KAL GROUP

INTEGRATED REPORT 2025

Salient features

Management committed to doing business in more places, with more clients and more products, making more margin.

R20,3 b
REVENUE
impacted by fuel price deflation

624,47
(cents)
RHEPS

13,2%
ROIC
consistently beating WACC

38,1%
DEBT-TO-EQUITY
lowest level in 15 years

R1,0 b
CASH FLOW OPERATING ACTIVITIES
continued strong cash generation

58,9%
CASH CONTRIBUTION TO TURNOVER

R132,0 m
CAPEX SPEND
prudent approach

590,7 m
GROUP FUEL LITRES
outperforming sector

426,7 m
PEG FUEL LITRES
outperforming sector

14,1%
ROE

10,2%
RONA
efficient use of assets

+3,9%
GROSS PROFIT
excellent margin management

210,00
(cents)
TOTAL DPS
increased shareholder returns

6 848
NUMBER OF EMPLOYEES
caring for our people

Contents

About this report

This integrated report ("report" or "IR") covers the integrated performance of the KAL Group ("KAL", "the Group" or "the company") for the year ended 30 September 2025 ("the year").

SCOPE AND BOUNDARY

We strive to provide current and prospective investors and stakeholders with a comprehensive view of KAL's performance during the year, to enable them to make an informed assessment of the Group's ability to create and grow sustainable value. The report provides material information regarding our strategy, business model, financial and operational performance, significant risks and opportunities, stakeholder interests, and governance. Additional reports are available on our website at www.kalgroup.co.za.

This report focuses on Agrimark Operations ("Agrimark"), PEG Retail Operations ("PEG"), Agrimark Grain, and Manufacturing, as the primary operating segments contributing to our performance. The Group supply chain and corporate shared service environments support these segments.

In line with our strategy to exit non-core manufacturing operations and focus resources on core retail and ancillary offerings, we made the following disposals:

- Tego Plastics (Pty) Ltd was disposed of effective 30 September 2025
- The disposal of Agriplas (Pty) Ltd was announced on the JSE Stock Exchange News Service ("SENS") on 22 September 2025, subject to the fulfilment or waiver (if applicable) of certain suspensive conditions

We further optimised the Group structure by unbundling PEG from Agrimark Operations Limited on 1 August 2025. PEG is now a subsidiary of KAL.

There were no other changes to the company's organisational structure during the year.

REPORTING FRAMEWORKS

KAL applied the principles of the International Financial Reporting Standards ("IFRS"), the King IV Report on Corporate Governance™ for South Africa, 2016 ("King IV")*, the JSE Limited Listings Requirements ("JSE Listings Requirements") and the Companies Act, 71 of 2008, as amended ("the Companies Act"). The report considers the requirements of the IFRS Foundation's Integrated Reporting Framework.

TARGET AUDIENCE AND MATERIALITY

We prepared this report for current and prospective shareholders. It is relevant for any other stakeholder interested in our performance and prospects. It focuses on matters we deem material to our ability to create value and deliver against our strategic objectives.

EXTERNAL AUDIT AND ASSURANCE

We apply a combined assurance model to ensure our information and business processes support the integrity of our reporting. The Group's internal audit function monitors financial, operating, compliance and risk management controls. The Audit and Risk committee monitors the execution of our assurance plan and reports on this to the Board of directors ("Board"). Deloitte & Touche independently audited the Group's annual financial statements ("AFS"). The Legal Verification Team (Pty) Ltd independently verified our broad-based black economic empowerment ("B-BBEE") scorecard information. The rest of this IR is not subject to an independent audit or review.

FORWARD-LOOKING STATEMENTS

This report contains information that may constitute forward-looking statements regarding KAL's financial position, performance and operations. These statements and forecasts involve risk and uncertainty as they may relate to events and depend on circumstances occurring in the future. As such, these statements are not guarantees or predictions of future performance. Various factors could cause actual results to materially differ from those expressed or implied by these forward-looking statements. Readers are advised not to place undue reliance on such statements.

STATEMENT OF THE BOARD OF DIRECTORS OF KAL

The Board acknowledges its responsibility to ensure the integrity of the IR. The Board believes the report provides a fair and balanced account of the assessment regarding the Group's performance on the material matters as having a bearing on the Group's capacity to create value. The 2025 IR was prepared following recognised best practice and complies with the King IV recommendations. Accordingly, the Board approved the IR for publication.

"electronically signed"

GM Steyn
Chairman

S Walsh
Chief Executive Officer

We are evolving fuel stations into destinations that truly serve our customers. Our recent acquisitions and award-winning food outlets show how convenience and service innovation can reshape the modern fuel experience.

Xolisa Bangazi, Managing Director: PEG Retail Operations

Redefining the retail fuel experience

Aligned with the Group's FY30 strategy to grow profitability through footprint expansion, PEG Retail Operations continues its focus on redefining traditional service stations into multi-purpose hubs offering community convenience, quality, and value. During the year, PEG expanded its network through the acquisition of three new sites and the addition of eight quick service restaurants and three convenience stores.

A key highlight was the acquisition of the Sherwood service station, strategically located on a major commuter route in Humansdorp. Beyond fuel, the site offers expanded convenience retail, quick service dining, parcel lockers, and modern customer amenities – reflecting PEG's vision to create destinations that meet diverse daily needs.

PEG's Wimpy franchise at the Engen 1-Stop in Heidelberg was recognised as the *Best Wimpy in South Africa* for the fourth consecutive year, further underscoring the company's focus on service innovation and the evolving retail fuel landscape.

Value proposition

We are a people-first company dedicated to delivering a unique offering to our customers.

Business philosophy

KAL is a unique, growth-focused lifestyle retailer committed to providing best-in-value solutions in agri-inputs, fuel (farm and retail), and general and convenience retail to consumers across Southern Africa.

We are rooted in the communities we serve and pride ourselves on adding value and meeting the distinct needs of our market through a blend of quality, convenience and expertise. We strive to deliver a distinctive impact and superior performance while being a significant role player in the sectors where we operate.

OUR VALUES

C	A	R	E
Effective behaviour **Leave nothing unsaid**	Effective behaviour **If one wins, we all win**	Effective behaviour **I value you**	Effective behaviour **We develop people**

COMMUNICATE

Focus:
Open, clear, honest

ALIGNMENT

Focus:
Shared services, shared results

RELATIONSHIP

Focus:
Authentic, recognition, time

EMPOWERING

Focus:
Development, better off, ownership, growth

OUR PURPOSE

KAL Group is *powering growth from farm to fork* whilst ensuring our stakeholders are better off because we exist.

OUR COMMITMENT

A combination of the following anchors creates our competitive positioning and recipe for success:

> Diverse and accessible footprint
> Scale efficiency
> Entrepreneurial spirit
> Digitally enabled

As business owners, we want to serve our customers where they need us. We do this through our diverse and accessible footprint and infrastructure, serving facilities, geographical spread, and differentiated market approach. Together with our use of data and insights to drive value, these are our competitive advantages. Our Accelerating Performance culture further sets us apart.

We encourage our people to Communicate, seek continuous Alignment and build authentic Relationships within an Empowering environment ("CARE"). Our Accelerating Performance culture and CARE values ensure our employees are committed to our continued performance and growth philosophy. We believe this is what sets us apart.

Group strategic objectives

With our roots entrenched in a strong agricultural foundation, the Group has diversified to include retail offerings in the fuel and convenience sectors and manufacturing. We have also strengthened our customer value proposition through diverse store formats that provide a differentiated shopping experience. This experience captures the charm of a rural way of life, with shared lifestyles, attitudes and interests uniting our customer base.

The following strategic focus areas are business imperatives:

1. Growth

By focusing on upgrades and footprint expansions, strategic alliances, and mergers and acquisitions, we drive growth and ensure our distribution and supply chain capabilities are ramped up to support it.

2. Optimisation

By implementing systems to support supply chain optimisation and optimising retail store formats and ranges, we ensure relevance with diverse customers and enhance the in-store customer experience.

3. Leveraging culture and diversity

Developing talent and entrenching our Accelerating Performance culture support our unique value proposition. Transformation is not only a responsibility; it is a business imperative and catalyst for social and economic transformation.

4. Digitisation

Enhancing our customer experience and ease of doing business drives all our e-commerce, account and payment solutions initiatives.

FY30 strategy

KAL's five-year FY30 strategy aims to deliver sustainable growth, operational excellence, and enhanced shareholder value. At the centre of the strategy is our ambition to achieve R1,5 billion profit before tax ("PBT") by the 2030 financial year. This will be underpinned by disciplined capital allocation, balance sheet strength, and strong returns. We aim to achieve a minimum 15% return on equity ("ROE") and 14% return on invested capital ("ROIC").

OUR PURPOSE

Powering growth from farm to fork,

OUR VALUES

COMMUNICATE

ALIGNMENT

FY30 STRATEGIC GOAL

Achieve **R1,5 billion** profit before tax by keeping our customers at the core of the business, focusing on:

- AGRI-INPUTS
- GENERAL RETAIL
- CONVENIENCE RETAIL
- FUEL

OUR STRATEGIC FOCUS AREAS

Growth

Optimisation

We aim to deliver stakeholder outcomes that contribute to:

2 ZERO HUNGER

4 QUALITY EDUCATION

Growth will be driven across three segments: Agrimark Operations, PEG Retail Operations, and New Business Ventures. Each segment is aligned to our purpose of *powering growth from farm to fork*, enabled by an entrepreneurial culture and customer-centric approach. Our unique advantage lies in our diversified and accessible footprint, scale efficiency, and digital enablement.

Execution of the strategy will focus on expanding our footprint, gaining market share, optimising efficiencies, and unlocking new growth opportunities in retail, convenience, and fuel. With clear targets and enablers, the FY30 strategy positions the Group to deliver long-term resilience, innovation, and value creation for all stakeholders.

ensuring our stakeholders are better off

RELATIONSHIP

EMPOWERING

OUR OPERATING MODEL

We will achieve our key goal through our **growth-focused lifestyle retail model** that features:

- A diverse and accessible footprint
- Scale efficiency
- Entrepreneurial spirit
- Digital enablement

OUR FINANCIAL TARGETS

We will increase **shareholder value** through financial targets:

- **15%** return on equity
- **14%** return on invested capital
- **≈ 40%** debt-to-equity ratio
- **2,5x** dividend cover

Leveraging culture and diversity

Digitisation

7 AFFORDABLE AND CLEAN ENERGY

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

How we create value

> *Powering growth from farm to fork while ensuring our stakeholders are better off because we exist.*

SMALL-SCALE FARMERS

R13,7 million
invested in the KAL Academy since 2009

R1,3 million
invested through the KAL Academy in 2025

529
small-scale farmers trained since 2009

Read more about these initiatives in the social and ethics report on page 84.

YOUTH DEVELOPMENT

We provided **50** **bursaries**

to the value of **R2,5 million** to beneficiaries of whom

53%
were female students

OUR SUPPLIERS

R14,9 billion total procurement spend (less statutory allowances)

86,5% Suppliers with B-BBEE certification

OUR CUSTOMERS

KAL's commitment to serving its customers drives our business, guides decision-making and shapes strategy. Everything we do revolves around relationships built over time, shared and honoured values, and a commitment to partner and create value through good and challenging times.

The Group's brands have always been about community. The same desire for community drives our consumers. During the year, we grew our footprint to 268 operating points. Our footprint expansion in the retail fuel sector continued.

Group fuel litres	PEG fuel litres	Agrimark fuel litres
590,7 million	426,7 million	164,0 million

Discounts passed on to agricultural customers

Price Support

In 2025, we passed **1,9%** **of turnover in value** back to customers through strategic pricing support.

Awards for operational excellence

Top Wimpy Branches

Restaurant of the Year & Best Engen Wimpy
Wimpy @Engen Heidelberg 1 Stop

Runner-up Restaurant of the Year
Wimpy @Northcoast 1 Stop South

Top Steers Branches

Steers @Shell Windfarm
Steers @Sasol Zebetiela South

Top Sasol Sites

Top Performer (Fuel Easy) – Limpopo region
Sasol Zebetiela South

OUR EMPLOYEES

R1,3 billion total labour cost

R11,2 m
(total skills levy paid)

6 848 employees

KAL Trust

R7 million to employees in 2025, comprised of

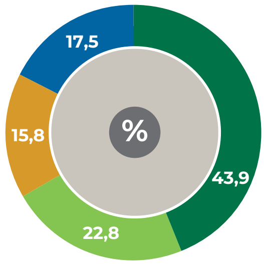
R6 million in support for the **education** of employees' children

R1 million in interest-free **home loans** to qualifying employees

OUR COMMUNITIES

R5,7 million
invested in the following community initiatives:

OUR COMMUNITIES



- Bursary programme for secondary and tertiary learners R2,5 million
- KAL Academy R1,3 million
- Community outreach programmes R0,9 million
- Agricultural organisations support structures and community shows R1,0 million

GOVERNMENT AND REGULATORS

In 2025, KAL paid R193,2 million to the South African Revenue Service ("SARS") in direct taxes.

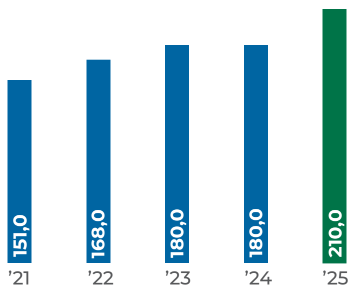
The total amount of PAYE paid for the KAL Group was R110,9 million.

INVESTORS AND SHAREHOLDERS

R128,5 m
declared to shareholders in 2025

R159,4 m
equity held by broad-based black shareholders at year-end

DIVIDEND PER SHARE (CENTS)



> *Agrimark connects farmers with science-based solutions, helping them move to data-driven decisions that improve yield, profitability, and sustainability. As always, it's about understanding what our customers need – and supporting them as they respond to changing conditions and global market expectations.*
>
> **Arno Abeln, Managing Director: Agrimark Operations**

Helping farmers innovate for the future

As global markets place greater emphasis on sustainable production, regenerative farming is gaining ground among South African farmers, especially those who export. Focused on restoring soil health, improving biodiversity, and reducing chemical dependency, these practices are becoming key to maintaining export competitiveness and long-term resilience.

Agrimark is supporting this transition with precision-farming solutions as well as a comprehensive range of products aligned with regenerative goals, while actively promoting knowledge exchange within the broader agricultural community.

Sponsoring leading sustainable farming events promotes awareness and the exchange of best practices, enabling farmers to adopt more sustainable and resilient farming methods.

With soil degradation becoming an increasing risk in many regions, our efforts are driven by a simple truth: *look after your soil, and your soil will look after you.*

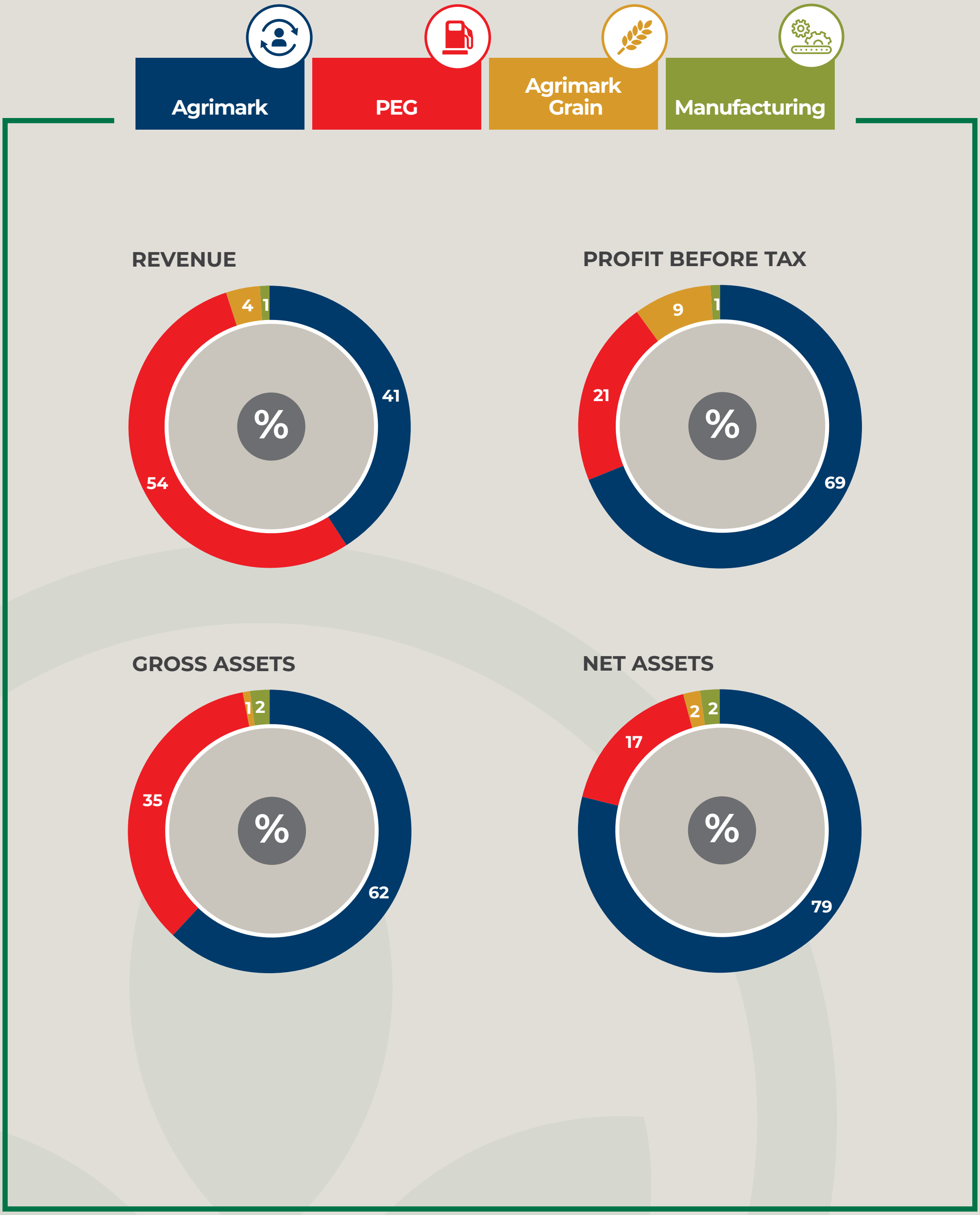
Business profile

SERVICES	PURPOSE	OPERATIONS	
Agrimark			
> Production inputs > Packaging material > Hardware and building material > Fuel > Garden and pool > Clothing and outdoor life > Fast-moving consumer goods ("FMCGs") and liquor > Tractors and combine harvesters > Tillage > Parts > Workshops	Provides a complete range of production inputs, mechanisation equipment and services, and other retail products to agricultural producers and the general public.	> 81 Agrimark shops > 12 Agrimark Packaging shops > 9 Agrimark Liquor shops > Agrimark online store > 20 fuel service stations > 1 Agrimark depot > 8 Forge shops > 3 FarmSave shops > 12 workshops > 14 parts outlets > 6 fuel depots	> Western Cape > Northern Cape > Eastern Cape > Limpopo > North West > Mpumalanga > KwaZulu-Natal > Namibia
> Agrimark App	Secure, real-time mobile customer account management application that enables remote authorisation for purchases nationwide and improved financial administration for clients	> Digital platforms	
> Agrimark online	e-Catalogue of Agrimark's product offering with online purchases and nationwide delivery		
> Agrimark customer account portal	Self-service, web-based portal that enables real-time account management and financial reporting		
PEG			
> Convenience stores > Quick service restaurants > Retail fuel	Provides a full retail fuel offering, including convenience stores and quick service restaurant outlets, to a diverse range of customers.	> 78 service stations > 2 OK Value shops > 1 liquor outlet > 1 standalone quick service restaurant combo	> Western Cape > Northern Cape > Eastern Cape > North West > Gauteng > Limpopo > Mpumalanga > Free State > KwaZulu-Natal
Agrimark Grain			
> Grain receiving and grading > Grain marketing > Grain storage > Seed processing > Seed potatoes > Grain services account portal	Provides a complete range of marketing and hedging options and handles grain products between producer and buyer.	> 14 silo complexes (approximately 330 000 tonne capacity) > 1 bunker complex (57 100 tonne capacity) > 3 seed processing plants	> Western Cape

SERVICES	PURPOSE	OPERATIONS	
Manufacturing			
> Dripper pipe > Pumps > Irrigation equipment > Filters > Automation	Manufactures dripper pipe and other irrigation equipment and distributes franchise and other irrigation parts.	> 1 manufacturing facility > 3 distribution points	> Western Cape > Gauteng > Mpumalanga
Support Services			
> Supply chain and procurement > Human resources > Financing > Finances > Internal audit > Risk management > Information management	Provides shared services for the Group's operational activities and tailor-made financing to clients. The costs related to these support services are allocated to the different reportable segments as per the segment report.	> 1 Corporate office – Paarl > 1 Administrative head office – Malmesbury > 13 regional credit offices	> Western Cape > Northern Cape > Eastern Cape > Mpumalanga > KwaZulu-Natal

Financial	Agrimark 2025 R'000	PEG 2025 R'000	Agrimark Grain 2025 R'000	Manufacturing 2025 R'000
Revenue	**8 272 333**	**11 042 999**	**761 201**	**228 667**
Profit before tax	**486 221**	**147 731**	**64 222**	**6 529**
Gross assets	**4 914 040**	**2 774 250**	**100 748**	**160 788**
Net assets	**2 692 838**	**573 229**	**71 333**	**87 540**

Financial	2024 R'000	2024 R'000	2024 R'000	2024 R'000
Revenue	7 775 413	12 694 576	1 050 247	214 688
Profit before tax	431 040	204 887	62 915	987
Gross assets	4 578 429	3 048 772	92 329	326 474
Net assets	2 574 397	583 008	66 014	34 617


Agrimark
PEG
Agrimark Grain
Manufacturing
REVENUE
41
54
4
1
%
PROFIT BEFORE TAX
69
21
9
1
%
GROSS ASSETS
62
35
1
2
%
NET ASSETS
79
17
2
2
%

> *Our teams are empowered to leverage existing technology to streamline processes and strengthen our business from within. It's this kind of practical innovation, rooted in a deep understanding of our operations, that will help future-proof Agrimark as we continue our digital journey.*
>
> **Arno Abeln, Managing Director: Agrimark Operations**

Innovation from within

Agrimark's digitisation journey continues to gain momentum through practical innovations that simplify operations and improve the customer experience. When Portia Gulube, a Merchandise Planner in the Supply Chain division, identified inefficiencies in stores' customer delivery processes, she developed a cost-effective digital scheduling system that addresses key challenges.

Created on existing software platforms and requiring no additional investment, her application has been rolled out across most Agrimark branches, giving teams a centralised platform to plan deliveries, avoid scheduling conflicts, and maximise asset use.

The application standardises logistics processes, offers real-time visibility and enables accurate reporting. By improving planning and strengthening accountability, it supports Agrimark's broader digital objectives of enhancing the customer experience and simplifying the way business is done.

Our brands

KAL is a unique retailer operating in the agricultural lifestyle, fuel and convenience sectors. The Group trades under multiple brands, each of which is crafted to resonate within its niche operating environment. This ensures our diverse customer base can easily identify the unique value they seek.

We operate as a family unit, ensuring each brand is strong and plays its part in enabling the whole to flourish. We bolster brand awareness and form deep connections with diverse customer segments by aligning our brands with our core offerings. This approach allows the Group to broaden its market reach while cultivating strong relationships within its specialised sectors.

The core business segments are Agrimark Operations ("Agrimark") and PEG Retail Operations ("PEG"). These segments generate approximately 95,0% of the Group's income.

BRAND STRENGTHS

We strive to make KAL a shared value brand that lives up to its purpose of *powering growth from farm to fork* whilst leaving stakeholders better off because of our existence. This is demonstrated by our core strengths:

Financially resilient

Strong and profitable, evolved and diversified, with good long-term growth horizons

Trusted and supportive partner

100-year legacy with deep inter-generational roots and long-standing personal relationships

Accelerating Performance Culture

Unified culture based on strong corporate CARE values

Excellent customer experience

Outstanding customer service, well-priced and diverse ranges

One account

A supportive credit provider with a beneficial financial service offering that allows customers to consolidate transactions across brands in one place

BUILDING FUTURE-READY BRANDS

KAL continued to strengthen its brand portfolio in 2025. We have built unified identities that reflect our FY30 strategy and our commitment to growth, operational excellence, and customer focus. Our brand initiatives emphasised clarity, cohesion, and future readiness across our two core business segments.

PEG: A unified, forward-looking identity

On 1 March 2025, The Fuel Company (TFC) Operations rebranded to PEG Retail Operations, bringing together the Group's fuel and retail convenience operations under a single identity.

The bold new brand identity reflects PEG's evolution and commitment to progress. It also reinforces our FY30 strategy by aligning operations, brand perception, and customer experience under a unified identity.

The colours in the logo represent the essence of PEG's identity, its proudly South African heartbeat, and its growth ambitions. Blue represents trust, quality, professionalism, and reliability, highlighting the company as a trusted partner in the fuel and convenience sector. Red reflects the passion, energy and values that drive PEG's teams to deliver exceptional service every day. And yellow expresses PEG's commitment to creating uplifting experiences for everyone who visits our sites; it also symbolises an innovative, forward-thinking approach to growth.

This rebrand strengthens our market positioning, promotes collaboration across teams, and signals PEG's readiness to meet future growth opportunities in fuel and convenience retail.

Agrimark: Innovating for seamless customer experiences

The completion of the Forge rebrand in the first half of the year was a milestone for Agrimark. Former Forge branches in KwaZulu-Natal now operate under the Agrimark banner. This consolidates our agri-lifestyle offerings under a single, customer-focused identity, enabling a seamless experience across our growing branch network. The opening of a new branch in Ixopo further strengthened our reach, supporting our strategy of expanding access to both commercial and small-scale farmers.

At the same time, the revamped Agrimark App and online account portal are transforming how customers interact with the brand. Customers can now shop online for farm and home essentials, access real-time account information, order fuel, and complete grain transactions – all on one platform. By integrating its digital services, Agrimark is providing faster and more convenient solutions. We are also using data-driven insights to strengthen customer relationships and support future growth.

Unified brands, stronger connections

These initiatives reflect the Group's focus on building resilient, customer-centric brands aligned with our FY30 ambitions. By consolidating and modernising our brand portfolio, KAL is enhancing recognition, reinforcing operational synergies, and shaping growth through innovation. This will strengthen our ability to meet customer needs, unlock opportunities, and create sustainable value for all stakeholders.

KAL GROUP

AGRIMARK FarmSave agriplas

PEG EXPRESSMARK TEGO PLASTICS

AGRIMARK OPERATIONS

We aim to expand our footprint by establishing new operating points and upgrading store formats. To grow our client base, we continually optimise the product range and services we offer. An innovative example of this is the launch of the Workwear Bus, a mobile unit stocked with workwear and personal protective equipment (PPE). Operated by a dedicated specialist, this "store on wheels" travels to farms and packhouses, enabling customers to access Agrimark's high-quality, branded workwear without needing to visit a physical branch.

We also continually review our offering for building contractors and retail homemakers. The Agrimark housebrand portfolio is being strategically expanded to enhance category relevance and deliver stronger value to this customer segment. Focused on high-demand categories where quality and affordability are critical, the portfolio already includes products such as Agrimark paint and Agrimark refuse bags. A priority is ensuring a consistent, recognisable brand identity across all ranges. This reinforces customer trust and loyalty while strengthening differentiation in the marketplace. Continued development of the Agrimark housebrand is a meaningful opportunity to grow margins, build brand equity, and extend Agrimark's value proposition to more customers.

AGRIMARK

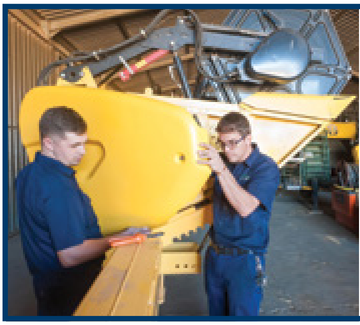
Agrimark branches

Agrimark branches are one-stop, agri-lifestyle retail stores providing expert advice, products and services. There are 89 stores in operation throughout South Africa and Namibia. These stores represent the Group's core agri-retail business. They provide farming supplies and services and general retail offerings and include retail shop areas and bulk store areas. Most Agrimark stores also have fuel stations. Selected stores offer specialist tyre and fitment services. Where appropriate, garden centres and expanded pet offerings are present.

Agrimark's retail offerings target farmers, families, homemakers, trade professionals, building contractors, and DIY and outdoor enthusiasts. Our branches are tailored for urban, peri-urban and rural demographics and are designed to bring the charm and down-to-earth wholesomeness of rural living to our customers. On the farm, in the home and outdoors, Agrimark is for the enthusiasts, the experts, and the people who love rolling up their sleeves and getting their hands dirty. Whether you are a farmer, a farmer-in-training or a farmer at heart, from the country or the city, Agrimark is for you.

Agrimark Packaging

Agrimark Packaging services the fruit and vegetable farming sector with packaging materials. There are 12 standalone centres and 13 additional depot facilities managed with Agrimark stores. These branches support the Group's drive into the water-intensive areas of the country, where fruit and vegetable production is the core farming operation. Agrimark Packaging branches are redistribution centres for products such as cartons, carton inner packaging, plastic bags, labels, pallet strapping and pallets – anything a producer needs to market products in South Africa or abroad.

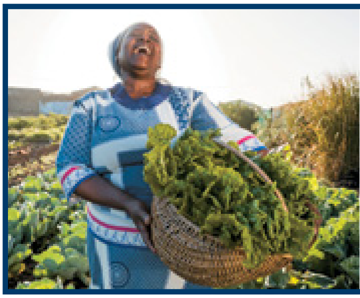


Agrimark Mechanisation (New Holland agency)

Agrimark Mechanisation is one of the largest agents for New Holland in Southern Africa. This service markets agricultural machinery and implements to the farming and related sectors. It also offers a parts branch network and workshops. Twelve branches and three engineering workshops assist producers with general repairs. These services mainly focus on the western and southern regions of the Western Cape.

Agrimark Liquor

Agrimark Liquor extends Agrimark's retail offering with standalone liquor stores. Nine stores are conveniently located on Agrimark premises, mainly in peri-urban and rural areas.



FarmSave

FarmSave is our no-frills warehouse-format store, stocking a select range of farming essentials for small-scale farmers. With its customers in mind, FarmSave focuses on delivering value for money. It serves as a vehicle for the Group's growth in low-income, non-commercial farming and small-scale farming markets in South Africa. The FarmSave brand consists of three stores.

PEG

PEG represents KAL Group's retail fuel and convenience interests. It also drives retail fuel expansions and growth in this sector. PEG is the leading independent fuel and convenience retailer in South Africa, with 82 service stations in its network. Almost 50% of these service stations operate alongside national highways. PEG has a unique multi-brand approach and operates service stations under all major oil company brands, including Engen, TotalEnergies, Shell, Astron Energy, BP and Sasol.

PEG is not limited to operating convenience stores and quick-service restaurants under its own brands. Its entrepreneurial multi-brand and multi-supplier approach enables it to serve customers with relevant and diverse convenience offerings. PEG's network offers major and popular quick-service brands such as Mugg & Bean On The Move, Debonairs Pizza, Fishaways, Steers, Wimpy, KFC, Café Bonjour, Woolworths Food, Vida e Caffé, Galito's, Crispy Chicken, and FreshStop. It also includes tailor-made quick-service restaurants that offer quality meals under the Homestead True Food and MacMunch brands.

Expressmark

Expressmark represents the Group's convenience store offering at service stations owned and operated by PEG and Agrimark (i.e. Agrimark and PEG can choose the fuel brand). It is a home-grown convenience store brand with 38 outlets. Expressmark offers an alternative to Astron's FreshStop, Engen's Quick Shop and TotalEnergies' La Boutique outlets.

AGRIMARK GRAIN

Agrimark Grain

Agrimark Grain represents the Group's silo storage, grain handling and grain trading services. It consists of 14 silo complexes with approximately 330 000 tonnes of silo capacity and an additional bunker complex with 57 100 tonnes of capacity. These services focus on the Swartland area of the Western Cape. Agrimark Grain also offers seed processing and related services to farmers in the Western Cape.

MANUFACTURING

During the year, the Group disinvested from its manufacturing operations. The sale of Tego Plastics has been concluded while the Agriplas disposal is pending Competition Commission approval. These brands will no longer form part of our portfolio going forward.

Agriplas

Agriplas manufactures dripline (under licence) and sprinkler (own patents) irrigation products with a growing focus on industrial water filtration in the mining industry. It also provides agency services for imported irrigation products in water-intensive areas of Southern Africa. Agriplas is one of the largest manufacturers and distributors of irrigation equipment for agriculture in South Africa and has been one of the leading suppliers of plastic irrigation equipment since 1968.

Tego Plastics

Tego Plastics uses injection moulding and robotics to provide plastic storage applications to various industries in South Africa. Its flagship product range, Tego bulk bins, consists of food-grade bulk bins used for harvesting, post-harvesting and transporting fresh fruit and vegetables. Recent additions to its product line include vented and solid picking crates. Tego is a disruptor in the market, and customers can choose between a range of options, colours, and customised branding.

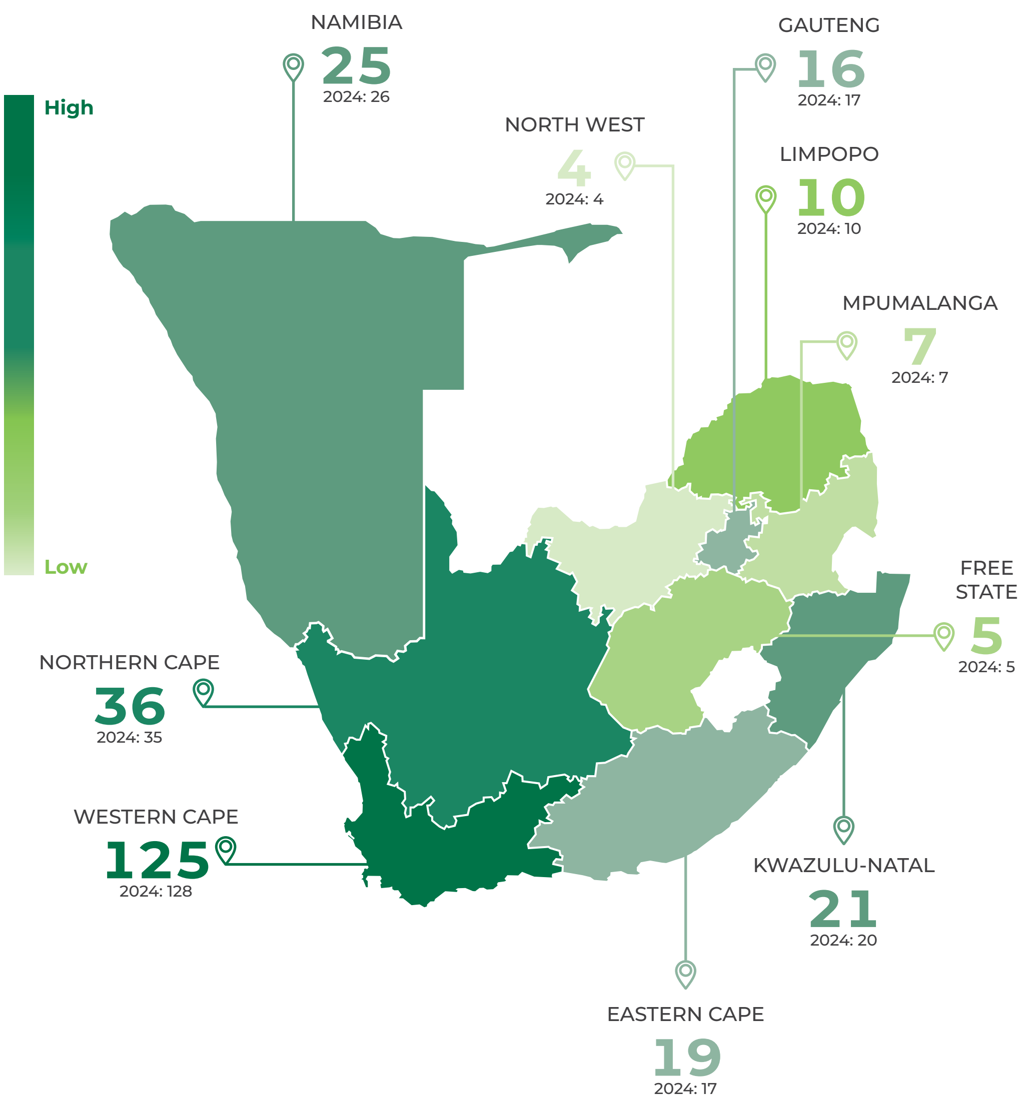
Geographic footprint

Over the past decade, KAL has diversified from a business focused mainly on agriculture to a unique, growth-focused lifestyle retailer. The Group provides best-in-value solutions in agricultural inputs, fuel (farm and retail) and general and convenience retail to an expanded customer base across Southern Africa.

We support our diverse client network through 268 business units across South Africa and Namibia.

These comprise an extensive network of retail stores, service stations, convenience shops and branded food service outlets in rural, peri-urban and highway locations. The Group is based in the Western Cape, with the administrative head office and corporate functions in Malmesbury and Paarl, respectively.

OPERATING POINTS PER GEOGRAPHY



Business review

The Group has achieved a compound annual growth rate of 12,7% in recurring headline earnings per share since FY11.

Leadership report (Chairman and Chief Executive Officer)

KEY TRENDS

EBITDA growth improved significantly in the second half of the year, mainly due to improved fruit sector financials, market share gains, and recovery of fuel volumes.

R20,3 billion

REVENUE

Although topline revenue was negatively impacted by an 11% lower fuel price contributing 53% of sales, agri-inputs grew by 8,2%, fuel volumes were up 0,8%, and PEG expanded its footprint and retail convenience offerings.

7,5%

EBITDA

Market share gains and retail margin improvements continued, and like-for-like opex was managed well.

(28,0%)

DEBT LEVELS REDUCED

Debt levels lowest in 15 years, capex spend well controlled, and footprint expansions gaining momentum.

KAL's business segments recovered significantly in the second half of the year. Fuel volumes grew by 0,8% on the back of footprint expansions and market share gains in commercial fuel. Agri-related farm spending was strong, and convenience retail performed well due to the recovery in petrol volumes. Recurring headline earnings increased by 10,1% for the year, placing the Group on track in terms of its growth aspirations.

STRATEGY

KAL maintained its focus on optimisation during the year, leveraging the Group's scale and efficiencies. With a healthy balance sheet, the Group is able to build momentum in footprint and market share growth. KAL has achieved recurring headline earnings per share ("RHEPS") compound annual growth rate ("CAGR") of 9,2% over the past 10 years. We maintained and expanded a return on invested capital ("ROIC") above the weighted average cost of capital ("WACC") over the last year and created economic value added ("EVA") of R76,9 million.

The Group business strategy for FY30 was reviewed in collaboration with the executive team. The strategy aims to achieve a CAGR of 15% or higher in RHEPS while continuing to achieve a minimum ROIC of 14% and maintaining a debt-to-equity ratio of approximately 40%. This will allow us to improve our dividend yield to shareholders. The Group is intent on *powering growth from farm to fork* while ensuring all stakeholders are better off.

Our consumers include agri-producers, on-the-go fuel and convenience motorists, and retail consumers. Our businesses include some of the most trusted brands in agricultural input supply and the largest independent fuel retailer in South Africa. Our retail operations cater to essential lifestyle needs with fuel, building materials, DIY supplies, gardening, pet care, and outdoor leisure products. Our footprint comprises an extensive network of retail stores, service stations, convenience shops, and branded food service outlets, mainly in rural, peri-urban and highway locations.

KAL derives its competitive edge from its geographical footprint, people and systems. The diversified business segments counterbalance and de-risk the geographic and sector-specific nuances associated with agriculture. They also provide high cash-generative opportunities and good return on investment prospects in the fuel and convenience sectors. Strategic initiatives remain focused on growth, driven by our entrepreneurial spirit and agility, and optimisation, leveraging our culture, diversity and digitisation.

Diversifying the Group's market, geography, and customer exposure continues to pay dividends, with non-agri activities generating 70% of trading profits.

