assisting in hosting 20 Dreamers for a day full of activities around the resort.

Aged:

- Society of St Vincent De Paul, The Ark KZN and Abalindi Welfare Society: In addition to ongoing support and donations, the resort donated written-off linen to organisations providing home-based care, equipment, and clinical services to elderly individuals with limited financial or physical support.

Abused/abandoned animals:

- Wildlife Rescue: The Committee supported Wildlife Rescue through sponsorship of a fundraising event;
- Feral Cat Rescue Trust: Ongoing monthly food donations were provided, access was granted to a storage and rehabilitation room; and six stray cats were rehabilitated and homed at the resort.
  These resident cats have become a popular attraction among many long-standing guests;
- Adoption of Dutchess the black swan: In November 2025, the resort adopted Dutchess, a female Black Swan, who has settled well alongside the resident male swan. The Committee hopes to welcome cygnets in due course, joining the three terrapins, two ducks and two macaws already thriving in this space. Sadly, the resort bid farewell to Polly, a beloved macaw, earlier in the year at the age of 26. The birds remain a popular attraction at the resort entrance and foyer, where guests regularly pause to interact and capture photographs.

Environment:

Staff and guests actively participated in various environmental initiatives throughout the year, including beach clean-ups, guided garden walks, and the celebration of key environmental calendar events such as Arbor Week, World Oceans Day and Earth Hour. Guest activities were also aligned to environmental awareness campaigns, including:

- Borehole and municipal water tasting on World Water Day;
- A visit to the Mangrove Forest on World Wetlands Day; and
- Switching off all non-essential lighting during Earth Hour, accompanied by a communal braai.

Corporate citizenship and sustainability - CSI

The Committee oversees the Company's approach to social, cultural and the environmental responsibility, with a focus on long-term sustainability. Local CSI initiatives are supported not only through donations of time and written-off operating equipment, but also through training, guidance and capacity-building to help ensure ongoing viability.

Additional initiatives celebrated during the year included the CANSA Shavathon, Slipper Day and Mandela Day:

- The CANSA Shavathon was hosted by the resort, raising funds for the CANSA foundation;
- Slipper Day raised funds for the Reach For A Dream Foundation; and
- On Mandela Day, staff were split into two teams, one prepared food parcels for the Rise Against Hunger campaign, while the other assisted at Mason Lincoln Special School in Umlazi by completing remedial work, rebuilding a play area and concluding the day with a lunch for the learners.

These initiatives benefited from the enthusiastic participation of staff, tenants and guests, many of whom generously contributed personal time and resources.

Environmental health and public safety

The Committee closely monitors the resort's energy and water consumption and oversees the effectiveness of its waste programmes. Significant reductions in water and energy consumption, together with corresponding cost savings, were achieved during the year through improved management controls, routine processes, upgraded equipment, and continuous monitoring through a live consumption tracking system.

Management is immediately alerted to any deviation from the targets set, enabling prompt corrective action to mitigate the loss. Many water and energy-saving initiatives has contributed immensely to overall savings. The borehole continues to supply high-quality water to the property, however, reduced yield over the recent years led to the drilling of a second borehole, completed in late 2025 with Board support. Additionally, borehole backwash water is stored and reused predominantly for irrigation and refuse-area cleaning.

The resort's waste management programme is tracked by Don't Waste Services' online system. With waste separation at source being of critical importance, resident guests and staff are encouraged to follow best practice recycling processes. The resort reduces, reuses and recycles as much waste as possible. The resort achieved an impressive 65% total waste recycling rate for the year. This is an extremely high result in our industry and it shows the resort's firm objective of zero-waste-to-landfill.

The Organisational Resilience Management System ("ORMS"), implemented by the Southern Sun Group, continues to support effective risk management across fire protection, safety, security, business continuity and environmental impact. The results of periodic risk audits remain highly satisfactory.

Guest relations and correspondence

Guest feedback remains a priority and feedback is actively encouraged through platforms including Facebook, Google Reviews, TripAdvisor, RCI comment cards, and GuestRevu. All feedback is closely monitored, investigated and responded to promptly.

In recognition of the team's consistent service excellence, the resort received the RCI Top Gold Crown Award, placed 2nd in the Large Resorts Category and 1st for Top Resort Maintenance in 2025. The resort also proudly retains its 4-Star Grading from the Tourism Grading Council of South Africa.

Labour, employment relations, training and BBBEE

Employees are recognised as the Company's most valuable asset, and management continues to invest in their development. Training opportunities offered through the Southern Sun Training Academy support both professional competency and career advancement and include self-driven learning, online modules and remote training.