The Group comprises three segments for operational and management purposes: Agrimark Operations, PEG Retail Operations, and Agrimark Grain. The Group reports operating business segment information on this basis.

The Agrimark segment contributed 40,7% of Group revenue, higher than the prior year. PEG contributed 54,4%. This illustrates the high contribution of retail activities in the Group. Agrimark segment revenue increased by 6,4% year-on-year ("YOY") with profit before tax ending 12,8% higher than the prior year.

PEG segment revenue was 13,0% down YOY due to the lower fuel price and the transfer of 9 sites to Agrimark. When we compare like for like performance, PEG grew PBT by 10,95%. Improved convenience retail, quick service restaurant ("QSR") performance and lower interest paid, contributed to the growth in profit before tax.

Wheat volumes were down 16%. Despite this, Agrimark Grain maintained profit before tax at R64,2 million, similar to the prior year, by handling and storing alternative grains. All segments are well positioned for future growth.

Given the healthy balance sheet and low debt levels, the Board has approved a 16,7% increase in the total dividend for the year to 210 cents per share. This represents a dividend cover of 2,8 times (2024: 3,0 times).

GOVERNANCE

At year-end, our broad-based black shareholders held equity in the company worth R159,4 million.

The Board has the requisite skills to lead an increasingly diversified business. Its composition is reviewed every year. The Board remains cognisant of the regulations governing the business, including King IV, the JSE Listings Requirements, the Companies Act and other applicable legislation.

COMMUNITY AND SOCIAL INITIATIVES

We remain steadfast in our commitment to Environmental, Social, and Governance (ESG) principles, integrating sustainability and socio-economic upliftment into our strategic objectives.

Our flagship programmes span across education, food security, employee empowerment, and environmental stewardship.

We believe education and youth development are critical for long-term economic growth, innovation and poverty alleviation. In addition, hunger alleviation and food security are important enablers for social cohesion and educating youth. We are purposeful about reducing our impact on the environment and have invested in renewable energy projects while also continuing to support conservation and regenerative agricultural knowledge exchange platforms.

Significant investments in education include R2,4 million in bursaries for 50 learners in FY25, contributing to a cumulative R13 million over seven years. We continue to foster relationships with beneficiaries to ensure learners have the support required to achieve their potential. We congratulate one of the learners at La Rochelle Girls' High School who competed in the Penn Relays in the USA, Pennsylvania and reached the finals.

The KAL Academy continues to transform the agricultural sector, with R13,7 million invested since inception to empower 529 small-scale farmers through training in sustainable farming and business practices.

We increased our support to the Harvesting Hope programme with the aim of increasing food rescue efforts and procurement from small-scale farmers whilst 44 958 meals have been secured for early childhood development centres (ECDs) providing meals for 7 ECDs for a year.

The KAL Trust remains pivotal to our employee value proposition, and we are humbled to have provided R1 million in interest-free home loans to employees along with a significant increase in educational and cultural support grants to 529 employee dependents.

Our environmental sustainability agenda continues to be driven by our investment in solar photovoltaic systems with our investment now spanning across 20 sites, reducing reliance on coal powered electricity and enhancing operational resilience.

Our ESG programmes are intrinsically linked to our business purpose and reflect a deep-rooted dedication to creating long-term value across economic, social, and environmental dimensions. By investing in people, communities, and sustainable practices, the company reaffirms its purpose of fuelling growth from farm to fork and fulfilling its role as a responsible corporate citizen.

OUTLOOK

The Board believes the Group is ready to execute the growth plan for FY30, as evidenced by the momentum achieved in strategic initiatives in the second half of FY25.

Agricultural conditions in the areas where we operate were favourable during the last nine months, and the outlook is positive. Agriculture remains one of the key sectors for driving growth in the South African economy. With fuel prices dropping, interest rates being more favourable, and potential economic stimulus coming from private and public investment, we believe the Group is well positioned to capture any uptick in economic activity across business segments.

We thank our fellow Board members, the executive team and the people of KAL Group for the high level of resilience shown over the last few years.

"electronically signed"

GM Steyn Chairman	**S Walsh** Chief Executive Officer

Financial performance

Our financial strategy underpins the Group strategy.

Group Financial Director's report

STRATEGIC PRIORITIES

KAL aims to create sustainable and increased value for all stakeholders through consistent superior growth in earnings, underpinned by effective allocation of capital to value-enhancing opportunities. We pursue this objective through our strategic plan, which focuses on growth, optimisation, leveraging culture and diversity and digital transformation. The plan aims to deliver targeted recurring headline earnings per share ("RHEPS") growth at a level of return that exceeds the weighted cost of capital allocated. To achieve this, we continue to focus on the key financial value drivers of real revenue growth, gross profit growth, effective cost management, capital allocation optimisation, balance sheet and cash flow strength, and improved return on invested capital ("ROIC").

Performance management at a Group level considers the diverse nature of our combined business segments and aims to identify key financial performance indicators that will contribute to increased shareholder value. The top five financial indicators used by the business to measure performance are:

> **ROIC**
We consider ROIC to be the most appropriate measure of our efficiency in allocating capital to investments. ROIC is compared to the weighted average cost of capital and applied to the average capital invested to determine value creation. ROIC is an entrenched principle in our business and a key ratio when evaluating various growth and diversification opportunities. Achievement of ROIC targets is one of the performance conditions linked to executive remuneration through the long-term share incentive plan.

> **RHEPS**
RHEPS growth is a strong indicator of sustained wealth creation, as it eliminates the impact of infrequently occurring events and reflects earnings on an attributable per share basis. Successfully executing the four strategic focus areas should ultimately lead to superior RHEPS growth at a rate exceeding a combination of CPI and GDP growth. Growth in RHEPS is the second performance condition linked to executive remuneration through the long-term share incentive plan.

> **Return on equity ("ROE")**
We believe ROE is a true bottom-line profitability measurement relevant to shareholders, comparing the earnings available to shareholders to the capital provided by shareholders. The higher the ROE, the more efficiently the Group generates income and growth from its equity financing.

> **Fuel volume growth**
Due to the volatility and regulated nature of fuel prices, we believe fuel volume growth is the true measure of success in the retail fuel environment. By optimising existing operations, expanding our footprint through acquisitions, and adding complementary convenience shopping and quick service restaurant ("QSR") offerings, we aim to grow fuel volumes significantly over the medium term.

> **Return on sales ("ROS")**
We measure our ability to translate revenue into earnings by ROS. This indicator considers our ability to procure optimally and effectively operate our business on a low-cost model, as well as the funding impact of investment activities and balance sheet optimisation. This measure is less applicable in the fuel environment, where fuel price volatility impacts turnover without an accompanying direct impact on profitability.

INCOME STATEMENT

As part of the strategic growth initiatives of Agrimark to grow market share through direct-to-customer transactions in non-traditional areas, direct sales have increased significantly, with only the margin on these transactions included in revenue due to the nature of these transactions. Additionally, lower average fuel prices put overall Revenue under pressure during the year due to the large contribution of fuel revenue to total revenue. As a result, Revenue decreased by 6,6% to R20,3 billion, with the deflationary impact of fuel contributing 5,8% of this decline.

Given the diverse nature of the Group, and specifically the significant impact of volatile fuel prices, it is more appropriate to consider income channel inflation separately rather than overall group inflation. Year-on-year ("YOY") September inflation by income channel is estimated at 1,4% (retail), 4,5% (QSR), and deflation of 1,0% (agri). Average fuel prices throughout the year were 11,0% lower.

Excellent margin management was achieved, with overall gross profit increasing by 3,9%, in contrast to the decrease in revenue. This increase in gross profit was largely due to increased direct sales, assortment optimisation in the general retail categories and the increased contribution of high margin convenience retail revenue. Increased central distribution centre throughput as well as several strategic supply chain imperatives, continued to support retail trading margin. Agri margin remained constant while fuel margin increased off the back of lower fuel prices. September fuel prices ended the year 2,9% (petrol) and 1,1% (diesel) lower compared to last year ("LY"). Fuel price adjustments added 0,1% to YOY gross profit growth and were R4,2 million higher than prior year. Transactions decreased by 1,3% to R62,3 million, however basket size increased by 2,4%.

Capital expenditure was well controlled during the period. PEG added 3 new sites, completed 10 revamps and added 15 additional retail touchpoints. The pipeline of potential PEG site acquisitions remains healthy, with a minimum 5 additional sites (including convenience and QSR offerings) identified for the new financial year ("F26"). Agrimark added 1 new store in F25, with 2 new peri-urban Agrimark stores and 2 new Agrimark fuel sites on track for F26. Increased grain storage capacity will be operational within the first quarter of F26. The Agrimark Online purchasing platform offering continues to exceed expectations albeit off a low base.

Gearing levels significantly reduced during the period due to PEG acquisition debt and Agrimark term debt repayments.

Given the pressures on revenue, prudent cost management and increased cost efficiency remained a key focus area. Included in expenditure, is the impairment of the IFRS 16 right of use assets ("ROUA") on two underperforming PEG sites (R41,4 million) as well as the loss on disposal of Tego Plastics (Pty) Ltd ("Tego") (R26,1 million). Excluding these specific adjustments, expenditure increased by only 1,6% during the year. Profit from the pending disposal of Agriplas (Pty) Ltd ("Agriplas") will comfortably offset the loss on disposal of Tego in F26.

Total interest received decreased by 12,0% compared to LY, on the back of lower average debtors balances due to lower credit sales (impacted by lower fuel prices) and lower interest rates. Interest paid, excluding interest on lease liabilities in terms of IFRS 16, decreased by 19,6% due to the YOY reduction in average interest-bearing debt, assisted by scheduled term debt repayments and lower interest rates. Interest paid is expected to continue to decrease in F26 as the PEG acquisition-related debt is serviced in line with expectations.

When excluding the ROUA impairments and the loss on disposal of subsidiary referred to above, EBITDA increased by 7,5% and profit before tax increased by 10,4% compared to LY.

Return on invested capital increased to 13,2% and above the average weighted cost of capital.

Headline earnings increased by 9,5% and recurring headline earnings ("RHE") increased by 10,1%. Once-off items, predominantly costs associated with new business developments and business disposals are excluded from headline earnings to calculate RHE.

Headline earnings per share of 620,98 cents increased by 10,6% while RHE per share ("RHEPS") of 624,47 cents increased by 11,2% on LY.

Considering the half year RHEPS decline of 3,6% compared to LY, the full year RHEPS growth of 11,2% highlights the Group's exceptional recovery during the second six months of F25.

Given the significant repayment of the PEG acquisition debt and KAL's strong trading performance and cashflows, the Group has improved its dividend cover to 2,8 times (2024 3,0 times), in line with its communicated strategy. A gross final dividend of 154,00 cents per share (2024: 126,00 cents per share) has been approved and declared by the Board from income reserves, for the period ended 30 September 2025. The final dividend amount, net of South African dividends tax of 20%, is 123,20 cents (2024: 100,80 cents) per share for those shareholders not exempt from dividend tax or who are not entitled to a reduced rate in terms of an applicable double tax agreement. Including the interim dividend, the total dividend for the year ended 30 September 2025 of 210,00 cents per share (2024: 180,00 cents per share) increased by 16,7% from the prior year.

STATEMENT OF FINANCIAL POSITION

Capital expenditure amounted to R132,1 million (2024: R154,0 million), with an additional R13,2 million spent on the acquisition of further fuel sites and R17,8 million relating to the acquisition of shares in subsidiaries from non-controlling shareholders.

An initial R40,0 million was received from the disposal of Tego, with a further R74,7 million, being largely property and inventory proceeds, to be received over the next 2 years.

Working capital was well managed. Whilst credit sales decreased by 0,8%, trade debtors' balances reduced by 2,1% YOY with "not within terms" as a percentage of debtors improving to 8,9% (2024: 13,0%), the lowest in the past 10 years. Debtors turn of 4,3 times per year (2024: 4,2 times) has improved marginally. Our investment in centralised procurement and distribution and ongoing stock management initiatives continue to generate positive results, with inventory reducing by 6,0%. Creditors' days reduced by 3 days on LY.

Return on net assets increased to 10,2% (2024: 9,2%). ROIC, calculated excluding the impact of IFRS 16, increased to 13,2%, from 12,6% LY and comfortably above the weighted average cost of capital in the business.

Net interest-bearing debt reduced by R436,3 million, with R268,2 million in term debt being settled during the past 12 months. The Group's debt-to-equity ratio improved to 38,1% (2024: 51,3%), the lowest level in 15 years, with net interest-bearing debt to EBITDA improving to 1,2 times (2024: 1,8 times) and interest cover of 4,6 times (2024: 4,1 times). Gearing reductions are expected to continue in the short term but at a slower rate, as footprint expansion gathers momentum. Of the original R725 million external debt raised for the PEG acquisition in July 2022, R369,8 million capital has been repaid to date. A further R76,1 million will be settled during the first quarter of F26 and is anticipated that the final R279,1 million capital payment due in June 2026 may be refinanced in line with optimal funding structure requirements. Funding headroom exists with sufficient facilities in place to meet the Group's requirements and growth objectives. Return on equity increased to 14,1% (2024: 13,9%).

The Group's cash generation remains strong. The coming year will see an increase in capital spend as we continue to pursue footprint growth and other high return strategic initiatives in line with our 2030 strategic objectives.

SHAREHOLDER VALUE CREATED

KAL strives to create sustainable shareholder value through share price appreciation and strong consistent dividend payments. As communicated, the Group committed to the disposal of its non-core manufacturing operations. The disposal of Tego Plastics (Pty) Ltd was finalised effective 30 September and has been accounted for as such in the financial results.

The disposal of Agriplas (Pty) Ltd was communicated to the market via SENS on 22 September 2025 subject to the fulfilment or waiver (if applicable) of certain suspensive conditions, the most significant being the approval by the Competition Commission by latest 31 January 2026, which will also be the effective date of this disposal. The disposal of these two entities will free up underutilised cash for future expansion. Furthermore, PEG Retail Operations (Pty) Ltd has been unbundled from Agrimark Operations Limited and is now a subsidiary of KAL Limited.

The share closed at R41,83 on 30 September 2025, a decrease of 17,2% compared to 30 September 2024. Liquidity has improved, with 18,2% of shares trading during the year, an increase of 13,7%. We have enhanced our share register analysis abilities to provide meaningful information regarding shareholder activity and continue to proactively engage transparently with all our stakeholders to align our strategic journey and goals.

We consistently measure sustainable performance in terms of investor return over time, focusing on per share wealth creation. When evaluating KAL's performance over the long term, we use the total return index ("TRI") as a measurement tool. The TRI is the compound annual growth rate of an investment and is calculated by considering share price appreciation, dividends, and other distributions. We consider this a sound measure of wealth creation and a reliable way to benchmark different companies.

Using the 90-day volume weighted average share price, KAL's TRI at 30 September 2025 was 6,5% per annum since September 2015. Although the share price has shown a strong recovery of late, the TRI is down from 9,1% LY due to the lower share price experienced mid-year.

At year-end, the KAL share traded at a 90-day volume-weighted average share price of R40,25 per share. The closing share price of R41,83 per share represents a price earnings ("PE") ratio of 7,4 calculated on historic RHEPS. As of 27 November 2025, being the date on which the 30 September 2025 financial results were announced, the KAL share traded at a PE ratio of 7,4 calculated on the latest RHEPS.

OPERATING ENVIRONMENT AND OUTLOOK

Overall economic conditions remained challenging, and despite interest rate reductions and lower inflation, both consumer- and business confidence levels remained cautious. Various international conflicts impacted global economics significantly.

In South Africa, the Government of National Unity has struggled to deliver on the original expectations created. Our Group has risen above these challenges, remained focused and delivered a resilient financial performance with a strengthened balance sheet and strong cash generation.

Agriculture in most of the areas in which we operate experienced positive conditions. Producer cashflow improved, resulting in an excellent debtors position, supporting increased farm infrastructural spend. Export volumes have been high, contrary to expectations around tariffs. Agri category performance was strong across all major categories, growing agri-input channel turnover by 8,2% and trading profit by 8,1%. Slight agricultural input deflation combined with further anticipated reductions in interest rates bodes well for the year ahead. Although always weather dependent, the outlook for fruit and vegetable production in the upcoming agricultural season looks encouraging. Market share growth remains a key priority for Agrimark, both through growing with existing customers as well as attracting new customers in new geographical areas.

Retail trading turnover grew by 1,6% with retail trading profit increasing by 4,1%. The overall building material category performance remained constrained and reduced by 0,8% YOY. General retail performance is expected to remain volatile, although continued lower inflation and further interest rate reductions may benefit this sector. Convenience store and QSR performance has been robust and will grow further off the back of the revamps and new retail points added during the year.

The retail fuel industry continued to experience fuel litre volume decreases due to changed consumer behaviour. Albeit better than the overall fuel sector volume decline, PEG litres reduced by 0,3% and were negatively impacted by route specific challenges (especially on the N2 and N3 highways), reduced mining activity on the back of lower commodity prices as well as the effects of road closures and site revamps. Convenience retail and QSR offerings remained resilient and again outperformed general retail sales growth. Agrimark fuel litre volumes, mainly focused on the agricultural channel, grew by 3,7% due to market share gains. Group fuel litre volumes were 0,8% higher YOY. Retail fuel volume increases are expected in the year ahead courtesy of lower fuel prices, and robust convenience retail and QSR performance is likely to continue. Additional sites added in F25 and new sites planned for F26, in both PEG and Agrimark, will positively impact Group fuel volumes. The launch of the PEG exclusive Imali Yam loyalty programme has shown early traction, boosting repeat visits and customer engagement.

Although the 2024/25 wheat intake was negatively impacted by excessive rainfall during the growing season, Agrimark Grain successfully substituted a large portion of reduced wheat handling and storage income through the intake and handling of alternate grains, resulting in a very credible performance. Conditions are favourable for an above average 2025/26 harvest yield and we have invested in increased grain storage capacity, which will be operational within the first quarter of F26.

The disposal of Tego was concluded effective 30 September 2025 and the disposal process involving Agriplas is expected to be completed within the first half of F26.

The 2030 strategic plan has been approved by the Board and includes significant growth across our key Agrimark and PEG segments with clearly defined outcomes. Our drive remains to deliver a sustainable and superior return on invested capital to shareholders, by leveraging our capabilities to drive growth and by optimising our existing footprint and infrastructure. Our digital transformation journey includes several deliverables aimed at enhancing customer relationships and experience, through improved data analytics and utilising various AI tools. Leveraging our business culture and employee diversity is key to our success, and we will continue to invest in skills and talent development to attract, develop and retain our people.

Balance sheet strength remains paramount in ensuring continued sustainable returns for all stakeholders. Our balance sheet and gearing position has improved, and cash generation increased during the period.

Although F25 started slowly, the second half of the year delivered an excellent turnaround, with the full year's performance ending positively. We have seen definite improvements in a number of key economic indicators, a good sign for the financial year ahead. The disposal of Tego and Agriplas will not only release underutilised capital but will allow for increased focus on the core operating environments within the business. The Group is well positioned to take advantage of the expected improvement in trading conditions, and footprint expansion plans are expected to further enhance this upward trend.

"electronically signed"

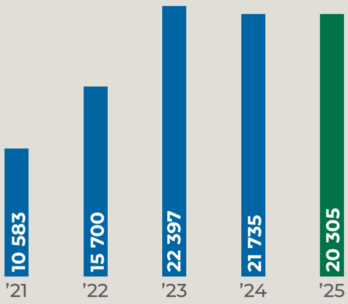
GW Sim
Group Financial Director

Five-year financial review

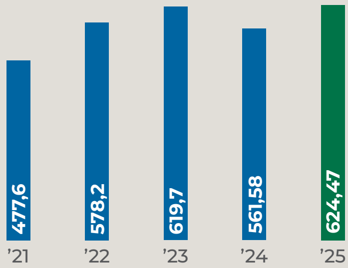
	GROUP				
	2025 R'000	2024 R'000	2023 R'000	2022 R'000	2021 R'000
Income statement					
Revenue	**20 305 200**	21 734 924	22 397 058	15 700 499	10 582 588
Direct business	**3 706 844**	3 467 614	3 391 206	3 264 041	2 574 685
Value of transactions	**24 012 044**	25 202 538	25 788 264	18 964 540	13 157 273
Profit before tax	**640 407**	641 342	691 822	557 290	460 199
Income tax	**(193 166)**	(190 245)	(211 819)	(144 331)	(127 923)
Profit after tax	**447 241**	451 097	480 002	412 959	332 276
Headline earnings adjustment	**46 218**	(500)	12 986	(4 419)	(1 470)
Headline earnings	**493 459**	450 597	492 989	408 540	330 806
Non-recurring items	**2 467**	–	970	21 981	16 402
Recurring headline earnings	**495 926**	450 597	493 959	430 521	347 208
Attributable to shareholders of the holding company	**440 943**	394 836	435 549	407 421	335 630
Non-controlling interest	**54 983**	55 761	58 409	23 100	11 578
EBITDA	**923 820**	859 294	898 592	673 226	552 792
Interim	**39 543**	38 130	35 060	32 523	28 112
Final	**108 741**	88 970	91 155	85 848	78 012
Dividend paid	**148 284**	127 100	126 215	118 371	106 124
Gross dividend	**156 072**	133 775	133 776	125 274	111 997
Dividend on treasury shares	**(7 788)**	(6 675)	(7 561)	(6 903)	(5 873)
Statement of financial position					
Non-current assets	**3 900 273**	3 983 058	3 670 253	3 683 198	2 442 661
Current assets	**4 329 582**	4 231 904	4 619 465	4 655 554	3 369 763
	8 229 855	8 214 962	8 289 718	8 338 752	5 812 424
Liabilities and loans	**(4 592 744)**	(4 833 148)	(5 203 491)	(5 516 275)	(3 414 258)
Total shareholders' equity	**3 637 111**	3 381 814	3 086 227	2 822 477	2 398 166
Net interest-bearing debt	**1 120 976**	1 556 521	1 762 492	1 896 163	1 209 898
Statement of cash flows					
Cash flow from operating activities	**1 031 518**	889 648	809 850	213 072	425 734
Cash generated from operations	**899 221**	841 087	895 440	633 006	533 838
Working capital changes	**132 297**	48 561	(85 590)	(419 934)	(108 104)
Cash flow from investment activities	**(92 699)**	(136 558)	(164 675)	(427 375)	(109 603)
Cash flow from financing activities	**(952 819)**	(725 456)	(718 732)	522 253	(299 414)
Net cash flows	**(14 000)**	27 634	(73 558)	307 950	16 717
Ratios					
Total shareholders' equity: Total assets employed	**42,7%**	39,2%	35,5%	36,9%	40,8%
Net interest-bearing debt: Total assets employed	**16,3%**	20,1%	22,0%	21,9%	22,9%
Net interest-bearing debt: Total shareholders' equity	**38,1%**	51,3%	61,9%	59,5%	56,1%
Recurring headline earnings: Shareholders' interest	**14,1%**	13,9%	16,7%	16,5%	15,3%
EBITDA: Net assets	**21,7%**	21,9%	25,2%	21,7%	21,0%
RONA	**10,2%**	9,2%	10,3%	10,3%	9,8%
Interest cover (times)	**4,6**	4,1	4,0	6,0	6,8
Per share					
Shares issued (number – '000)	**70 611**	70 611	70 119	70 367	70 281
Weighted average shares issued (number – '000)	**70 611**	70 308	70 285	70 460	70 281
Recurring headline earnings per share (cents)	**624,47**	561,58	619,69	578,23	477,55
Dividend per share (cents)	**210,00**	180,00	180,00	168,00	151,00
Net asset value per share (R)	**48,71**	45,28	41,78	38,24	32,57

Ratios calculated on average balances.

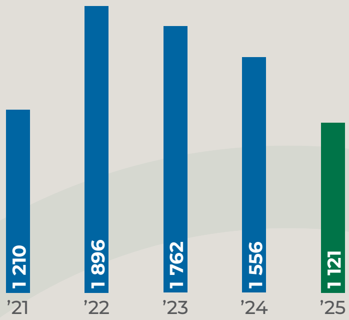
REVENUE (R'MILLION)



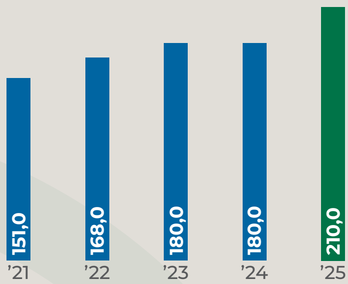
RECURRING HEADLINE EARNINGS PER SHARE (CENTS)



INTEREST-BEARING DEBT (R'MILLION)



DIVIDEND PER SHARE (CENTS)



Every new Agrimark App feature is developed with our customers at heart. By evolving alongside our customers' needs, we've made it easier than ever for them to connect with us, access what they need, and enjoy the benefits of doing business with Agrimark.

Hennie Smit, Director: Supply Chain

Digital innovation to enhance customer convenience

The Agrimark App and Agrimark's online account service portals have been integrated to deliver a mobile app with powerful new features, making it easier for customers to shop, manage their accounts, and access services seamlessly.

Designed to deliver greater convenience, strengthen customer relationships, and support long-term growth ambitions, the updated app offers an improved interface, faster performance, and simplified navigation.

New app functionality, including the e-commerce store, grain portal, fuel ordering and endless aisle payments, has enabled self-service and made it possible for more transactions to be completed digitally. Since the launch of these enhancements in April 2025, Agrimark has recorded a 68% increase in app downloads and a 13% increase in active usage among account holders.

Governance and sustainability

BOARD OF DIRECTORS

Chairman

GM Steyn[2,4,6]

Non-executive

I Chalumbira[*]
AJ Mouton[4,5]
D du Toit[1,2,4]
JH le Roux[1,4,5]
NR Nkosi[**,3,4,5]
B Mathews[1,3,4]
EA Messina[3,4,6]
CA Otto[1,2,4,6]
T Kabalin[4]

Executive

S Walsh – Chief Executive Officer
GW Sim – Financial Director[5]

[1] *Audit and Risk committee*
[2] *Remuneration committee*
[3] *Social and Ethics committee*
[4] *Independent*
[5] *Finance committee*
[6] *Nomination committee*
* *Resigned from the Board with effect from 9 December 2024*
** *Appointment on 1 November 2025 is subject to shareholder approval at the upcoming AGM*

EXECUTIVE MANAGEMENT

AC Abeln	MD – Agrimark Operations
LJ Abrams*	Business Development – PEG Group
X Bangazi	MD – PEG Group
DW Beukes	Financing Services
PL Coetzee	Agrimark Grain
DC Gempies	Human Resources
C Graham	Information Management
C Matthew	Manufacturing – Agriplas
GW Sim[1]	Finance
HJ Smit	Supply Chain
T Sulaiman-Bray[2]	Corporate Affairs
WA van Zyl	Enterprise Asset Management & SHEQ
GC Victor	Finance
S Walsh	Chief Executive Officer

[1] *Finance committee*
[2] *Social and Ethics committee*
* *Resigned from the PEG Group effective July 2025*

Remuneration report

STRUCTURE OF THE REPORT

This report comprises four (4) parts:

1
A letter from the Remuneration committee ("Remcom") chairman summarising the Remcom's approach to remuneration governance, the remuneration outcomes for FY25 and key policy changes for FY26.

2
Our remuneration policy, including the main factors shaping our remuneration philosophy, the policy for FY26 as it applies to all employees (at a high level), and a detailed overview of our approach to executive remuneration. We have added information on our stance to wider workforce pay fairness.

3
The implementation of the remuneration policy in FY25.

4
Human Capital Overview.

This remuneration report has been prepared in accordance with applicable regulatory requirements and standards, including:

1. The JSE Listings Requirements
2. King IV

The Remcom confirms the application of King IV, Principle 14: "The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term."

QUICK FACTS ABOUT THE REMCOM

Members

CA Otto (Chairman)
GM Steyn
D du Toit

The following Executive Committee members are standard invitees to Remcom meetings:

> S Walsh – Chief Executive Officer ("CEO")
> GW Sim – Financial Director ("FD")
> A Abeln – Managing Director: Agrimark Operations Limited
> X Bangazi – Managing Director: PEG Retail Operations (Pty) Ltd
> DC Gempies – Executive: Human Resources

Structure and function

The Remcom is a Board committee responsible for overseeing the remuneration and incentives of Executive Committee members and key management. The Board annually appoints Remcom members and an independent non-executive director as chairman. The Remcom comprises three independent non-executive directors, all of whom attended both scheduled meetings during the year.

The Remcom holds two scheduled meetings annually (May and November), with flexibility to convene special meetings electronically when required. The Remcom operates within a clear governance framework. Under this framework, the Board retains ultimate responsibility for ensuring compliance with remuneration principles, the Remcom determines appropriate remuneration policies (subject to Board approval), and the Executive: Human Resources (CEO in conjunction with Managing Directors and FD) manages day-to-day policy application. Human Resources Specialists are invited to Remcom meetings when required to do so.

REMUNERATION AT A GLANCE

Key performance highlights

ROIC of 13,2% reflecting year-on-year growth and above the weighted average cost of capital ("WACC"), creating enhanced economic value add ("EVA")

RHEPS growth of 11,2%

Gearing improvement

Debt:Equity ratio of **38,1%** (2024: 51,3%)

Interest cover of **4,6 times** (2024: 4,1 times)

Pay outcomes

Short-term incentives ("STI")

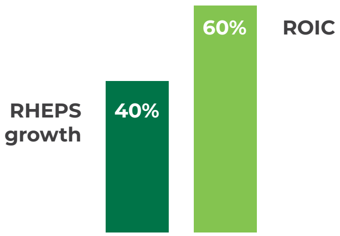
Formulaic outcome vs maximum

Key performance measure: RHEPS growth

Long-term incentive plan ("LTIP")

Formulaic outcome vs maximum

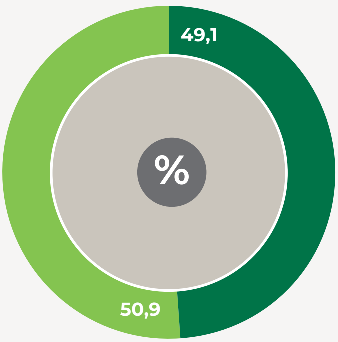
Conditions:



Total remuneration

CEO

R14 247 162

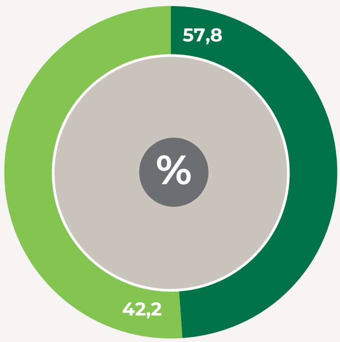


Fixed pay

Variable pay

FD

R7 790 764



Fixed pay

Variable pay

PART 1: BACKGROUND STATEMENT

“The Remcom is confident that KAL Group’s remuneration framework is well established and aligns with our strategic ambition. As we deliver against our FY30 strategy, our remuneration approach needs to evolve alongside the business. Our focus remains on ensuring that remuneration is fair, competitive, and clearly linked to performance and long-term value creation.”

Dear Shareholder,

As chairman of the Remcom, I am pleased to present the KAL Group Remuneration Report for FY25. The report reflects a year of disciplined execution and strategic progress, underpinned by our commitment to fair, responsible and transparent remuneration practices.

FY25 was a year of resilience and growth for KAL. Despite inflationary pressures and subdued consumer demand, the Group delivered a strong operational performance. Trading profit grew across all channels, with a notable acceleration in the second half of the year. Retail margins widened, convenience formats expanded, and the Agri channel exceeded expectations on the back of positive farming conditions and improved farmer cash flow. Fuel volumes recovered, supported by new site openings and increased market share. These achievements translated into an increase in recurring headline earnings per share (“RHEPS”) of 11,2% compared to FY24, reinforcing KAL’s ability to create sustainable value.

The FY30 strategy sets a bold target of R1,5 billion profit before tax by FY30. The strategy’s key enablers are scale efficiency, digital enablement and an entrepreneurial spirit, supported by a diverse and accessible footprint and a strong balance sheet. Strategic outcomes include increasing shareholder value through improved return on invested capital (“ROIC”) and maintaining a disciplined capital structure. We made tangible progress toward these objectives in FY25. Investments in footprint expansion, operational efficiencies and new business segments have positioned the Group for long-term growth.

Our remuneration approach is aligned to the FY30 objectives and is underpinned by a robust Human Capital strategy that supports growth. Through our Accelerating Performance Culture, Talent Value Management and Digital Enablement, we are building a workforce capable of delivering sustainable growth. These priorities ensure that remuneration outcomes are not only fair and performance-linked but also reinforce transformation, leadership development and long-term value creation.

Against this backdrop, the Remcom considered internal and external factors influencing remuneration decisions. Our approach balanced affordability with performance, ensuring that remuneration outcomes were fair and aligned with shareholder interests. During the year, we approved adjustments to the weighting of long-term incentive plan (“LTIP”) performance conditions, increasing the emphasis on ROIC to strengthen alignment with long-term strategic priorities. This change reflects our determination to incentivise disciplined capital allocation and sustainable growth.

Looking ahead, the Remcom will monitor market developments, regulatory changes and stakeholder expectations to ensure our remuneration remains competitive, performance-driven and aligned with KAL’s strategic objectives. We will continue to foster a remuneration culture that attracts and retains top talent, rewards sustainable performance, and reinforces alignment with shareholder value creation.

SHAREHOLDER ENGAGEMENT

Parts 2 and 3 of this report will be presented to shareholders for non-binding advisory votes at the annual general meeting ("AGM") scheduled for 5 February 2026. We aim to build on the shareholder support shown at the previous AGM, where our FY24 remuneration policy and implementation report received 94,8% and 98,6% of votes in favour, respectively. Shareholder support increased steadily between FY22 and FY24 as we evolved our remuneration framework. This reflects our responsiveness to shareholders and shows that our approach is increasingly aligned with stakeholder expectations.

2025
The policy and the implementation report received
94,8% and **98,6%**
of votes in favour

2023
The policy and the implementation report received
83,0% and **88,2%** of
votes in favour

2024
The policy and the implementation report received
88,3% and **91,5%** of
votes in favour

We aim to sustain this trajectory through proactive shareholder engagement. We will provide transparent information, foster genuine dialogue on remuneration, and ensure executive pay remains linked to performance and shareholder value creation.

If 25% or more of shareholders vote against either or both our remuneration policy and implementation report at the 2026 AGM, the Remcom will communicate the result in a SENS announcement and undertake due shareholder engagement. In the next year's remuneration report, we will provide details on the engagement and steps taken to address legitimate and reasonable objections and concerns.

The recently enacted Companies Amendment Act introduces important regulatory reforms governing remuneration practices. Although they are not yet effective, we are committed to complying with these requirements. We view them as an opportunity to further strengthen our governance framework, protect shareholder interests and enhance transparency.

KEY FOCUS AREAS AND DECISIONS TAKEN IN FY25

The Remcom made various decisions in line with its responsibilities and annual workplan while ensuring the Group remained competitive and retained talent. These decisions related to share vesting, executive salary increases and evaluation of performance conditions. They included the following:

Executive director remuneration

- Approved changes to the weighting of LTIP performance conditions; the revised weightings will apply prospectively to awards vesting on or after February 2025.
- Approved annual increases for FY25 (P1 – P2 specifically)
- Approving budgeted annual increases mandate for FY26 (P1 – P2 specifically)
- Approving the payment of short-term incentives ("STIs") for FY25 based on the Group performance targets being achieved
- Approving the new allocation and vesting in terms of the LTIP
- Monitoring the LTIP scheme application with respect to the minimum shareholding requirement

Company-wide remuneration

- Noted fair and equitable remuneration practices through the total guaranteed pay ("TGP") gaps between CEO and minimum remuneration paid and TGP gaps based on gender and race within P3 – P10 level positions (CEO component)
- Approved annual increases for FY25 (P3 – P10)
- Approved budgeted annual increases mandate for FY26 (P3 – P10 and P11 – P18)
- Approving the amendment of the STI Framework to align with the Group organisational structure
- Approving amendments to the human capital policy and recognition and reward schemes
- Approving the remuneration report for FY25
- Monitoring the performance bonus payment in line with the recognition and reward schemes guidelines
- Noted the salary TGP benchmark for positions between P3 and P10

- Noted fair and equitable remuneration practices through TGP gaps based on gender and race within P3 – P10 level positions
- Noted the alignment of occupational levels to support the organisational structure

General

- Monitored the Group's human capital strategies, including the effectiveness of Talent Value Management
- Noted the Employment Equity Report for FY25 and the FY30 Employment Equity Strategic Actions

Key focus areas for FY26

- Ensure the remuneration policy and philosophy remain aligned with the Group business strategy while supporting the subsidiary companies
- Ensure the remuneration policy and practices are fair and equitable in supporting key human capital imperatives, including Talent Value Management, MyAcademy Talent Development and the Employee Value Proposition
- Annual Salary Increase % mandate for Budget FY27
- Retention scheme
- Remuneration Benchmark P1-P2
- KAL Group Pension Fund Employee Trustee
- AGM feedback on Remuneration Policy and Implementation Report

External advisors

During the year, we procured the services of external expert remuneration advisors. The Remcom is satisfied that the advisors at all times provided objective and independent advice and services to the Group.

CLOSING REMARKS

Leveraging our business culture and employee diversity is key to our success, and we will continue to invest in skills and talent development to attract, develop and retain our people.

The Group is well positioned to take advantage of the expected improvement in trading conditions, and footprint expansion plans are expected to further enhance this upward trend.

CA Otto
Chairman: Remuneration committee

PART 2: OUR REMUNERATION POLICY

In this part of the report, we provide an overview of our fair pay principles and initiatives and a concise summary of the remuneration framework as it applies to all employees. We also provide detailed disclosure of the remuneration policy as it applies to executive directors. The remuneration policy is subject to a non-binding advisory vote at the 2026 AGM and will apply for the 2026 financial year.

Fair pay principles and initiatives

Our commitment to equitable remuneration is reflected in the principles that shape our remuneration strategy throughout the business. We have rolled out several programmes to reinforce these principles, maintain consistency in remuneration decisions and alignment with market rates, and foster an environment that recognises and rewards strong performance.

KAL recognises the forthcoming pay equity reporting requirements mandated by the Companies Amendment Act. We are monitoring these regulatory changes and have begun preparatory work to fulfil the disclosure obligations when they become effective. In the meantime, we will uphold the principles outlined below, with a focus on identifying and rectifying any material remuneration disparities that may emerge.

Fair pay principle	Initiative
Market-competitive salaries	We will strive to ensure that remuneration packages correspond to individuals' competencies and responsibilities and are competitive with peer organisations. We will conduct periodic salary evaluations and comparative market analysis to confirm our employees' remuneration is appropriately benchmarked and closely mirrors their expertise, duties, and the prevailing external landscape.
Alignment to strategic objectives	We will formulate remuneration frameworks and policies that harmonise with, bolster and reinforce the delivery of KAL's strategic ambitions.
Non-discriminatory practices	Our remuneration frameworks and operational procedures will be devoid of unfair treatment based on ethnicity, gender identity, sexual orientation, cultural or religious background.
Reward for performance	Our remuneration practices will facilitate and advance a culture of high achievement via systems that acknowledge both individual contributions and organisational outcomes.
Internal equity	Equivalent positions at identical organisational levels will receive remuneration within consistent and fair pay bands (in accordance with equal pay principles). Differentiation will be merit-based, linked to role seniority, and administered with uniformity.
Competitiveness	We will offer remuneration at levels that enable us to recruit and retain exceptional personnel with the requisite competencies and professional mindsets.
Transparency, integrity and confidentiality	We will govern our remuneration with openness and integrity and in accordance with suitable confidentiality protocols.
Wage gap analysis	We will calculate and disclose the pay gap ratios required by the Companies Amendment Act.