Platforms such as the Southern Sun Learning Hub ("Go1"), Microsoft Teams and Zoom enable staff to access a wide range of training at an economical cost. Training topics include computer literacy, self-development, policies and procedures, leadership and management, and ongoing Cyber Security Awareness.

I am pleased to report that the resort forms part of the Southern Sun Limited Group BBBEE rating and accordingly holds a Level One Contributor status.

Closure

I extend my sincere thanks to the Board, management, staff, tenants and all contributors who continue to support the work of the Committee and the meaningful initiatives undertaken on its behalf.

Chairman



Antony Larsen

Cabana Beach Share Block Proprietary Limited

Report of the Directors for the Year ended 31 December 2025

The Directors present their annual report of the Company for the year ended 31 December 2025.

1 Business activity

The Company owns the land and buildings known as Cabana Beach 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 Shareholders to make loans to the Company; and

3. Obligations on 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 major repairs 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 R18,773,316 (2024: R24,654,462) was transferred to the reserve for property, plant and equipment.

No dividends have been declared during the year and none are recommended (2024: 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:

AL Faulds *	(Alternate: RN Dickson)
WH Liebenberg	(Alternate: WH Liebenberg Jnr)
RA More ^	
AB Ramsarup *	
AN Ridl *	(Alternate: MN Ridl)
JPF van Rooyen ^	(Resigned: 24 January 2025)
JL Weihmann ^	
MA Zoya ^	(Appointed 14 August 2025)

* 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.

Cabana Beach Share Block Proprietary Limited

Report of the Independent Auditors

To the Shareholders of Cabana Beach Share Block Proprietary Limited

Opinion

We have audited the financial statements of Cabana Beach Share Block Proprietary Limited (the company) set out on pages 14 to 24, which comprise the statement of financial position as at 31 December 2025, 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 Cabana Beach Share Block Proprietary Limited as at 31 December 2025 , 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 "Cabana Beach Share Block Proprietary Limited Annual Report for the year ended 31 December 2025", 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.

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

29 June 2026

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

Cabana Beach Share Block Proprietary Limited

Statement of Comprehensive Income for the Year Ended 31 December 2025

	Note	2025 R	2024 R
Income		**97 958 232**	89 983 334
Levy income		**91 656 468**	84 653 295
Other income		**6 301 764**	5 330 039
Expenses		**(79 338 898)**	(67 690 375)
Levy surplus before interest and taxation	3	**18 619 334**	22 292 959
Finance income	4	**1 194 493**	3 739 311
Levy surplus before taxation		**19 813 827**	26 032 270
Income tax expense	5	**(1 040 511)**	(1 377 808)
Levy surplus for the year		**18 773 316**	24 654 462

Cabana Beach Share Block Proprietary Limited

Statement of Financial Position as at 31 December 2025

	Note	2025 R	2024 R
ASSETS			
Current assets			
Trade and other receivables	6	**15 631 396**	20 631 823
Levies receivable	10	**1 535 904**	2 095 820
Fixed deposits held with bank	11	**7 500 000**	-
Cash and cash equivalents	12	**11 742 663**	8 394 333
Total current assets		**36 409 963**	31 121 976
Total assets		**36 409 963**	31 121 976
EQUITY			
Capital and reserves			
Share capital	9	**400 000**	400 000
Reserve for property, plant and equipment	7	**(8 074 971)**	(14 787 994)
Total equity		**(7 674 971)**	(14 387 994)
LIABILITIES			
Current liabilities			
Trade and other payables	8	**12 579 020**	15 253 973
Levies received in advance	13	**30 463 426**	27 432 805
Current tax liabilities		**1 042 488**	2 823 192
Total current liabilities		**44 084 934**	45 509 970
Total liabilities		**44 084 934**	45 509 970
Total equity and liabilities		**36 409 963**	31 121 976

Statement of Changes in Equity for the Year Ended 31 December 2025

	Note	2025 R	2024 R
Share capital			
Ordinary shares at the beginning of the year and at year-end	9	**400 000**	400 000
Reserve for property, plant and equipment			
At the beginning of the year		**(14 787 994)**	28 568 588
Levy surplus for the year		**18 773 316**	24 654 462
Property, plant and equipment additions and replacements during the year	7	**(12 060 293)**	(68 011 044)
At year-end		**(8 074 971)**	(14 787 994)