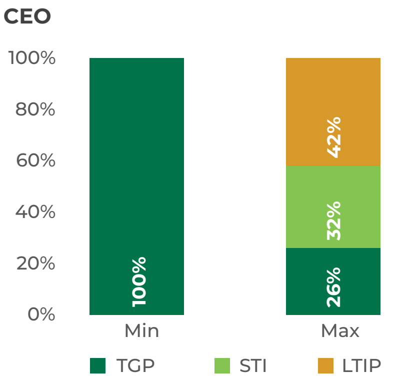
Remuneration framework as it applies to the wider workforce

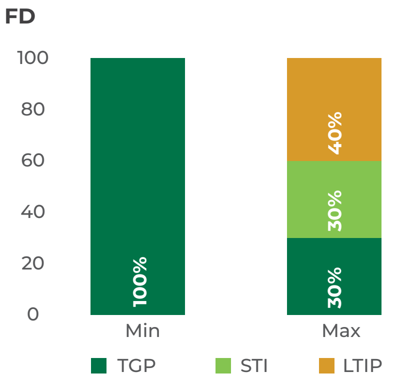
KAL's remuneration framework for the wider workforce aligns with the same principles that guide the remuneration policy for executive directors. There is a consistent focus on performance-based differentiation, market competitiveness, fair and equitable pay practices and strategic alignment. The following table outlines how TGP, STI, recognition and reward schemes, and LTIP are applied across the wider workforce and above.

Remuneration element	Description and employee level eligibility
TGP	**P1 – P10:** Annual review effective 1 February. Increases based on individual performance (3-tier rating), company affordability and consumer price index ("CPI"). **P11 – P18:** Annual review aligned to bargaining council or sectoral determination agreements. TGP comprises cash salary, retirement fund contributions, medical aid and healthcare benefits, group life and disability insurance, travel allowance (where applicable to role requirements) and cell phone allowance (if applicable).
STI	Participants are employees in positions with a job grade between **P1 and P5** within KAL Group and its subsidiaries but excluding the non-Exco members of PEG Management Services and PEG operating sites.
Performance bonus	**P6 – P7:** Shared service managers, branch managers, management accountants and operation controllers. Paid quarterly and/or annually based on business unit performance targets. Includes fixed cash amounts and percentage of monthly TGP. **P8 – P10:** Available to junior branch managers on specific performance targets.
Go for Gold recognition scheme	**P8 – P10:** Specialised supporting roles not responsible for a profit centre. **P11 – P18:** All employees. Monthly, quarterly and annual recognition for performance excellence, aligned to CARE values and operational achievements.
LTIP	Participation is limited to Executive Directors, Executive committee members and Managing Directors of subsidiaries within the **P1 – P2** Peromnes bands.

Remuneration framework as it applies to executive directors

Our approach to pay for performance





Changes to our remuneration policy for executive directors

During the year, we approved an amendment to the LTIP performance conditions to better align executive remuneration with KAL's long-term strategic objectives. The weighting of the performance conditions was rebalanced, with RHEPS growth reduced from 60% to 40% and ROIC increased from 40% to 60%. By shifting the weighting towards ROIC, the LTIP incentivises executives to demonstrate disciplined capital allocation and improved returns on invested capital. This strengthens the alignment between executive compensation and shareholder value creation.

No other changes were made to the remuneration structure, policies, or terms and conditions for executive directors in FY25. All other aspects of the remuneration framework, including base salary principles, short-term incentive arrangements, and remaining employment terms, continue to operate in accordance with the remuneration policy presented to shareholders last year.

Overview of our remuneration offering for executive directors

Executive directors' remuneration is designed to link reward to performance and strategic value creation. It consists of total guaranteed pay and variable pay in the form of the STI and the LTIP. KAL's approach to executive directors' remuneration is contained in the tables that follow.

Our approach to fixed pay

Total guaranteed pay ("TGP")	
Purpose and link to strategy	To attract and retain a diverse workforce of high-calibre individuals through competitive remuneration packages that account for the scale, breadth and complexity inherent in each position and associated duties. TGP structures are calibrated to prevent excessive dependence on performance-linked components, thereby reducing the potential for behaviours that pose undue risks.
Operation	TGP includes: > Cash salary > Travel allowance (where applicable to role requirements) > Retirement benefits > Healthcare benefits > Group life and disability insurance benefits > Cell phone allowance (if applicable) Cash salary is positioned at market-related levels and informed by robust and regular remuneration benchmarking. Cash salary is generally targeted at the 50th percentile, unless circumstances, such as critical skills scarcity, warrant a higher positioning. In cases where cash salary is not set at the 50th percentile, cash salary levels may be set at 75% or 125% of the 50th percentile. We aim to offer employee benefits and allowances that are in line with local market practice. These are managed carefully to ensure they remain appropriate, competitive and sustainable for employees and the business.
Increases	Executive directors' remuneration is reviewed annually on 1 February. TGP adjustments are subject to the following conditions: > Increases are only implemented when the Group's financial circumstances permit > Individual increases are determined solely by personal performance outcomes using a three-tier performance rating system to establish the annual increase percentage > Employees who have not completed a full year of service may receive a proportionate increase, and no increase is assured

Our approach to variable pay

Short-term incentives ("STIs")

Purpose and link to strategy	The performance-related remuneration is designed to encourage and reward superior performance and align the interests of participants as closely as possible to the interests of shareholders.
Operation	The STI operates on a performance-based scaling model. Payouts are linked to the Group's RHEPS performance growth relative to CPI, with a tiered matrix determining STI as a percentage of TGP.
Maximum STI percentage	The maximum STI that executive directors can receive as a percentage of TGP is as follows:

Grade	Maximum STI as a percentage of TGP
CEO	120%
FD	100%

Performance measure	Performance is evaluated annually against growth in RHEPS.

Performance growth targets

CPI – example	*5,0%*	*(Average 12-month September CPI)*						
+ x% growth target	*0%*	*5%*	*6,25%*	*7,5%*	*8,75%*	*10%*	*11,25%*	*12,5%*
% performance target	*5%*	*10%*	*11,25%*	*12,5%*	*13,75%*	*15%*	*16,25%*	*17,50%*
CEO STI as % of TGP	8,33%	25%	37,5%	50%	62,50%	75%	97,5%	120%
FD STI as % of TGP	8,33%	25%	37,5%	50%	62,50%	75%	87,5%	100%

The Group's RHEPS target is based on the average 12-month September CPI% plus a growth percentage target with an increment interval of 1,25%. RHEPS growth is a strong indicator of sustained wealth creation, as it eliminates the impact of infrequently occurring events. Successful execution of KAL's strategic focus areas should ultimately reflect in superior RHEPS growth, at a rate exceeding a combination of CPI and gross domestic product ("GDP") growth.

Performance period	Achievement against targets is assessed over a one-year performance period, aligned to the financial year.

Long-term incentive plan ("LTIP")

Purpose and link to strategy	The nil cost option ("NCO") scheme provides executives with a meaningful stake in long-term value creation. This aligns their interests directly with shareholder outcomes. NCO vesting is linked to performance conditions and continued tenure, incentivising sustained engagement with KAL's strategic priorities and encouraging behaviours that support sustainable business performance. This structure enables the company to attract and retain talent of the calibre required to execute strategic objectives, with vesting outcomes contingent on the delivery of measurable shareholder value over the long term.
Operation	Participants receive a conditional award of NCOs over KAL Group shares. NCOs vest subject to satisfaction of the employment condition and achievement of the performance conditions measured over a defined performance period. Upon vesting, NCOs are automatically exercised, resulting in participants receiving KAL Group shares at no cost. The shares are delivered at their market value on the vesting date. The number of shares settled is calculated by multiplying the initial award quantum by the performance outcome percentage, as determined by the Remcom.
On-target allocation percentages	The on-target allocation percentages are based on annual TGP and are in line with seniority, as follows:

Grade	Allocation percentages
CEO	160%
FD	130%

Performance period	Awards vest in four equal tranches of 25% each. Performance for each tranche is measured over the applicable financial year, commencing 1 October of the financial year following the award date.
Performance conditions	The following measures apply to the forthcoming period:

Measure	Weighting	Threshold (0% vesting)	Target (100% vesting)	Stretch (125% vesting)
RHEPS growth	40%	CPI + GDP	CPI + GDP + 5%	CPI + GDP + 7%
ROIC	60%	Ave. WACC*	Ave. WACC + 2%	Ave. WACC + 3%

** WACC: weighted average cost of capital.*

The performance conditions are measured in the final year of the relevant performance period applicable to a tranche of the LTIP award.

Linear vesting will apply between performance levels. No vesting occurs if threshold performance is not achieved. Vesting commences at threshold performance and increases linearly to 100% vesting at target performance and 125% vesting at stretch performance.

Employment condition	Participants must remain in continuous employment with KAL Group throughout the relevant employment period for each tranche to satisfy the employment condition. Each tranche has a separate employment period, commencing on the award date and ending at the end of years 2, 3, 4 and 5 after the award date.

Long-term incentive plan ("LTIP")	
Settlement and vesting period	LTIP awards vest in four equal tranches of 25% in years 2, 3, 4 and 5 after the award date, depending on the achievement of the performance conditions measured over the relevant performance period. Upon vesting, the NCOs are automatically exercised and settled as ordinary KAL Group shares.

Remuneration benchmarking

The Remcom seeks to ensure that executive directors, senior managers and other employees are rewarded fairly and competitively for their contribution to KAL's operating and financial performance. To achieve this, we utilise independent external specialist remuneration advisors to conduct market benchmarking and research. This includes:

> Comparative peer group analysis for the CEO and FD, covering TGP, STI and LTIP schemes, to assess the market competitiveness of total reward

> Benchmarking of non-executive directors' fees to ensure alignment with market norms

> External salary market research for other Executive committee members and key positions in the Group, based on TGP and total reward, to confirm fairness and market alignment

Total reward benchmarking is conducted every second year or as requested by the Remcom.

Our approach to pay and wealth at risk

Several measures are in place that allow the Remcom to lapse, reduce unvested, or recoup any past incentive payments. In addition, minimum shareholding requirements reinforce the importance of sustainable long-term performance and alignment.

Forfeiture and lapse of incentives	The LTIP rules distinguish between fault terminations and no-fault terminations to determine how unvested awards are treated upon cessation of employment. Fault terminations comprise resignations and dismissals. In the event of a fault termination, all unvested NCO awards lapse immediately on the date of termination of employment with no consideration payable. No-fault terminations comprise retirement, redundancy, disability, death, or where a participant's employment transfers to a third party in accordance with section 197 of the Labour Relations Act, 1995. In the event of a no-fault termination, a pro-rata portion of unvested NCO awards will vest and be automatically exercised on the date of termination of employment or as soon as reasonably possible thereafter. The pro-rata portion is determined based on the number of months served during the employment period, adjusted for the extent to which performance conditions have been satisfied. The portion of NCO awards that do not vest will lapse with no consideration payable. Mutual separation and early retirement are classified as fault terminations by default. However, the Remcom may, at its discretion, determine that such a termination should be treated as a no-fault termination and apply the pro-rata vesting provisions accordingly.
Reduction or recoupment of incentives	**Malus and clawback** KAL implements malus and clawback to ensure the company is able to protect itself and its shareholders in the event of a corporate governance failure. Malus and clawback provide the Board with the discretion to either: > Reduce or forfeit unvested NCO awards offered under the LTIP (malus); or > Recover shares or their cash equivalent for a period of three years after settlement (clawback) in the event of a trigger event.

Reduction or recoupment of incentives (continued)	Trigger events include: > Material misstatement of financial statements resulting in an adjustment in the audited consolidated accounts of the company > Actions, events or conduct (including omissions) which, in the Board's reasonable opinion, amount to grounds for termination of employment for gross misconduct, negligence, dishonesty or fraud, or which have led or are likely to lead to significant reputational or financial harm to the Group > Instances where any performance metric or criterion for determining vesting was based on error, inaccurate or misleading information > Instances where information used in the decision to grant awards or determine the quantum thereof was erroneous, inaccurate or misleading, or any information emerges that was not considered at the time the award was made which, in the opinion of the Board (acting reasonably), would have resulted in an inappropriate benefit or would have materially affected the decision to allocate or grant the award The Board retains absolute discretion to invoke malus and clawback in part or in full, on a collective or individual basis, where a trigger event has occurred.

Minimum shareholding requirement

The act of holding company shares aligns an employee with shareholder interests, demonstrates their commitment to KAL, and encourages them to act in the best interests of the Group. Therefore, encouraging identified employees to hold company shares is an effective governance practice and an example of ethical and responsible leadership.

Accordingly, and in line with international and South African market best practice, the Remcom approved the adoption of a minimum shareholding requirement ("MSR") policy. The Remcom will manage and implement the policy.

In terms of the policy, the following target minimum shareholding must be built up and satisfied by the following employees before the target date through the acquisition of shares:

- CEO: 225% of TGP
- FD: 175% of TGP
- All other Executive committee members: 125% of TGP

Non-executive directors' remuneration

The remuneration of non-executive directors ("NEDs") consists of a fixed annual fee for services as a director and a fixed fee for committee duties. NEDs are also reimbursed for travelling and other costs relating to their duties. KAL Group carries these costs directly.

In line with best governance and remuneration practice, NEDs do not participate in incentive schemes and do not receive any benefits or performance related remuneration from KAL. None of the NEDs has service contracts with the Group, and no consultancy fees apply.

KAL reviews market best practices and leadership publications by reputable remuneration consulting firms to assess the reasonability and quantum of NED fees. We also conduct comparison analyses of similar companies and committees with similar responsibilities.

The proposed NED fees (VAT inclusive) will be tabled for approval by shareholders at the 2026 AGM, with details provided in the Notice of AGM.

Non-binding advisory vote on the remuneration policy

The remuneration policy, as described in part 2 of this report, excluding those arrangements specifically applicable to the Group's listing and that do not form part of the ongoing remuneration policy, as noted above, is subject to a non-binding advisory vote by shareholders at the AGM. If more than 25% (of those shareholders voting) vote against the policy, the Remcom will consult with dissenting shareholders to determine the reasons for their objections. We will consider any such concerns when considering changes to the remuneration policy for the subsequent year. We will also include a summary of these concerns and our response in the following year's remuneration report.

PART 3: IMPLEMENTATION REPORT

The implementation report covers the outcomes of executive remuneration, our fair pay analysis across the wider KAL Group employee base, and the fees paid to NEDs for the year ended 30 September 2025.

Fair and responsible remuneration

Pay equity and non-discrimination

KAL strives to ensure remuneration is equitable, market-aligned, and supportive of transformation and inclusion. Remuneration decisions are based on role requirements (including responsibility level, skills and experience) and are not influenced by race, gender or any other protected characteristic. We review all pay differences to ensure they are fair, transparent, and justifiable based on objective criteria.

Pay equity analysis

The Remcom undertook a comprehensive statistical analysis across all employee levels to confirm that unjustified pay disparities do not exist and to identify and address any anomalies. We will continue to monitor pay equity and assess outcomes on a regular basis.

To strengthen transparency and accountability, we intend to expand disclosure in this area progressively over time, providing stakeholders with greater visibility of the Group's pay equity efforts and progress.

TGP adjustments for FY25

KAL is committed to addressing the internal wage gap. Accordingly, when determining average executive remuneration increase levels, we considered the average increase levels for the rest of our employee base. The annual salary increase mandate is based on several factors, including the company's profit, average CPI, and market salary increase indicators.

The annual percentage increase is determined by bargaining councils and/or sectoral determination for employees within Peromnes broadbands P11 – P18. The approach adopted is for TGP to be at the market median. The table below shows the annual increases granted to executive directors and the average annual increase for the rest of the employee groups by Peromnes broadband for FY25 and FY24:

Executive directors	FY25 % increase	FY24 % increase
S Walsh	**4,0%**	6,1%
GW Sim	**4,3%**	6,3%
P1 – P2	**4,7%**	6,1%
P3 – P5	**4,8%**	6,2%
P6 – P7	**4,8%**	6,3%
P8 – P10	**4,7%**	6,1%
P11 – P14	**5,0%**	6,2%
P15 – P18	**5,0%**	7,1%

Performance outcomes for FY25

We provide a summary of the STI and LTIP outcomes for the CEO and FD, respectively:

STI outcomes

Performance condition	Weighting	Threshold performance level	Stretch performance level	Actual performance level	Achievement (% maximum)
Growth in RHEPS	**100%**	**CPI**	**CPI + 12,5%**	**CPI + 8,2%**	**50%**

All figures stated in R'000	*STI	*STI as a % of TGP
S Walsh	**0**	**0**
GW Sim	**0**	**0**

* *Prior year STI paid (if applicable), in current year.*

Legacy LTI and LTIP (NCO) performance vesting outcomes

NCO award with a performance period ending at year-end

NCO migration normalisation	Vested 29 September 2025
NCO 1	Vested 29 September 2025
NCO 3	Vested 24 May 2025

Legacy LTI awards with a performance period ending at year-end

NCO awards awarded during the year

We awarded new NCO awards during the year. The quanta and performance conditions attached to those awards are in line with the policy. Details of the awards are provided in the LTI tables below.

Executive director	Date awarded	Number of options awarded	Fair value of options at grant	Final vesting date
S Walsh	*Nil cost option 5 ("NCO 5")*			
	24 May 2025	73 116	2 591 962	24 May 2027
	24 May 2025	73 116	2 438 419	24 May 2028
	24 May 2025	73 116	2 276 101	24 May 2029
	24 May 2025	73 117	2 105 770	24 May 2030
GW Sim	*Nil cost option 5 ("NCO 5")*			
	24 May 2025	38 437	1 362 592	24 May 2027
	24 May 2025	38 437	1 281 874	24 May 2028
	24 May 2025	38 437	1 196 544	24 May 2029
	24 May 2025	38 437	1 106 986	24 May 2030

Executive Director Total Remuneration FY25

The following table sets out the remuneration paid to executive directors in 2025:

30 September 2025 Executive directors	Basic salary R'000	Travel allowances R'000	Retirement fund contributions R'000	Bonuses and incentives R'000	LTIP* R'000	Total R'000
S Walsh	**6 554**	**78**	**499**	**–**	**7 251**	**14 382**
GW Sim	**4 227**	**66**	**323**	**–**	**3 307**	**7 923**

* *These values are based on the cash value of the LTIP awards vested during 2025.*

Unvested awards (legacy LTI scheme)

Executive directors	Vested 1 Oct 2025	Vesting 1 Oct 2026
S Walsh	**18 911**	11 526
GW Sim	**9 030**	5 384

Unvested awards (NCO scheme)

	S Walsh	GW Sim
NCO migration	**30 438**	**14 416**
NCO migration normalisation	**131 771**	**56 611**
NCO 1	**134 460**	**70 310**
NCO 3	**204 275**	**106 817**
NCO 4	**256 371**	**134 450**
NCO 5	**292 465**	**153 748**

The table below illustrates for each executive director the number of NCO and legacy LTIs allocated, settled and forfeited and the year-end fair value of awards not yet vested.

Alignment to shareholders (MSR compliance)

	Target shareholding as a % of TGP	Shareholding as at 30 September 2025	FY25 % of MSR	Years left to meet MSR
CEO	**225%**	**389 376**	**100,2%**	**None**
FD	**175%**	**144 105**	**73,7%**	**2 years**

NED fees paid during FY25

The table below sets out the fees paid to each NEDs during the year. It also indicates directors who resigned or were appointed during the year.

Name of NED	Appointed to the Board	Resigned/retired from the Board	Directors' fees
GM Steyn	**May 2013**		**R931 400**
CA Otto	**November 2011**		**R870 750**
EA Messina	**March 2017**		**R821 400**
D du Toit	**March 2017**		**R550 200**
JH le Roux	**April 2014**		**R579 050**
I Chalumbira	**September 2018**	**9 December 2024**	**R58 000**
B Mathews	**September 2022**		**R443 100**
AJ Mouton	**April 2024**		**R304 500**
T Kabalin	**July 2024**		**R464 000**

Non-binding advisory vote on the implementation report

The implementation report, as disclosed in part 3 of the remuneration report, is subject to a non-binding advisory vote by shareholders at the AGM. If more than 25% (of those shareholders voting) vote against the implementation report, the Remcom will consult with dissenting shareholders to determine the reasons for their objections. We will consider any such concerns when considering changes to the implementation report for the subsequent year. We will also include a summary of the concerns and our response in the following year's remuneration report.

PART 4: HUMAN CAPITAL OVERVIEW

Overview

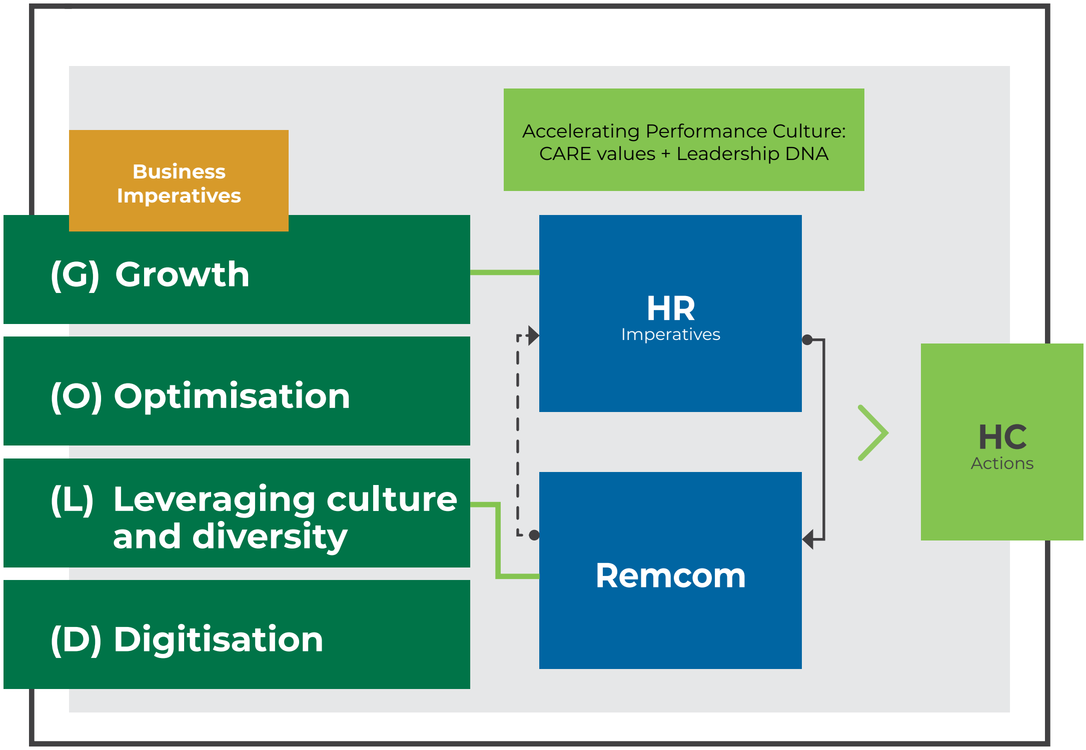
The Human Capital function continues to evolve, react and develop to better support the ever-changing demands of the external and internal business environment. The Business-Informed Human Capital Strategy was reviewed to align with the Group FY30 strategy across the subsidiary companies. The strategy enables and supports the Group's ***Accelerating Performance Culture*** and drives the subsidiary companies' growth agenda.

This section of the integrated report provides a consolidated view of key Human Capital actions. It includes statutory information such as B-BBEE data, directives emanating from the Remuneration Committee ("Remcom"), priority actions, and key metrics from the Human Capital strategy.

A. Business-Informed Human Capital Strategy

The Business-Informed Human Capital strategy involves a way of thinking and a robust process for guiding Human Capital actions. This enables the Human Capital function to lead the people agenda in a way that meets business priorities and to better serve the specific needs of the subsidiary companies. The Human Capital team has undergone extensive capability building, including training in commercial astuteness, to align our thinking and actions with KAL's priorities and ensure employees' aspirations are met.

The diagram below illustrates the approach adopted by the Human Capital function.



The GOLD business imperatives direct the priorities that support the overall goals of the Accelerating Performance Culture. The Human Capital imperatives and actions are shared by the business and the specific directives from the Remuneration Committee. The Accelerating Performance Culture is further shaped by the organisation's CARE values and the META leadership philosophy.

C

COMMUNICATE

Focus:
Open, clear, honest

A

ALIGNMENT

Focus:
Shared services, shared results

R

RELATIONSHIP

Focus:
Authentic, recognition, time

E

EMPOWERING

Focus:
Development, better off, ownership, growth

M

MOBILISE

Inspire aligned action based on a compelling ambition and purpose and a simple set of strategic priorities.

E

EXECUTE

Harness and streamline resources to consistently deliver excellence in the core business.

T

TRANSFORM

Experiment and innovate to create new growth engines and to reinvent existing businesses ahead of the market.

A

AGILITY

Spot opportunities and threats, adapt and pivot at a faster pace than competitors to create competitive advantage.

Our Employee Value Proposition ("EVP") survey measures the impact of initiatives to attract, motivate and retain employees. The EVP enables us to attract diverse talent capable of delivering sustainable profit growth. The EVP balances financial and non-financial rewards to drive our performance culture, and is described below:

Organisation

- Growth strategy
- BEE level
- Sustainability
- Socio-economic development initiatives
- Ethics

Culture

- Accelerating Performance Culture
- CARE Values
- META Leadership DNA
- Embrace diversity
- Employee engagement

Personal growth

- Talent Value Management ("TVM")
- Training and development
- Career path
- Bursaries

Reward

- Fair and equitable remuneration
- Benefits and funds
- Compatible conditions of service
- TGP Benchmarking

Recognition

- Recognition and praise programme
- Recognition and rewards systems
- Celebrate success
- Communication

Retention

- Total remuneration (including recognition and reward schemes)
- Retention programme
- Personal development

We use the following methods to measure the Accelerating Performance Culture:

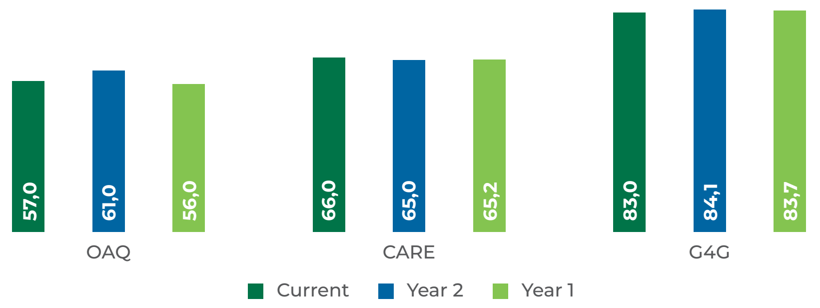
(i) The Organisation Accelerating Questionnaire ("OAQ") survey is conducted every two years with management and the specialist cohort

(ii) The Engagement Survey ("CARE") is conducted every alternate two years with all employees

(iii) The Go for Gold ("G4G") recognition and praise programme runs throughout the year for all employees up to management level

The latest results for each element are shown in the graph below:

ACCELERATING PERFORMANCE CULTURE (%)

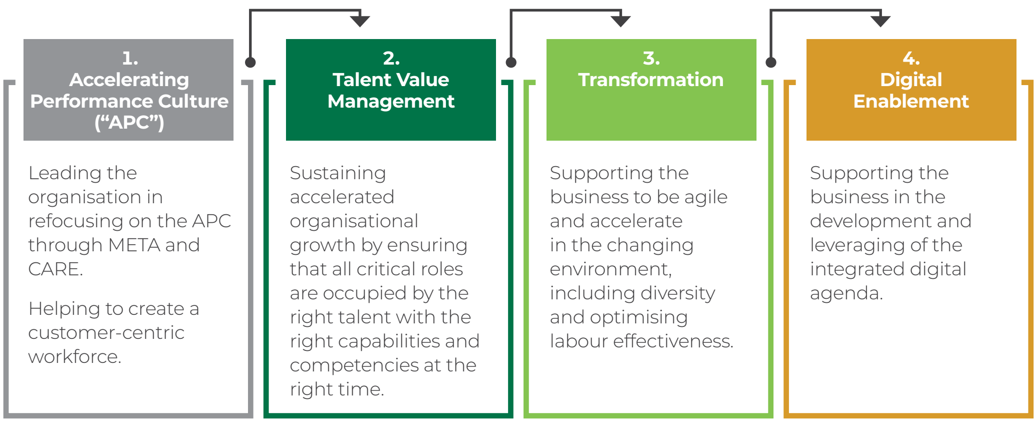


The Group is advancing (achieving at least 60%) on the combined OAQ and CARE elements, while G4G's target is a participation rate of 75%.

Human Capital Imperatives

Our Human Capital actions and measurements are informed by four Human Capital imperatives. These imperatives are dynamic. They are applied differently and can be refined based on the operating model, growth strategy and circumstances of each subsidiary company.

The four imperatives are illustrated below:



Imperative 1 – Accelerating Performance Culture ("APC")

KAL's Accelerating Performance Culture ("APC") is based on the CARE values and META methodology. Following structural changes to the Group, it was imperative to review and refine the current APC for the future. We conducted the OAQ survey with our management team and workshopped the results with our leadership forum. The APC received overwhelming support. Four focus areas were identified to drive a cohesive and accelerating culture, and sub-committees were set up to address each area.

We rely on our customers for our long-term sustainability. We designed and started deploying specific programmes to ensure employees develop a customer-first attitude complemented with knowledge and skills to fulfil their needs.

Our reward schemes and performance management systems have been enhanced to reflect the desired behaviours required to ensure customers enjoy their shopping experience. As part of our employee skills development, we continue to design and deliver learning and development programmes that ensure all employees are adequately equipped with the correct customer-first attitude and skills.

As such, we have embraced the META leadership methodology and have developed the following internal programmes:

1. META Leadership training	2. META Customer Centric training	3. Marketers & BRM training
Equip our managers and future leaders to develop their leadership potential and align with our Accelerating Performance Culture, which consists of our CARE values and META processes.	Enhance the employee skillset to render better customer service. Managers facilitate sessions at branch level.	Drive better customer-centricity in the organisation, foster a stronger and more positive customer experience and equip our marketers, business relationship managers (BRMs), technical sales representatives and Agri Procurement team to make more effective, data-driven decisions and develop a "change leader" mindset and skills.

We emphasise employee engagement and continually research the best platform options for communicating directly with employees.
To maintain optimal performance, we have developed a process for smoothly transitioning new employees into the organisation. The process covers new starters as well as employees from acquired businesses. It includes a standardised orientation, a change management process, and content highlighting the company's culture, objectives, and important ways of working.

We have implemented a holistic engagement and in-person orientation project at branch level, focusing on KAL's EVP proposition.

Imperative 2 – Talent Value Management ("TVM")

KAL has a structured business- led approach to talent and capability building through its TVM methodology and approach which is designed to support business growth, transformation, and compliance with Employment Equity requirements, as well as talent succession and retention. As the business evolves in an ever-changing world and race for talent, it is imperative that we focus on attracting and developing the right talent to have them future ready.

The function has been split into Organisational Development and Talent Management, and Learning and Development, each with its own focus and deliverables to support the TVM ideology.

The Organisational Development and Talent Management function focuses on:

> Optimising utilisation of the TVM tool
> Redefining the Future Leadership Competency Framework
> Aligning the Sourcing Competency Framework and Personal Development Plans

The Learning and Development function focuses on:

> Redefining the Learning and Development Strategy based on future workforce requirements
> Establishing and implementing a Learning Academy
> Sourcing talent from tertiary education institutions

The TVM methodology emphasises using the TVM digital platform and an Executive Level Talent Review Committee to identify critical roles and recognise and develop talent for these roles. We launched an online training platform, MyAcademy Fuelling Excellence, to enhance the skills, knowledge and abilities of employees across the Group.

Fostering and placing our best talent in growth areas within the business is an important part of our growth strategy. The following specific business area people plans were developed to support a focused and business-informed approach:

> Supply Chain department within the Procurement business area
> Retail and Fuel Branch Managers
> Marketers and Business Relations Managers (BRMs)
> Mechanisation business area
> Grain business area

To emphasise the importance of people development, which forms part of our EVP, there has been an increase in the implementation of tailored training imperatives, as illustrated in the table below:

	FY23	FY24	FY25
Training as % of Skills leviable amount	0,70%	0,70%	**0,97%**
Total number of beneficiaries	2 848	5 309	**1 971**

When budgeting for training and development, we consider operational business needs, learnerships, SHEQ requirements, and talent fostering activities that may lead to formal qualifications. Our allocation per focus area for the last three years is shown below:

Training and Development Priorities	FY23	FY24	FY25	Average
Leadership Development	13,8%	19,2%	**11,6%**	14,9%
Learnerships, Graduates, Apprenticeships	39,4%	60,0%	**70,1%**	56,5%
Business Proficiency Training	24,9%	6,2%	**5,1%**	12,1%
SHEQ	22,0%	14,6%	**13,2%**	16,6%

The TVM leadership development programme was successfully rolled out to a focused group. This is ongoing as we appoint new managers. For the specialist cohort, our focus is on implementing a graduate development programme and a high-potential junior branch manager programme ("HiPo"). The aim is to address underrepresentation in terms of employment equity for pre-determined occupational levels.

The MyAcademy online platform offers learning opportunities to employees and their families. We also made bursaries available to different cohorts. We have seen a huge increase in employees' appetite for developing themselves through formal tertiary institutions; we allocate each year to cater for this need.

Imperative 3 – Transformation

KAL views transformation as a strategic priority. The Group embraces diversity and strives to achieve the underlying objectives of transformation. We champion the diverse, multi-cultural nature of South African society by:

> Valuing diversity of thinking irrespective of experience, skills, gender, race, age or social standing

> Promoting and maintaining an environment that empowers all employees to achieve their highest potential without fear of prejudice or bias

> Ensuring our stakeholders are better off because of us

Our Work Skills Plan and Employment Equity Plan for FY25 were both accepted by the Department of Labour. An integral component of our FY30 Employment Equity actions is to develop employees as future-fit talent when opportunities arise to address underrepresentation through promotion.

We have developed an Employment Equity strategy that highlights actions to address underrepresentation at various occupational levels. These actions include focused sourcing, engaging tertiary institutions, and spending a substantial percentage of our training budget on talent management interventions. The strategy also identifies actions for creating an inclusive work environment.

KAL strives to hire the best-fit employees to establish a diverse workforce to execute our strategic imperatives. Labour cost is one of our biggest expenses. Effective workforce planning and management of full-time equivalent ("FTE") employees, without compromising customer service, is therefore crucial. The composition of our FTE workforce is as follows:

(A) Workforce Full Time Equivalent ("FTE")

FTEs	FY23	FY24*	FY25*
Permanent	5 907	5 938	**5 983**
Non-Permanent	1 516	904	**865**
Total	7 423	6 842	**6 848**

* *FY24 and FY25 FTE calculation based on actual hours worked and not average pay.*

(B) Gender Distribution

Permanent Employees	FY23	FY24	FY25
Male %	54,0%	54,11%	**53,52%**
Female %	46,0%	45,89%	**46,48%**

(C) Race Distribution

Permanent Employees	FY23	FY24	FY25
White %	11,7%	11,47%	**10,33%**
ACI %	88,3%	88,53%	**89,67%**

Imperative 4 – Digital enablement

The digital agenda is a continued focus area in our organisation as part of our acceleration performance journey, which supports our GOLD strategy. The Human Capital function's contribution towards digital enablement included the automation of Human Capital processes and forms, integration of the various Human Capital systems, and progressively utilising various digital platforms for training and employee engagement.

The focus this year was on optimising various Human Capital modules within the integrated systems and standardising business reports. Human Capital data analytics plays a pivotal role in management decisions. To facilitate this, we implemented the following business-informed dashboards, with measurement from branch level to business level:

> Human Capital dashboard, including key measurements based on the GOLD strategy
> Employment Equity dashboard, including tracking of justifiable reasons per position for each occupational level

We made significant strides in automating forms and processes and effectively utilising the Human Capital integrated system, with the focus on improving efficiency.

We are seeing benefits from the upgrade to the TVM digitisation tool, with the development and readiness of talent in some key critical roles. This has allowed us to integrate talent at various levels and provides a clear line of sight in terms of succession. Furthermore, MyAcademy training has been digitised.

The implementation of the HR-integrated digitisation landscape model, underpinned by business needs and the changing ecosystem, will continue in FY26.

B. Safety, health, environment and quality ("SHEQ")

KAL is committed to complying with SHEQ industry-specific standards. The Group's integrated I-Manage System has been successfully implemented and will help us manage compliance and monitor, plan for and implement industry best practices.

We identified safety hazards, environmental impacts and aspects, occupational health, and product quality hazards and risks within each operating unit. We devised and implemented control measures to eliminate or mitigate risks. We encouraged reporting of near misses and minor incidents, combined with toolbox talks and learnings from previous incidents, to proactively mitigate and reduce repeat incidents.

We conducted occupational hygiene surveys and medicals for pre-determined roles to ensure employees are not exposed to harmful levels of hazardous substances, noise, or other health stressors. Where employees were exposed to, for example grain dust at our silos, we implemented measures to reduce dust, including installation of dust removal systems and dust bags.

We also provided personal protective equipment and training, along with annual medical tests to monitor employees' health (applicable to silos, the Malmesbury Engineering workshop, and Manufacturing).

Employee training is a key focus area as it ensures that employees understand workplace hazards and take a leading role in building a healthy SHEQ culture.

Regular assurance is vital for diverse operations such as KAL's. We therefore conduct various levels of SHEQ audits at each branch. Branch operating teams conduct checklists and self-assessment audits monthly, while the Group SHEQ department conducts comprehensive legal compliance audits every three months.

KAL's average 3-year SHEQ training spend accounts for approximately 16,6% of the Group's overall training budget.

C. Human Capital ("HC") progress and achievements

Our Human Capital dashboard provides valuable insights into the people agenda. This will assist the business with making better business informed decisions and people plans.

Strategy	Strategic HC measurement	Status
G	> **Total Labour Cost** (TGP, overtime, casual cost, UIF) as % of GP > **Total Labour Cost YOY comparison**	
	> **SHEQ Compliance** – Compliance audits – SHEQ major incidents	
O	> **Full-time Equivalent** (FTE) Manning compliment – Non-permanent employees ("NPEs") as % of FTEs	
L	> **People Development** – Training spent as a % of skills leviable amount – Actual training spend as % of budget	
	> **Employment Equity** (P1 to P10) – Actual ACI representation per occupational level vs EE Plan	
	> **Accelerating Performance Culture** – CARE – employee engagement survey (all employees) – META leadership – OAQ survey – G4G – Participation rate	
D	> **Digital Project** – Successful digitisation projects	

Good progress   Target achieved

Voting at 2025 AGM

At the AGM held on 6 February 2025 the KAL Group's shareholders endorsed the remuneration policy and implementation report through separate non-binding advisory votes of 94,8% and 98,6% in favour, respectively. As the requisite majorities passed the non-binding advisory votes, no further engagement with shareholders was required.

Voting at the upcoming AGM

KAL Group's policy and implementation report will again be presented to shareholders for separate non-binding advisory votes at the company's upcoming AGM on Thursday, 5 February 2026. Should 25% or more of the votes exercised regarding either resolution be against such resolution, the company will invite those shareholders who voted against the applicable resolution to engage with the company.

> *Our strategic combination of agricultural inputs, retail solutions, and fuel services in key rural locations drives efficiency and growth. It positions Agrimark as a trusted partner while strengthening our supply chain and long-term market presence.*
>
> **Arno Abeln, Managing Director: Agrimark Operations**

Re-imagining agri-retail spaces

Agrimark's FY30 growth strategy prioritises upgrades and footprint expansion to ensure the brand remains relevant and responsive to customer needs. Store optimisation is central to this approach, with 21 revamps, upgrades, relays, and improvement projects completed this year – from Kuruman to Addo to Philippi.

Agrimark Philippi, trading since 1956, has undergone a full redesign. Located in a region producing 80% of Cape Town's fresh vegetables, the branch is vital to the city's food security, serving commercial and small-scale farmers.

The store features a modern layout, 300 m^2 more retail space, and an expanded product range with 500 additional product lines. Diesel sales account for 50% of turnover, supported by a soon-to-open new fuel and convenience forecourt, further strengthening the branch's agri-retail role.

In the Eastern Cape, Agrimark's presence in Addo has been transformed into a one-stop destination with a fuel distribution centre, 1 800 m^2 Agrimark Packaging facility, Expressmark, and Agrimark Liquor, providing convenience for farmers and local communities.

Corporate governance report

APPROACH TO ETHICAL AND EFFECTIVE GOVERNANCE

KAL is committed to responsible and effective corporate governance. A range of mechanisms, policies, procedures, committee structures and core values enable this. The most material of these are described in this summary governance report.

Our full governance report is available on our website at www.kalgroup.co.za. Information supplementary to this summary report is referenced.

KING IV PRINCIPLES DISCLOSURE

The Group explains its application of appropriate King IV principles and is transparent in areas of non-compliance. Our disclosure map includes high-level disclosure against King IV principles. This map and a King IV compliance report are available on KAL's website at www.kalgroup.co.za. The full online governance report details how the KAL Board creates an ethical culture, tracks good performance, ensures effective control, and promotes legitimacy.

The Group developed a separate remuneration policy and implementation report. These will be subject to non-binding advisory votes by shareholders at the upcoming AGM. If 25% or more of shareholders' votes are against either or both the remuneration policy and the implementation report, KAL will engage with dissenting shareholders. The Group will communicate the method and timing of shareholder engagement on the JSE Stock Exchange News Service ("SENS").

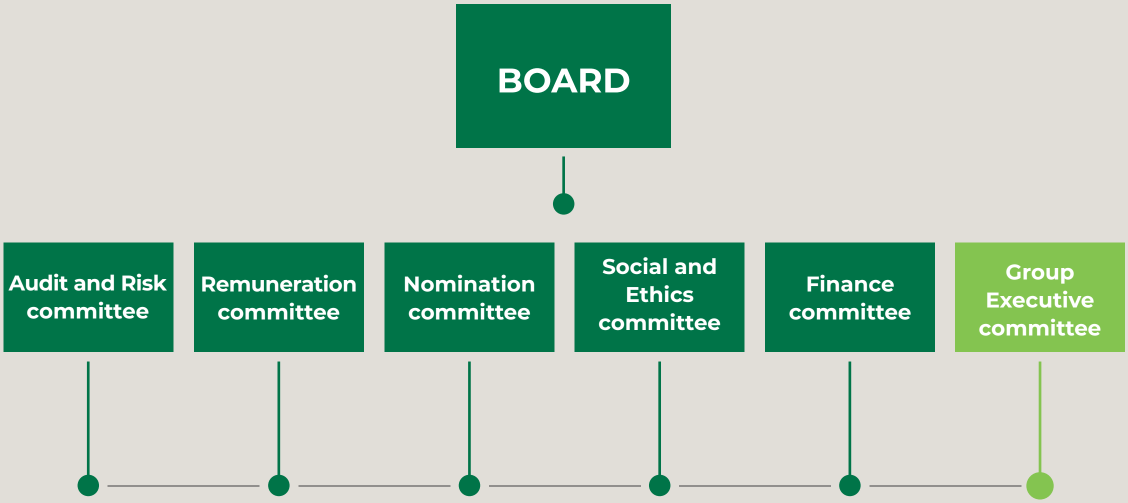
GOVERNANCE STRUCTURE

The Board determines the strategies and strategic objectives of the Group. It monitors the implementation of approved strategies, decisions, values and policies. The Board is satisfied that it fulfilled the responsibilities required by its mandate during the year.

The Board is chaired by an independent non-executive director. It has 11 members and is supported by five Board committees and the Group Executive committee. These committees have clear terms of reference to help them execute their duties and determine the due governance required in each area of the business.

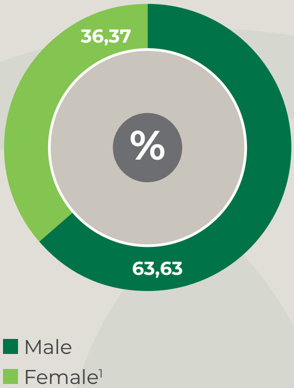
The roles of the Chairman and CEO are clear and separate. The CEO is responsible for the business's day-to-day operations in line with the Group's decision-making framework. The Group Executive committee supports the CEO. Two members of the Group Executive committee are part of the Board. The Board is satisfied that the decision-making framework provides a clear basis for exercising duties. This framework contributes to clarity and accountability. Additionally, the Board charter ensures an appropriate balance of power in the deliberations of the Board, and no single director has unlimited or unfettered decision-making powers.

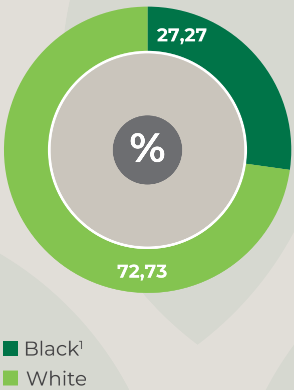
The Board is satisfied that its current composition enables ethical and effective leadership and continues to strive to improve its diversity.



BOARD STRUCTURE

COMPOSITION AND EXPERTISE





2 executive directors

9 independent non-executive directors

[1] *The Board continuously strives to improve its composition to reflect the demographics of South Africa, focusing on black and female representation.*

Board meeting attendance

Member	Meetings attended
I Chalumbira[1]	1/4
D du Toit	3/4
T Kabalin	4/4
JH le Roux	4/4
EA Messina	4/4
B Mathews	4/4
AJ Mouton	3/4
CA Otto	4/4
GW Sim[2]	4/4
GM Steyn	4/4
S Walsh[2]	4/4
NR Nkosi[3]	–

1 *Resigned from the Board with effect from 9 December 2024.*
2 *Executive.*
3 *Appointment on 1 November 2025 is subject to shareholder approval at the upcoming AGM.*

Board profiles as at 30 September 2025

D du Toit (49)	Independent non-executive director	
Appointment date:	March 2017	
Qualification:	BCom (Hons)	
Committee membership:	Audit and Risk Remuneration	
Other board memberships:	De Keur Beherend (Pty) Ltd De Keur Agri (Pty) Ltd De Keur Landgoed (Pty) Ltd De Keur Marketing (Pty) Ltd De Keur Berries (Pty) Ltd	De Keur Verpakking (Pty) Ltd Tipmar (Pty) Ltd Witzenberg PALS NPO Hortgro POME NPO K2017414242 (South Africa) (Pty) Ltd

T Kabalin (50)	Independent non-executive director
Appointment date:	July 2024
Qualification:	BCom (Hons)
Committee membership:	N/A
Other board memberships:	Olakira (Pty) Ltd

JH le Roux (51)	Independent non-executive director	
Appointment date:	April 2014	
Qualifications:	CA(SA), HDip (Tax)	
Committee membership:	Finance (chairman) Audit and Risk	
Other board memberships:	Bakenskraal Investments (Pty) Ltd Zaad Holdings Ltd Zaad Holdings (Pty) Ltd Zeder Corporate Services (Pty) Ltd	Zeder Financial Services (Pty) Ltd Zeder Investments Ltd Zeder Pome Investments (Pty) Ltd

B Mathews (56)	Independent non-executive director	
Appointment date:	September 2022	
Qualification:	CA(SA), HDip (Tax)	
Committee membership:	Audit and Risk Social and Ethics	
Other board memberships:	Ca Vie Investments (Pty) Ltd Casamiento (Pty) Ltd PSG Financial Services Ltd Nulise (Pty) Ltd Agrinet Ltd We Buy Cars Holdings Ltd	PSG Invest (Pty) Ltd PSG Life Ltd ITSI International (Pty) Ltd Western National Insurance Company Ltd The Trevor Huddleston Cr Memorial Centre NPO

EA Messina (68)	Independent non-executive director	
Appointment date:	March 2017	
Qualification:	BA (Hons), MA (Southern African Studies), MA (History), DPhil (History)	
Committee membership:	Social and Ethics (chairman) Nomination	
Other board memberships:	Cape Town Radio (Pty) Ltd Du Toit Group (Pty) Ltd LM Steel Investments (Pty) Ltd	PEG Retail Operations (Pty) Ltd

AJ Mouton (43)	Independent non-executive director	
Appointment date:	April 2024	
Qualifications:	BCom (Law), BCom (Hons) Economics, MBA	
Committee membership:	Finance	
Other board memberships:	Carmien Tea (Pty) Ltd Citrus Juices Producers (Pty) Ltd Citrusdal Privaatskool Eiendomme (Pty) Ltd Emgro Mouton Citrus (Pty) Ltd Emgro Mouton Citrus Ltd	Link Supply Chain Management (Pty) Ltd Mouton Citrus (Pty) Ltd Mouton Holdings (Pty) Ltd Noda Tech (Pty) Ltd Summer Citrus From South Africa NPO

CA Otto (76)	Independent non-executive director	
Appointment date:	November 2011	
Qualifications:	BCom, LLB	
Committee membership:	Audit and Risk (chairman) Remuneration (chairman) Nomination	
Other board memberships:	Capitec Bank Ltd Capitec Bank Holdings Ltd Rational Expectations (Pty) Ltd	Zeder Financial Services Ltd Zeder Investments Ltd

GW Sim (55)	Financial Director (executive)	
Appointment date:	August 2015	
Qualifications:	CA(SA)	
Committee membership:	Finance	
Other board memberships:	Agriplas (Pty) Ltd Empowerment and Transformation Investments (Pty) Ltd KAL Corporate Services (Pty) Ltd Agrimark Operations (Aussenkehr) (Pty) Ltd Agrimark Operations Ltd Agrimark Operations (Namibia) (Pty) Ltd	Mirage Motors (Pty) Ltd PEG Retail Operations (Pty) Ltd PEG Retail Holdings (Pty) Ltd PEG Management Services (Pty) Ltd PEG Highway Operations (Pty) Ltd

GM Steyn (66)	Independent non-executive director (Chairman)	
Appointment date:	May 2012	
Qualifications:	BA (Law), LLB	
Committee membership:	Remuneration Nomination (chairman)	
Other board memberships:	Agristar Holdings (Pty) Ltd Econo Foods Holdings (Pty) Ltd George en Miets Beleggings (Pty) Ltd GMS Beleggings (Pty) Ltd Platinum Stigting NPO	Leopard Creek 21 (Beleggings) (Pty) Ltd Neusberg Boerdery (Pty) Ltd NS Beleggings (Pty) Ltd RCL Foods Ltd Stellenkaroo (Pty) Ltd

NR Nkosi (40)*	Independent non-executive director	
Appointment date:	November 2025	
Qualifications:	BSc (Agricultural Economics); MBA; PG Dip (Business Administration)	
Committee membership:	Finance Social and Ethics	
Other board memberships:	Agriqua Holdings (Pty) Ltd Aleeto Advisory (Pty) Ltd All In MM NPO	Public Investment Corporation SOC Ltd Viridis AFC (Pty) Ltd

* *Appointment on 1 November 2025 is subject to shareholder approval at the upcoming AGM.*

S Walsh (59)	Chief Executive Officer (executive)	
Appointment date:	November 2011	
Qualification:	BEcon (Hons)	
Committee membership:	N/A	
Other board memberships:	Agriplas (Pty) Ltd Agrimark Operations Ltd Agrimark Operations (Namibia) (Pty) Ltd PEG Retail Operations (Pty) Ltd	PEG Retail Holdings (Pty) Ltd PEG Management Services (Pty) Ltd PEG Highway Operations (Pty) Ltd

KAL Corporate Services (Pty) Ltd (Reg No. 2020/841850/07)	Company Secretary
Appointment date:	November 2020
Directors:	T Sulaiman-Bray and GW Sim

APPROACH TO COMPLIANCE

The Group recognises its responsibility to comply with all applicable laws and adheres to industry charters, codes and standards.

No material contraventions of any law, penalties or fines were reported during the year. To the Group's knowledge, no material legal, arbitration or pending proceedings are in progress. For more information on our compliance approach (including the roles of the Compliance Officer, Audit and Risk committee and Internal Audit), refer to the risk report on page 73 and our full governance report at www.kalgroup.co.za.

The KAL directors have confirmed that, to their knowledge, KAL complied with the Companies Act's provisions and operated according to the company's Memorandum of Incorporation ("MOI") during the year under review.

CONFLICTS OF INTEREST

All Board members must state any conflicts of interest, financial or otherwise, at the start of each Board meeting. This includes members with interests in periphery businesses interacting with the Group. Refer to pages 134 and 182.

All Board members are prohibited from gaining any undue benefit from their position, as outlined in the Board mandate subscribed to by each member.

The KAL dealings in securities process requires that directors, prescribed officers, and the Company Secretary must obtain permission to deal in securities.

Details of any dealings must be disseminated on SENS. Certain employees, identified by the CEO, must also obtain permission to deal in securities. Employees are further directed by policies on private interests, extramural activities, and external remuneration to avoid conflicts of interest. The Group has a gift registry for registering tangible and intangible gifts.

More information is available in our full governance report at www.kalgroup.co.za.

COMMITTEES AND THEIR ROLES IN THE GOVERNANCE STRUCTURE

The Group's committees facilitate the discharging of certain Board responsibilities with oversight, guidance and governance application in specific mandated areas. Each committee chairman reports to the Board to ensure comprehensive insight and appropriate decision-making at Board level. See pages 62 to 65 for a profile of each Board member.

EXPANDING OPPORTUNITIES FOR EMPOWERMENT

Since its establishment in 2011, the KAL Trust has changed the lives of hundreds of disadvantaged employees with interest-free revolving home loans, financial assistance towards education for employee dependants, and worthy community initiatives.

Trust board meeting attendance

Member	Meetings attended
EA Messina (independent founder appointed trustee and chairman)	**2/2**
VWH Henn (independent employee representative trustee)	**2/2**
T Sulaiman-Bray (employer founder representative trustee)	**2/2**
H Smith (employee representative trustee)*	**2/2**
R Matthews (independent financial representative trustee)	**2/2**

* *Resigned from the Board with effect from 11 April 2025.*

The trustees ensure the Trust is managed transparently, responsibly and appropriately to meet the Group's long-term strategic objectives.

More information about the opportunities for empowerment and the KAL Trust is available in the social and ethics report on page 84.

> *The KAL Trust truly empowers employees. Educational support continues to grow each year, and we're proud to help make a brighter future possible.*
>
> **Tasneem Sulaiman-Bray, Director: Corporate Affairs**

Innovation that powers employees' futures

KAL Group's approach to innovation extends beyond business performance – it is equally focused on shaping growth for its people. Through the KAL Trust, the Group has created a distinctive employee value proposition (EVP) that takes a holistic approach to well-being, supporting employees' personal aspirations for their families and building generational resilience.

Unlike conventional employee programmes, the Trust provides financial assistance for housing, as well as the education and sports and cultural development of employees' children.

By extending its support beyond the workplace, this model enriches KAL Group's EVP – fostering growth that benefits employee families and the communities connected to them.

This year, the Trust supported the education of 524 children. For Thandi Sibiya, Operations Controller of PEG's Northern and Eastern Cape branches, this support has been transformative. Since 2021, the Trust has funded her children's education, giving her peace of mind and the confidence to focus on their future and her career progression within the company.

Committee	Members[1]	Meetings attended
Audit and Risk committee Total meetings: 2	> Chairman: CA Otto[2]	2/2
	> D du Toit[3]	2/2
	> B Mathews[3]	2/2
	> JH le Roux[4]	2/2
	Invitees	
	> GM Steyn – Independent non-executive director	
	> S Walsh – Executive director (CEO)	
	> GW Sim – Executive director (Financial Director)	
	> GC Victor – Group Manager: Finance	
	> S Botes – Group Manager: Finance (Designate)	
	> P Steyl – Executive Manager: Internal Audit	
	> JHW de Kock* – Designated Audit Partner, Deloitte	
	> DA Steyn[#] – Designated Audit Partner, Deloitte	

Mandate

The committee assists the Board by providing an objective and independent view of the Group's finance, accounting and control mechanisms.

During the year, the committee actioned the following:

- Reviewed the Group's accounting policies and is satisfied that the policies align with generally accepted accounting principles.
- Appointed the external auditor and monitored its effectiveness. This included ensuring that use of the external auditor for non-audit services was kept to a minimum.
- Reviewed and approved the integrated report and the annual financial statements included therein.
- Considered the following as significant regarding the annual financial statements: credit risk (in particular debtors), management of stock, and business combinations.
- Focused on ethics and governance, controls, provisioning, impairment, tax compliance, correctness and accuracy. The Group addressed these considerations through proper provisioning in terms of existing policies.
- Approved the Group's internal audit plan.
- Considered presentations by internal audit on ethics, governance and controls, and management reports on operational and financial matters. The committee deems the Group's internal financial controls adequate.
- Reviewed the Group's risk, controlled environment and governance assessments. This was done to ensure risks are properly addressed and the level of compliance, with proper governance, aligns with expectations. The committee is satisfied with the outcome of these evaluations.
- Reviewed the external auditor's reports and took appropriate actions.
- The Group confirmed its going concern status and compliance with applicable legislation and requirements of regulatory authorities.
- Through consultation with the external auditor, the committee ensured management's processes and procedures were adequate to identify, assess, manage and monitor Group-wide risks.

[1] *All committee members are independent non-executive directors.*
[2] *Re-appointed to the committee at the AGM held on 6 February 2025 and chairman from 4 May 2017.*
[3] *Re-appointed to the committee at the AGM held on 6 February 2025.*
[4] *Appointed to the committee at the AGM held on 6 February 2025.*
* *Resigned from Deloitte with effect from 31 January 2025.*
[#] *Appointed by Deloitte with effect from 1 February 2025.*

Committee	Mandate
Audit and Risk committee (continued)	> The audit partner currently used by Deloitte is regularly rotated. The committee is satisfied with the arrangements for the external audit and the effectiveness of DA Steyn, the designated auditor. The committee deemed the quality of the audit performed this year satisfactory. The independent auditor's report indicates that the Group's financial statements fairly reflect the company's financial state according to IFRS and Companies Act requirements. In compliance with legislative and JSE requirements, the Group rotates to a new audit partner every five years. > The committee recommended the external auditor's appointment and determined its compensation. The external auditor, Deloitte, with JHW de Kock as the designated audit partner, provided audit services to the Group from 1 October 2024 to 31 January 2025. The external auditor, Deloitte, with DA Steyn as designated audit partner, has provided audit services to the Group from 1 February 2025. The committee is satisfied that the external auditor is independent of KAL, as set out in section 94(8) of the Companies Act, and suitable for re-appointment by requesting and considering, among other things, the information stated in paragraph 3.84(g)(ii) of the JSE Listings Requirements. > The committee appraised and satisfied itself in terms of paragraph 3.84(g)(i) of the JSE Listings Requirements that the Financial Director and Group finance function have the appropriate expertise and experience. The Financial Director drives the overall effectiveness of the Group's finance function. > The committee is satisfied that appropriate financial reporting procedures are implemented and operating as contemplated under paragraph 3.84(g)(ii) of the JSE Listings Requirements. > The Group's combined assurance model ensures actions align with good governance management, which the committee deems effective.

Committee	Members[1]	Meetings attended
Remuneration committee Total meetings: 2	> Chairman: CA Otto	2/2
	> GM Steyn	2/2
	> D du Toit	2/2
	Invitees	
	> S Walsh – Executive director (CEO)	
	> GW Sim – Executive director (Financial Director)	
	> DC Gempies – Executive: HR (subsidiary – Agrimark Operations Ltd)	
	> AC Abeln – MD (subsidiary – Agrimark Operations Ltd)	
	> X Bangazi – MD (subsidiary – PEG Retail Operations (Pty) Ltd)	

Mandate

The committee reviews and approves executive directors' and senior management's remuneration. It is also responsible for succession planning.

The committee assisted the Board in reviewing non-executive directors' remuneration recommendations in line with local and international best practice. This was done to ensure the remuneration is fair and reasonable to the directors and the Group.

More information about the committee and the Group's remuneration practices is available in the remuneration report on page 36.

[1] *Committee members are independent non-executive directors.*

Committee	Members[1]	Meetings attended
Nomination committee Total meetings: 1	> Chairman: GM Steyn	1/1
	> CA Otto	1/1
	> EA Messina	1/1
	Invitee	
	> S Walsh – Executive director (CEO)	

Mandate

The committee assists the Board in ensuring it has the appropriate composition in terms of structure, size, diversity, skills and independence to execute its duties effectively.

When identifying suitable candidates for appointment to the Board, the committee considers candidates on merit against objective diversity criteria. The Board views diversity as important and has adopted a broader diversity policy that specifically promotes the attributes of gender, race, culture, age, field of expertise, skills, and experience. The Board continues to work towards a more representative Board and committee composition.

The Board will consider and apply the broader diversity policy when nominating and appointing directors in future, as contemplated in paragraph 3.84(i) of the JSE Listings Requirements.

[1] *Committee members are independent non-executive directors.*

Committee	Members[1]	Meetings attended
Social and Ethics committee Total meetings:	> Chairman: EA Messina	2/2
	> T Sulaiman-Bray	2/2
	> B Mathews	2/2
	> NR Nkosi*	–
	Invitees	
	> S Walsh – Executive director (CEO)	
	> P Steyl – Executive Manager: Internal Audit	
	> DC Gempies – Executive: HR (subsidiary – Agrimark Operations Ltd)	
	> W van Zyl – Group Manager: Enterprise Asset Management & SHEQ	

Mandate

The committee monitors the Group's activities regarding its social and economic standing and development, good corporate citizenship, SHEQ[2], consumer relationships, labour and employment, and compliance with applicable laws set out in the Companies Act and other regulations.

The committee reported on matters within its mandate and brought relevant matters to the Board's attention.

Read more about KAL's social and community investments in the social and ethics report on page 84.

The committee's focus areas include:

- B-BBEE and employment equity
- Socio-economic development programmes
- Protection of the company's brands and relations with stakeholders
- Labour and employment matters regarding acceptable working conditions and the company's contribution to the education of its employees
- SHEQ, including monitoring existing policies within its mandate, the 10 principles of the United Nations ("UN") Global Compact, corruption and ethics

The following matters received particular attention:

- Discussed and evaluated the company's whistleblowing process
- Feedback on our sustainability focus areas, environmental initiatives and sponsorships
- Plan to maintain the Group's level 4 B-BBEE status and consider its B-BBEE score
- Attended to BEE recognition levels and appointments regarding employment equity
- Noted socio-economic development programmes
- Reviewed KAL employees' working conditions in light of applicable laws and regulations
- Reviewed legislation, regulations, compliance with policies and training relevant to SHEQ
- Transformation and ethics remain core focus areas

[1] *The majority of committee members are independent non-executive directors.*
[2] *SHEQ: safety, health, environment, and quality.*
* *Appointment on 1 November 2025 is subject to shareholder approval at the upcoming AGM.*

Committee	Members[1]	Meetings attended	Mandate
Finance committee Total meetings: 2	> Chairman: JH le Roux > GW Sim > AJ Mouton > HM Smit* > NC Loubser[2] > HS Louw[2] > WG Treurnicht[2] > NR Nkosi** ***Invitees*** > DW Beukes – Group Manager: Financing Services > S Walsh – Executive Director (CEO) > Other members of the financing services department as and when needed	2/2 2/2 2/2 – 2/2 2/2 2/2 –	The committee ensures that the Group's financing activities are managed efficiently. The committee is responsible for approving and refining the credit policy. It exercises final authority on certain high-value credit applications where the amount exceeds the officials' authority. The committee established a decision-making framework for the financing services department. Regarding the credit policy, the financing services department has the authority to obtain underlying securities from individuals who apply for credit. Accordingly, it is the task of the committee to conduct credit screenings, evaluate credit risks and register underlying securities in line with the credit policy.

[1] *Two of the committee members are independent non-executive directors.*
[2] *HM Smit, NS Loubser, HS Louw and WG Treurnicht are not Board members but are co-opted members of the committee.*
* *Resigned from the committee with effect from 24 October 2024.*
** *Appointment on 1 November 2025 is subject to shareholder approval at the upcoming AGM.*

The Group's committees are satisfied that they have fulfilled their responsibilities according to their respective mandates.

Board efficiency

Ethical and effective leadership rests on the appropriate recruitment, evaluation, training and rotation of Board members and informs our approach to recruitment, evaluation, training and rotation.

Recruitment	The Nomination committee provides clear direction on recruitment and criteria for selecting appropriate candidates in line with the company's Memorandum of Incorporation. Non-executive directors are nominated by the Board and elected at the AGM for three years. One-third of the non-executive directors must retire by rotation at each AGM (or other general meetings held annually).
Rotation	The Nomination committee reviews the Board's composition regarding diversity attributes such as race, gender, culture, age, field of expertise, skills and experience.
Induction	An induction process detailing the principles applicable to the formal induction of new directors is in place.

More information about our approach to training and evaluation is available in our full governance report at www.kalgroup.co.za.

Company Secretary

The Company Secretary co-ordinates the functioning of the Board and its committees. This includes advising the Board on matters of legal and regulatory compliance. The Group is satisfied that these arrangements are effective, and the Company Secretary has unencumbered access to the Board. KAL believes an appropriate arm's length relationship exists between the Company Secretary and the Board.

In November 2020, the Group appointed KAL Corporate Services (Pty) Ltd to hold the office of Company Secretary. The Board ensured the company adhered to the provisions of section 87(1)(a) and 87(1)(b) of the Companies Act.

The Board's mandate allows professional corporate governance training to be accessed independently or through the Company Secretary.

The Board considered and satisfied itself on the competence, qualifications, and experience of the Company Secretary.

Executive committee

KAL's Group Executive committee meets monthly. The committee is responsible for assisting the CEO in implementing the Group's strategy. The CEO is responsible for operational planning, controls and implementation. The Board appoints the CEO on the recommendation of the Nomination committee.

Risk report

The Board of directors is ultimately accountable for governance and risk management and is supported by the Audit and Risk committee. The Board considers business risks when setting strategies, approving budgets and monitoring progress against budgets. The Audit and Risk committee monitors and reports on the effectiveness of the risk identification, assessment and management process. The committee meets at least twice a year.

KAL considers governance of top business risks a high priority. We focus on risks with a high impact on the business and/or high probability of occurrence, considering the Group's risk appetite. The risk appetite describes the nature and extent of risks we are comfortable to accept to achieve our strategic objectives. It considers, among other things, revenue growth, earnings sustainability, environmental impact, employee well-being, health and safety, and value creation for all stakeholders. We review the risk appetite and tolerance regularly by considering the potential impact of key risks and the mitigating actions and controls. This process enables us to detect potential risk events early and respond in a suitable and proactive way.

The Group is diversified across income streams, geographic regions and product ranges. This diversification enables us to partially mitigate the impact of various challenges, such as climate change and weak economic conditions. Combined with KAL's achieved scale, it shields us from adverse impacts while contributing to ongoing and sustainable value creation.

Risk management is implemented by management and employees. We have a Group-wide risk assessment process for escalating material risks to a consolidated Group risk register. This includes a detailed list of risks that could impact the business.

OUR TOP FIVE BUSINESS RISKS

The executive team and senior management identified, assessed, and prioritised the top business risks for the year. The inherent risks (before mitigating actions/controls) were rated based on the likelihood of the risks materialising and their potential impact on the Group. The residual risks were rated on the same basis after considering the strength of controls implemented to address the risks.

Risks are ranked according to a combination of impact and probability. Risks that could have the greatest impact on KAL's ability to achieve its strategic objectives over time are described below.

The Group's strategic focus areas, aimed at improving value creation, are:

G — **GROWTH**

By focusing on upgrades and footprint expansions, strategic alliances, and mergers and acquisitions, we drive growth and ensure our distribution and supply chain capabilities are ramped up to support it.

O — **OPTIMISATION**

By implementing systems to support supply chain optimisation and optimising retail store formats and ranges, we ensure relevance with diverse customers and enhance the in-store customer experience.

L — **LEVERAGING CULTURE AND DIVERSITY**

Developing talent and entrenching our Accelerating Performance culture support our unique value proposition. Transformation is not only a responsibility; it is a business imperative and catalyst for social and economic transformation.

D — **DIGITISATION**

Enhancing our customer experience and ease of doing business drives all our e-commerce, account and payment solutions initiatives.

These strategic focus areas are impacted by the top residual risks as indicated below.

The risk movement from the prior year is reflected as follows:

↑ Increased in risk order ↔ No change in risk order ⭘ New risk in top 5 ↓ Decreased risk in risk order

No.	Risk	Description	Mitigating actions	Strategic focus area
1 ↔	Adverse political conditions and regulatory pressure	> Political uncertainty and its influence on the macro-economy > Geopolitical uncertainty and unrest/conflict putting pressure on global supply chains > Onerous B-BBEE accreditation requirements could have a negative impact > Challenges with the unpredictable licensing process managed by the Department of Mineral Resources and Energy ("DMRE") > Inconsistent fuel margin revisions put pressure on fuel retail profitability > Land expropriation without compensation could have a devastating impact on our agricultural customer base > Uncertainty regarding continued water use rights > Sporadic strikes and social unrest > Trade tariffs imposed by the USA could have a major negative impact on some customers	> Proactive engagement with stakeholders to understand new proposed amendments to regulations and legislation > Product, supplier, and customer diversification > Continuous monitoring and implementation of dedicated plans to ensure the relevant empowerment status. The Group is a verified level 4 B-BBEE contributor > PEG Retail Operations is one of the leading black-owned fuel retailers in the country, with direct black ownership exceeding 50% > Closer relationship with the DMRE to assist with licensing processes > Policy advocacy for fair fuel margin adjustments > KAL membership of the South African Petroleum Retailers Association and continual engagement with statutory bodies related to fuel > Monitoring of compliance with laws and regulations > Membership of the Agricultural Business Chamber ("Agbiz"), National Economic Development and Labour Council, and Business Unity South Africa ("BUSA")	

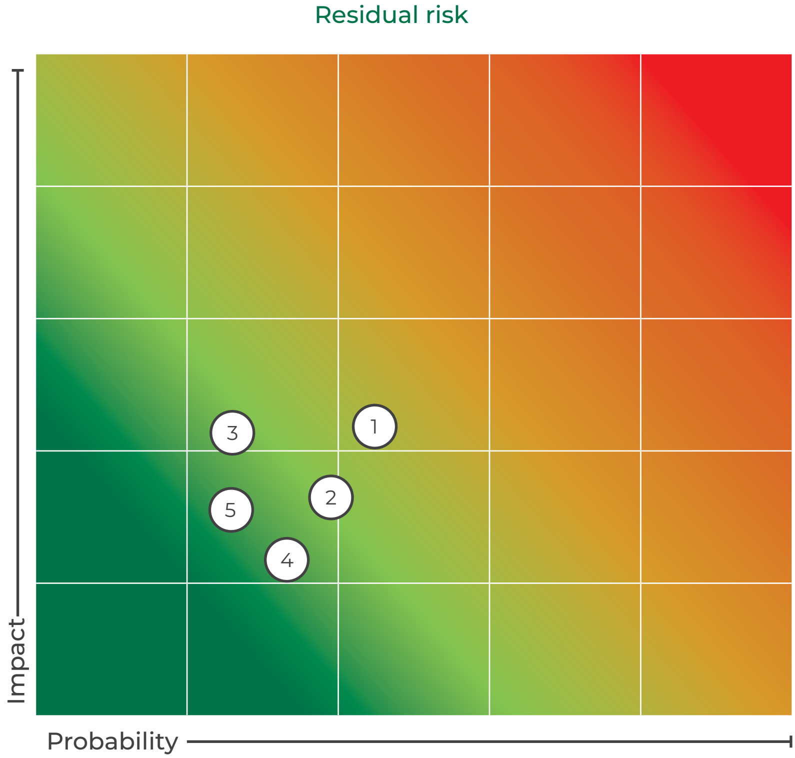
No.	Risk	Description	Mitigating actions	Strategic focus area
2 ↑	Deterioration of public infrastructure and services (electricity, roads, water supply, harbours, etc.)	> Increased costs to keep sites open and deliver services to our customers > Increased financial and production pressure on our customers > Disrupted product supply due to unpredictable supply chain delays, requiring higher stockholding to maintain supply service levels to customers > Port logistics challenges impact our agricultural customers' sustainability > Water supply interruptions in rural towns impact our customer base and service delivery	> Investing in alternative energy solutions like solar and batteries at certain sites > Backup generators at most sites to prevent any service disruptions > Adopting agile business practices to adapt to public infrastructure and service delivery challenges > Increased distribution centre supply coverage > Membership of Agbiz, Operation Vulindlela, BUSA, and the National Logistics Task Force > Developed a water supply strategy to ensure continuous availability of potable water at branches	

No.	Risk	Description	Mitigating actions	Strategic focus area
3 ↓	Information Technology (“IT”) distribution and cyber-related risks	> High dependence on computer systems to facilitate business transactions and maintain security of personal information > Disruption of our IT environment would have a major influence on our ability to service our customers > The Protection of Personal Information Act, 4 of 2013, has strict regulations on protecting personal information. This requires a sophisticated and secure IT environment > Our existing enterprise resource planning (“ERP”) system may not support all our business requirements as we grow. Increasing business complexity may outpace improvements to existing ERP processes and functionality	> Detailed IT Governance Framework provides guidance and reference > Access to our systems, infrastructure and network is restricted and protected > Disaster recovery programmes are regularly reviewed and tested > Key systems are monitored for uptime, performance and capacity > We use a third-party data centre that is compliant with industry good practices > Our retail sites have offline servers to enhance uninterrupted service > Dual network communication channels exist for most branches > Automated data backups are applied > An ERP modernisation project is in progress > Cybersecurity is critical and actions are in place to continuously strengthen the Group’s security environment. This includes a dedicated IT security team working with market-leading external security providers to conduct vulnerability monitoring and security reviews, ongoing software upgrades and patching, and Group-wide cyber risk education > Specialised IT system version upgrades are continually applied to ensure manufacturer support and backup > Specialised training is given to key internal resources to provide first-line support for specialised systems	

No.	Risk	Description	Mitigating actions	Strategic focus area
4	Losses due to criminal activity and unethical behaviour	> Direct financial loss through theft and fraud by employees or the public > Reputational damage, criminal proceedings and claims against the Group due to unethical behaviour > Physical safety of our people and assets is at risk due to possible armed robberies and bombings	> Robust internal control environment > People-centric culture > Zero-tolerance policy > Independent fraud and ethics hotline > Criminal charges are laid if employees are found guilty of theft > Commercial crime insurance coverage > Extensive controls to safeguard cash, including Closed-Circuit Television ("CCTV") monitoring and third-party cash handling > Specialist service providers are used to investigate fraud and identify controls to limit exposure > PEG ownership model where the site manager, as a minority shareholder, takes full responsibility for the performance and the risks at the site > Brilliant PEG basics programme is a holistic set of standards that each site needs to comply with	

No.	Risk	Description	Mitigating actions	Strategic focus area
5 ↔	Financial sustainability	> Inability to meet strategic financial targets due to economic pressures, constrained consumer confidence and higher fuel prices > Climate conditions negatively impacting performance and financial position of agricultural customers > Increased competitor activity (presence and price) > Vertical integration by our competitors, manufacturers, distributors and wholesalers to offer value-adding services directly to customers > Customers opting for cheaper brands and lower quality due to deteriorating economic conditions, requiring more frequent range renewals and stockholding changes to satisfy customer needs	> Monitoring of key economic indicators in our operating markets > Expanding and upgrading stores and making new acquisitions and mergers to increase market share. Detailed pre-acquisition feasibility modelling and post-acquisition performance reviews > Geographic, customer and product diversification > Ongoing investment in central procurement and logistics to support and optimise our retail offerings > Focus on operational efficiency and cost management. Optimising the cost to serve by continuously improving systems and processes > Proactive cash flow and debt management with appropriate funding optimisation > Membership of Agbiz > Continuous customer engagement in line with our Business Relations Management strategy > Digitisation strategy implementation for wider customer reach without extensive physical infrastructure > Brand awareness and marketing > Individually tailored credit offerings aligned to customer requirements > PEG ownership model where the site manager, as a minority shareholder, takes full responsibility for the performance and the risks at the site > Brilliant PEG basics programme is a holistic set of standards that each site needs to comply with	

Rating our risks



After considering the impact of our mitigating measures, we believe that none of the top risks fall within a high-risk category, as reflected in the graphic above. The average risk ratings were in most cases higher than the prior year.

Adverse political conditions and regulatory pressure still ranks as the Group's highest risk. This is despite several attempts to engage with the government via several platforms.

Our second-highest risk is the deterioration of public infrastructure and services. This places KAL and its customers under increased financial pressure and uncertainty.

Information technology distribution and cyber-related risks moved down one place to third in our risk rating. Cyber-attacks are increasing worldwide, and cybercriminals are using artificial intelligence to their advantage. The Group is highly dependent on advanced computer systems to help address our customers' ever-changing requirements.

Losses due to criminal activity and unethical behaviour is a new addition to our top five risks. We have seen an increase in criminal activity targeting KAL from within the business and from the public and organised crime syndicates.

Financial sustainability ranks fifth, with talent recruitment and retention dropping from our list of top five risks.

Regulatory and legal compliance

The Company Secretary and legal counsel are responsible for guiding the Board in discharging its regulatory responsibilities. The Audit and Risk committee monitors the process to ensure legal compliance.

No instances of significant non-compliance with legislation were recorded during the year.

The Board, via the Audit and Risk committee, considered the effectiveness of our risk assessment and management process, policies and procedures, and is satisfied with their effectiveness.

"electronically signed"

CA Otto
Chairman: Audit and Risk committee

Report of the Social and Ethics committee

The KAL Group Social and Ethics committee ("the committee") is a statutory committee that assists the Board in monitoring the Group's corporate citizenship, sustainability and ethics. The committee is an integral part of the Group's governance and management. It performs an oversight function to ensure the Board and the wider organisation are equipped and on track to having an ethical culture. It also seeks to ensure the Group is sustainable in the triple contexts of the economy, society and the environment.

The committee's terms of reference detail its composition, functioning and duties in terms of the Companies Act, the JSE Listings Requirements, King IV, and the responsibilities allocated to it by the Board.

The Social and Ethics committee ("SEC") report should be read together with the corporate governance report on pages 60 to 72.

ROLE AND RESPONSIBILITIES OF THE COMMITTEE

The committee acts in terms of the Board's delegated authority and performs an independent oversight function. It assists the Board in monitoring the Group's activities and disclosures in terms of law and codes of best practice relating to:

- Social and economic development
- Strategic empowerment and changes in the application and interpretation of empowerment charters and codes
- Good corporate citizenship, including the Group's:
  - promotion of equality, prevention of unfair discrimination, and anti-corruption stance
  - contribution to the development of the communities in which it operates
  - sponsorships, donations and charitable giving
- The environment, health and public safety, including the impact of its activities and products or services
- Consumer relationships, including its advertising, public relations and compliance with consumer protection laws
- Labour and employment, including the Group's standing in terms of all relevant laws and regulations on working conditions and its employment relationships and contribution toward the educational development of its employees
- Ethics
- Targets set by management relating to the committee's mandate and to monitor progress against those targets
- Adverse findings, fines or other sanctions by regulators, courts or quasi-judicial bodies, and any allegations of anti-competitive behaviour made against the Group

COMPOSITION AND FUNCTIONING

The committee comprises independent non-executive directors Dr Ernest Messina (chairperson), Ms Bridgitte Mathews, and executive director (corporate affairs) Mrs Tasneem Sulaiman-Bray. The non-executive directors who serve on the committee are nominated and appointed by the Board, and the executive director is an ex officio committee member.

The Director: Human Resources and senior managers of internal audit, transformation, SHEQ and legal/Company Secretary attend committee meetings as invitees.

The committee's effectiveness is assessed as part of the Board and committee self-evaluation process. The assessment deduced that the committee has adequately discharged its mandate. Committee meeting attendance is detailed on page 71, and fees paid to committee members for 2025 are detailed in the remuneration report on page 50.

ACTIVITIES OF THE COMMITTEE

The committee met twice during the year as per its mandate. In the reporting period, the committee undertook the following:

- Monitored the Group's transformation progress against its B-BBEE plan and the internal employment equity plan and considered the external verification of the Group's empowerment activities

- Assessed the Group's sustainability performance
- Evaluated the Group's corporate social investment initiatives
- Assessed the Group's actions regarding the 10 principles of the United Nations Global Compact ("UNGC")
- Considered various compliance matters and legislative updates applicable to the Group
- Monitored the Group's ethical business conduct, including the whistleblowing hotline
- Monitored the Group's safety, health and environmental responsibilities
- Reviewed and approved the social and ethics report for the integrated report

HIGHLIGHTS

KAL Group's key purpose is to power economic growth and ensure our stakeholders are better off because of our existence. The successful execution of this purpose, given the tough South African trading environment and the country's continued economic and social challenges, depends on the Group's continued resilience and ability to deliver on its growth and business objectives.