Cabana Beach Share Block Proprietary Limited

Statement of Cash Flows for the Year Ended 31 December 2025

	2025 R	2024 R
Cash flow from operating activities		
Levy surplus before taxation	**19 813 827**	26 032 270
Adjustments for		
Interest received	**(1 194 493)**	(3 739 311)
Net surplus before working capital changes	**18 619 334**	22 292 959
Changes in working capital		
Movement in levies receivable	**559 916**	(385 437)
Movement in trade and other receivables	**5 000 427**	(2 948 856)
Movement in levies received in advance	**3 030 621**	3 253 545
Movement in trade and other payables	**(2 674 953)**	(1 803 027)
Cash flows from operating activities	**24 535 345**	20 409 184
Interest received	**1 194 493**	3 739 311
Tax paid	**(2 821 215)**	-
Net cash inflow from operating activities	**22 908 623**	24 148 495
Cash flow from investing activities		
Property, plant and equipment additions and replacements	**(12 060 293)**	(68 011 044)
Movement in fixed deposits held with bank	**(7 500 000)**	47 000 000
Net cash outflow from investing activities	**(19 560 293)**	(21 011 044)
Net movement in cash and cash equivalents	**3 348 330**	3 137 451
Cash and cash equivalents at the beginning of the year	**8 394 333**	5 256 882
Cash and cash equivalents at year-end	**11 742 663**	8 394 333

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 term deposits 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 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 is 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 replacement of movable property, plant and equipment, are financed out of levies from the 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.

Liquidity risk (continued)

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 by 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 weeks 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.

	2025 R	2024 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	**16 671 729**	14 824 366
Contributions to retirement funds	**960 835**	851 901
Management fees	**4 431 864**	4 248 339
Audit fees	**264 386**	249 177
Internal audit, legal and professional fees	**69 393**	48 385
Other operating expenses	**56 940 691**	47 468 207
	79 338 898	67 690 375
4 Finance income		
Interest income earned on fixed deposits, call deposits and current account	**1 194 493**	3 739 311
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	**1 042 488**	1 379 786
Prior year over provision	**(1 977)**	-
	1 040 511	1 379 786
A reconciliation of the taxation charge is not considered appropriate as share block companies are only liable for taxation on the Company's net non-levy income.		
6 Trade and other receivables		
Trade receivables (refer note 15)	**2 256 776**	691 056
Other receivables (refer note 15)	**2 097 619**	1 348 746
Interest receivable	**58 441**	29 570
Prepayments	**11 218 560**	18 562 451
	15 631 396	20 631 823
7 Reserve for property, plant and equipment		
At the beginning of the year	**(14 787 994)**	28 568 588
Levy surplus for the year	**18 773 316**	24 654 462
	3 985 322	53 223 050
Property, plant and equipment additions and replacements during the year	**(12 060 293)**	(68 011 044)
At year-end	**(8 074 971)**	(14 787 994)

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 of R9,255,304 for 2026 (2024: R3,200,720). There were capital commitments made for R1,457,967 at year-end (2024: R1,006,068).

The 2025 year-end reserve balance closed on (R8,074,971), due to the Directors approving the refurbishment over a shorter 2-year period to maximise cost-savings benefits. The Directors anticipate a positive reserve balance in 2026. At year end levies raised and received in advance amounted to R30,463,426 which adequately covers the negative reserve.

	2025 R	2024 R
8 Trade and other payables		
Trade payables (refer note 15)	**3 377 747**	6 231 369
Other payables		
Accruals (refer note 15)	**4 464 004**	2 961 411
Provision for auditor's remuneration	**261 738**	248 683
SARS - Vat	**1 729 100**	2 856 661
Sundry payables (refer note 15)	**2 746 431**	2 955 849
	12 579 020	15 253 973
9 Share capital		
Authorised and issued		
40,000,000 Class "A" ordinary shares of 1 cent each	**400 000**	400 000
10 Levies receivable		
Levy debtors	**1 033 967**	1 545 026
Repossessed debtors	**618 822**	766 360
Provision for repossessed debtors	**(116 885)**	(215 566)
Opening balance	**(215 566)**	(3 991)
Movement	**98 681**	(211 575)
	1 535 904	2 095 820
11 Fixed deposits held with bank		
Fixed deposits held with bank	**7 500 000**	-
12 Cash and cash equivalents		
Bank balances	**11 734 063**	8 385 733
Cash on hand	**8 600**	8 600
	11 742 663	8 394 333
13 Levies received in advance		
Levies received in advance	**30 463 426**	27 432 805

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

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.

	2025 R	2024 R

14 Property, plant and equipment (continued)

Land and buildings comprise the following property:

Lots 623, 637 and 643, Umhlanga Rocks Township, Kwa-Zulu Natal with buildings thereon, known as Cabana Beach Resort. The Company has granted to the eThekwini Municipality, a beach amenity servitude over the property.

Land and buildings were originally purchased for R7,623,913 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 R372,500,000 for rates purposes. There are no bonds on the property.

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	**86 903**	104 571
Rental pool	**733 157**	434 860
Management fee	**4 431 864**	4 248 339
Central accounting and levy collection fees	**3 770 111**	3 610 064

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 fee	**2 180 087**	2 712 932

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	**(57 000)**	(75 274)

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	**(72 872)**	(69 393)
Secretarial fees on repossessed debtors - SRMS	**101 761**	115 043

During the year, the Company concluded 2 bulk deals with SunSwop, selling repossessed weeks in order to reduce the number of repossessed weeks and to secure future levy collection. SunSwop purchased 79 repossessed weeks from the Company for R868,801 and 72 repossessed weeks from the Company for R626,168 (2024: purchased 76 repossessed weeks from the Company for R407,632 and 50 repossessed weeks from the Company for R601,596).

During the financial year the Company paid the following SSHI internal charges:

Administration - Information technology, tenanting, industrial relations, training, etc	**846 037**	1 052 953
Training related	**32 070**	9 889
Frequent guest loyalty program	**42 771**	19 075

	2025 R	2024 R
15 Related party transactions (continued)		
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.		
Due (to)/by SSHI and its subsidiaries:		
Included in trade receivables (refer note 6)	**8 263**	8 095
Included in other receivables (refer note 6)	**12 926**	-
Included in trade payables (refer note 8)	**(1 291 984)**	(1 261 938)
Included in accruals (refer note 8)	**(1 236 926)**	-
Included in sundry payables (refer note 8)	**-**	(84 120)
	(2 507 721)	(1 337 963)
Balances due (to)/by the following entities, related through common directorship, are as follows:		
Umhlanga Sands Share Block Proprietary Limited - included in trade receivables (refer note 6)	**18 330**	7 169
Umhlanga Sands Share Block Proprietary Limited - included in other receivables (refer note 6)	**4 659**	-
Umhlanga Sands Share Block Proprietary Limited - included in sundry payables (refer note 8)	**-**	(815)
	22 989	6 354
The Company received rental income from SST for the letting of office space:		
Rental income - SST	**(182 733)**	(170 778)

SSHI owns weeks in the Company as follows:

	Number of weeks	Levies paid R	Levies received in advance R
SunSwop (a division of SSHI) - 2025 shareholding	688	5 082 420	1 116 950
SunSwop (a division of SSHI) - 2024 shareholding	537	3 497 520	692 110

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

	Number of weeks	Levies paid R	Levies received in advance R
2025 - shareholding			
AL Faulds - Dream Vacation Club	598	5 298 050	1 023 060
AB Ramsarup - The Leisure Holiday Club	164	1 399 840	525 420
AN Ridl - Club Leisure Group	675	5 882 240	2 110 770
2024 - shareholding			
AL Faulds - Dream Vacation Club	597	4 977 650	947 100
AB Ramsarup - The Leisure Holiday Club	163	1 307 900	493 460
AN Ridl - Club Leisure Group	675	5 496 180	1 263 360

	2025 R	2024 R
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.		
Directors' emoluments paid for the year:		
AL Faulds	**32 500**	16 000
RN Dickson	**-**	16 000
WH Liebenberg	**32 500**	32 000
RA More	**32 500**	32 000
AB Ramsarup	**32 500**	32 000
AN Ridl	**32 500**	32 000
JPF van Rooyen	**-**	24 000
JL Weihmann	**32 500**	32 000
MA Zoya	**8 500**	-
MN Ridl	**-**	-
WH Liebenberg Jnr	**-**	-
	203 500	216 000

Cabana Beach Share Block Proprietary Limited

Unaudited Supplementary Schedules to the Annual Financial Statements
Detailed Levy Fund Operating Statement for the Year Ended 31 December 2025