This also means the Group must take a long-term view, do business through sustainable practices and drive socio-economic development and empowerment in the communities we serve. To this end, the Social and Ethics committee oversees KAL Group's performance as a diversified and impactful business within socio-economic development, transformation and sustainability.

The Group has achieved key successes this year.

Established in 2011, the beneficiation of employees and their dependants via the KAL Trust continues to reflect our commitment to empowering and investing in the lives of our employees. KAL Trust extended interest-free revolving home loans totalling R1 million to assist 26 employees and their families, with most of these recipients being single-parent homes headed by resilient women. In addition, our commitment to employability and social justice is evidenced by our commitment to educating youth through the provision of bursaries to employee dependants. Over the past year, the KAL Trust provided financial assistance through grants to 402 employees and their dependants for education, sports, cultural activities, and housing, reflecting a 76% increase compared to last year.

Our commitment to empowering youth and fostering employability through our educational support programmes continues to be a major priority. Through our bursary programme, our educational support has empowered 50 learners with an investment of R2,4 million over the past year and R15 million over the past seven years.

Through the KAL Academy, we continue to empower a community of small-scale farmers. The academy empowered 529 students since inception who will now be better positioned to grow their businesses through the practical training received. In addition, students develop longstanding relationships with each other, resulting in a network of like-minded business owners who collaborate and engage long after they have passed through the doors of the KAL Academy.

The Strategy for Reducing Food Loss and Waste gazetted by the Department of Forestry, Fisheries and the Environment indicates that approximately 60% of South African households are food insecure (30% at risk of and 31% experiencing hunger) and more than 13 million children live in poverty. Food security indices indicate an alarming percentage of food insecurity within SA, scoring 64,9 on the Index in 2019 and dropping to 45,3 in 2023 (zero indicates severe food insecurity). We continue to leverage our capabilities, resources and network to address food waste and hunger through our Harvesting Hope programme with OneFarm Impact. Our efforts to support Zero Hunger through One Farm Impact has resulted in salvaging 229 tonnes of food whilst 44 958 learners at identified ECD centres in areas where we operate will benefit from our support of the Rise Against Hunger initiative.

The committee continues to oversee the Group's transformation journey and commitment to maintain its level 4 contributor status in fostering an inclusive economy, and is pleased with the impact made to date.

Our commitment to reducing our environmental impact through energy efficiency and alternative energy is evidenced by our investment of R15 million over the past year for new solar photovoltaic installations across our network. We plan to continue to evaluate opportunities for further energy efficiency roll-outs where feasible.

MATTERS BROUGHT TO THE ATTENTION OF THE BOARD

During the reporting period, the committee brought the following key matters to the attention of the Board at Board meetings:

- The committee continued its oversight and monitoring to cover the broad scope of its mandate as required by legislation, King IV and the committee's terms of reference
- Management was committed to maintaining its level of compliance with the B-BBEE scorecard

FOCUS AREAS FOR 2026

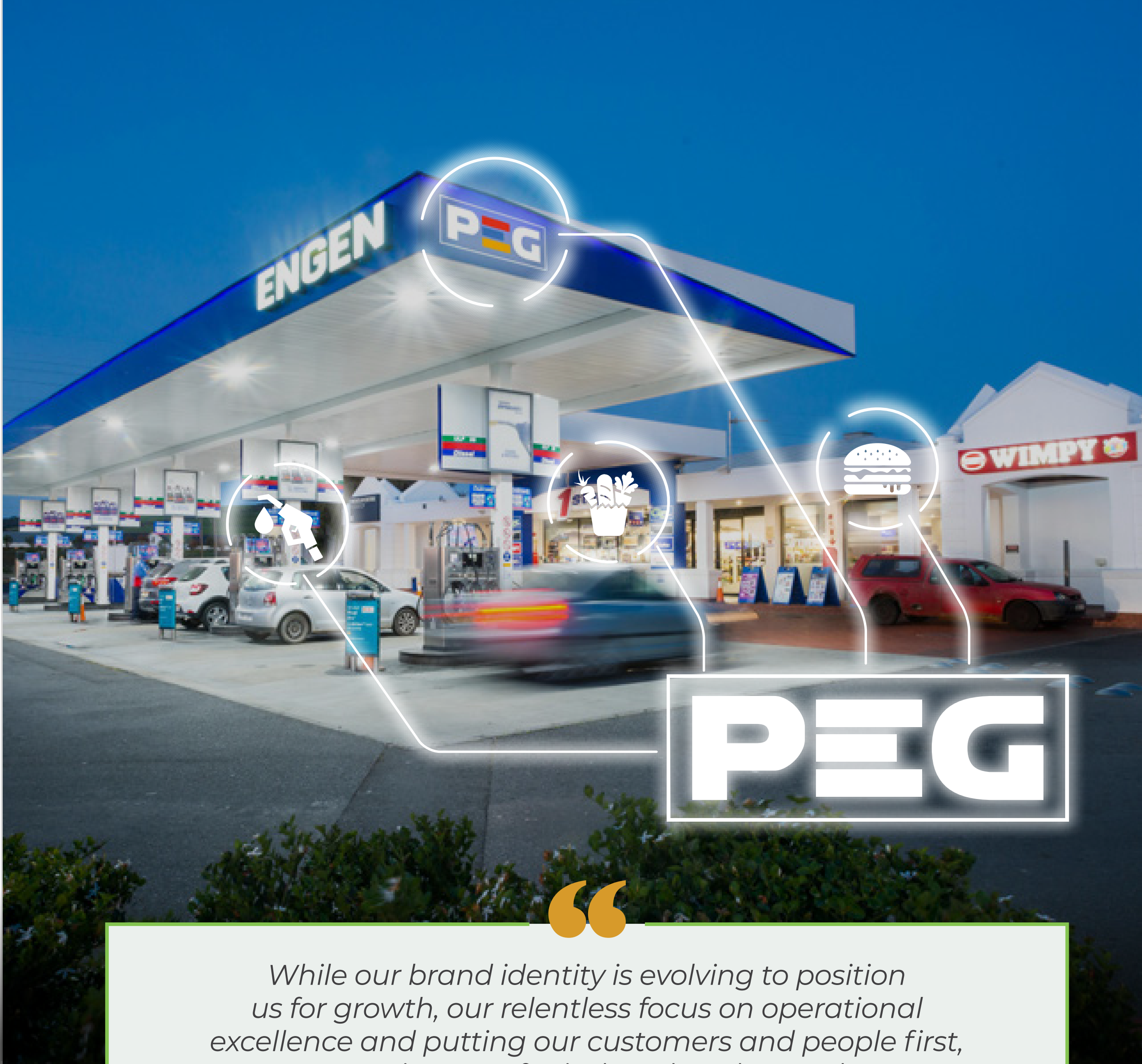
During the 2026 financial period, the committee will continue its monitoring activities, supplemented by issues proposed by its members and relevant exogenous factors the Group occasionally faces. The committee will also monitor that progress is made on an annual basis with regard to the Group's ESG performance.

CONCLUSION

No material non-compliance with legislation and regulations, nor material regulatory fines or penalties relevant to the areas within the committee's mandate, have been brought to its attention during the reporting period. The committee's monitoring activities continue to show that steady and sustainable progress is made annually regarding the Group's ESG performance. The committee and the board remain committed to continue to fulfil its SEC mandate in the next financial year.

"electronically signed"

EA Messina
Chairperson: Social and Ethics committee



> *While our brand identity is evolving to position us for growth, our relentless focus on operational excellence and putting our customers and people first, remains top of mind, and unchanged.*
>
> **Xolisa Bangazi, Managing Director: PEG Retail Operations**

Rebranding for growth

This year, The Fuel Company (TFC) Operations rebranded to PEG Retail Operations, consolidating the Group's fuel and convenience businesses under a single identity. The rebrand is a strategic step in driving innovation at PEG, evolving the business into a network of integrated retail and convenience hubs that deliver a broader customer value proposition.

The rebrand establishes a clearer platform for collaboration with oil company partners, quick service restaurant franchisors, and retail suppliers.

PEG continues its multi-brand, multi-supplier model across all major oil companies and leading convenience and restaurant partners. Under the rebrand, PEG is re-imagining its sites as vibrant hubs that combine fuel, food courts, retail and services, enhancing the customer experience while expanding its footprint across South Africa.

Innovation is central to this transformation, supported by operational alignment, data-driven insights, and a strong company culture focused on service excellence.

Social and ethics report

INTRODUCTION

Our stakeholder should be better off because we exist. This premise drives our commercial operations and approach to environmental, social and governance ("ESG") activities.

ESG is a priority within our business. We are attuned to the economic, social and environmental needs of the communities where we operate. We focus on the issues that are most material to our business and stakeholders, and seek to deliver on ESG goals within our sphere of greatest influence.

By investing our time, money and resources, we seek to show up as a trusted community partner and demonstrate our impact in tackling developmental and sustainability issues in the locations where we operate. We place equal value on our responsibility to the environment, society, shareholders, and employees.

During the year, we invested R4 661 129 in socio-economic development programmes and projects at corporate and branch level.

For KAL, education is the most powerful weapon for societal upliftment. Education, hunger relief and empowering small-scale farmers are the pillars of our corporate social investment ("CSI") strategy. This is evidenced by three of our major community interventions:

- Empowering small-scale farmers and farm workers through the KAL Academy and Harvesting Hope programme
- Providing funding for South African youth with academic potential through the KAL Group bursary programme
- Alleviating hunger and reducing food waste through our Harvesting Hope programme in partnership with OneFarm Impact

We support various community outreach programmes in our operating areas. We encourage our employees to participate in community initiatives, and they do so enthusiastically. We endeavour to fulfil needs-based requests as they arise.

Agricultural organisations, community shows and structures play an important role in capacity building and promoting the agricultural sector. We contributed R763 455 this year in support of these outcomes.

SOCIAL IMPACT: EDUCATION

KAL Academy

The KAL Academy has championed the empowerment of small-scale farmers and farmworkers since 2009. The Academy's strategic approach aligns with our core business. We are a key retailer to the agricultural sector. Through our trusted and long-standing presence in this sector, we aim to empower a new generation of farmers.

The Academy is one of only a handful of organisations that provide a learning pathway for small-scale farmers. We offer free, high-quality academic training to students at National Qualifications Framework ("NQF") levels, notably NQF 2, 3 and 4.

Programmes run annually over several months. Applications for each year's intake are advertised publicly through a recruitment campaign on digital platforms. We aim to fully equip small-scale farmers with experiential learning, technical farming information, and management skills to become commercial farmers. The Academy's blended learning approach includes theoretical online learning and practical training.

The Academy also provides administrative support and logistical arrangements for a range of regulatory courses. These include courses on welding, chemical handling, first aid, maintenance of tractors and implements, pruning, forklift operating and productivity management.

A total of 14 learners enrolled in the NQF 3 animal production course this year. For the NQF 2 mixed farming systems class of 2024, 13 learners graduated in March 2025. Our investment in the Academy for 2025 amounted to R1 300 872. Since 2009, KAL has invested R13 701 989 in the Academy and empowered 529 small-scale farmers.

KAL Group bursary programme

We believe education can break the cycle of poverty for learners and their families. Through our bursary programme, we show we care by helping dynamic and bright young leaders pursue their academic dreams.

In 2025, we financially supported 50 learners and students. Over the past seven years, 351 learners and students have received bursaries through the programme, representing an investment of R15 million.

In total, 47 secondary school learners benefited from the programme this year. The young bursary holders are demonstrating excellence in athletic and cultural pursuits. A learner from La Rochelle Girls' High School reached the finals at the Penn Relays in Pennsylvania, USA, while two other learners won Gold+ and Cum Laude at the Eisteddfod for Hip Hop Dancing.

We also supported three students at the University of Stellenbosch, two of whom previously held secondary school bursaries. Two are second-year students studying for BA (Language and Culture) and BA (Development and Environment) degrees, and one will commence studies as part of the High-Performance Sports Unit in 2026.

The gender split for this year's bursaries was 53% female and 47% male. Awards are based on financial need and academic performance, with a deliberate bias towards the rural and peri-urban communities where we operate. Bursaries are comprehensive, covering full tuition fees, accommodation, transport, textbooks, and additional study aids (e.g. computers and data) as and when needed.

KAL's 2025 investment in bursaries amounted to R2 464 263.

SOCIAL IMPACT – COMMUNITY

OneFarm Impact partnership: Harvesting Hope

In February 2023, Agrimark joined forces with OneFarm Impact in Harvesting Hope. Through this partnership, we combine our capabilities, products, resources, facilities and customer network to fight hunger by facilitating food rescue programmes and providing donations. We also help small-scale farmers to scale up their businesses and become sustainable.

OneFarm Impact, with support from Standard Bank and agri-fintech HelloChoice, created OneFarm Share, an integrated digital platform that channels food to those who need it.

Commercial farmers are sometimes unable to sell edible produce because of supply chain disruptions, surplus production or out-of-spec produce. Too often, this unsold produce gets composted or sent to landfill. Approximately 10,3 million tonnes of food are wasted per year in South Africa. Harvesting Hope helps to rescue this food.

Through OneFarm Share, charitable organisations submit requests for produce. OneFarm Share fulfils these requests weekly by procuring fruit and vegetables from small-scale farmers and coordinating food donations from commercial producers and packhouses. FoodForward SA, SA Harvest, and Gift of the Givers then pack and transport the produce to the charities.

The Harvesting Hope programme provides an alternative route to market for small-scale farmers who do not have the relationships and resources to secure a market for their produce. Fresh produce is procured from farmers through OneFarm Share to meet requests from registered charities. The farmers benefit from a regular market, logistics support, market-related pricing, and same-day payment on receipt of an invoice and delivery note.

Harvesting Hope helps to reduce food waste, alleviate hunger and develop small-scale farmers through:

Discount input supplies: Agrimark offers generous discounts on farming inputs to small-scale farmers. These discounts compare to those extended to commercial farmers.

Packaging and Agrimark bulk bins: Agrimark Packaging provides packaging materials and Agrimark bulk bins to ensure rescued produce is stored and transported safely and efficiently. This also gives us a sustainable channel for clearing out-of-range and excess packaging stock.

In FY25, 229 tonnes of fresh produce were rescued and 917 356 meals were served.

Partner and producer awareness: We leverage our communication channels to raise awareness of Harvesting Hope, the importance of a more sustainable food supply value chain, and the opportunities for commercial and small-scale farmers.

CSI donations: Over the last three years, KAL has invested R600 000 with OneFarm Impact. We have also supplied 250 Agrimark bins, providing free bulk bin rental to the value of R170 180.

The Harvesting Hope partnership has achieved significant successes. In FY25, 229 tonnes of produce were rescued and 917 356 meals were served. Since February 2023:

- 789 tonnes of fruit and vegetables were rescued using Agrimark bulk bins
- Charities used rescued produce to make over 3,5 million meals to combat hunger
- 106 tonnes of produce worth R475 000 were procured from 7 small-scale farmers, 2 of whom are female

RISE AGAINST HUNGER

KAL partners with non-profit organisation Rise Against Hunger to alleviate hunger at ECD centres in South Africa. The Group hosted its third meal packing employee activation in Wellington and Centurion on 17 July 2025, in honour of Nelson Mandela International Day. A total of 128 employees volunteered, including employees from PEG in Gauteng. The teams packed 44 958 meals, which were distributed to creches in Paarl, Wellington, Tembisa and Gauteng. The meals will feed approximately 195 children from previously disadvantaged areas for a whole school year.

Nearly three million children go hungry each day in South Africa. Enabling children to enjoy productive days at school is a key focus of KAL's impact journey. It is an honour and a privilege for our employees to serve our communities while reinforcing our shared values and purpose.

The value of our donation was R140 000.

Porterville community project

The Porterville Community Association has been empowering the community through a wheat cultivation project since 2003. The local municipality makes 25 hectares of land available to support this initiative.

KAL is a founding member of the association and works to ensure its sustainability. The Group's representatives serve on the association's committee. They provide detailed co-ordination and administration for the project. Several local KAL suppliers contribute seeds, chemicals, fertiliser, services and implements.

The total profits generated and distributed to beneficiaries from the grain project in 2025 amounted to approximately R250 000.

Since the project's inception, each beneficiary has received R643 592, bringing the total amount paid to beneficiaries to R2 574 370.

Conservation agriculture

Agrimark partnered with Landbouweekblad to sponsor the 2025 Jack Human Conservation Agriculture Week. A lecture day was held at Elsenburg College in Stellenbosch on 6 August, followed by a practical day at Tygerhoek Research Farm in Riviersonderend on 7 August. Local and international experts explored how conservation agriculture can improve climate-change resilience and enhance sustainable production. Topics included leveraging the soil microbiome and managing nitrogen in cropping systems. Over 300 agronomists, producers and students attended the event. The total value of our contribution was R40 000.

Community initiatives

In addition to KAL's formal CSI programmes, Agrimark's branches regularly reach out to their communities, supporting local farmer associations, schools and community associations.

Local community projects were completed in Ladysmith, Vredenburg, Charlestown, Piketberg, Durbanville, Wellington, Citrusdal, Vredendal, Graafwater, Koue Bokkeveld, Ceres, De Doorns, Springbok, Worcester, Bitterfontein, Stellenbosch, Mamre, Darling, Somerset West Robertson, Franschhoek, Paarl, Philippi, Porterville, Riebeeck West, Malmesbury, Moorreesburg, Klipheuwel, Caledon, Bredasdorp, Montagu, Barrydale, Pofadder, Augrabies, Kakamas, Keimoes, Kanoneiland, Kuruman, Upington, Brandvlei, Garies, Kamieskroon, Kliprand, Loeriesfontein, and Groblershoop.

The total spend for 2025 on community projects at branch level amounted to R195 287.

B-BBEE TRANSFORMATION REPORT

Leveraging transformation is a key strategic imperative and differentiator for the Group. It forms part of the company's F30 strategy.

KAL measures its B-BBEE status against the AgriBEE sector codes determined by the Department of Trade, Industry and Competition.

KAL's B-BBEE goals

KAL's objective is to maintain a level 4 B-BBEE status with procurement recognition of 100%.

An overview of the Group's progress is outlined below.

Ownership

The Group achieved more than 26,53% for black ownership and 10,24% for black women ownership.

The KAL Trust

5% of the Group's shares were issued to the KAL Trust. The income beneficiaries are dependants of previously disadvantaged KAL employees, farmworkers, their families and local communities. Five trustees are appointed to manage the Trust, three of whom are independent.

Historically, 50% of Trust income was used to repay Trust debt. A further 15% was held in an income-bearing account for future investment opportunities, and the balance was distributed to beneficiaries. To increase beneficiation, the Group reduced debt repayment from 50% to 10% of distributable income from 1 October 2023.

As a result, 90% (less funds set aside for future administration and investment opportunities) is available for distribution.

The Trust benefits KAL employees' dependants through education. This includes ECD, primary, secondary and tertiary education, special needs support for learners with disabilities, educational tools (books, stationery, computers) and student allowances (transport, uniforms, meals).

Qualifying employees from the designated groups can also benefit from an interest-free revolving home loan fund to assist with rental deposits, security features at primary residences, and improvements to primary residences. The repayment period is 24 months.

In total, the Trust distributed R6 945 611 to 428 qualifying employees in FY25.

This included:

- R1 008 312 in interest-free home loans awarded to 26 employees, of whom 50% are women
- R150 969 for housing grants awarded to 6 employees, of whom 33% are women
- R5 786 330 for education, sport and culture awarded to the dependents of 396 employees, 33% of whom are women. Five hundred and twenty-nine employee dependants benefitted.

The Trust also invested R229 714 in the Western Cape Prestige Agri Worker of the Year initiative, recognising the importance of Agri workers in the food value chain and benefitting 176 agri workers.

Financial support is geared towards employees at lower salary levels. The table below provides details for FY25:

Peromnes level	Education	Housing grants	Sport grants	Culture grants
	Financial support for education	**Grant funding for transfer fees and rental deposits**	**Funding for sport event participation**	**Funding for cultural event participation**
P1 – 2	–	–	–	–
P3 – 4	–	–	–	**R5 000**
P5 – 7	**R219 722**	–	**R4 700**	–
P8 – 9	**R618 500**	**R56 500**	**R8 353**	–
P10 – 11	**R493 622**	**R15 692**	–	–
P12 – 14	**R1 923 622**	**R54 438**	**R7 000**	–
P15 – 18	**R2 500 311**	**R24 339**	**R5 500**	–
Total spent	**R5 755 777**	**R150 969**	**R25 553**	**R5 000**
Number of employee dependants	**524**	**0**	**4**	**1**
Number of employees	**391**	**6**	**4**	**1**

Management control

The Board is structured to ensure directors' collective skills and experience are suitable for carrying out their responsibilities and achieving the company's objectives. As at 1 November 2025, three* of the 11 board members were black, two of whom are black females**.

Skills development

The Group participates in the Agricultural Sector Education and Training Authority ("AgriSETA") and the Wholesale and Retal SETA ('W&R SETA"). Accreditation with the SETA's is a priority for service providers providing skills development training across Agrimark as well as for the PEG group. We also comply with the Skills Development Act, 97 of 1998.

We conduct several learnerships under AgriSETA on an ongoing basis. The learnerships for unemployed people increased from 68 in 2024 to 248 in 2025. In 2025, 469 learnerships were completed.

Preferential procurement

KAL is positioned as a unique diversified agri, fuel, retail and convenience group that supplies products and services to our bedrock agricultural customers, motorists, as well as homeowners, pet lovers, building contractors, and DIY enthusiasts. For the last three years, the Group purchased its products from more than 86,5% B-BBEE-accredited suppliers.

* *One black male board member resigned during the year.*

** *The appointment of one black female board member is subject to AGM approval.*

Supplier development

Our supply chain is the backbone of our operations. The Group applies due diligence processes to ensure its investments in supplier development add value, align with our business needs, and are meaningful to our partners.

We developed our online supplier portal and database as a supplier development initiative. The portal has been embedded in the business and successfully integrated into our day-to-day procurement activities. It allows supply chain procurement professionals to access vetted suppliers to fulfil their supply chain management requirements and gives suppliers access to markets. The portal also offers an environmental, social and governance ("ESG") lens to procurement, giving companies insight into suppliers' ESG practices adding an extra dimension for consideration.

We also make monetary and non-monetary contributions to help black-owned enterprises become financially and operationally independent. We provided a black-owned exempted micro-enterprise (a logistics business) with interest-free loans of R8 016 787 to acquire a fleet of delivery vehicles to support the Group's fuel and retail areas. This business has maintained 10 employees over the five years of the programme.

We also granted R30 000 to a 100% black-owned farming enterprise owned by a KAL Academy graduate. The enterprise has been registered as a first-time supplier to the Group, and fresh produce was purchased and donated to an identified beneficiary organisation.

Enterprise development

The Fruit Workers' Development Trust ("FWDT") and Empowerment and Transformation Investments (Pty) Ltd are among KAL's enterprise development beneficiaries. In support of FWDT's work, we advanced a long-term interest-free loan of R2 million in the deciduous fruit sector. This loan has helped to empower the FWDT to grow its net asset value from R348 000 as at March 2008 to around R24 million by 2025.

We also granted an interest-free loan of R200 000 for a citrus farm initiative in Paarl. The owner, a KAL Academy graduate, used the loan to purchase a tractor. This will increase farm efficiency, especially with its spray programme and harvesting processes.

A small-scale vegetable farmer, also a KAL Academy graduate, received a R50 000 grant to purchase production inputs and materials. This will enable the farmer to increase operations and create new jobs. The enterprise is 100% black owned.

Socio-economic development

KAL's socio-economic development programmes focus on education, hunger alleviation and community development.

We encourage employees to participate in initiatives that make a difference in the communities where our stores are located. This upholds the reason for the Group's existence – that all our stakeholders should be better off because we exist.

In FY25, we embarked on several programmes at corporate and branch levels. We invested R4 661 129 in donations, sponsorships and contributions to education and educational support programmes, hunger alleviation and community upliftment programmes in our operational areas.

As part of KAL's community upliftment programmes, Agrimark has donated irrigation materials to support the installation of a water pipeline that now delivers clean drinking water directly from a borehole to the community of Charlestown, KZN. The community had no nearby water source, and women and children walked up to 3km carrying barrels and buckets to collect water.

Agrimark also donated three 5000L JoJo tanks, each filled with clean drinking water, to Ashbury Primary School in Montagu. Filters were installed on the JoJo tanks to ensure the school can harvest rainwater that is safe for the students to drink.

STAKEHOLDER RELATIONS

Our core CARE values (Communicate, Alignment, Relationships and Empowering) guide our stakeholder engagement.

We believe our reputation rests on our responsiveness and contribution to our neighbouring communities and society at large. This enables us to deliver value to our stakeholders.

KAL strives to have a positive economic impact on its stakeholders. We achieve this through education, employment, wealth creation, competitive remuneration and socio-economic development.

Stakeholder engagement is entrenched in the business through regular direct engagements with customers, hosting and attending industry events and seminars, the media and investor relations. We ensure our communication with stakeholders is unambiguous, balanced, trustworthy and transparent.

Key stakeholders are government departments, regulatory authorities, customers, employees, investors/shareholders, suppliers, communities and the media.

The table below lists the stakeholder groups that impact KAL's ability to create value. It also outlines stakeholders' interests regarding the Group's business activities.

Relationships	Means of engagement	Interests
Government and regulators		
> They provide access to markets through operating and other licences – the basis for creating value > They impose regulatory measures that have potential business implications > They provide business opportunities through tenders, networking and stakeholder engagement	> Consultation and participation in public forums > Active engagement and submissions on draft regulations, white papers and bills > Engagement with industry consultative bodies > Publication of policy engagement and discussion papers	> Supporting opportunities for job creation and socio-economic development, including transformation > Protecting consumer interests in cost-effectiveness, quality, privacy of information and world-class service > Regulatory compliance on issues such as price and SHEQ > Diligent contribution to the tax fiscus
Customers		
> They purchase our products and services – the basis for growth in revenue	> Online – corporate and retail websites > Agrimark app > Social media – Facebook, Instagram and LinkedIn > Retail outlets > Print media and advertising on various platforms > Customer relationship management programmes > Events and activations > Farmer Association meetings	> Improved value proposition in customer offerings > Enhanced customer engagement in line with our Accelerating Performance culture > Streamlined business processes for improved efficiency
Investors and shareholders		
> They provide the capital necessary for sustainability and growth	> Annual and interim results publications > Investor relations information on our website > SENS announcements > Investor roadshows – twice a year > Annual general meeting > LinkedIn	> Strategy to ensure sustained financial performance and growth > Responsible investment to ensure growth, manage risks and explore opportunities in various markets > Transparent remuneration policy > Responsible allocation of capital for investment and future growth > Sound corporate governance practices > Responsible dividend policy

Relationships	Means of engagement	Interests
Employees		
> Their talent, commitment, loyalty and Accelerating Performance culture are at the heart of our business and drive our growth ambitions	> Intranet (Hub) > Internal publications and electronic communication > Staff communication boards > Engagement surveys > Leadership forums	> Clear career paths and opportunities for career development > Fair and equitable remuneration and recognition of talent > Recognition and rewards programme > KAL Trust beneficiation > Graduate placement programme > Learnership programme
Suppliers		
> They impact our ability to provide quality products at affordable prices	> Technology solutions for vendor management > Regular visits to suppliers > Audits > Supplier information days and networking opportunities > Supplier awards	> Timely payment and fair repayment terms > B-BBEE compliance in line with the latest codes and measurements > Improving SHEQ
Media		
> Voluntary: They keep stakeholders informed of our business, performance, products and services	> Face-to-face, telephonic and electronic engagement > Interviews with the CEO and executives > Media releases and product-related publicity	> Transparency > Keeping stakeholders informed of key developments and offerings

Relationships	Means of engagement	Interests
Communities		
> They ensure the long-term viability of our business	> Socio-economic development programmes > Bursary programme > KAL Trust > KAL Academy > Harvesting Hope programme > KAL ECD support programme	> Branch participation in socio-economic development programmes > Youth development and upliftment > Access to education and training through our bursary programme > Investment in infrastructure and community upliftment > Supporting sector growth through farmer development and training > Supporting small-scale farmers with access to education and training > Alleviating hunger and reducing food waste through our food rescue programme > Supporting education centres through feeding programmes

SUSTAINABILITY REPORT

We believe corporate sustainability starts with a value system and a principles-based approach to doing business. We incorporate the 10 principles of the UN Global Compact and a culture of integrity into our strategies, policies and procedures. This ensures we uphold our basic responsibilities to people and the planet and sets the stage for long-term success.

KAL embraces, supports and enacts the UN Global Compact's core human rights, labour, environment and anti-corruption principles. The Group abides by an ethical code of conduct. We have a health, safety and environmental policy and other related codes and guidelines. These are amended occasionally, as required by applicable law.

Co-operation and dialogue with stakeholders are priorities for KAL. We seek to be good neighbours and valuable community members wherever we operate. Our various business units are cornerstone employers and are important to the local community. They contribute to the fiscus through tax income, jobs, infrastructure and community development. The Group values open dialogue with neighbours, local governments, research institutions, customers and suppliers. This is because we consider ourselves a long-term partner.

Our contribution to the UN Sustainable Development Goals

KAL is committed to the UN Sustainable Development Goals ("SDGs"). By aligning our sustainability and CSI activities to the UN SDGs, we ensure we consider the broader impact of our operations and add value to the people and places we impact. This alignment is a continuous process in our growth journey. We have identified four goals against which we monitor our progress.

	Zero Hunger	Quality Education and provide lifelong learning opportunities for all	Affordable and Clean Energy	Responsible consumption and production
	> Support feeding schemes at ECD centres, schools and community centres > Harvesting Hope programme to alleviate hunger through food rescue > KAL ECD support programme to provide daily meals to ECD centres	> Train and develop employees as per the skills development plan > Financial assistance for the education of employee dependants via the KAL Trust > KAL Group bursary programme for promising young leaders > KAL Academy programmes for small-scale farmers and farmworkers > Support Farmer Information Days	> Renewable energy solutions through solar photo voltaic installations and energy efficiency initiatives	> Use recycled material in manufacturing bulk bins and encourage customers to recycle by introducing recycling programmes at Tego > Install solar panels at manufacturing facilities, retail stores and fuel stations > Implement recycling initiative at Paarl Distribution Centre > 85% procurement from B-BBEE accredited suppliers > Make It Second Nature campaign to promote responsible consumption of electricity, paper and water and encourage recycling
	> Support food rescue programme by providing Agrimark bins and packaging for produce > Host meal packing events to provide ECD centres with meals > Support World Food Day initiatives	> Support schools in rural communities with uniforms, shoes, stationery and installation of water tanks > Support communities in rural areas through information days	> Energy efficiency programmes through electricity meter and solar PV installations and monitoring > Providing guidance for behavioural changes, tariff switching opportunities and progressive light bulb replacement programme at stores	> Plastic to paper/ reusable materials initiatives at retail stores > Signing Hub digital approval platform > Support conservation days that focus on sustainable agriculture (Landbouweekblad Jack Human Conservation Agriculture Week)

Support   Major focus

Sustainability awareness campaign

KAL launched the Make It Second Nature campaign on World Environment Day, 5 June 2025. The campaign encourages and helps employees to reduce resource consumption within the business. It highlights electricity, paper, water, and recycling, and shows how simple, everyday actions can lead to long-term value for the company and the environment.

The campaign engaged employees with a series of informative videos and posters. These gave practical guidance on how to adopt sustainable habits in the workplace and at home.

Plastic to paper initiatives

KAL decided to phase out single-use plastic carrier bags and started rolling out environmentally friendly paper and tote bags in 2022. This demonstrates our commitment to responsible consumption and production and reflects the increasing customer expectations for easy, recyclable and reusable alternatives. As a retailer, we are taking ownership of reducing plastic pollution.

Energy conservation initiatives

KAL is expanding its use of renewable energy to improve energy efficiency, manage rising electricity costs and erratic supply, enhance the customer experience and foster a greener mindset across its operations. We have installed solar PV systems at the following Group sites: Agrimark Paarl, Agrimark Worcester, Agrimark Robertson, Agrimark Kakamas, Agrimark Upington, Agrimark Simondium, Agrimark Citrusdal, Agrimark Franschhoek, Agrimark Wellington, Expressmark Paarl, Expressmark Kakamas, Expressmark Robertson, Expressmark Garden Route, Elegant Fuels Kathu, Engen Akasia Kathu, Engen Mount Currie, Shell Windfarm, Agriplas, Agrimark Porterville and Agrimark Vredendal.

These installations resulted in opex reduction of R5 892 406 from 1 October 2024 to 30 September 2025. By the end of September, the total CO_2 offset for all the installations was 2 520 tonnes collectively. This is the equivalent CO_2 of the winning Springbok squad of 33 people, flying from Cape Town to Auckland, New Zealand 32 times.

We conduct continuous desktop data analysis across all sites to understand the impact of the Group's energy consumption and cost. During FY25, we monitored 94 sites.

Using this analysis, we explored the feasibility of further rollouts across the branch network. We plan to add 4 installations to our energy efficiency programme in FY26. Given the planned expanded renewable energy programme, power outages should have a reduced impact on the business. We also expect reduced electricity usage and CO_2 emissions.

CAPEX spend of
R15,10 million
for all installations in FY25

R5,89 million
Approximate total savings

2 520 tonnes
CO_2 avoided

Recycling initiatives

As a world-class manufacturing business, Tego Plastics operates a fully equipped in-house recycling plant that recycles internal products and bins returned as part of the company's bin and feet exchange programme. Products that would have gone to landfill are properly recycled and reprocessed through this plant. The recycled material is used to produce Tego bulk bins and feet.

This year, Tego used over 610 tonnes (2024: 419 tonnes) of recycled material to manufacture injection moulded products.

In June 2023, the Paarl Distribution Centre partnered with a waste management solutions company to minimise waste going to landfill. Since that time, 169 tonnes of cardboard, metal, paper, wood and plastic have been diverted from landfill.

Water, electricity, paper usage and fuel consumption

In addition to conserving energy, we strive to reduce our paper usage and consumption of fuel, water and electricity. The Make it Second Nature campaign was launched in Q3 and we expect the impact of the campaign to be seen in F26.

Tracking of A4 paper usage continues. We printed an average of 1,05 million (2024: 1,03 million) A4 pages per month, translating to a 1,94% increase year-on-year.

We are in the process of installing printer codes for employees on all the Agrimark Operations Limited multi-function devices in an effort to monitor and reduce paper usage.

Paper usage

Average of
1,05 million
A4 pages per month
(2024: 1,03 million)

1,94%
increase
year-on-year

We tracked fuel consumption at Agrimark branches, agri trade sites and PEG retail sites for delivery trucks, company vehicles, forklifts and generators. An average of 146 770 litres of fuel was used per month, compared to a monthly average of 77 227 litres in FY24 (including the Aussenkehr branch in Namibia). The 90% year-on-year increase can be attributed to the expanded scope of the Group operations and data, which now includes fuel procured from external suppliers. We made this change to enhance the accuracy and completeness of our reporting.

Fuel consumption

Average of
146 770
litres of fuel per month
(2024: 77 227 litres)

90%
increase
year-on-year

We spent an average of approximately R424 349 per month (2024: R381 470 per month) on water consumption. The 11% year-on-year increase is largely attributable to higher water tariffs and associated water levies. Where feasible, we implemented water-saving interventions at selected branches, including tanks for rainwater run-off from the roofs of the bigger Agrimark outlets.

Water costs

Average of
R424 349
per month
(2024: R381 470)

11%
increase
year-on-year

We consumed an average of 1 245 949 Kw/hr of electricity at 94 sites (2024: 1 156 981 Kw/hr consumed at 92 sites) that resulted in an increase of 8% in electricity consumption. Additional sites are planned for onboarding onto the energy efficiency programme through metering installations in FY26.

Electricity consumption

Average of
1 245 949
Kw/hr per month
(2024: 1 156 981 Kw/hr)

8%
increase
year-on-year

Safety, health, environment, and quality

KAL is committed to the health and safety of all our stakeholders. We ensure compliance with legislative developments and industry-specific standards by reviewing and updating our policies and procedures as appropriate.

We ensure compliance and monitor SHEQ within the organisation to safeguard our employees, customers and other stakeholders from risks, hazards, and incidents.

Refer to the human capital overview on page 51 for more details.

> *Agrimark is committed to developing talent and inspiring the next generation to see agriculture as a dynamic industry with diverse and fulfilling career opportunities.*
>
> **Arno Abeln, Managing Director: Agrimark Operations**

New dimensions to careers in agriculture

By redefining what careers in agriculture can be, KAL Group is helping to build a pipeline of skilled, inspired professionals ready to drive the sector forward.

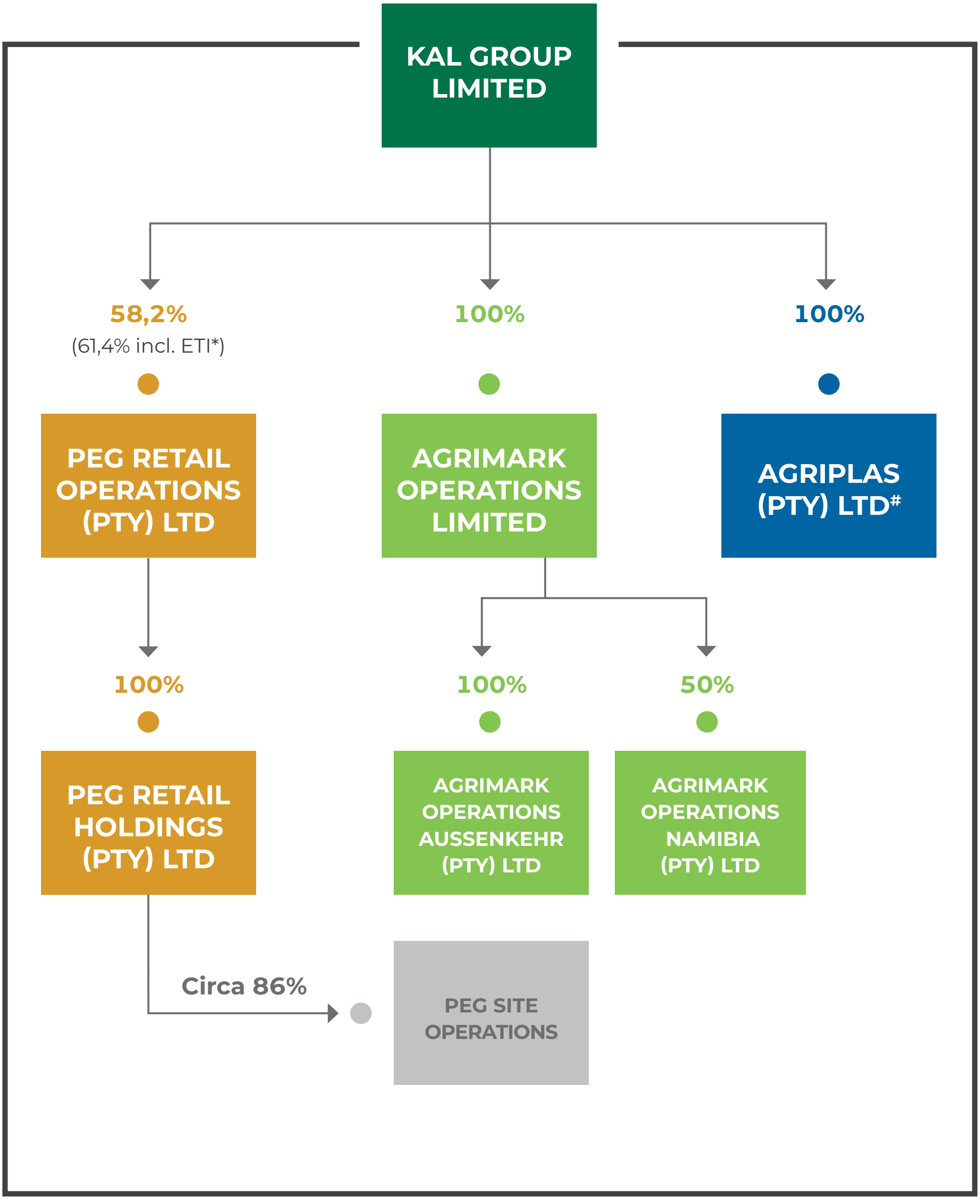
By sponsoring academic and career development programmes and offering graduate internships, KAL Group showcases the diversity of opportunities in agribusiness – from data analytics, logistics, and engineering to retail, finance, and sustainability. These initiatives highlight agriculture as a modern, technology-driven sector extending well beyond traditional farming.