	2025 R	2024 R
INCOME		
Levies	**91 656 468**	84 653 295
Rental pool	**1 279 040**	762 246
Short-term rentals	**578 070**	856 854
Proceeds on sale of capital assets	**14 661**	624 024
Net non-levy income		
- parking, telephone, rentals and penalties, etc	**4 429 993**	3 086 915
	97 958 232	89 983 334
EXPENDITURE		
Rooms expenses		
Guest entertainment and DSTV	**3 355 637**	2 677 657
Guest supplies	**1 135 624**	881 103
Laundry	**3 848 370**	2 780 111
Personnel costs - outside services	**8 497 476**	6 590 457
Pest control	**34 449**	32 888
Plants and decorations	**1 430**	1 422
Printing and stationery, including reception	**482 918**	363 287
Rental expense - equipment and other - storage boxes	**-**	62 746
Replacement of cutlery, crockery, linen, towels, uniforms, etc	**1 199 081**	1 084 004
Security and banking services	**3 144 350**	2 828 901
	21 699 335	17 302 576
Administration and general		
Audit fees		
- current year	**261 738**	248 683
- expenses prior year	**2 648**	494
Bank charges	**22 943**	21 613
Central accounting and levy collection fees	**3 770 111**	3 610 064
Corporate social initiatives	**52 745**	30 567
Credit card commission	**326 077**	310 370
Directors' emoluments	**203 500**	216 000
Information technology costs	**1 672 860**	1 778 692
Insurance		
- premium	**1 282 038**	1 431 463
- excess	**3 000**	3 963
Legal fees	**12 708**	8 983
Licences and permits	**327 495**	268 301
Loss on repossessed debtors	**18**	(7 438)
Marketing	**50 881**	41 059
Postage	**2 939**	2 974
Professional fees	**56 685**	39 402
Provision for repossessed debtors	**(98 681)**	211 575
Railage, cartage and hire transport	**-**	(17)
Security - banking services		
Subscriptions	**155 575**	153 527
Telephone	**40 440**	39 416
Travel - management and Directors	**65 263**	83 375
Vehicles - fuel and oil	**42 444**	29 557
	8 253 427	8 522 623

Cabana Beach Share Block Proprietary Limited

Unaudited Supplementary Schedules to the Annual Financial Statements
Detailed Levy Fund Operating Statement for the Year Ended 31 December 2025

	2025 R	2024 R
Electricity, water and refuse		
Electric bulbs	**43 935**	39 200
Electricity	**7 118 347**	5 517 088
Generator fuel	**22 400**	191 629
Refuse	**430 360**	334 899
Water	**2 129 412**	256 699
	9 744 454	6 339 515
Repairs and maintenance		
Air-conditioning	**105 535**	69 799
Buildings and elevators	**647 128**	513 820
Electrical and mechanical	**387 333**	227 222
Tools	**8 175**	4 022
Furniture, fixtures and vingcard	**168 890**	131 988
Gardens and grounds	**768 979**	647 701
Generator	**6 160**	32 055
Major repairs and maintenance	**244 517**	352 038
Office machines - maintenance contracts	**29 259**	21 323
Painting and redecorating	**70 425**	2 944
Plumbing and heating	**129 340**	143 842
Room care	**26 800**	202 498
Swimming pool cleaning and repairs	**104 227**	82 305
Vehicles	**2 979**	2 392
	2 699 747	2 433 949
Capital charges		
Municipal rates and sewerage	**14 877 507**	13 167 106
	14 877 507	13 167 106
Personnel costs		
Rooms	**9 607 163**	8 505 494
Administration and general	**4 816 368**	4 163 194
Repairs and maintenance	**3 209 033**	3 007 579
	17 632 564	15 676 267
Management fee	**4 431 864**	4 248 339
Total expenditure	**79 338 898**	67 690 375
Excess of income over expenditure before finance cost and taxation	**18 619 334**	22 292 959
Finance income		
Interest income	**1 194 493**	3 739 311
Excess of income over expenditure before taxation	**19 813 827**	26 032 270
Taxation		
Current year	**1 042 488**	1 377 808
Prior year over provision	**(1 977)**	-
	1 040 511	1 377 808
Excess of income over expenditure after taxation for the year transferred to reserve for property, plant and equipment	**18 773 316**	24 654 462

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR THE YEAR ENDED 31 DECEMBER 2024 HELD ON THURSDAY 14 AUGUST 2025 AT 12H11 AT UMHLANGA SANDS RESORT UMHLANGA AND/OR THROUGH THE ONLINE MICROSOFT OFFICE TEAMS PLATFORM

1 WELCOME AND PREAMBLE

The Chairman of the Company Mr William ("Bill") Liebenberg welcomed all Shareholders present both in person and online through the Microsoft Office Teams platform. He introduced his fellow Directors as being: Ms Anthea Faulds and Messrs. Robert More; Ajith Ramsarup; Anthony Ridl; and Jacob ("Jaco") Weihmann. He noted that Mr Johannes ("John") van Rooyen had resigned from the Board effective 24 January 2025.

Members of the Senior Management team were in attendance, as was the Company Secretariat team and Auditors.

2 QUORUM

Several Shareholders had tendered apologies for the meeting and had submitted forms of proxy for voting purposes. The Chairman noted that 6,822,538 ordinary shares were represented in person and by proxy at the start of this meeting and that this constituted a quorum of 17.06% of the Company's issued share capital. With the required quorum being present, being at least 3 Shareholders present and holding at least 5% of the share capital, the Chairman declared the meeting duly constituted.

3 NOTICE OF MEETING

All Shareholders present consented that the notice of meeting dated 8 May 2025 be and is hereby taken as read.

4 VOTING

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

5 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, were presented to Shareholders as required in terms of Section 61(8)(a) of the Companies Act. The Social and Ethics Committee report was also included and presented for information purposes.

No questions were raised with regards to the annual financial statements, as presented.

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

ORDINARY RESOLUTION 1

Ordinary resolution 1 related to the appointment of BDO South Africa Incorporated ("BDO") as the independent auditors of the Company until conclusion of the next AGM of the Company. It is unanimously RESOLVED that BDO be and is hereby appointed as the independent auditors of the Company for the ensuing year's audit.

7 ELECTION OF DIRECTORS

It was noted that in accordance with the Company's Memorandum of Incorporation ("MOI"), the Board was limited to no more than 7 Directors. The 6 Directors who retired at this meeting were eligible and available for re-election.

An additional nomination was received on behalf of Mr Mziwandile ("Al") Zoya who was in attendance. Mr Zoya had provided the Board with a copy of his CV and the Chairman thanked him for his interest in a position on the Board. He requested that Mr Zoya address the meeting and provide some information on his expertise and experience.

Mr Zoya provided a summary, mentioning that he had many years of dealings with timeshare and working experience through running his own companies. He worked for RCI, first as a General Manager from 1988 and then as a Business Development

Manager from 2000 to 2002. He served as a Director on the Board of Umhlanga Sands Share Block, Breakers Resort and looked forward to an opportunity on the Cabana Beach Share Block Board. The Chairman thanked Mr Zoya for his introduction and noted that he was well-qualified to serve on the Board.

Returning to the formalities, the Chairman noted that there were currently 7 nominations for the 7 positions on the Board and enquired whether there were any objections to him adding ordinary resolution 2.7 to the agenda, to include the election of Mr Zoya. No objections were recorded. He proposed that ordinary resolution 2.1 to 2.6 as outlined in the Annual Report be taken as read and that ordinary resolution 2.7 to elect Mr Zoya be included, for the meeting to vote for all the eligible Directors en bloc. No objection was recorded against the proposed en bloc vote process or to the election of any of the 7 nominees and it is unanimously RESOLVED that Ms Anthea Faulds, Mr Bill Liebenberg, Mr Robert More, Mr Ajith Ramsarup, Mr Anthony Ridl, Mr Jaco Weihmann and Mr Al Zoya be and they are hereby elected as a Director of the Company for the ensuing year.

8 APPOINTMENT OF AUDIT COMMITTEE MEMBERS

In terms of the Company's MOI, the Company was required at each AGM to appoint an Audit Committee comprising at least 3 members. As with the election of the Directors, the Chairman proposed that the meeting take ordinary resolution 3.1 to 3.3 as outlined in the notice of this AGM as read and proposed that the meeting vote for the Audit Committee members en bloc.

No objection was recorded against the proposal to vote en bloc or to the re-appointment of any of the current members and it is unanimously RESOLVED that Ms Anthea Faulds, Mr Ajith Ramsarup and Mr Anthony Ridl be and they are hereby re-appointed as a member of the Company's Audit Committee for the ensuing year.

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 R994,847,909. This resulted in an approximate year-on-year increase of 15.3%. (Buildings were valued at R894,292,045 and furniture, fittings and equipment at R100,555,864). It is unanimously RESOLVED that the insured value of the property be and is hereby approved at R994,847,909.

10 NON-EXECUTIVE DIRECTORS' FEES

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 the fees had not increased for the past 5 years and that a small increase from R8,000 to R8,500 was proposed for the year ahead. It is unanimously RESOLVED in terms of the provisions of Section 66(9) of the Companies Act 71 of 2008 that 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 and/or members of the sub-committees, per meeting or cluster of meetings in respect of the period from 15 August 2025 until the next AGM of the Company, be and is hereby approved.

11 OTHER BUSINESS

As mentioned in the Chairman's Report, Mr Wayne Smith had served as the General Manager of the resort and in October 2024, he was reassigned and transferred to Sabi River Sun Resort in Hazyview to become its General Manager. Mr Antony Larsen took over as the property's new General Manager, transferring from uMhlanga Sands Resort the Board was delighted with his appointment, noting his wealth of knowledge and experience in the hospitality industry. The Chairman wished him well in his new role and called upon him to now present the activities of the resort and of the Social and Ethics Committee over the last year.