Sylvester Chatukuta, Senior Manager: Stock Control, participated in this year's career events, directly engaging with young people to discuss the diverse skills required in agri-retail. With qualifications in Industrial Engineering and Wood Product Sciences, he demonstrated how the sector relies on engineers, scientists, supply chain specialists, and problem-solvers to shape its future.

Through these efforts, KAL Group is helping learners discover careers in an industry that offers space for innovation, creativity, and meaningful contributions, reinforcing our long-term commitment to industry transformation.

Additional material information

Group structure

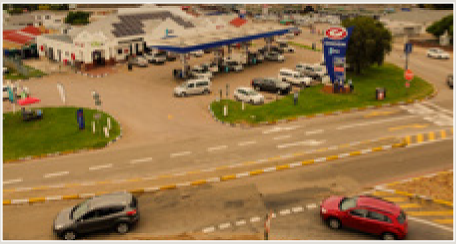


* *ETI: Empowerment and Transformation Investments (Pty) Ltd*
\# *Agriplas disposal is pending Competition Commission approval.*

About our case studies

Shaping growth through innovation

At KAL Group, innovation is driven by a relentless focus on our customers, a "let's make it happen" approach towards emerging opportunities, and a commitment to harness technology and data in ways that deliver sustainable value. Shaping growth through innovation means rethinking how we operate – from creating meaningful customer experiences and empowering our people, to building more efficient, sustainable, and connected value chains. Innovation is embedded across our businesses, influencing how we collaborate, solve problems, and future-proof the company. These case studies demonstrate how ideas are transformed into impactful solutions, inspiring growth that is inclusive, resilient, and sustainable. They showcase our commitment to re-imagining customer value, adopting innovative practices, and creating pathways for our stakeholder communities to thrive.



Annual financial statements

Contents

Declaration of directors' responsibility and approval

The directors are responsible for the fair presentation of the annual company financial statements and annual Group financial statements of KAL Group Limited. In conducting this responsibility they rely on the information, assessments and estimates of management. The fair presentation and integrity of the company and Group financial statements are also evaluated on the basis of accounting systems and internal financial control measures which are monitored on an ongoing basis during the financial period. The directors' responsibilities also include implementing adequate controls and security to maintain the integrity of the Company's website.

The company and Group annual Financial Statements are prepared on the historical cost basis, unless otherwise indicated, in accordance with IFRS® Accounting Standards, the IFRS Interpretations Committee interpretations, the requirements of the Companies Act (No. 71 of 2008), as amended, the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guide issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council. These financial statements incorporate accounting policies that have been consistently applied to all periods presented and are consistent with those applied in the previous financial year.

Based on the Group and company financial statements, the present position of the company and the Group, budgets for the coming year and available financing facilities, the directors are satisfied the company and Group have adequate resources to continue trading as a going concern for the foreseeable future. The going concern principle is therefore accepted and applied in the preparation of the Group and company financial statements.

The independent auditing firm Deloitte & Touche ("DT") audited the Group and company financial statements to comply with the relevant requirements of the Companies Act. The auditors had unrestricted access to all financial records and related information, minutes of shareholders, directors and Board committee meetings. The directors are of the opinion that all submissions and management declarations presented to the auditors were correct, valid and relevant.

The unqualified report of the auditors appears on page 105 to 110.

The company and Group annual financial statements on pages 111 to 181 were compiled by GC Victor CA(SA) under supervision of GW Sim CA(SA) and approved by the Board of directors on 26 November 2025 and signed on their behalf by:

"electronically signed"

GM Steyn
Chairman

"electronically signed"

S Walsh
Chief Executive Officer

Responsibility statement of the Chief Executive Officer and Financial Director

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

(a) the consolidated and separate annual financial statements set out on pages 111 to 181, fairly present in all material respects the financial position, financial performance and cash flows of KAL Group Limited in terms of IFRS;

(b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;

(c) internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;

(d) the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;

(e) where we are not satisfied, we have disclosed to the Audit and Risk committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have remediated the deficiencies; and

(f) we are not aware of any fraud involving directors.

"electronically signed"

S Walsh
Chief Executive Officer

26 November 2025

"electronically signed"

GW Sim
Financial director

26 November 2025

Declaration by the Company Secretary

In terms of section 88(2)(e) of the Companies Act, 71 of 2008, the Company Secretary hereby certifies that all returns of the company and its subsidiaries, as prescribed by the said Act, have been submitted to the Companies and Intellectual Property Commission (CIPC) and that the said returns are true, correct and up to date.

"electronically signed"

KAL Corporate Services (Pty) Ltd
Company Secretary

26 November 2025

Report of the Audit and Risk committee

to the shareholders of KAL Group Limited

KEY FUNCTIONS AND RESPONSIBILITIES

The responsibilities of the Audit and Risk committee are set out in a formal charter which is revised annually by the Board. The committee has free access to the Chairman of the Board of directors and is empowered to consult independent experts unlimited at company cost. In the execution of its duties according to its mandate and requirements of the Companies Act, the committee is responsible for the discussion and assessment of:

- the effectiveness of internal control systems, risk management and the management of information;
- the internal auditor's audit plan, reports and recommendations;
- the independence, conditions of appointment, audit plan and remuneration of the external auditors;
- the effectiveness and reports of the external auditors;
- the Group's conformance to corporate management rules, risk management and statutory requirements;
- the appropriateness of accounting policies and any matters related to financial reporting;
- the appropriate financial reporting procedures. To ensure they exist and are working, which should include consideration of all entities included in the consolidated group financial statements, to ensure that it has access to all the financial information of the issuer to allow the issuer to effectively prepare and report on the financial statements of the issuer in terms of paragraph 3.84(g)(ii) of the Johannesburg Stock Exchange (JSE) Listings Requirements;
- the separate and consolidated annual financial statements, before these annual financial statements are approved by the board for release;
- ensuring that the external auditor is independent of KAL Group Limited, as set out in section 94(8) of the Companies Act, and ensuring that the external auditor is suitable for re-appointment by considering the information as set out in paragraph 3.84(g)(ii) of the JSE Listing Requirements;
- ensuring that the Group Chief Financial Officer, as well as the group finance function, has the appropriate expertise and experience in terms of paragraph 3.84(g)(i) of the JSE Listings Requirements;
- internal financial controls and reports on the Group's systems of internal financial controls.
  The committee received assurance on compliance with, and the effectiveness of internal control systems through regular management reviews, engagements, internal audit, as well as from the external auditors who test aspects of these control systems as part of their statutory audit of the annual financial statements; and
- any other prescribed functions the committee is required to perform.

INTERNAL AUDIT

The internal audit function fulfils an important role to give assurance to the Audit and Risk committee that sufficient control measures are in place and are functioning correctly so that the committee can form an opinion on key functions and key responsibilities. Therefore, the internal auditors have direct access to the chairman of the Audit and Risk committee, and the Audit and Risk committee is also responsible to ensure that the internal audit function is independent and that it has the necessary resources, status and authority to perform its duties. The internal and external auditors attend Audit and Risk committee meetings. The committee also regularly meets together and separately with the internal and external auditors to create the opportunity to exchange confidential information. The Audit and Risk committee also oversees the co-operation between internal and external auditors and serves as a link between the Board and these functions.

EXTERNAL AUDIT

The board sets a policy that governs the level and nature of non-audit services, which requires pre-approval by the Audit and Risk committee for all non-audit services. In determining the independence of the external auditors, the committee considers the level and types of non-audit services provided as well as other enquiries and representations. As required by the Companies Act, the committee has satisfied itself that KAL Group Limited's external auditor, DT, was independent of the company, as set out in sections 90(2)(c) and 94(8) of the Companies Act and is thereby able to conduct its audit functions without any undue influence from the company.

The committee has considered the relevant audit quality indicators. The committee was satisfied with the quality of the audit concluded and has nominated, for re-appointment at the annual general meeting, DT as the external auditor of KAL Group Limited for the financial year ending 30 September 2026 and Dr DA Steyn as the designated individual registered auditor who will undertake the audit of KAL Group Limited on behalf of DT.

As required by section 3.84(g)(ii) of the JSE Listings Requirements, the committee has satisfied itself that DT and Dr DA Steyn are suitable for reappointment as audit firm and appointment as individual auditor.

FINANCIAL FUNCTION

The committee was satisfied that the financial reporting function had appropriate resources, skills, expertise, and experience. The committee ensured that the appropriate financial reporting procedures exist and are operating as contemplated in paragraph 3.84(g)(ii) of the JSE Listings Requirements.

The committee also satisfied itself in terms of paragraph 3.84(g)(ii) of the JSE Listings Requirements that Mr GW Sim, the Group Financial Director, possesses the appropriate skills, expertise and experience to meet the responsibilities required for that position during his service as such.

ANNUAL FINANCIAL STATEMENTS

The committee has evaluated the annual financial statements of the company and Group for the year ended 30 September 2025, with specific consideration of the following significant financial reporting matters during the year:

- the provision for expected credit losses recognised on trade receivables;
- the provision for damaged, old and slow moving stock; and
- goodwill impairment testing.

The committee reviewed the estimates used and judgements made by management and determines whether they are reasonable in terms of the current macroeconomic climate and in line with assumptions utilised by comparable third parties.

Based on the information provided to the committee, the committee considers that the Group complies, in all material respects, with the requirements of the Companies Act, as amended, and IFRS Accounting Standards.

OPINION

Given the functions and responsibilities of the committee, as well as the procedures referred to above, the Audit and Risk committee is of the opinion that:

> the Group's internal control measures and risk management are sufficient;

> the experience and expertise of the Financial Director and the financial reporting function was appropriate;

> appropriate financial reporting procedures are in place and are operating;

> the audit was performed with the necessary independence and competence;

> the company and Group annual financial statements were prepared on the historical cost basis, unless otherwise indicated, in accordance with IFRS Accounting Standards, the IFRS Interpretations Committee interpretations, the requirements of the Companies Act (No. 71 of 2008), as amended, the SAICA Financial Reporting Guide issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council;

> there are no other matters which are to be revealed to shareholders which have not been covered in the annual financial statements; and

> nothing has come to the attention of the committee indicating that the internal financial controls were not operating effectively during the year under review.

"electronically signed"

CA Otto
Chairman: Audit and Risk committee

26 November 2025

Directors' report

for the year ended 30 September

NATURE OF ACTIVITIES

The Group specialises in trading in agricultural-, fuel- and related retail markets in Southern Africa. With its strategic footprint, infrastructure, facilities and client network, it follows a differentiated market approach. In support of the core retail business, the Group also offers grain handling and agency services.

FINANCIAL RESULTS

The profit after tax of the Group amounted to R447 million (2024: R451 million) while the gross assets increased to R8 230 million (2024: R8 215 million). The results of the Group are presented in detail in the financial statements.

SHARE CAPITAL

The authorised share capital consists of 1 000 000 000 ordinary shares with no par value of which 74 319 837 (2024: 74 319 837) shares are currently issued, of which 3 708 514 shares are issued to Empowerment and Transformation Investments (Pty) Ltd. These shares are accounted for as treasury shares.

DIVIDENDS

A gross final dividend of R114,5 million (2024: R93,6 million) has been approved and declared by the board from income reserves, which represents 154,00 cents (2024: 126,00 cents) per share. The dividend is payable on 16 February 2026 to shareholders registered on 13 February 2026 (the record date) as shareholders of the company. The last date of trade cum dividend will be 10 February 2026.

The total dividend for the year amounts to R156,1 million (2024: R133,8 million), representing 210,00 cents (2024: 180,00 cents) per share.

SUBSIDIARIES AND JOINT VENTURE

The interests in subsidiaries and joint venture are presented in note 44 of the financial statements.

DIRECTORS

Full details of the directors appear in the integrated report.

DIRECTORS' INTERESTS

The directors' interest in shares of the company appear on page 182.

GOING CONCERN:

Based on the financial statements, the present position of the Group, budgets for the coming year and available financing facilities, the directors have no reason to believe that the Group will not be a going concern. The going concern principle is therefore accepted and applied in the preparation of the financial statements.

EVENTS AFTER REPORTING DATE

The directors are not aware of any further matters or circumstances that occurred between the end of the financial year and the date on which the financial statements were approved that have not been dealt with in the Group and company financial statements and which may have a significant influence on the activities of the Group and company or results of those activities.

Independent auditor's report

to the shareholders of KAL Group Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated and separate financial statements of KAL Group Limited and its subsidiaries (the group and company) set out on pages 111 to 181, which comprise the consolidated and separate statement of financial position as at 30 September 2025; and the consolidated and separate income statement and statement of comprehensive income; the consolidated and separate statement of changes in equity; and the consolidated and separate statement of cash flows for the year then ended; and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of KAL Group Limited and its subsidiaries as at 30 September 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the group and 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.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

Final Materiality

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

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

Consolidated Financial Statements	
Overall Materiality	R 56.6 million (2024: R 173 million)
How we determined it	It represents 8.5% of normalised adjusted profit before tax (2024: 0.8% of Revenue)
Rationale for how we determined it	A key judgement in determining materiality is the appropriate benchmark to select, based on our perception of the needs of the shareholders. We reconsidered the benchmark used based on input provided by key stakeholders on benchmarks that would have the greatest bearing on shareholder decisions in the current year. As such, we determined normalised adjusted profit before tax to be the key benchmark.

Separate Financial Statements	
Overall Materiality	R 15 million (2024: R 12 million)
How we determined it	It represents 1.5% of reported total assets (2024: 1.5%)
Rationale for how we determined it	A key judgement in determining materiality is the appropriate benchmark to select, based on our perception of the needs of shareholders. The benchmark that would be of greatest interest to the primary users of the financial statements is Total Assets, since the KAL Group Limited (statutory) entity is a holding company of its various subsidiary companies.

Scope of our audit

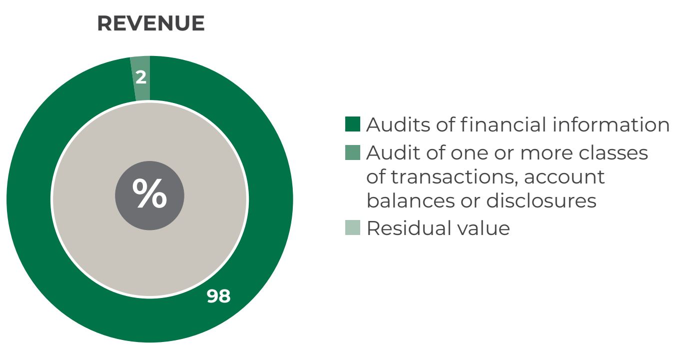
Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the structure and organisation of the Group, and assessing the risks of material misstatement at the Group level.

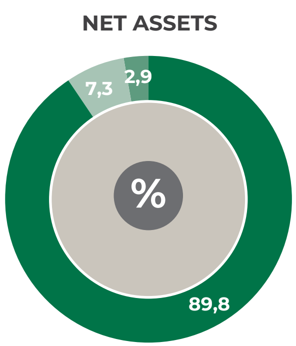
We selected components at which audit work in support of the group audit opinion needed to be performed in order to provide an appropriate basis for undertaking audit work to address the risks of material misstatement. Our selection was informed by taking into account the component's contribution to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

Based on our assessment, work has been performed at 7 components (2024: 7 components), with the remaining components forming the residual value. The following audit scoping was applied:

- 4 components were Audits of the Component's Financial Information.
- 3 Components were Audits of One or More Account Balances of the Component for Group Audit Purposes.
- 4 Components, included in the residual value, were subject to Group analytical review procedures

The detail testing accounts for 92.7% of the group's net assets and 100% of the group's revenue.





Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In terms of the EAR Rule, we are required to report the outcome of audit procedures or key observations with respect to the key audit matters, and these are included below. The Key Audit Matter only applies to the consolidated financial statements and there is no Key Audit Matter for the separate financial statements.

<table>
<tr><th>Key audit matter</th><th>How the matter was addressed in the audit</th></tr>
<tr><th colspan="2">Impairment of Goodwill and Indefinite useful life Intangible Assets (Consolidated)</th></tr>
<tr><td>
The goodwill and indefinite useful life intangible asset value of R1.6 billion makes up 19.4% of the consolidated total assets. This includes a goodwill amount to R1.4 billion and indefinite useful life intangible assets, classified as Fuel Retail licenses of R193.7 million.
Refer to note 5 Intangible Assets and note 7 of the accounting policies to the consolidated financial statements.
In line with IAS 36 Impairment of Assets (IAS 36), the directors are required to, on an annual basis, assess whether there are potential impairment indicators related to goodwill and indefinite useful life intangible assets.
The recoverable amount of the cash generating units (CGUs), contributing to goodwill, were calculated using the value-in-use technique, based on the cash flow forecast. These valuations are subjective in nature and requires significant judgement by the directors in assessing the impairment of the goodwill and intangible assets.
As disclosed in note 5, there are a number of key assumptions and estimates made in determining the inputs into the models which includes:

Pre-tax discount rates;
Revenue growth rates;
Expense growth rates and
Long term growth rate.

</td><td>
In evaluating the impairment of goodwill and Indefinite useful life Intangible Assets, we reviewed the value in use calculations prepared by the directors, with a particular focus on the growth rates and discount rates.
We performed various procedures, including the following:

Assessing the design and testing the implementation of the key control over the goodwill and indefinite useful life intangible asset impairment process;
We held discussions with management to obtain an understanding of the methodology used and if this met the applicable requirements of IAS 36;
Engaging our internal specialists:

to assess the arithmetic accuracy of the impairment assessment as well as the appropriateness of the valuation methodology against the requirements of IAS 36;
to develop independent expectations for pre-tax discount rate and growth rates using relevant industry, market and client data, benchmarked against historical economic growth rates for the applicable regions, and assessed the appropriateness of the key inputs used in the directors' calculations;
to critically evaluate whether the projected cash flows used by the directors to calculate the value-in-use, comply with the requirements of IAS 36;
to evaluate the entity's current funding rates, funding structures and risk profile against relevant market data to conclude on the appropriateness of the discount rate.

</td></tr>
</table>

Key audit matter	How our audit addressed the key audit matter
Impairment of Goodwill and Indefinite useful life Intangible Assets (Consolidated) (continued)	
Due to the significance of the goodwill and indefinite useful life intangible assets balance and the level of estimation inherently required to determine the future performance, and an appropriate discount rate, this has been identified as a key audit matter in our audit of the consolidated financial statements.	> We agreed the cash flows to the business plans approved by the respective boards; > We assessed the reasonability of the future projected cash flows, including the assumptions relating to revenue growth rates and gross margins with reference to historic information, approved budgets and considering whether they are reasonable and supportable given the current economic climate in South Africa and expected future performance; > We performed sensitivity analyses on the growth rates, discount rates and long-term growth rates to evaluate the extent of impact on the value in use; > We independently recalculated the recoverable amount for the CGUs; and > We assessed the adequacy of the Group's disclosures in respect of goodwill and indefinite useful life intangible assets. Based on the audit procedures performed, the carrying values of goodwill and indefinite useful life intangible assets are considered to be appropriate. We consider the disclosure of the accounting policy and estimates used with regard to goodwill and intangible assets that are set out in note 7 and 5 of the consolidated financial statements respectively to be reasonable.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "KAL Group Limited Annual Financial Statements for the year ended 30 September 2025", which includes the Declaration of the directors' responsibility and approval, Responsibility statement of the Chief Executive Officer and Financial Director, Declaration by the Company Secretary, Report of the Audit and Risk Committee, Directors' report, Shareholders Information and Corporate Information, as required by the Companies Act of South Africa. The other information does not include the consolidated or the separate financial statements and our auditor's reports thereon.

Our opinion on the consolidated and separate 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 consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate 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 Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate 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 consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 group and/or 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 consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Audit Tenure

In terms of the IRBA Rule published in Government Gazette No. 39475 dated 4 December 2015, we report that Deloitte & Touche has been the auditor of KAL Group Limited for two years.

"electronically signed"

Deloitte & Touche
Registered Auditor

Per: Dr DA Steyn
Partner

26 November 2025

Consolidated statement of financial position

at 30 September

		GROUP	
	Notes	**2025 R'000**	2024 R'000
ASSETS			
Non-current assets			
Property, plant and equipment	3	**1 330 915**	1 435 774
Right-of-use assets	4	**642 759**	747 903
Intangible assets	5	**1 695 901**	1 632 980
Investment in Joint Venture	7	**73 438**	61 026
Loans	8	**24 136**	22 756
Financial assets at fair value through other comprehensive income	9	**5 974**	5 580
Deferred tax	10	**66 902**	51 314
Net investment in finance lease	12	**49 819**	–
Trade and other receivables	13	**10 429**	25 725
		3 900 273	3 983 058
Current assets			
Inventory	11	**1 364 213**	1 452 056
Net investment in finance lease	12	**95**	–
Trade and other receivables	13	**2 500 239**	2 461 010
Income tax		**9 755**	5 278
Cash and cash equivalents	15	**299 560**	313 560
		4 173 862	4 231 904
Assets classified as held for sale	6	**155 720**	–
		4 329 582	4 231 904
Total assets		**8 229 855**	8 214 962
EQUITY AND LIABILITIES			
Capital and reserves			
Stated Capital	16	**466 051**	466 051
Other reserves	17	**26 977**	37 980
Retained profit		**2 946 782**	2 693 000
Equity attributable to shareholders of the holding company		**3 439 810**	3 197 031
Non-controlling interest		**197 301**	184 783
Total equity		**3 637 111**	3 381 814
Non-current liabilities			
Instalment sale agreements	19	**13 948**	15 925
Lease liabilities	4	**758 028**	803 600
Employee benefit obligations	20	**14 302**	14 779
Financial liability at fair value through profit or loss	14	**–**	37 509
Deferred taxation	10	**74 003**	70 611
Borrowings	23	**–**	355 250
		860 281	1 297 674
Current liabilities			
Trade and other payables	21	**2 106 192**	1 932 676
Employee accruals	22	**104 653**	90 804
Instalment sale agreements	19	**11 305**	22 377
Lease liabilities	4	**55 388**	51 364
Employee benefit obligations	20	**2 296**	2 288
Financial liability at fair value through profit and loss	14	**41 437**	–
Short-term borrowings	23	**1 347 779**	1 434 064
Income tax		**9 259**	1 901
		3 678 309	3 535 474
Liabilities directly associated with assets classified as held for sale	6	**54 154**	–
		3 732 463	3 535 474
Total liabilities		**4 592 744**	4 833 148
Total equity and liabilities		**8 229 855**	8 214 962

Consolidated income statement

for the year ended 30 September

	Notes	GROUP 2025 R'000	GROUP 2024 R'000
Revenue	28	**20 305 200**	21 734 924
Cost of sales	30	**(17 214 833)**	(18 761 387)
Gross profit		**3 090 367**	2 973 537
Other operating income	29	**240 896**	266 284
Movement on expected credit loss allowance	13	**(14 583)**	(13 326)
Selling and distribution costs	30	**(166 088)**	(195 177)
Administrative expenses	30	**(1 412 001)**	(1 319 904)
Other operating expenses	30	**(886 491)**	(844 577)
Operating profit		**852 100**	866 837
Share in profit of joint venture	7	**12 412**	10 378
Finance income		**19 492**	23 787
Finance costs	33	**(243 597)**	(259 660)
Profit before tax		**640 407**	641 342
Income tax	34	**(193 166)**	(190 245)
		447 241	451 097
Profit attributable to shareholders of the holding company		**402 712**	395 316
Non-controlling interest		**44 529**	55 781
Earnings per share – basic (cents)	35	**570,33**	562,26
Earnings per share – diluted (cents)	35	**570,33**	562,26

Consolidated statement of other comprehensive income

for the year ended 30 September

	GROUP 2025 R'000	GROUP 2024 R'000
Profit for the year	**447 241**	451 097
Other comprehensive income:		
Fair value adjustment on investment	**393**	–
Cash flow hedges	**422**	(546)
Gross	**578**	(748)
Tax	**(156)**	202
	448 056	450 551
Total comprehensive income attributable to shareholders of the holding company	**403 527**	394 770
Non-controlling interest	**44 529**	55 781

Consolidated statement of changes in equity

for the year ended 30 September

	GROUP							
	Stated capital R'000	Fair value reserve R'000	Share-based payment reserve R'000	Hedge reserve R'000	Retained profit R'000	Total R'000	Non-controlling interest R'000	Total equity R'000
Balance 30 September 2023	440 963	–	21 873	(594)	2 467 580	2 929 822	156 405	3 086 227
Gross shares issued	486 191							
Treasury shares	(45 228)							
Total comprehensive income	–	–	–	(546)	395 316	394 770	55 781	450 551
Share-based payments	3 630	–	17 247	–	472	21 349	–	21 349
Treasury shares sold	21 458	–	–	–	–	21 458	–	21 458
Change in ownership	–	–	–	–	(3 998)	(3 998)	(2 300)	(6 298)
Share Incentive scheme – shares purchased (note 13)	–	–	–	–	(37 084)	(37 084)	–	(37 084)
Dividends paid	–	–	–	–	(129 286)	(129 286)	(25 103)	(154 389)
Balance 30 September 2024	466 051	–	39 120	(1 140)	2 693 000	3 197 031	184 783	3 381 814
Gross shares issued	489 755							
Treasury shares	(23 704)							
Total comprehensive income	**–**	**393**	**–**	**422**	**402 712**	**403 527**	**44 529**	**448 056**
Share-based payments	**–**	**–**	**(11 818)**	**–**	**12 716**	**898**	**–**	**898**
Share Incentive scheme – shares purchased (note 14)	**–**	**–**	**–**	**–**	**(22 820)**	**(22 820)**	**–**	**(22 820)**
Change in ownership	**–**	**–**	**–**	**–**	**(10 313)**	**(10 313)**	**(7 592)**	**(17 905)**
Dividends paid	**–**	**–**	**–**	**–**	**(128 513)**	**(128 513)**	**(24 419)**	**(152 932)**
Balance 30 September 2025	**466 051**	**393**	**27 302**	**(718)**	**2 946 782**	**3 439 810**	**197 301**	**3 637 111**
Gross shares issued	**489 755**							
Treasury shares	**(23 704)**							
Refer to note	16	17	17	17				

Consolidated statement of cash flows

for the year ended 30 September

	Notes	GROUP 2025 R'000	2024 R'000
Cash flow from operating activities		**1 031 518**	889 648
Net cash generated from operating activities	37	**933 596**	848 405
Interest received		**189 591**	217 714
Working capital changes	38	**132 297**	48 561
Income tax paid	39	**(223 966)**	(225 032)
Cash flow used in investment activities		**(92 699)**	(136 558)
Purchase of property, plant and equipment and intangibles		**(132 112)**	(153 969)
Proceeds on disposal of property, plant and equipment		**9 411**	16 864
Acquisition of operations	50	**(13 162)**	–
Proceeds on disposal of subsidiary	51	**44 976**	–
Cash disposed on derecognition of subsidiary		**(2 461)**	–
Repayment received on loans		**–**	547
Finance lease receivable received		**649**	–
Cash flow from financing activities		**(952 819)**	(725 456)
Acquisition of shares in subsidiary from non-controlling shareholders		**(17 802)**	–
(Decrease)/Increase in short-term borrowings	40	**(170 293)**	148 959
Repayment of long-term borrowings	43	**(268 188)**	(251 875)
Lease payments	42	**(55 653)**	(61 221)
Repayment of Instalment sale agreements	41	**(23 430)**	(30 904)
Repayment of low risk retention		**–**	(57 789)
Proceeds on disposal of treasury shares		**–**	21 458
Share incentive scheme – shares purchased		**(22 820)**	(83 833)
Interest paid		**(241 702)**	(255 862)
Dividends paid		**(152 931)**	(154 389)
Net (decrease)/increase in cash and cash equivalents		**(14 000)**	27 634
Cash and cash equivalents at the beginning of the year		**313 560**	285 926
Cash and cash equivalents at the end of the year		**299 560**	313 560
Comprising of:			
– Bank and cash on hand	15	**299 560**	313 560

Notes to the consolidated annual financial statements

for the year ended 30 September

1 ACCOUNTING POLICIES

The principal accounting policies incorporated in the preparation of these financial statements are set out on pages 165 to 181.

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes estimates and judgements concerning the future. The resulting accounting estimates will, by definition, seldom precisely equal the related actual results. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimates

Properties

Properties are depreciated over their useful lives, taking into account their residual values at the end of their useful lives. The residual values and useful lives are estimated and assessed based on industry knowledge and past experience with similar assets, taking into account the location and current condition of the properties. Properties are continuously maintained and kept up to standard. Refer to note 6 of the Group's accounting policy. All property, plant and equipment assets, together with right-of-use assets, are tested per site annually for impairment indicators. Where impairments indicators are identified, value-in-use calculations are performed.

Expected credit loss allowance on trade receivables

In estimating the loss allowance on trade receivables, management makes certain estimates and judgements relating to the estimated recovery rate of debtors. This includes an assessment of current and expected future payment profiles and customer specific risk factors such as economic circumstances, geographical location and the value of security held. Refer to notes 13 and 25 for more information.

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Judgements

Inventory provisions for slow-moving and obsolete stock

The Group makes certain judgements relating to the provision of inventory, based on the frequency of movement in different inventory types. This determines the rates applied per age bucket in calculating the inventory provision to be recognised.

Goodwill and indefinite useful life assets

The Group makes certain judgements relating to the impairment testing of goodwill and indefinite useful life assets, based on projections and assumed growth rates in income, expenses and terminal growth rates while using a pre-tax discount rate determined by management. These judgements are used to determine if an impairment of goodwill or indefinite useful life assets are applicable. Given that the retail licenses remain valid for as long as the license holder operates as a going concern, the estimated useful life of the individual retail licenses is considered to be indefinite. Refer to note 5.

Extension periods with regards to lease contracts

The Group makes certain judgements relating to the extension periods of leases during the IFRS 16 right-of-use asset and lease liabilities calculations. Where the lessee has the unconditional right to the renewal and it is considered more likely than not that the lease will be extended based on all the available factors, the extension option is taken into account in determining the lease term. Most of the rent paid is for Agrimark stores and based on the history of the relationship with lessors and the group's strategies with the stores, the contracts will be extended.

Where the lease is not beneficial to the group, the extension option will not be applied. The lease term is reassessed if an option is actually exercised (or not exercised) or the group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. As at 30 September 2025, future cash outflows of R967,5 million (2024: R917,1 million) is not included in the lease liability because it is not reasonably certain that it will be extended.

Margin on direct transactions

The Group makes certain judgements relating to direct sales, were goods purchased by clients are directly delivered to the client by the suppliers of the Group. Only the margin earned on direct sales is recognised as revenue. The Group assess the treatment of these sales and concluded that the Group is acting as an agent, rather than a principal. Refer to note 16 in the accounting policy for further details.

Assets held for sale

Management concluded that manufacturing (the subsidiary, Agriplas (Pty) Ltd) does not represent a separate major line of business due to it being non-core to the Group and immaterial to the total Group's results. It will not be disclosed as a discontinued operations. It is shown as an asset held for sale at year end. Refer to note 6 for further details.

	GROUP	
	2025 R'000	2024 R'000

3 PROPERTY, PLANT AND EQUIPMENT

	2025 R'000	2024 R'000
Cost		
Land and buildings	**948 464**	963 890
Grain silos	**92 111**	92 113
Machinery and equipment	**381 709**	527 188
Vehicles	**131 092**	132 042
Office furniture and equipment	**327 604**	392 643
Assets under construction	**49 011**	35 092
	1 929 991	2 142 968
Accumulated depreciation		
Land and buildings	**(28 964)**	(27 280)
Grain silos	**(56 456)**	(53 024)
Machinery and equipment	**(203 544)**	(269 890)
Vehicles	**(76 450)**	(75 881)
Office furniture and equipment	**(233 662)**	(281 119)
	(599 076)	(707 194)
Total carrying value	**1 330 915**	1 435 774
Depreciation has been allocated in the income statement as follows:		
Cost of sales	**(10 812)**	(11 915)
Other operating expenses	**(60 800)**	(73 956)
	(71 612)	(85 871)
Refer to note 49 for the reconciliation of movements in carrying value.		
Vehicles include the following amounts where the Group has instalment sale agreements:		
Cost	**42 661**	45 693
Accumulated depreciation	**(12 523)**	(15 578)
Total carrying value	**30 138**	30 115
Machinery and equipment include the following amounts where the Group has instalment sale agreements:		
Cost	**–**	107 548
Accumulated depreciation	**–**	(23 061)
Total carrying value	**–**	84 487

Properties to the value of R531,1 million (2024: R572,9 million) serve as security for the first ranking covering mortgage bonds. Refer to note 23.

	GROUP	
	2025 R'000	2024 R'000

4 RIGHT-OF-USE ASSETS AND LEASE LIABILITY

	2025 R'000	2024 R'000
Right-of-use assets		
Buildings	**606 288**	707 605
Cost price	**816 558**	930 373
Accumulated depreciation	**(210 270)**	(222 768)
Leasehold improvements	**33 870**	36 026
Cost price	**66 812**	64 428
Accumulated depreciation	**(32 942)**	(28 402)
Vehicles	**2 601**	4 272
Cost price	**7 007**	7 909
Accumulated depreciation	**(4 406)**	(3 637)
	642 759	747 903
Reconciliation of movements in carrying value:		
Carrying value at beginning of year	**747 903**	552 220
Additions	**18 169**	164 503
Impairment	**(41 353)**	–
Assets held for sale	**(11 319)**	56 453
Modification of lease contracts	**15 124**	61 438
Depreciation charge of Right-of-use assets	**(85 765)**	(86 711)
Buildings	**(78 686)**	(79 549)
Leasehold improvements	**(5 385)**	(5 725)
Vehicles	**(1 694)**	(1 437)
Carrying value at end of year	**642 759**	747 903
Lease liabilities		
Current	**55 388**	51 364
Non-current	**758 028**	803 600
	813 416	854 964
Interest expense (included in finance costs)	**91 414**	70 287
Expense relating to short-term leases and low value assets (included in administrative expenses)	**14 800**	25 324
Buildings – variable lease payments not included in lease liabilities (included in administrative expenses)	**164 486**	152 737
Cashflow expense for leases and low value and short term leases	**326 354**	309 570

	GROUP	
	2025 R'000	2024 R'000

5 INTANGIBLE ASSETS

Goodwill	**1 404 584**	1 380 400
Fuel retail licenses	**193 738**	193 738
Tradename	**13 236**	13 625
Cost	**15 597**	15 596
Accumulated amortisation	**(2 361)**	(1 971)
Customer relations	**513**	1 129
Cost	**3 077**	3 077
Accumulated amortisation	**(2 564)**	(1 948)
Computer software	**83 830**	44 088
Cost	**135 782**	50 704
Accumulated amortisation	**(51 952)**	(6 616)
	1 695 901	1 632 980
Reconciliation of movements in carrying value:		
Goodwill	**1 404 584**	1 380 400
Carrying value at beginning of year	**1 380 400**	1 344 746
Additions	**290**	810
Additions through business combinations	**26 394**	–
Disposals	**(2 500)**	–
Assets classified as held for sale	**–**	34 844
Fuel retail license	**193 738**	193 738
Carrying value at beginning of year	**193 738**	193 738
Computer software	**83 830**	44 088
Carrying value at beginning of year	**44 088**	6 403
Reclassification from Property, plant and equipment	**33 755**	–
Additions	**14 940**	40 995
Assets under construction	**4 224**	1 150
Amortisation recognised in profit and loss	**(13 177)**	(4 460)
Tradename	**13 235**	13 625
Carrying value at beginning of year	**13 625**	14 015
Amortisation recognised in profit and loss	**(390)**	(390)
Customer relations	**514**	1 129
Carrying value at beginning of year	**1 129**	1 744
Amortisation recognised in profit and loss	**(615)**	(615)
	1 695 901	1 632 980

In order to assess the goodwill and retail fuel licenses that originated from business acquisitions in the Agrimark and PEG segments, a value in use calculation was done per Cash Generating Unit ("CGU"). More information with regards to each segment is disclosed below:

The PEG acquisition strategy is cluster based, focusing on increasing scale in identified geographic locations and grouped as such based on geographic location, the nature and how the clusters are managed and monitored. The goodwill and retail fuel licenses are monitored for impairment based on these clusters. The fuel clusters are included in the PEG segment.

5 INTANGIBLE ASSETS (CONTINUED)

The retail fuel licenses included in the Highway cluster amounts to R193,7 million (2024: R193,7 million).

The most significant clusters to which goodwill has been allocated are listed below:

	GROUP	
	2025 R'000	2024 R'000
Carrying value:		
Eastern Cape cluster	**44 004**	45 469
Northern Cape cluster	**127 108**	127 108
Northern Province cluster	**193 177**	193 177
Western Cape cluster	**38 145**	38 145
Highway cluster	**975 023**	950 839

The following table sets out the key assumptions applied in determining the recoverable amount of each CGU used per cluster:

	GROUP	
	2025 %	2024 %
Pre-tax discount rate	**12,4 – 13,4**	12,0 – 13,0
Revenue growth rate	**9,0 – 17,3**	9,0 – 17,0
Expenses growth rate	**4,0 – 7,0**	4,8 – 8,0
Terminal growth rate	**5,0**	5,0

The approved budget for the next financial year was used as base data after which the relevant inputs were extrapolated for the next 4 years with the long-term growth rate being applied in the terminal year. The growth rate in revenue is similar to the prior year and considers sustainable strategic plans in place to focus on the growth of the sites in the clusters. Expenses increases were similar to the prior year. The pre-tax discount rate is higher as a result of a higher cost of capital based on a higher cost of equity.

Management has performed sensitivity analyses on the key assumptions in the impairment model using possible changes in these key assumptions including pre-tax discount rates, gross profit percentage, expenses growth rate and terminal growth rate used. Listed below is the increase/decrease in assumptions applied per year in the forecast, required to deplete the headroom after which a portion of goodwill will start to be impaired:

	PRE-TAX DISCOUNT RATE		GROSS PROFIT PERCENTAGE		EXPENSES GROWTH RATE	
	2025	2024	**2025**	2024	**2025**	2024
Eastern Cape cluster	**+12,0%**	+6,7%	**-6,4%**	-4,2%	**+6,2%**	+4,2%
Northern Cape cluster	**+23,3%**	+11,1%	**-17,8%**	-7,8%	**+17,4%**	+7,8%
Northern Province cluster	**+7,0%**	+7,3%	**-5,5%**	-6,0%	**+5,4%**	+6,0%
Western Province cluster	**+52,1%**	+50,8%	**-10,1%**	-9,2%	**+10,9%**	+10,2%
Highway cluster	**+17,7%**	+9,0%	**-1,0%**	-1,0%	**+6,7%**	+3,2%

Even if the terminal growth rate is zero, no impairment is identified. There is sufficient headroom.

The Agrimark acquisition strategy focuses on increasing scale in identified geographic locations and diversifying the business. The goodwill raised through the business combination with Partridge Building Supplies (Pty) Ltd ("PBS") in previous years was tested for impairment using a value in use calculation.

	GROUP	
	2025 R'000	2024 R'000

5 INTANGIBLE ASSETS (CONTINUED)

	2025 R'000	2024 R'000
Carrying value:		
Goodwill – business combination relating to Partridge Building Supplies	**22 033**	22 033
Goodwill – business combination relating to Farmsave	**1 186**	1 186

The below table sets out the key assumptions applied in determining the recoverable amount of the goodwill raised:

Goodwill – business combination relating to PBS and Farmsave	**%**	%
Pre-tax discount rate	**12,0 – 13,0**	12,0 – 13,0
Revenue growth rate	**10,0 – 12,0**	10,0 – 12,0
Expenses growth rate	**8,0**	8,0
Terminal growth rate	**5,0**	5,0

The approved budget for the next financial year was used as base data after which the relevant inputs were extrapolated for the next 4 years with the long-term growth rate being applied in the terminal year. The pre-tax discount rate is in line with the rest of the group's pre-tax discount rate. Growth in revenue is in line with prior years. Expenses growth based on inflation and budgeted growth in expenses. No impairment was noted.

Management has performed sensitivity analyses on the key assumptions in the impairment model using possible changes in these key assumptions including pre-tax discount rates, revenue percentage, expenses growth rate and terminal growth rate used. Listed below is the increase/(decrease) in assumptions applied per year in the forecast, required to deplete the headroom after which a portion of goodwill will start to be impaired:

	PRE-TAX DISCOUNT RATE		GROSS PROFIT PERCENTAGE		EXPENSES GROWTH RATE	
	2025	2024	**2025**	2024	**2025**	2024
Business combination relating to PBS	**+8,7%**	+7,4%	**-4,7%**	-5,2%	**+6,2%**	+7,1%

Even if the terminal growth rate is zero, no impairment is identified. Thus, there is sufficient headroom.

The remaining CGU in the Agrimark segment was also assessed for goodwill impairment and sufficient headroom noted. Carrying amount of R2,4 million (2024: R2,4 million).

	GROUP	
	2025 R'000	2024 R'000

6 ASSETS HELD FOR SALE

	2025 R'000	2024 R'000
Assets and liabilities of disposal groups classified as held for sale		
Property, plant and equipment	**13 982**	–
Right-of-use assets	**11 319**	–
Lease liabilities	**(18 166)**	–
Inventory	**81 617**	–
Trade and other receivables	**34 822**	–
Cash and cash equivalents	**6 163**	–
Deferred tax	**7 817**	–
Instalment sale agreements	**(1 465)**	–
Trade and other payables	**(27 524)**	–
Short-term borrowings	**(5 761)**	–
Income tax	**(1 238)**	–
	101 566	–
Assets classified as held for sale	**155 720**	–
Liabilities directly associated with assets classified as held for sale	**(54 154)**	–
	101 566	–

6 ASSETS HELD FOR SALE (CONTINUED)

The Group's subsidiary, Agriplas (Pty) Ltd, is in process of being sold, with the only significant outstanding condition being competition commission approval. It is the Group's strategy to exit its non-core manufacturing operations and focus its resources on its core retail and ancillary offerings.

	GROUP	
	2025 R'000	2024 R'000
7 INVESTMENT IN JOINT VENTURE		
Beginning of the year	**61 026**	50 648
Share in total comprehensive income	**12 412**	10 378
End of the year	**73 438**	61 026
The nature of the business is supplying of farming requisites, general retail and fuel. The Company is incorporated in Namibia.		
Agrimark Operations Namibia (Pty) Ltd		
Number of issued shares: 502 (2024: 502)		
Shareholding: 50% (2024: 50%)		
251 (2024: 251) Shares at cost	**40 156**	40 156
Share in post-acquisition accumulated profit	**33 282**	20 870
	73 438	61 026
Summarised Statement of financial position as prepared under IFRS Accounting Standards		
Non-current assets	**105 681**	95 683
Current assets	**278 688**	220 681
Cash and cash equivalents	**29 146**	5 434
Other current assets	**249 542**	215 247
Total assets	**384 369**	316 364
Non-current liabilities		
Loans and lease liabilities	**14 767**	18 832
Current liabilities	**220 680**	173 433
Short-term borrowings	**1 580**	3 568
Other current liabilities	**219 100**	169 865
Total liabilities	**235 447**	192 265
Net assets	**148 922**	124 099
Group's share in percentage	**50,00%**	50,00%
Group's share in Net assets of joint venture at fair value	**74 461**	62 050
Summarised Income statement		
Revenue	**1 421 228**	1 243 154
Depreciation	**19 795**	17 403
Interest income	**7 885**	10 004
Interest expense	**2 676**	3 563
Profit before taxation	**36 152**	30 562
Income tax	**(11 330)**	(9 806)
Profit attributable to ordinary shareholders	**24 822**	20 756

	GROUP	
	2025 R'000	2024 R'000
7 INVESTMENT IN JOINT VENTURE (CONTINUED)		
Joint Guarantee for bank overdraft facility of investment in joint venture		
Agrimark Operations Namibia (Pty) Ltd	**70 000**	70 000
The Group provides a limited guarantee (limited to R70,0 million (2024: R70 million)) for the bank overdraft facility of Agrimark Operations Namibia (Pty) Ltd at Bank Windhoek.		
Guarantee for suppliers of subsidiaries		
Vivo Energy Namibia Limited	**20 000**	20 000
The Group provides a limited guarantee (limited to R20 million (2024: R20 million)) for the supply of fuel to Agrimark Operations Namibia (Pty) Ltd		
8 LOANS		
Agrimark Operations Namibia (Pty) Ltd	**–**	–
Opening balance	**–**	547
Decrease in loan	**–**	(547)
Lionshare Holdings (Pty) Ltd	**24 136**	22 756
Opening balance	**22 756**	21 215
Increase in loan	**1 380**	1 541
	24 136	22 756
Short-term portion carried over to current assets	**–**	–
	24 136	22 756

The carrying value of the loans approximates their fair value at the reporting date.

Agrimark Operations Namibia (Pty) Ltd

The loan is unsecured and bears interest at the Namibian prime rate. There are no specific repayment terms. Repayment is determined by the shareholders as and when funds are available. Repayment of the loan will take place before any dividends are declared.

The expected credit loss allowance was assessed based on the exposure, probability of default and loss given default. The general model is followed in terms of IFRS 9. Strategies are in place to improve profitability and will lead to improved cashflows. As such, no expected credit loss provision has been created as this loan is considered fully recoverable in the future. A 12-month expected credit loss was considered, and no material loss allowance was identified. Refer to accounting policy note 8.

Lionshare Holdings (Pty) Ltd

The loan bears interest at prime plus 1,5%. The loan is repayable in yearly instalments after payment of a dividend by PEG Retail Operations (Pty) Ltd, with final repayment on 28 February 2029.

The loan is secured by:

> A first-ranking mortgage bond over the immovable property of C-Max Investments 71 (Pty) Ltd, held under Deed of Transfer T19459/2012.

> A second-ranking mortgage bond over the immovable property of C-Max Investments 71 (Pty) Ltd, held under Deed of Transfer T51438/2014.

> A suretyship agreement, binding itself, by C-Max Investments 71 (Pty) Ltd.

> A suretyship agreement, binding itself, by Mezibase (Pty) Ltd.

The expected credit loss allowance was assessed based on the exposure and probability of default and loss given default but based on the security value the expected credit loss allowance was considered immaterial. Refer to accounting policy note 8.

	GROUP	
	2025 R'000	2024 R'000

9 FINANCIAL ASSET AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Signafi Capital (Pty) Ltd – unlisted	**5 974**	5 580
Reconciliation of movements in fair value:		
Opening balance	**5 580**	5 580
Remeasurement to fair value	**394**	–
	5 974	5 580

Information about the Group's exposure to price risk is provided in note 25. For information about the methods and assumptions used in determining the fair value also refer to note 25.

The shares are encumbered as security as set out in note 23.

	GROUP	
	2025 R'000	2024 R'000

10 DEFERRED TAXATION

Movement of deferred tax		
Balance beginning of year	**(19 297)**	(43 534)
Derecognition on disposal of subsidiary	**(18 164)**	–
Assets held for sale	**(7 817)**	825
Income statement credit	**38 854**	20 119
(Debit)/credit against reserves	**(677)**	3 293
Balance end of year	**(7 101)**	(19 297)
Due to the following temporary differences:		
Property, plant and equipment	**(75 190)**	(95 044)
Intangible assets	**(56 142)**	(56 595)
Currency translation differences	**268**	422
Tax loss	**26 660**	59 089
Capital loss	**11 255**	–
Provisions and accrued expenses	**49 187**	48 496
Net investment in finance lease	**26**	–
Right-of-use asset and liability	**36 835**	24 335
Right-of-use asset	**(182 874)**	(206 624)
Lease liability	**219 709**	230 959
	(7 101)	(19 297)
Sufficient taxable profits are expected to be earned in the manufacturing segment to utilise the deferred tax asset.		
Movements for the year		
Opening balance	**(19 296)**	(43 534)
Property, plant and equipment	**18 254**	(8 447)
Intangible assets	**453**	(3 529)
Currency translation differences	**(156)**	202
Tax loss	**(31 227)**	16 872
Capital loss	**11 255**	–
Provisions and accrued expenses	**692**	11 528
Net investment in finance lease	**26**	–
Right-of-use asset and liability	**12 898**	7 611
Right-of-use asset	**24 147**	(51 030)
Lease liability	**(11 249)**	58 641
	(7 101)	(19 297)
For purposes of the statement of financial position deferred taxation is presented as follows:		
Non-current assets	**66 902**	51 314
Non-current liabilities	**(74 003)**	(70 611)
	(7 101)	(19 297)

	GROUP 2025 R'000	GROUP 2024 R'000

11 INVENTORY

	2025 R'000	2024 R'000
Merchandise	**1 362 320**	1 413 277
Raw materials	**–**	36 192
Consumable goods	**1 893**	2 587
	1 364 213	1 452 056
Inventory carried at the lower of cost or net realisable value	**85 269**	85 437
Provision for slow-moving and obsolete stock included in inventory	**43 977**	48 410
Inventory written off during the year	**17 018**	14 146

The inventory is encumbered as security as set out in note 23.

12 NET INVESTMENT IN FINANCE LEASE

	2025 R'000	2024 R'000
Finance lease receivable	**61 034**	–
Unearned finance income	**(11 120)**	–
Net investment in finance lease	**49 914**	–

Finance lease arrangements
The Group entered into lease arrangements as a lessor that are considered to be finance leases. The Group leases a property and bins given that substantially all risks and rewards of ownership of the assets transfer, they are classified as finance leases.

The maturity analysis of lease receivables, including the undiscounted lease payments to be received are as follows:

	2025 R'000	2024 R'000
Less than 1 year	**5 052**	–
1 – 2 years	**52 271**	–
2 – 3 years	**660**	–
3 – 4 years	**660**	–
4 – 5 years	**2 391**	–
Total undiscounted lease payments receivable	**61 034**	–
Unearned finance income	**(11 120)**	–
Net investment in finance lease	**49 914**	–
Finance lease receivables are presented in the statement of financial position as follows:		
Current	**95**	–
Non-current	**49 819**	–
Net investment in finance lease	**49 914**	–

	GROUP	
	2025 R'000	2024 R'000

13 TRADE AND OTHER RECEIVABLES

Trade Receivables	**2 389 474**	2 441 784
Expected credit loss allowance	**(64 308)**	(56 653)
	2 325 166	2 385 131
VAT	**48 651**	32 866
Property in possession	**33 170**	–
Receivable – Sale of subsidiary	**27 685**	–
Deposits	**2 525**	–
Other receivables	**73 471**	68 738
	2 510 668	2 486 735
Trade and other receivables – current	**2 500 239**	2 461 010
Trade and other receivables – non-current	**10 429**	25 725
	2 510 668	2 486 735

Included in the non-current portion of trade and other receivables are long-term facilities granted to producers to assist in capital expansion related to the establishment and/or expansion of production. The nature of these accounts are the same as normal trade receivables. These facilities vary in duration between 2 and 5 years, are suitably secured and bear interest in line with the policies regarding interest for all trade receivables and are considered to be market related.

During the year, the Group obtained a property in possession with a carrying value of R33,2 million as a result of default on receivables. This asset is included in other receivables in the statement of financial position.

Trade and other receivables are categorised as debt instruments at amortised cost.

The Group applies the simplified approach for providing for expected credit losses prescribed by IFRS 9, which permits the use of a lifetime expected loss provision for all trade receivables. This was based on the fact that no history of defaults on the other receivables and none expected in future as these balances carry very low credit risk.

A loss allowance is recognised for all receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. Refer to note 25 for the detail regarding the process for identifying the specific and contingency loss allowance. In addition to the loss allowance, receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Receivables which have been written off are not subject to enforcement activities. The general model was used to identify any expected credit losses for deposits and other receivables and no material loss allowance identified.

The carrying value of trade and other receivables approximates its fair value at the reporting date.

The trade receivables are encumbered as security as set out in note 23.

	GROUP	
	2025 R'000	2024 R'000
Movement in the expected credit loss allowance		
Opening balance	**(56 653)**	(53 261)
Asset held for sale	**618**	–
Movement in the expected credit loss allowance	**(8 273)**	(3 392)
Bad debts written off	**6 310**	9 934
Additional provision raised	**(14 583)**	(13 326)
Balance at the end of the year	**(64 308)**	(56 653)

	GROUP	
	2025 R'000	2024 R'000
14 FINANCIAL LIABILITY AT FAIR VALUE THROUGH PROFIT OR LOSS		
Low risk retention payment – contingent consideration		
Balance beginning of the year	**37 509**	90 925
Repayment	**–**	(57 789)
Interest	**3 928**	4 373
	41 437	37 509
The low risk retention payment resulted with the purchase of the subsidiary PEG Retail Holdings (Pty) Ltd in prior years. A contingent consideration has been allocated in respect of certain sites where a required 5 year renewal of the lease agreement should be obtained. Within five business days of receipt by PEG of the signed renewal agreement, PEG will make the relevant payments. The low risk retention payment will be increased by a factor equal to prime less 1% calculated from effective date to the date of actual payment. Management is of the opinion that based on history and the current relationships with the Oil companies, the probability of the lease agreements to be renewed and the low risk retention payment to be made in full is highly probable. This liability is expected to be settled before 31 December 2025 and is disclosed as a current liability in the 2025 financial year.		
Share Incentive Scheme – Future Forwards		
Balance beginning of the year	**–**	46 749
Purchase	**22 820**	37 084
Repayment	**(22 820)**	(83 833)
	–	–
The Group entered into an arrangement with a counter party to acquire KAL shares in the market and deliver these shares directly to the participants of the LTIP scheme on vesting. This financial liability at fair value through profit and loss relate to all the future forwards required for the SIS.		
	41 437	37 509
15 CASH AND CASH EQUIVALENTS		
Cash on hand	**6 067**	4 957
Bank balances	**293 493**	308 603
	299 560	313 560

The cash balances are encumbered as security as set out in note 23.

The credit quality of cash at bank, excluding cash on hand that is neither past due nor impaired can be assessed by reference to external credit ratings:

- ABSA Bank Limited – counterparty risk rated Ba2 (2024: Ba2) by Moody's
- First National Bank Limited – counterparty risk rated Baa3 (2024: Ba2) by Moody's
- Standard Bank of South Africa Limited – counterparty risk rated Baa3 (2024: Ba2) by Moody's
- Nedbank Limited – counterparty risk rated Baa3 (2024: Ba2) by Moody's

	GROUP	
	2025 R'000	2024 R'000

16 STATED CAPITAL

Authorised:
1 000 000 000 (2024: 1 000 000 000) ordinary shares with no par value
Issued:
74 319 837 (2024: 74 319 837) ordinary shares with no par value

	2025 R'000	2024 R'000
Ordinary shares	**489 755**	489 755
Treasury shares	**(23 704)**	(23 704)
	466 051	466 051
	Number	Number
Total number of ordinary shares – issued	**74 320**	74 320
Treasury shares – issued	**(3 709)**	(3 709)
	70 611	70 611

17 OTHER RESERVES

	2025 R'000	2024 R'000
Hedge reserve Derivative financial instruments that are designated and qualify as cash flow hedges are shown in the statement of financial position at fair value. This includes foreign exchange contracts pertaining to imports of inventory. The effective portion of changes in the fair value are recognised in other comprehensive income in the hedge reserve.	**(718)**	(1 140)
Share-based payment reserve The equity impact in relation to the management share incentive scheme is shown in the share-based payment reserve.	**27 302**	39 120
Fair value reserve Financial assets at fair value through other comprehensive income are shown in the statement of financial position at fair value. The remeasurement is recognised directly in other comprehensive income in the fair value reserve.	**393**	–
	26 977	37 980

18 EQUITY SETTLED MANAGEMENT SHARE INCENTIVE SCHEME

	2025 Number of options	2024 Number of options
Granted during the year – based on LTIP scheme (NCO's)	**761 028**	842 136

The expense recognised in profit or loss is R6 370 638 (2024: R18 257 925).

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Grant date	**Vesting date**	**Exercise price**	**Fair value at grant date**	**Share options 2025**	Share options 2024
Old LTI scheme					
15 January 2020	1 October 2024	27,31	6,48	**–**	390 201
21 January 2021	1 October 2024	24,53	6,23	**–**	85 440
20 January 2022	1 October 2024	44,44	13,51	**–**	131 051
12 January 2021	1 October 2025	24,53	6,74	**83 325**	85 440
20 January 2022	1 October 2025	44,44	15,34	**128 223**	131 051
20 January 2022	1 October 2026	44,44	16,72	**128 223**	131 051
LTIP scheme – Nil Cost Option ("NCO")					
29 September 2022	29 September 2025	–	31,02	**–**	331 195
29 September 2022	29 September 2026	–	28,90	**331 195**	331 195
29 September 2022	29 September 2027	–	26,74	**331 195**	331 195
24 May 2023	24 May 2025	–	32,45	**–**	223 333
24 May 2023	24 May 2026	–	30,71	**174 561**	223 334
24 May 2023	24 May 2027	–	28,97	**174 561**	223 334
24 May 2023	24 May 2028	–	27,24	**174 561**	223 334
24 May 2024	24 May 2026	–	44,00	**164 727**	210 531
24 May 2024	24 May 2027	–	41,73	**164 727**	210 536
24 May 2024	24 May 2028	–	39,29	**164 727**	210 533
24 May 2024	24 May 2029	–	36,71	**164 727**	210 536
24 May 2025	24 May 2027	–	35,45	**190 257**	–
24 May 2025	24 May 2028	–	33,35	**190 257**	–
24 May 2025	24 May 2029	–	31,13	**190 257**	–
24 May 2025	24 May 2030	–	28,80	**190 257**	–
				2 945 780	3 683 290

18 EQUITY SETTLED MANAGEMENT SHARE INCENTIVE SCHEME (CONTINUED)

Fair value of options granted

The awards granted during the year are conditional upon specific non-market conditions and the completion of a service period. We refer to the fair value of these awards, prior to taking into account the probability of achieving the non-market performance conditions, as the “unconditional fair value”. The shares are obtained for no consideration upon the achievement of the service condition (i.e. no strike price) and award holders will not be entitled to dividends on the ordinary shares underlying their share options prior to the exercise date. The “unconditional fair value” is thus equal to the share price at the grant date, less the present value of estimated dividends paid prior to the time of exercise. Inputs taken into account are share price, life of the option, dividend yield rate and the risk free interest rate.

	GROUP	
	2025	2024
Model inputs:		
LTIP scheme – Nil Cost Option ("NCO")		
Share price at grant date (Rand)	**39,30**	48,00
Expected life of option (years)	**2 – 5**	2 – 5
Expected dividend yield (%)	**5,1 – 6,2**	4,4 – 5,4
Risk-free interest rate (%)	**7,1 – 7,7**	8,2 – 8,7

Participation of the LTIP scheme is limited to the executive directors and other executive committee members, which may also include the Managing Director of a subsidiary. Participants will be awarded NCOs, which are conditional rights to receive Company shares on a future date after the fulfilment of the performance and other conditions, to the extent applicable. The vesting is not dependent on the share price growth. Each year the participants are awarded NCOs, based on a multiple of the participant’s annual TGP. The NCOs vest in tranches of 25% each on the later of the 2nd, 3rd, 4th and 5th anniversary of the date of award; and to the extent applicable, the date on which the remuneration committee determines that the performance condition(s) has been met; and to the extent applicable, any other conditions imposed have been satisfied. On the vesting date, shares will be awarded to a participant.

	GROUP	
	2025 R'000	2024 R'000

19 INSTALMENT SALE AGREEMENTS

	2025 R'000	2024 R'000
Instalment sale agreements liabilities	**25 253**	38 302
Short-term portion Instalment sale agreements liabilities	**(11 305)**	(22 377)
	13 948	15 925
Commitments in relation to Instalment sale agreements payable as follows:		
Within one year	**13 596**	25 235
Later than one year but not later than five years	**17 083**	17 863
Minimum instalment payments	**30 679**	43 098
Future finance charges	**(5 426)**	(4 796)
Recognised as liability	**25 253**	38 302
The present value of Instalment sale agreements liabilities is as follows:		
Within one year	**11 305**	22 377
Later than one year but not later than five years	**13 948**	15 925
Minimum lease payments	**25 253**	38 302

Instalment sale agreements liabilities include vehicles and forklifts. The nature of instalment sale agreements is that the ownership of assets is already transferred to the Group.

20 EMPLOYEE BENEFIT OBLIGATIONS

	2025 R'000	2024 R'000
Post-retirement medical benefits		
Balance beginning of year	**17 067**	16 186
Interest costs recognised in the income statement	**1 885**	1 873
Actuarial gain recognised in the income statement	**–**	1 349
Employer contributions	**(2 354)**	(2 341)
	16 598	17 067
Short-term portion carried over to current liabilities	**(2 296)**	(2 288)
	14 302	14 779

Amounts recognised in the income statement are shown under other operating expenses.

Existing provisions are based on the following important assumptions:

	2025	2024
Post-retirement medical benefits		
Cost of medical inflation (%)	**6,75**	6,75
Discount rate (%)	**9,50**	9,50
Average retirement age (years)	**65**	65
Expected membership continuance at retirement (%)	**100**	100
Post-retirement mortality	**2 Years +1%**	2 Years +1%
Weighted average duration of obligation (years)	**6,51**	6,51
Total expected contributions for the coming year (R'000)	**2 296**	2 288

20 EMPLOYEE BENEFIT OBLIGATIONS (CONTINUED)

Sensitivity analysis:

The method of calculation remains unchanged.

Effect of a 1% movement in the assumed cost of medical inflation and discount rate:

	GROUP	
	+1% R'000	**-1% R'000**
Cost of medical inflation		
Aggregate of current service cost and interest cost – increase/(decrease)	**85**	**(77)**
Liability – increase/(decrease)	**892**	**(813)**
Discount rate		
Liability – (decrease)/increase	**(885)**	**988**

	2025 R'000	2024 R'000	2023 R'000	2022 R'000	2021 R'000
Trend information:					
Present value of liabilities	**16 598**	17 067	16 186	16 558	17 044
Present value of plan assets	**–**	–	–	–	–
Present value of obligations above plan assets	**16 598**	17 067	16 186	16 558	17 044
Experience adjustments:					
Present value of liabilities	**–**	(1 631)	–	(49)	–
Present value of plan assets	**–**	–	–	–	–
Actuarial loss before changes in assumptions	**–**	(1 631)	–	(49)	–

	GROUP	
	2025 R'000	2024 R'000
21 TRADE AND OTHER PAYABLES		
Trade payables	**1 947 756**	1 767 191
Other payables	**158 436**	165 485
	2 106 192	1 932 676
The carrying value of trade and other payables approximate its fair value at the reporting date.		
22 EMPLOYEE ACCRUALS		
Employee accruals	**104 653**	90 804
	104 653	90 804

During the year the employee accruals were represented to be displayed separately on the statement of financial position as it is a material line item. Previously it was disclosed under trade and other payables in note 21.

The carrying value of employee accruals approximate its fair value at the reporting date.

	GROUP 2025 R'000	GROUP 2024 R'000

23 BORROWINGS

	2025 R'000	2024 R'000
Long-term bank borrowings	–	355 250
Borrowings	**355 250**	625 469
Short-term portion of long-term bank borrowings	**(355 250)**	(270 219)
The current long-term bank facilities bear interest at Johannesburg Interbank Average Rate (JIBAR) plus 2,20%.		
The borrowings are repayable based on a schedule as set out in the agreement between the Company and the bank and will be fully repaid by 30 June 2026.		
Short-term bank borrowings	**1 347 779**	1 434 064
Overdraft facility	**992 529**	1 163 845
Short-term portion of long-term bank borrowings	**355 250**	270 219
The current short-term bank facilities bear interest from prime less 1,75% to prime less 2,00% and are renewed annually.		

The carrying value of borrowings approximate its fair value at the reporting date.

Refer below for the debt covenants:

	2025	2024
Agrimark Operations Limited covenants		
Asset Cover Ratio (required to be equal or higher than 1,25 (2024: 1,25))	**4,65**	3,93
Leverage Ratio (required to be equal or lower than 2,75 (2024: 3,0))	**1,33**	1,88
Interest Cover Ratio (required to be equal or higher than 4,25 (2024: 3,50))	**6,69**	5,39
Debt Service Cover Ratio (required to be equal or higher than 1,20 (2024: 1,20))	**2,23**	1,43
PEG Retail Operations (Pty) Ltd covenants		
Leverage Ratio (required to be equal or lower 2,00 (2024: 2,5))	**1,43**	2,06
Interest Cover Ratio (required to be equal or higher than 3,50 (2024: 3,50))	**5,57**	4,22
Debt Service Cover Ratio (required to be equal or higher than 1,2 (2024: 1,1))	**1,36**	1,26

Leverage Ratio is the consolidated total net borrowings divided by adjusted consolidated EBITDA.

Interest cover ratio is the adjusted consolidated EBITDA divided by consolidated finance costs.

Debt service cover ratio is the consolidated total free cashflow to the consolidated total debt service.

Asset cover ratio is the Primary Lending Facility (PLF) facility covered by the value of debtors and stock.

23 BORROWINGS (CONTINUED)

Securities held:

The bank facilities of R2 260,3 million are secured by:

- A pledge and cession of all shares, securities and other ownership interests in any affiliate, associate company or another person in which it is invested.
- First-ranking covering mortgage bonds over certain immovable property of which KAL Group is the registered owner.
- A cession of all its rights and claims in respect of bank accounts maintained in South Africa.
- A general notarial bond over the stock and moveable assets of Agrimark Operations Limited to the value of R200 million for the facility of Agrimark Operations Limited.
- A cession of trade receivables and stock of Agrimark Operations Limited for the facility of Agrimark Operations Limited (limited to R1 200 million).
- A cession of trade receivables of Agriplas (Pty) Ltd as well as a limited guarantee by Agrimark Operations Limited (limited to R20 million) for the facilities of Agriplas (Pty) Ltd.
- A limited guarantee by Agrimark Operations Limited (limited to R25 million) for the facilities of PEG Retail Operations (Pty) Ltd.
- First-ranking covering mortgage bonds over certain immovable property of Agrimark Operations Limited.
- A cession of all its insurance taken out and any proceeds receivable.
- A cession of bank accounts opened with any bank and all the proceeds standing to the credit of such accounts – PEG Retail Holdings (Pty) Ltd.
- A limited guarantee of R30 million by PEG Retail Holdings (Pty) Ltd.
- A cession of all rights, title and interest in the management contracts held of PEG Management Services (Pty) Ltd.

	GROUP	
	2025 R'000	2024 R'000
24 RELATED PARTY TRANSACTIONS		
Transactions with related parties and outstanding balances		
Income		
Interest received		
Lionshare Holding (Pty) Ltd	–	2 862
Expenses		
Purchases of goods		
M Pupkewitz & Sons (Pty) Ltd	–	1 931
Balances		
Loans receivable		
Lionshare Holdings (Pty) Ltd	–	22 756
Transactions with directors and outstanding balances:		
Sales	**94 741**	90 554
Purchases	–	4 187
Trade receivables	**8 044**	10 140
Transactions with joint venture and outstanding balances		
Agrimark Operations Namibia (Pty) Ltd		
Sales of goods	**4 742**	4 062
Interest received	–	20
Purchases of goods	–	383
Trade receivables	**485**	368
Trade payables	–	15

24 RELATED PARTY TRANSACTIONS (CONTINUED)

Refer to note 7 and 8 for disclosures relating to the investment in joint venture and loans granted to related parties.

The relationships between the various companies in the Group are disclosed in note 44.

KAL Group Limited is the ultimate holding company of the group.

M Pupkewitz & Sons (Pty) Ltd holds the other 50% shareholding in the Joint Venture. Refer to note 7.

Refer to executive directors' remuneration as disclosed in note 31 for key management compensation.

The companies in the Group sell products in the normal course of business to directors and all other related companies on terms and conditions applicable to all clients.

25 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks like market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The accounting policy for financial instruments are applied to the following line items according to the statement of financial position: trade and other receivables, financial assets at fair value through other comprehensive income, financial liabilities at amortised cost, derivative financial instruments, cash and cash equivalents, loans, trade and other payables, borrowings, finance lease liabilities and financial liabilities at fair value through profit or loss.

The carrying value according to the statement of financial position differs from the values disclosed in this note because of items included in the carrying value according to the statement of financial position which do not meet the definition of a financial instrument or which are excluded from the scope of IFRS 7: Financial Instruments: Disclosures. These items include statutory receivable (2024: receivable) (VAT) amounts of R48,7 million (2024: R32,9 million), statutory liabilities of R9,5 million (2024: R9,7 million) and liabilities in respect of employee benefits of R62,2 million (2024: R43,1 million).

Market risk

Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar and the Euro. Foreign exchange risk primarily arises from inventory and asset purchases in other countries. Forward exchange contracts are used to manage the foreign exchange risk.

Agrimark Operations Aussenkehr (Pty) Ltd is currently the only foreign subsidiary within the Group. The functional currency of Agrimark Operations Aussenkehr (Pty) Ltd is the Namibian Dollar. The exchange rate between the Namibian Dollar and South African Rand is fixed at 1 Namibian Dollar for 1 South African Rand. Consequently, no foreign exchange rate differences arise due to the translation of this foreign subsidiary.

All imports in foreign currency are hedged with the corresponding foreign exchange contract asset and liability, and reserves are addressed. No effect on profit or loss, thus foreign currency risk is managed through hedge accounting.

25 FINANCIAL RISK MANAGEMENT (CONTINUED)

Market risk (continued)

Cash flow interest rate risk

The Group finances its operations through a combination of shareholders' funds and bank borrowings. The Group's interest rate exposure and the effective interest rates can be summarised as follows:

	INTEREST-BEARING			
	Rate 2025 %	**Amount 2025 R'000**	Rate 2024 %	Amount 2024 R'000
Assets:				
Trade receivables	**10,50 – 15,50**	**2 325 166**	11,25 – 16,25	2 385 131
Loan Lionshare Holdings (Pty) Ltd	**12,00**	**24 136**	11,50	22 756
Cash and cash equivalents	**6,85 – 8,45**	**189 716**	7,6 – 9,2	220 120
Liabilities:				
Short-term borrowings	**8,50 – 8,75**	**992 529**	9,50 – 9,75	1 163 845
Low risk retention payment	**9,50**	**41 437**	10,50	37 509
Instalment sale agreements	**10,65 – 11,25**	**25 253**	11,00 – 12,50	38 302
Borrowings	**9,49**	**355 250**	6,37 – 10,55	625 469

	NON-INTEREST-BEARING	
	2025 R'000	2024 R'000
Assets:		
Other receivables	**73 471**	68 738
Cash and cash equivalents	**109 845**	93 440
Liabilities:		
Trade and other payables	**2 135 157**	1 967 730

	GROUP	
	2025 R'000	2024 R'000
To illustrate the company's exposure to interest rate changes, the influence of interest rate changes on the carrying values of interest-bearing financial assets and financial liabilities and resulting profit after taxation, are illustrated as follows:		
Interest-bearing assets	**2 539 018**	2 628 006
Interest-bearing liabilities	**(1 414 469)**	(1 865 124)
Net interest-bearing assets	**1 124 549**	762 882
Increase/(decrease) in profit after tax and equity		
Half a percentage point increase in interest rates	**4 105**	2 785
Half a percentage point decrease in interest rates	**(4 105)**	(2 785)

25 FINANCIAL RISK MANAGEMENT (CONTINUED)

Price risk

Commodities are hedged within the limits approved by the Board of directors. The price risk is deemed low due to the implementation of mitigating controls.

Equity price risk

The equity price risk exposure arises from the investment made in Signafi Capital (Pty) Ltd shares. Equity price risk is the risk that the fair values of equities decrease or increase as a result of changes in the levels of equity indices and the value of individual stocks. Please refer to note 9 for the investment. A 10% difference in the share price could affect other comprehensive income with R597 377.

Credit risk

Potential concentrations of credit risk consist mainly within cash and cash equivalents, deposits, all other receivables, loans receivables and trade receivables.

In terms of IFRS 9: Financial Instruments, all financial assets at amortised cost need to be assessed for expected credit losses. Refer to the accounting policy note 10 for more information.

The Group limits its counterparty exposures arising from cash current accounts by only dealing with well-established financial institutions of high-quality credit standing. Refer to note 15.

Expected credit loss allowances on cash and cash equivalents, deposits and all other receivables were assessed based on the general model and no expected credit loss allowance was created as this was immaterial. Refer to note 13 and 15.

Trade receivables

Trade receivables consist of a large number of clients, the majority of whom are long standing reputable clients with strong trading history with the business. Clients are well diversified across geographical regions as well as product types, thus lowering the concentration risk. The cash flows are also spread throughout the year as the clients are well diversified and the different product types results in different seasons with the cash flows, not happening all at one point in time, thus lowering the concentration risk. Credit is granted to customers in the form of facilities to purchase from KAL Group outlets and not in the form of loan funding. The terms of credit is monthly to seasonal accounts plus limited establishment credit (longer term).

Credit terms, interest rates and other applicable terms are determined based on the calculated risk profile of the credit taker(s). A strict credit policy is followed which includes the ongoing revision of credit limits, security assessments and credit evaluations of the financial position of clients. The credit policy is approved by the finance committee, which meets three times per year to review the credit positions. The largest credit default risks are associated with natural causes or sequestration and are mitigated through these actions. The Group is of the opinion that these measures reduce residual credit risk to acceptable levels. Considering that the vast majority of the trade receivables are associated with the agricultural sector, the recoverability of these financial assets can be negatively influenced by natural disasters, consecutive poor production seasons and lower than expected commodity prices. These factors have been taken into consideration on an individual and collective basis when determining the recoverability of debtors. Steps for collection are immediately implemented if a debtor does not conform to his limit or repayment terms.

25 FINANCIAL RISK MANAGEMENT (CONTINUED)

Trade receivables (continued)

The Group has a specific expected credit loss allowance and a contingency expected credit loss allowance. Refer to note 10 in the accounting policy for more information.

	GROUP	
	2025 R'000	2024 R'000
The total expected credit loss allowance is made up of		
– specific expected credit loss allowance	**(54 221)**	(46 503)
– contingency expected credit loss allowance	**(10 087)**	(10 150)
Balance at the end of the year calculated under IFRS 9	**(64 308)**	(56 653)

The credit risks related to trade receivables are further limited by taking up a wide range of securities as shown below. The nature of the security held is a determining factor in the size of the facility granted, as well as to the value attributed to such security in the credit risk assessment. The value of the securities are determined based on the type of security. The securities that are readily convertible into cash, are for example bank guarantees, deed of pledge, cessions and bonds.

The spread across the different forms of security:

	Surety	**Guarantee/ Indemnity**	**Bond**	**Cession**	**Deed of pledge**	**General**
Security type – 2025	**56%**	**4%**	**11%**	**22%**	**0%**	**7%**
Security type – 2024	58%	5%	11%	22%	1%	3%

General securities include bank guarantees and credit guarantees.

	Rate 2025	Rate 2024	Rate 2023	Rate 2022
Bad debts written off – default rate	**0,26%**	0,41%	0,14%	0,98%

Trade receivables are presented net of the loss allowance recognised. Interest on trade receivables is calculated on a base rate plus a factor for the risk associated with each client. Overdue debtors incur a penalty interest charge.

Trade receivables are divided into the following categories: Debtors within terms and not credit impaired, Debtors outside terms but not credit impaired and Debtors which are credit impaired. The identification of the respective risk categories is based on the agricultural commodity sectors in which the respective debtors operate. Debtors within a specific agricultural commodity sector are considered to have similar risk characteristics.

25 FINANCIAL RISK MANAGEMENT (CONTINUED)

Trade receivables (continued)

	Grain R'000	Fruit R'000	Other Agri R'000	Non-Agri R'000	Total R'000
30 September 2025					
Debtors within terms					
Balance	**610 463**	**806 121**	**425 415**	**239 684**	**2 081 683**
Debtors for which collateral are held	**(560 668)**	**(584 884)**	**(333 311)**	**(68 768)**	**(1 547 631)**
Exposure to credit risk	**49 795**	**221 237**	**92 104**	**170 916**	**534 052**
Debtors outside terms but not credit impaired					
Balance	**54 750**	**83 408**	**65 059**	**3 742**	**206 959**
Debtors for which collateral are held	**(52 484)**	**(76 125)**	**(49 162)**	**(2 000)**	**(179 771)**
Exposure to credit risk	**2 266**	**7 283**	**15 897**	**1 742**	**27 188**
Debtors which are credit impaired					
Balance	**18 230**	**53 815**	**23 194**	**5 593**	**100 832**
Debtors for which collateral are held	**(7 005)**	**(10 692)**	**(5 693)**	**(484)**	**(23 874)**
Exposure to credit risk	**11 225**	**43 123**	**17 501**	**5 109**	**76 958**

The contingency loss allowance per category (included in the total expected credit loss allowance as disclosed below) is as follows:

	Grain R'000	Fruit R'000	Other Agri R'000	Non-Agri R'000	Total R'000
Balance of debtors not specifically provided for	**665 214**	**889 529**	**490 473**	**243 426**	**2 288 641**
Expected credit loss risk factor	**0,48%**	**0,47%**	**0,45%**	**0,22%**	**0,44%**
Total contingency loss allowance	**3 179**	**4 163**	**2 199**	**545**	**10 086**
Total specific loss allowance	**9 903**	**28 158**	**13 606**	**2 554**	**54 221**
Total expected credit loss allowance	**(13 082)**	**(32 321)**	**(15 805)**	**(3 099)**	**(64 307)**
Balance beginning of year	**(13 345)**	**(26 658)**	**(12 452)**	**(4 199)**	**(56 654)**
Provision written back/(created)	**263**	**(5 663)**	**(3 353)**	**1 102**	**7 654**
Total balance	**683 443**	**943 344**	**513 667**	**249 019**	**2 389 474**
Total collateral held	**(620 157)**	**(671 701)**	**(388 166)**	**(71 252)**	**(1 751 276)**
Total loss allowance	**(13 082)**	**(32 321)**	**(15 805)**	**(3 099)**	**(64 308)**

25 FINANCIAL RISK MANAGEMENT (CONTINUED)

Trade receivables (continued)

	Grain R'000	Fruit R'000	Other Agri R'000	Non-Agri R'000	Total R'000
30 September 2024					
Debtors within terms					
Balance	655 557	738 664	400 813	292 421	2 087 455
Debtors for which collateral are held	(592 958)	(546 948)	(302 292)	(68 995)	(1 511 193)
Exposure to credit risk	62 599	191 716	98 521	223 426	576 262
Debtors outside terms but not credit impaired					
Balance	26 277	181 655	69 684	6 267	283 883
Debtors for which collateral are held	(24 996)	(32 097)	(50 612)	(2 418)	(110 123)
Exposure to credit risk	1 281	149 558	19 072	3 849	173 760
Debtors which are credit impaired					
Balance	18 368	30 114	17 597	4 367	70 446
Debtors for which collateral are held	(4 569)	–	(5 139)	(239)	(9 947)
Exposure to credit risk	13 799	30 114	12 458	4 128	60 499

The contingency loss allowance per category (included in the total expected credit loss allowance as disclosed below) is as follows:

	Grain R'000	Fruit R'000	Other Agri R'000	Non-Agri R'000	Total R'000
Balance of debtors not specifically provided for	681 834	920 319	470 497	298 688	2 371 338
Expected credit loss risk factor	0,19%	0,65%	0,42%	0,31%	0,43%
Total contingency loss allowance	1 288	5 944	1 991	927	10 150
Total specific loss allowance	12 056	20 714	10 461	3 272	46 503
Total expected credit loss allowance	(13 344)	(26 658)	(12 452)	(4 199)	(56 653)
Balance beginning of year	(11 222)	(22 021)	(11 420)	(8 598)	(53 261)
Provision written back/(created)	(2 122)	(4 637)	(1 032)	4 399	(3 392)
Total balance	700 202	950 433	488 094	303 055	2 441 784
Total collateral held	(622 523)	(208 848)	(358 043)	(71 652)	(1 261 066)
Total loss allowance	(13 344)	(26 658)	(12 452)	(4 199)	(56 653)

25 FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk

In order to mitigate any liquidity risk that the Group may face, the Group's policy has been to maintain substantial unutilised banking facilities and reserve borrowing capacity. The Group tends to have significant fluctuations in short-term borrowings due to seasonal factors. Consequently, the Group policy requires that sufficient borrowing facilities are available to provide sufficient liquidity during projected peak borrowing periods.