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

Together with a slideshow presentation, Mr Larsen shared the following:

- Total occupancy for 2024: 90.6% Excluding the closure period;
- Phase 2 of rooms refurbishment: Completed between 27 July 2024 to 18 October 2024. Snagging works in progress;
- Highest occupancy date: 29 December 2024 – 100%;
- Highest occupancy month: December 2024 – 94.5%;
- Lowest occupancy date: 5 April 2024 – 71.88%;
- Lowest occupancy month: July 2024 – 74.66%;

- Highest energy consumption: 30 December 2024 – 15,201kWh;
- Lowest energy consumption: 8 August 2024 – 1,611kWh;
- Highest water consumption: 8 April 2024 – 252kL;
- Lowest water consumption: 28 July 2024 – 0kL – Shut off during rooms upgrade;
- BBBEE status: Level One Contributor;
- Procurement: Compliant in comprehensive Southern Sun procurement policies;
- Corporate Social Investment: R857,754 spend - 101.3% of target;
- Training and development of staff members: R25,020 spend – 16% of target achieved as all training now done through online platforms;
- Organisational Resilience Management Services ("ORMS") audit: 98%;
- Consumption of energy and water: Savings overall due to closure period;
- Total recyclable waste: 64%;
- Landscape audit: 88%;
- Guest satisfaction feedback: GuestRevu at 93%; RCI 92% (4.64 out of 5); Tripadvisor 91% (4.5 out of 5) and Google Reviews at 93% (4.5 out of 5);
- VOASA 2024 Awards: Winner of Excellence in Refurbishment; Winner of Excellence in Community Upliftment; and Mr Iain Moolman received Ambassador of the Year for the industry;
- Durban Tourism Awards: Winner of Exceptional Achievement: Investment Category;
- RCI Awards: Property Awarded Gold Crown status; and
- RCI Resort Recognition Programme: In the category of Large Resort, property won 3rd place in Top Gold Crown Resorts; 2nd place in Top Housekeeping; 2nd place in Superior Service in Hospitality; and Mr Iain Moolman won Hospitality Hero of the Year.

Corporate Social Investment ("CSI") included:

- The Committee contributed financial assistance equivalent to R857,754 towards local organisations and institutes over the year, as well as contributions "in kind" equivalent to R227,024;
- Reach for a Dream: Dreamers were hosted where possible;
- St Martins School: Written-off linen donated;
- Sahara Shelter: Written-off linen donated to abused women and children. Entertainment team visited the shelter on Mandela Day;
- Elders Voice KZN: Written-off linen donated;
- Feral Cat Foundation: Cats and birds homed;
- Black swans rehabilitated;
- Macaws adopted;
- Pheasants adopted;
- Beach clean-ups: Weekly event;
- Awareness created and education shared about the environment in which the property stands;
- Maintenance work carried out at various institutions that required the work and effort;
- Written-off linen repurposed where possible;
- Recycling: Bottle caps collected for art projects;
- Garden walks included in entertainment programme, for guests to learn about the plants and trees on the property, visit the herb garden, learn about the animals and bird life, and be shown the beehive, bug hotel, recycling system as well as the critical borehole system;
- Cansa Shavathon: Event held in March 2024 raised R38,150;
- Slipper Day: Event held in May 2024 raised R7,710;
- Rise Against Hunger: Food parcels were packed in aid of Mandela Day;
- Environmental Initiatives: Earth Hour, World Oceans Day, and World Plastic Day were recognised; and
- Facebook: 19,938 Followers recorded. 69.8% female followers and 30.2% male followers.

Referring to property improvements and upgrades, Mr Larsen stated that:

- the adult swimming pool was fibreglassed;
- phase 1 and 2 of the major rooms refurbishment programme was completed. Rooms looked superb and occupancy had since increased; and
- the Penthouse units refurbishment project to include the kitchen, bedroom, guest toilet, bathroom and lounge was completed. Guests have been impressed with the upgrade.

Staff promotions and retirements included:

- Mr Sibusiso Masuku: Transferred from Garden Court Marine Parade to join Cabana Beach Resort team as Maintenance Supervisor. He was a great addition to the team and was later transferred and promoted to Assistant Maintenance Manager at Sabi River Sun Resort in Hazyview;

- Mr David Yates: A long-time member of the entertainment team retired; and
- Mr Ivan Govindsamy: The "Voice of Cabana Beach", having worked at the resort since 1984 as a Switchboard Operator also retired in 2024.

According to external feedback, the North Tower of the Oceans uMhlanga development was scheduled for completion in September 2025 and that construction of the South Tower was to commence later in 2025. Both towers were mixed-use developments and would feature hotel rooms and residential apartments in addition to the already operating Radisson Blue Hotel and retail mall. In addition, construction of the tower structure at The Pearls was completed earlier this year, adding 66 apartments to the neighbouring property.

On behalf of the management team, Mr Larsen thanked the Board members for their guidance and support over the last year.

11.2 TRIBUTE TO MR JOHN VAN ROOYEN

Mr van Rooyen began his Southern Sun Group working career in 1984. He had served as a General Manager of Cabana Beach Resort and was later promoted to a Regional Operations Director within the Group. After retiring from Southern Sun, he continued to serve on various Boards applying the extensive knowledge he gained from his experience in managing properties. Mr van Rooyen resigned as a Director of our Board to spend more time at home. Mr Larsen, on behalf of the Board, management and staff, thanked Mr van Rooyen for his dedication and invaluable input over the years and wished him well for his future.

11.3 SHAREHOLDERS' CORRESPONDENCE

Addressing Dr Biddulph's question on the status and quality of the sea water, Mr Larsen confirmed that while there were a few instances involving municipal sewerage pump repairs in 2024, the ocean was generally safe for swimming. The beach was closed on only a few occasions during last year. Mr Larsen mentioned that representatives of the Southern Sun Group were part of the uMhlanga Urban Improvement Precinct ("UIP") that in co-operation with the eThekwini Municipality, conducted regular water testing. While the results were not available for public inspection, Mr Larsen noted that he had reviewed them and was confident that the water was safe.

Regarding Ms Mahdi's complaint about the size and installation of the cupboard space in her unit, Mr Larsen acknowledged receiving a similar complaint from the Shareholder the previous year. he stated that the cupboard space was not expanded during the refurbishment works and that it was not possible to increase the existing cupboard space at this time. The Chairman advised that the Board had discussed Ms Mahdi's complaint prior to this meeting and explained that it was not feasible to expand the cupboard space as the units, including the smaller cupboard near the lounge, were originally designed with that configuration. While the Board took the complaint seriously, no other complaint had been received by management or the Board to date. The Chairman then enquired whether the audience had an issue with the cupboard spaces. No issues were mentioned, and it was determined that due to the existing layout of the unit and lack of similar complaints, that the cupboard space would not be altered.

Mr Alexander's query related to his timeshare unit, unit 403 purchased in 1988, being converted from a 6-sleeper to a 4-sleeper. He stated that the unit had always accommodated a king-sized bed, two single beds, and two sleeper couches in the lounge. He had been informed that the unit was a 4-sleeper when trying to rent the unit out. Mr Larsen replied that he and his team were unaware of any conversion of units to a smaller unit but committed to obtaining Mr Alexander's contact details to provide feedback following investigation.

Responding to Mr Bridgland's query as to why the white weeks' timeshare had changed to only red weeks or peak weeks the following year, Mr Peter Pienaar, the General Manager of SunSwop, explained that the conversion was demand-driven. SunSwop, in conjunction and collaboration with RCI to manage the exchange programme, had tracked the demand for resorts such as uMhlanga Sands Resort and Cabana Beach Resort and as these properties operated close to 90% occupancy all-year round, the results warranted the conversion. The decision to convert the weeks did not affect the annual levy obligation. The levies for uMhlanga Sands Resort were standardised with no peak week periods while the levies according to the timeshare weeks for Cabana Beach Resort, were dictated by the Company's Use Agreement. Demand was continuously monitored. Mr Bridgland thanked Mr Pienaar and enquired about the levy increase for 2026 and whether the proposed increase would result in a surplus for the reserves. The Chairman replied that the levy increment for the 2026 year would be increased to a maximum of 6.5%. Mr Darren Park, the Financial Manager of Southern Sun Hotels in KwaZulu Natal, replied that the reserves were anticipation to be "flat" by the end of 2026. The Company closed on a R15m deficit at the end of last year because of the major refurbishment project and the reserves should close on a nil balance the following year.

12 VOTE OF THANKS

The Chairman expressed gratitude to Southern Sun for the excellent work as a managing agent for the property, since timeshare started at the property. The property looked beautiful, and the Board had recorded so many compliments about the state of the property, quality of the refurbishment, good quality staff members and so on. Guests were enjoying their holiday experiences.

He thanked Mr Clive Napier of Clive Napier Enterprises, for the resort's great entertainment programme and extended thanks to Mr Moolman who leads the entertainment as only positive feedback was being received. He acknowledged Ms Lisa Sutton for her assistance with Company Secretarial duties.

The Chairman concluded by thanking his fellow Directors for their input, expertise and commitment to their responsibilities over the last year.

13 CLOSURE

There being no further business, the Chairman declared the meeting closed at 12h49.



Chairman

GRAPHITE