The Financial Stability Board has initiated a fundamental review and reform of the major interest rate benchmarks used globally by financial market participants. This review seeks to replace existing interbank offered rates (IBORs) with alternative risk-free rates ("ARRs") to improve market efficiency and mitigate systemic risk across financial markets. The South African Revenue Bank ("SARB") has indicated their intention to move away from JIBAR and to create an alternative reference rate for South Africa. The SARB has indicated their initial preference for the adoption of the South African Rand Overnight Index Average ("ZARONIA") as the preferred unsecured candidate to replace JIBAR in cash and derivative instruments. ZARONIA has been published for the purposes of observing the rate and how it behaves, but has not been formally adopted by the SARB as the successor rate to JIBAR. Accordingly, there is still uncertainty surrounding the timing and manner in which the transition would occur and how this would affect various financial instruments held by the Group.

	GROUP	
	2025 R'000	2024 R'000
The Group's unutilised borrowing facilities are as follows:		
Total borrowing facilities	**2 285 503**	2 568 771
Interest-bearing debt	**(1 373 031)**	(1 827 615)
	912 472	741 156

The contractual maturity periods of the Group's liabilities on reporting date are as follows:

	Carrying amount R'000	Contractual cash flows R'000	0 to 12 months R'000	13 to 60 months R'000	More than 60 months R'000
30 September 2025					
Non-derivative financial liabilities					
Trade and other payables	**2 135 157**	**2 135 157**	**2 135 157**	**–**	**–**
Financial liability at fair value through profit or loss	**41 437**	**42 535**	**42 535**	**–**	**–**
Lease liabilities	**813 416**	**1 395 114**	**144 606**	**549 121**	**701 388**
Short-term borrowings	**992 529**	**1 088 959**	**1 088 959**	**–**	**–**
Instalment sales agreements	**25 253**	**30 678**	**13 596**	**17 082**	**–**
Financial guarantees	**–**	**90 000**	**90 000**	**–**	**–**
Borrowings	**355 250**	**376 888**	**376 888**	**–**	**–**
	4 363 042	**5 159 331**	**3 891 741**	**566 203**	**701 388**
Derivative financial liabilities/(assets)					
Forward exchange contracts					
Outflow	**578**	**(66 561)**	**(66 561)**	**–**	**–**
Inflow	**(578)**	**66 561**	**66 561**	**–**	**–**
	–	**–**	**–**	**–**	**–**

25 FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk (continued)

	Carrying amount R'000	Contractual cash flows R'000	0 to 12 months R'000	13 to 60 months R'000	More than 60 months R'000
30 September 2024					
Non-derivative financial liabilities					
Trade and other payables	1 967 730	1 967 730	1 967 730	–	–
Financial liability at fair value through profit or loss	37 509	–	–	42 857	–
Lease liabilities*	854 964	1 489 322	141 242	538 319	809 761
Short-term borrowings	1 163 845	1 277 874	1 277 874	–	–
Instalment sales agreements	38 302	43 098	25 235	17 863	–
Financial guarantees	–	90 000	90 000	–	–
Borrowings	625 469	697 643	319 027	378 616	–
	4 687 819	5 565 667	3 821 108	977 655	809 761
Derivative financial liabilities/(assets)					
Forward exchange contracts					
Outflow	(748)	(55 570)	(55 570)	–	–
Inflow	748	55 570	55 570	–	–
	–	–	–	–	–

* *The prior year amounts have been corrected in the current year to exclude the contractual cash flow impact of internal leases at Group level. Total contractual cash flows were overstated with R377,3 million (0 to 12 months: R39,1 million; 13 to 60 months: R153,3 million; more than 60 months: R184,9 million). This change has no impact on any of the primary statements or the results in the prior year.*

The standard credit terms for trade payables are 30 days with the exception that some are deferred to 60 days, it is expected that most trade and other payables will be settled within 0 to 60 days.

Fair value estimation

Investments and derivative financial instruments

Level 1

> Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2

> Inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices);

Level 3

> Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Please refer to the equity risk disclosure for more information regarding the investment in Signafi Capital (Pty) Ltd at fair value. The investment in Signafi Capital (Pty) Ltd is a level 3 financial instrument as the shares are not listed and unobservable. The financial liability at fair value through profit or loss comprising the redemption obligation for a written put option is recorded at fair value.

	GROUP	
	2025 R'000	2024 R'000
Level 3 – Loans	**24 136**	22 756

25 FINANCIAL RISK MANAGEMENT (CONTINUED)

Trade receivables and trade payables

The nominal value of trade receivables, less expected credit losses, and trade payables are assumed to approximate their fair values.

Financial liabilities

The nominal value of financial liabilities for disclosure purposes are assumed to approximate their fair values.

Capital maintenance

The Group considers total equity, which includes share capital, reserves and treasury shares, as capital. The ratio between capital and debt is the capital ratio. Debt includes short-term borrowings. The Group's objective with the management of the capital ratio is to ensure that the Group continues to trade as a going concern and to create wealth for its shareholders and other stakeholders. The influence on the capital ratio is considered with decisions on the declaration of dividends, repurchase of shares, issue of shares, purchase and disposal of assets and investments and the acquiring or repayment of debt. The movement in capital is presented in the Statement of changes in equity.

	GROUP	
	2025	2024
Ratios		
Total shareholders' equity: Total assets employed	**42,7%**	39,2%
Net interest-bearing debt: Total assets employed	**16,3%**	20,1%
EBITDA: Net assets	**21,7%**	21,9%

Net interest-bearing debt includes bank borrowings and cash balances.

EBITDA is the headline earnings before interest, tax, depreciation and amortisation.

Net assets are total assets less total liabilities.

	GROUP	
	2025 R'000	2024 R'000
26 LOW VALUE AND SHORT-TERM LEASE COMMITMENTS		
Lease payments		
Payable within one year	**11 012**	11 846
Payable between one and five years	**6 467**	6 171
	17 479	18 017
Within various lease contracts, the Group has the option to renew.		
27 CAPITAL COMMITMENTS		
Contracted	**160 490**	85 230

These commitments have been approved by the board of directors. The commitments will be financed by own and borrowed funds. The Group remains focused on disciplined cash management, specifically in the areas of working capital, capital expenditure and cost control.

	GROUP	
	2025 **R'000**	2024 R'000

28 REVENUE FROM CONTRACTS WITH CUSTOMERS

	2025 R'000	2024 R'000
Sales of goods	**19 984 298**	21 440 662
– Agrimark	**8 061 483**	7 592 386
– PEG	**11 042 999**	12 694 576
– Agrimark Grain	**651 149**	939 012
– Manufacturing	**228 667**	214 688
Sale of services	**134 075**	135 702
– Agrimark	**27 221**	28 079
– Agrimark Grain	**106 854**	107 623
Margin on direct transactions	**186 827**	158 560
– Agrimark	**183 629**	154 948
– Agrimark Grain	**3 198**	3 612
	20 305 200	21 734 924

Refer to note 16 in the accounting policy and note 45 for details regarding the different revenue streams.

29 OTHER OPERATING INCOME

	2025 R'000	2024 R'000
Interest received	**171 950**	195 468
– Trade receivables that are not impaired	**167 937**	189 809
– Trade receivables that are impaired	**634**	1 628
– Banks	**28**	80
– Finance income on the net investment in finance lease	**472**	–
– Other	**2 879**	3 951
Profit on sale of property, plant and equipment	**3 568**	685
Profit on sale of investment in subsidiary	**4 146**	–
Transport income	**–**	13 655
Rent received	**14 312**	15 212
Bad debts recovered	**81**	248
Manufacturing income	**2 797**	2 927
AgriSETA and Employment Tax Incentive (ETI) income	**4 367**	3 863
Training income	**544**	508
Weighbridge income	**695**	783
Commission received	**8 721**	9 034
Profit with termination of IFRS 16 lease contracts	**1 102**	3 727
Other income	**28 613**	20 174
	240 896	266 284

	GROUP	
	2025 R'000	2024 R'000

30 EXPENSES BY NATURE

	2025 R'000	2024 R'000
Cost of products sold	**17 062 982**	18 611 811
Foreign exchange differences	**–**	229
Depreciation	**157 377**	172 582
Amortisation of intangible assets	**14 182**	5 465
Directors' emoluments	**16 769**	15 870
Staff costs	**1 295 114**	1 234 008
– Salaries, wages and bonuses	**1 204 718**	1 122 011
– Equity settled management share incentive scheme	**6 371**	18 258
– Employer's contribution to pension fund (defined contribution plan)	**59 196**	59 420
– Employer's contribution to medical benefits	**2 450**	2 379
– Movement in provision for post-retirement medical benefits	**(469)**	881
– Increase in provision for leave	**9 779**	14 247
– Training expenses	**13 069**	16 812
Skills development levy	**11 179**	28 271
Auditor's remuneration	**13 119**	11 354
– For audit	**12 639**	10 689
– Other services	**31**	–
– Under provision previous year	**449**	665
Rent paid	**179 286**	178 061
– Buildings (variable lease payments)	**161 763**	161 165
– Vehicles	**4 463**	4 132
– Machinery and equipment	**13 060**	12 764
Other occupancy expenses	**293 824**	278 164
– Repairs and maintenance	**60 098**	52 961
– Water, electricity and municipal services	**177 099**	172 742
– Insurance and security	**56 627**	52 461
Information technology expenses	**103 654**	95 828
Marketing related expenses	**183 019**	206 671
Transport/distribution	**90 842**	93 432
Other administrative expenses	**144 083**	142 158
Corporate transactions related expenses	**2 467**	–
Impairment of assets	**41 353**	–
Loss with sale of investment in subsidiary	**26 062**	–
Other expenses	**44 102**	47 141
	19 679 414	21 121 045

	Number	Number
Number of employees in service at year-end	**6 848**	6 842

31 REMUNERATION PAID TO DIRECTORS

	Salary R'000	Bonuses R'000	Share Incentive Scheme vested R'000	Pension contri-butions R'000	Directors' fees R'000	Expense allowance R'000	Total R'000
2025							
Executive directors							
G W Sim	**4 293**	**–**	**3 307**	**323**	**–**	**7**	**7 929**
S Walsh	**6 632**	**–**	**7 251**	**499**	**–**	**36**	**14 418**
	10 925	**–**	**10 558**	**822**	**–**	**43**	**22 347**
Non-executive directors							
I Chalumbira					**58**	**16**	**74**
D du Toit					**550**	**3**	**553**
T Kabalin					**464**	**4**	**468**
B Mathews					**443**	**4**	**447**
JH le Roux*					**579**	**2**	**581**
EA Messina					**821**	**1**	**823**
CA Otto					**871**	**5**	**876**
AJ Mouton					**304**	**3**	**307**
GM Steyn					**931**	**2**	**933**
					5 021	**40**	**5 062**
Total							**27 409**
2024							
Executive directors							
GW Sim	4 087	–	2 775	308	–	12	7 182
S Walsh	6 337	–	6 107	477	–	81	13 002
	10 424	–	8 882	785	–	93	20 184
Non-executive directors							
I Chalumbira					221	7	228
BS du Toit					193	1	194
D du Toit					524	3	527
T Kabalin					110	1	111
JH le Roux*					552	2	554
B Mathews					420	2	422
EA Messina					780	2	782
CA Otto					829	4	833
AJ Mouton					145	3	148
GM Steyn					887	–	887
					4 661	25	4 686
Total							24 870

The terms of service of the executive directors are coupled to their terms of service as employees, while the non-executive directors rotate on a three-year basis. No director or employee has a fixed-term contract with the Group. The remuneration of the non-executive directors consists of a fixed annual remuneration for services as a director, an additional fixed remuneration for duties on committees and reimbursement for travelling and other costs. The remuneration of executive directors consists of remuneration as employees, and they receive no additional remuneration as directors.

There are no further prescribed officers in the view of the Board.

* *Payable to Zeder Corporate Services (Pty) Ltd*

32 DIRECTORS' EQUITY SETTLED SHARE INCENTIVE SCHEME OPTIONS

	Grant date	Vesting date	Exercise price	Fair value at grant date	**Share options 2025**	Share options 2024
S Walsh	*Old LTI scheme*					
	15 January 2020	1 October 2024	27,31	6,48	**–**	194 232
	12 January 2021	1 October 2024	24,53	6,23	**–**	37 647
	20 January 2022	1 October 2024	44,44	13,51	**–**	58 756
	12 January 2021	1 October 2025	24,53	6,74	**37 647**	37 647
	20 January 2022	1 October 2025	44,44	15,34	**58 756**	58 756
	20 January 2022	1 October 2026	44,44	16,72	**58 756**	58 756
	LTIP scheme – Nil Cost Option ("NCO")					
	29 September 2022	29 September 2025	–	31,02	**–**	133 115
	29 September 2022	29 September 2026	–	28,90	**133 115**	133 115
	29 September 2022	29 September 2027	–	26,74	**133 115**	133 115
	24 May 2023	24 May 2025	–	32,45	**–**	68 091
	24 May 2023	24 May 2026	–	30,71	**68 092**	68 092
	24 May 2023	24 May 2027	–	28,97	**68 091**	68 091
	24 May 2023	24 May 2028	–	27,24	**68 092**	68 092
	24 May 2024	24 May 2026	–	44,00	**64 092**	64 092
	24 May 2024	24 May 2027	–	41,73	**64 093**	64 093
	24 May 2024	24 May 2028	–	39,29	**64 093**	64 093
	24 May 2024	24 May 2029	–	36,71	**64 093**	64 093
	24 May 2025	24 May 2027	–	35,45	**73 116**	–
	24 May 2025	24 May 2028	–	33,35	**73 116**	–
	24 May 2025	24 May 2029	–	31,13	**73 116**	–
	24 May 2025	24 May 2030	–	28,80	**73 116**	–
GW Sim	*Old LTI scheme*					
	15 January 2020	1 October 2024	27,31	6,48	**–**	77 378
	12 January 2021	1 October 2024	24,53	6,23	**–**	19 253
	20 January 2022	1 October 2024	44,44	13,51	**–**	28 440
	12 January 2021	1 October 2025	24,53	6,74	**19 253**	19 253
	20 January 2022	1 October 2025	44,44	15,34	**28 440**	28 440
	20 January 2022	1 October 2026	44,44	16,72	**28 440**	28 440
	LTIP scheme – Nil Cost Option ("NCO")					
	29 September 2022	29 September 2025	–	31,02	**–**	63 460
	29 September 2022	29 September 2026	–	28,90	**63 460**	63 460
	29 September 2022	29 September 2027	–	26,74	**63 460**	63 460
	24 May 2023	24 May 2025	–	32,45	**–**	35 605
	24 May 2023	24 May 2026	–	30,71	**35 606**	35 606
	24 May 2023	24 May 2027	–	28,97	**35 605**	35 605
	24 May 2023	24 May 2028	–	27,24	**35 606**	35 606
	24 May 2024	24 May 2026	–	44,00	**33 612**	33 612
	24 May 2024	24 May 2027	–	41,73	**33 613**	33 613
	24 May 2024	24 May 2028	–	39,29	**33 612**	33 612
	24 May 2024	24 May 2029	–	36,71	**33 613**	33 613
	24 May 2025	24 May 2027	–	35,45	**38 437**	–
	24 May 2025	24 May 2028	–	33,35	**38 437**	–
	24 May 2025	24 May 2029	–	31,13	**38 437**	–
	24 May 2025	24 May 2030	–	28,80	**38 437**	–

For more information on the equity settled share incentive scheme refer to note 18.

	GROUP	
	2025 R'000	2024 R'000

33 FINANCE COSTS

Banks and other	**148 255**	184 999
Lease liabilities	**91 414**	70 288
Redemption liabilities (refer to note 15)(non-cash)	**3 928**	4 373
	243 597	259 660

34 INCOME TAX

Tax expenditure:		
Current taxation – current year	**(231 954)**	(210 284)
Current taxation – previous year over provided	**(65)**	(80)
Deferred taxation – current year	**38 853**	20 119
Taxation for the year	**(193 166)**	(190 245)

	%	%
The tax on the company's profit before tax differs from the theoretical amount that would arise using the statutory rate as follows:		
Statutory tax rate	**27,00**	27,00
Adjusted for:		
Non-deductible expenses of a capital nature	**3,76**	3,95
Non-taxable Employment Tax Incentive	**(0,16)**	(0,20)
Learnership allowances	**(0,83)**	(0,65)
Capital gain on sale of assets	**0,87**	–
Share in profit of joint venture	**(0,52)**	(0,47)
Over provision previous year	**0,01**	0,01
Different tax rates used in companies	**0,03**	0,02
Effective rate	**30,16**	29,66

Non-deductible expenses of a capital nature include legal, consultation fees relating to new business development, impairment of goodwill and non-deductible interest.

35 EARNINGS PER SHARE

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Group and held as treasury shares.

Reconciliation between earnings and headline earnings

	GROUP 2025 R'000	GROUP 2024 R'000
Net profit	**447 241**	451 097
Attributable to shareholders of the holding Company	**402 712**	395 316
Non-controlling interest	**44 529**	55 781
Net profit/(loss) on disposal of assets	**16 030**	(500)
Gross	**18 348**	(685)
Tax effect	**(2 318)**	185
Impairment of assets	**30 188**	–
Gross	**41 353**	–
Tax effect	**(11 165)**	–
Headline earnings	**493 459**	450 597
Attributable to shareholders of the holding Company	**438 477**	394 836
Non-controlling interest	**54 982**	55 761
Non-recurring items	**2 467**	–
Non-recurring expenses	**2 467**	–
Recurring headline earnings	**495 925**	450 597
Attributable to shareholders of the holding Company	**440 943**	394 836
Non-controlling interest	**54 982**	55 761

	GROUP 2025 R'000	GROUP 2024 R'000
	Number	
Weighted average number of ordinary shares ('000)	**70 611**	70 308
Weighted average number of diluted ordinary shares ('000)	**70 611**	70 308
	Cents	
Earnings per share	**570,33**	562,26
Diluted earnings per share	**570,33**	562,26
Headline earnings per share	**620,98**	561,58
Diluted headline earnings per share	**620,98**	561,58
Recurring headline earnings per share	**624,47**	561,58

Headline earnings are calculated based on Circular 1/2023 issued by SAICA.

Non-recurring expenses consists predominantly of costs associated with corporate transactions (legal and external consultation costs).

	GROUP 2025 R'000	GROUP 2024 R'000

36 DIVIDEND PER SHARE

	2025 R'000	2024 R'000
Interim		
56,00 cents per share (2024: 54,00 cents per share)	**39 543**	38 130
Final		
154,00 cents per share (2024: 126,00 cents per share)	**108 741**	88 970
	148 284	127 100

Dividends payable are not accounted for until they have been declared by the Board of directors. The Statement of Changes in Equity does not reflect the final dividend payable in respect of the current year. The final dividend for the year ended 30 September 2025 will be accounted for as an appropriation of retained profit in the year ending 30 September 2026.

37 NET CASH GENERATED FROM OPERATING ACTIVITIES

	2025 R'000	2024 R'000
Operating profit per income statement	**852 099**	866 837
Adjusted for:		
– Interest received	**(171 478)**	(195 468)
– Depreciation	**157 377**	172 582
– Amortisation of intangible assets	**14 182**	5 465
– Profit on disposal of property, plant and equipment	**(3 568)**	(685)
– Loss on disposal of investment in subsidiary	**21 916**	–
– Profit on modifications of IFRS 16	**(1 102)**	(3 727)
– Finance income on the net investment in finance lease	**(472)**	–
– Impairment of assets	**41 353**	–
– (Decrease)/Increase in share-based payment reserve	**(21 402)**	18 258
– Increase/(decrease) in provisions	**44 691**	(14 857)
	933 596	848 405

38 WORKING CAPITAL CHANGES

	2025 R'000	2024 R'000
(Increase)/decrease in inventory	**(11 148)**	196 926
(Increase)/decrease in trade and other receivables	**(45 127)**	126 566
Increase/(decrease) in trade and other payables	**188 572**	(274 931)
	132 297	48 561

39 INCOME TAX PAID

	2025 R'000	2024 R'000
Balance owing at the beginning of the year	**3 377**	(11 292)
Derecognition of subsidiary	**3 173**	–
Assets held for sale	**1 238**	–
Income tax expense in income statement	**(231 258)**	(210 363)
Balance owing at the end of the year	**(496)**	(3 377)
	(223 966)	(225 032)

	GROUP 2025 R'000	GROUP 2024 R'000

40 DECREASE IN OVERDRAFT FACILITY/ SHORT-TERM BORROWINGS

	2025 R'000	2024 R'000
Opening balance	**1 162 419**	1 014 885
Sale of subsidiary	**(1 425)**	–
Asset held for sale	**402**	–
Drawdowns	**18 669 076**	18 859 919
Repayments	**(18 937 985)**	(18 818 939)
Interest	**98 617**	107 979
Closing balance	**991 104**	1 163 844

41 REPAYMENT OF INSTALMENT SALE AGREEMENTS

	2025 R'000	2024 R'000
Opening balance	**38 301**	59 857
Assets held for sale	**(1 465)**	–
New instalment sale agreements	**11 847**	9 348
Capital repayment	**(23 430)**	(30 904)
Instalments	**(26 974)**	(36 594)
Interest	**3 544**	5 690
Closing balance	**25 253**	38 301

42 LEASE PAYMENTS

	2025 R'000	2024 R'000
Opening balance	**854 965**	637 554
New leases	**14 868**	159 751
Assets classified as held for sale	**–**	56 418
Modifications and cancellations	**(764)**	62 463
Capital repayment	**(55 653)**	(61 221)
Lease payments	**(147 067)**	(131 508)
Interest	**91 414**	70 287
Closing balance	**813 416**	854 965

43 DECREASE IN BORROWINGS

	2025 R'000	2024 R'000
Opening balance	**625 469**	877 921
Interest non-cash flow	**(2 031)**	(577)
Repayment	**(268 188)**	(251 875)
Closing balance	**355 250**	625 469

44 INTEREST IN RELATED ENTITIES

	NUMBER OF ISSUED SHARES		SHAREHOLDING (%)	
	2025	2024	**2025**	2024
Name of subsidiary				
Directly held:				
Shares held by KAL Group Limited				
Agrimark Operations Limited	**74 170 277**	74 170 277	**100,00**	100,00
PEG Retail Operations (Pty) Ltd	**125 825 126**	–	**58,20**	–
Agriplas (Pty) Ltd	**7 000**	7 000	**100,00**	100,00
Tego Plastics (Pty) Ltd	**–**	400	**–**	100,00
KAL Corporate Services (Pty) Ltd	**100**	100	**100,00**	100,00
Partridge Building Supplies (Pty) Ltd	**14 400**	14 400	**15,00**	15,00
Shares held by Agrimark Operations Limited				
PEG Retail Operations (Pty) Ltd	**–**	125 825 126	**–**	58,20
Agrimark Operations Aussenkehr (Pty) Ltd	**100**	100	**100,00**	100,00
Partridge Building Supplies (Pty) Ltd	**14 400**	14 400	**85,00**	85,00
Shares held by PEG Retail Operations (Pty) Ltd				
PEG Retail Holdings (Pty) Ltd	**6 667**	6 667	**100,00**	100,00
Indirectly held:				
Shares held by Empowerment and Transformation Investments (Pty) Ltd				
PEG Retail Operations (Pty) Ltd	**125 825 126**	125 825 126	**3,19**	3,19
Name of joint venture				
Shares held by Agrimark Operations Limited				
Agrimark Operations Namibia (Pty) Ltd	**502**	502	**50,00**	50,00

The shares indirectly held are held by an empowerment trust which, for accounting purposes, is considered to be controlled by the Group as the Group has the ability to direct the relevant activities of the trust and, as such, it is consolidated by the Group.

44 INTEREST IN RELATED ENTITIES (CONTINUED)

Details of non-wholly owned subsidiaries that have material non-controlling interests ("NCI").

	2025 R'000	2024 R'000
PEG Retail Operations Group		
Ownership held by NCI (%)	**38,61%**	38,61%
Accumulated NCI interest in statement of financial position	**197 301**	184 783
Profit allocated to NCI	**18 719**	29 969
Summarised financial information in respect of the Group's subsidiaries that have material NCI is set out below.		
The summarised financial information below represents amounts before inter-group eliminations.		
Non-current assets	**2 380 241**	2 458 877
Current assets	**498 601**	490 541
Non-current liabilities	**(817 732)**	(1 254 538)
Current liabilities	**(1 511 999)**	(1 211 943)
Revenue	**11 048 972**	12 705 769
Profit for the year	**115 648**	105 756
Net cash inflow from operating activities	**303 584**	308 759
Net cash outflow from investing activities	**(41 031)**	(20 817)
Net cash outflow from financing activities	**(275 161)**	(296 487)
Decrease in cash and cash equivalents	**(13 198)**	(8 545)
Dividends paid	**(24 419)**	(25 104)
Included in the PEG Retail Operations Group figures above is the subsidiary, PEG Retail Holdings (Pty) Ltd.		
PEG Retail Holdings Consolidated Group		
Ownership held by NCI (%)	**14,36%**	16,67%
Accumulated NCI interest in statement of financial position	**32 610**	27 695
Profit allocated to NCI	**25 809**	25 812
Summarised financial information in respect of the Group's subsidiaries that have material NCI is set out below.		
The summarised financial information below represents amounts before inter-group eliminations.		
Non-current assets	**459 434**	381 775
Current assets	**329 570**	345 251
Non-current liabilities	**(135 881)**	(144 363)
Current liabilities	**(931 636)**	(793 263)
Revenue	**7 582 052**	8 076 962
Profit for the period	**179 781**	154 801
Net cash inflow from operating activities*	**223 762**	215 523
Net cash (outflow)/inflow from investing activities*	**(63 330)**	(36 184)
Net cash outflow from financing activities*	**(203 722)**	(208 457)
Net decrease in cash and cash equivalents*	**(43 290)**	(29 118)
Dividends paid*	**(22 501)**	(21 276)

* *The prior year amounts have been corrected in the current year to agree with the signed 2024 Annual financial statements of PEG Retail Holdings.*
The impact can be summarised as follow:

	Original balance R'000	*Restated balance R'000*	*Restatement R'000*
Net cash inflow from operating activities	*184 337*	*215 523*	*31 186*
Net cash (outflow)/inflow from investing activities	*25 878*	*(36 184)*	*(62 062)*
Net cash outflow from financing activities	*(212 178)*	*(208 457)*	*3 721*
Net decrease in cash and cash equivalents	*(1 962)*	*(29 118)*	*(27 156)*
Dividends paid	*(206 426)*	*(21 276)*	*185 150*

This change has no impact on any of the primary statements or the results in the prior year.

45 INFORMATION ABOUT OPERATING SEGMENTS

Management has determined the operating segments based on the reports reviewed by the Executive Committee (whom are considered to be the Chief Operating Decision Maker (CODM)) that are used to make strategic decisions as well as the fact that they share similar economic characteristics. The Executive Committee considers the business from a divisional perspective. The performance of the following divisions are separately considered: Agrimark, PEG, Agrimark Grain as well as Manufacturing. The performance of the operating segments are assessed based on a measure of revenue and net profit before taxation.

Agrimark provides a complete range of production inputs, mechanisation equipment and services, and other goods to agricultural producers as well as the general public.

PEG provides a full retail fuel offering to a diverse range of customers and includes convenience store and quick service restaurant outlets.

Agrimark Grain includes the sale of grain products and provides a complete range of services including storage and handling of grain products.

Manufacturing, manufactures and sells dripper pipe, other irrigation equipment, food grade plastic bulk bins for the agricultural market and distributes other irrigation parts.

Corporate includes all assets and liabilities not specifically used by the other identified segments to generate income or expenses.

	GROUP			
	SEGMENT REVENUE		SEGMENT PROFIT BEFORE TAX	
	2025 R'000	2024 R'000	**2025 R'000**	2024 R'000
Segment revenue and profit before tax				
Agrimark	**8 272 333**	7 775 413	**486 221**	431 040
PEG	**11 042 999**	12 694 576	**147 731**	204 887
Agrimark Grain	**761 201**	1 050 247	**64 222**	62 915
Manufacturing	**228 667**	214 688	**6 529**	987
Total for reportable segments	**20 305 200**	21 734 924	**704 703**	699 829
Corporate	**–**	–	**(64 296)**	(58 487)
Total external revenue	**20 305 200**	21 734 924	**–**	–
Profit before tax			**640 407**	641 342
Income tax			**(193 166)**	(190 245)
Profit after tax			**447 241**	451 097

Included in the Agrimark segment's results is a share in profit of joint venture of R12,4 million (2024: profit of R10,4 million). Refer to note 7.

The following inter-segmental sales were removed at consolidation level as these represent intergroup transactions. Manufacturing sales to Agrimark R72,4 million. PEG sales to Agrimark R5,7 million. PEG sales to Manufacturing R250 380. Agrimark sales to PEG R43,6 million. Agrimark sales to Manufacturing R894 474.

	GROUP			
	SEGMENT ASSETS		SEGMENT LIABILITIES	
	2025 R'000	2024 R'000	**2025 R'000**	2024 R'000
Segment assets and liabilities				
Agrimark	**4 914 040**	4 578 429	**2 221 202**	2 004 032
PEG	**2 774 250**	3 048 772	**2 201 021**	2 465 764
Agrimark Grain	**100 748**	92 329	**29 415**	26 315
Manufacturing	**160 788**	326 474	**73 248**	291 857
Total for reportable segments	**7 949 826**	8 046 004	**4 524 886**	4 787 968
Corporate	**205 310**	117 644	**46 978**	28 076
Deferred taxation	**74 718**	51 314	**20 879**	17 104
	8 229 854	8 214 962	**4 592 743**	4 833 148

Included in the Agrimark segment's assets is an Investment in Joint Venture of R73,4 million (2024: R61,0 million). Refer to note 7.

45 INFORMATION ABOUT OPERATING SEGMENTS (CONTINUED)

	GROUP			
	CAPITAL EXPENSES		DEPRECIATION	
	2025 R'000	2024 R'000	**2025 R'000**	2024 R'000
Other segment information				
Agrimark	**67 899**	61 482	**51 622**	55 538
PEG	**36 064**	47 329	**77 185**	78 644
Agrimark Grain	**9 053**	17 681	**6 412**	7 156
Manufacturing	**1 328**	3 510	**10 253**	11 862
Total for reportable segments	**114 344**	130 002	**145 472**	153 200
Corporate	**28 303**	33 316	**11 905**	19 382
	142 647	163 318	**157 377**	172 582

	GROUP			
	COST OF SALES		INVENTORY	
	2025 R'000	2024 R'000	**2025 R'000**	2024 R'000
Other segment information				
Agrimark	**7 083 669**	6 559 944	**1 213 860**	1 207 103
PEG	**9 365 920**	10 991 441	**149 769**	146 813
Agrimark Grain	**626 091**	1 074 721	**584**	570
Manufacturing	**139 153**	135 281	**81 617**	97 570
Total for reportable segments	**17 214 833**	18 761 387	**1 445 830**	1 452 056

	GROUP			
	SELLING AND DISTRIBUTION COSTS		EMPLOYEE COSTS	
	2025 R'000	2024 R'000	**2025 R'000**	2024 R'000
Other segment information				
Agrimark	**104 594**	103 385	**586 973**	548 981
PEG	**42 300**	70 757	**629 871**	608 776
Agrimark Grain	**9 726**	10 955	**28 552**	29 545
Manufacturing	**9 468**	10 080	**49 716**	46 706
Total for reportable segments	**166 088**	195 177	**1 295 112**	1 234 008

Geographical revenue for the Group is attributed to countries on the basis of the customers' location. No single customer contributes more than 10% of the Group's revenue.

Geographical revenue for the Group is as follows:

	GROUP	
	2025 R'000	2024 R'000
South Africa	**20 200 176**	21 648 032
Namibia	**105 024**	86 892
Total	**20 305 200**	21 734 924
Non-current assets (excluding deferred taxation) are located in the following countries:		
South Africa	**3 771 984**	3 913 355
Namibia	**61 387**	18 389
Total	**3 833 371**	3 931 744

46 CONTINGENT LIABILITY

With the sale of interest in subsidiary (refer note 51) the Group entered into a manufacturing agreement with a third party to purchase a minimum quantity of goods for resale for a period of five years. The value of the contingent liability over the five year period is expected to be approximately R23,3 million per year. This does not take into account the resale value, only the purchase commitment value.

47 GOING CONCERN

Based on the financial statements, the present financial position of the Group, budgets for the coming year and available financing facilities, the directors have no reason to believe that the Group will not be a going concern. The going concern principle is therefore accepted and applied in the preparation of the financial statements.

48 EVENTS AFTER REPORTING DATE

A gross final dividend of 154,00 cents (2024: 126,00 cents) per share has been approved and declared by the Board from income reserves, for the year ended 30 September 2025.

The directors are not aware of any further matters or circumstances that occurred since the end of the financial year up to the date of this report that have not been dealt with in the report or financial statements, and which may have a significant influence on the activities of the group or the results of those activities.

49 RECONCILIATION OF MOVEMENTS IN CARRYING VALUE

	Total R'000	Land and buildings R'000	Grain silos R'000	Machinery and equipment R'000	Vehicles R'000	Office furniture and equipment R'000	Assets under construction R'000
30 September 2025							
Carrying value at 1 October 2024	**1 435 774**	**936 610**	**39 089**	**257 298**	**56 161**	**111 524**	**35 092**
Additions	**121 551**	**28 730**	**–**	**14 560**	**12 912**	**41 636**	**23 713**
Additions through business combinations	**1 642**	**–**	**–**	**–**	**–**	**–**	**1 642**
Derecognised on sale of subsidiary	**(55 861)**	**–**	**–**	**(55 721)**	**–**	**(134)**	**(6)**
Assets held for sale	**(13 981)**	**–**	**–**	**(8 238)**	**(1 438)**	**(4 305)**	**–**
Transfers	**–**	**3 259**	**–**	**7 356**	**–**	**815**	**(11 430)**
Disposals	**(52 842)**	**(47 415)**	**–**	**(1 793)**	**(3 407)**	**(227)**	**–**
Reclassification to intangible assets	**(33 755)**	**–**	**–**	**–**	**–**	**(33 755)**	**–**
Depreciation	**(71 613)**	**(1 683)**	**(3 434)**	**(35 296)**	**(9 587)**	**(21 613)**	**–**
Carrying value 30 September 2025	**1 330 915**	**919 500**	**35 655**	**178 165**	**54 642**	**93 942**	**49 011**
30 September 2024							
Carrying value at 1 October 2023	1 412 006	868 950	38 079	263 818	54 771	130 021	56 367
Additions	120 363	36 075	4 710	37 813	10 931	9 361	21 473
Assets held for sale	5 456	–	–	4 139	–	1 317	–
Transfers	–	33 297	–	6 350	–	1 645	(41 292)
Disposals	(16 180)	–	–	(13 793)	(531)	(400)	(1 456)
Depreciation	(85 871)	(1 712)	(3 700)	(41 029)	(9 010)	(30 420)	–
Carrying value 30 September 2024	1 435 774	936 610	39 089	257 298	56 161	111 524	35 092

50 BUSINESS COMBINATIONS

In line with the Group's growth strategy to acquire businesses in the fuel sector, certain retail fuel operations were acquired. Goodwill on acquisition was paid on these businesses which represents synergies within the Group and have future earnings potential.

In the PEG segment, improved synergies contribute to either a lower cost per litre to serve or a higher cents per litre income, thus enhancing returns on invested capital. Synergies exist as a result of:

- Shared operational structures
- Improved systems that can be utilised across all fuel sites
- Improved skills applied by management team
- Alignment of franchise trading terms
- Enhanced logistical services

Based on the purchases in the fuel sector a provisional purchase price allocation ("PPA") as required by IFRS 3: Business combinations was performed and no other intangible assets (other than goodwill) were identified. The Group assessed all intangible assets that can typically be expected in a business combination of this nature, the most relevant of which are tradenames and customer relations. No tradename was recognised as there was no tradename acquired as part of these transactions. In addition, any payments made in relation to the brand are considered to be market related. No customer relations were recognised as the Group did not acquire any customer list, they are commercial sites offering products to clients that could be purchased anywhere.

The Group acquired the following assets through business combinations in the fuel sector:

- Sherwoods 1-Plus – July 2025
- Shell Ultra City Klerksdorp – September 2025

The assets and liabilities at the date of acquisition can be summarised as follows:

	TOTAL R'000	SHERWOODS 1-PLUS R'000	SHELL ULTRA CITY KLERKSDORP R'000
Fair value			
Assets			
Plant and equipment	1 642	–	1 642
Net identifiable assets acquired	1 642	–	1 642
Add: Goodwill	26 394	12 800	13 594
Net assets acquired	28 036	12 800	15 236
Purchase consideration			
– Paid in cash (current year)	13 162	11 520	1 642
– Paid in cash (previous year)	1 280	1 280	–
– Payable raised	13 594	–	13 594
Shareholding held by PEG Retail Holdings Proprietary Limited		100%	100%

51 SALE OF INTEREST IN SUBSIDIARY

	TOTAL R'000	SUMMERVILLE TRADING 13 T/A BP M1 OASIS R'000	TEGO PLASTICS (PTY) LTD R'000
Fair value			
Assets			
Plant and equipment	55 861	309	55 552
Intangible assets	2 500	2 500	–
Deferred tax	18 164	189	17 975
Inventory	21 806	886	20 920
Trade and other receivables	2 603	100	2 503
Cash and cash equivalents	2 461	–	2 461
Liabilities			
Trade and other payables	(3 356)	(1 626)	(1 730)
Short-term borrowings	(1 425)	(1 425)	–
Income tax	(3 934)	–	(3 934)
Net identifiable assets sold	94 680	933	93 747
Less: Non-controlling interest	(103)	(103)	–
Net assets sold	94 577	830	93 747
Profit/(loss) on disposal of investment in subsidiary	(21 916)	4 146	(26 062)
Proceeds on disposal of subsidiary	72 661	4 976	67 685
Proceeds – cash	44 976	4 976	40 000
Deferred receivable	27 685	–	27 685

During the year the most material sale of subsidiaries related to the sale of Tego Plastics (Pty) Ltd. Tego Plastics (Pty) Ltd was sold as part of KAL Group's intention to exit non-core manufacturing operations and concentrate on its core Agrimark and PEG Operations as part of its F30 strategy. The Tego sale transaction was concluded on 30 September 2025. The fuel site BP M1 Oasis was sold due to the site not achieving the necessary return on the invested capital.

KAL Group Limited

Statement of financial position

at 30 September

	Notes	COMPANY 2025 R'000	2024 R'000
ASSETS			
Non-current assets			
Investment in subsidiary companies	2	**959 463**	819 988
		959 463	819 988
Current assets			
Trade and other receivables	3	**7 500**	–
Loan to subsidiary company	5	**–**	713
		7 500	713
Assets classified as held for sale	13	**43 486**	–
Total assets		**1 010 449**	820 701
EQUITY AND LIABILITIES			
Capital and reserves			
Stated Capital	4	**466 051**	466 051
Retained profit		**537 690**	354 650
Total equity		**1 003 741**	820 701
Current liabilities			
Trade and other payables	6	**6 708**	–
		6 708	–
Total liabilities		**6 708**	–
Total equity and liabilities		**1 010 449**	820 701

Statement of comprehensive income

for the year ended 30 September

	Notes	COMPANY 2025 R'000	2024 R'000
Revenue	9	**544 666**	136 112
Other income		**5 062**	4 686
Administrative expenses*		**(5 062)**	(4 686)
Loss with sale of investment in subsidiary		**(227 040)**	–
Profit before taxation		**317 626**	136 112
Income tax	10	**–**	–
Net profit for the year		**317 626**	136 112

* *The administrative expenses relate to the directors costs of KAL Group Limited paid through the subsidiary company and subsequently recovered.*

Statement of changes in equity

for the year ended 30 September

	COMPANY	
	Stated Capital R'000	Retained Profit R'000
Balance 30 September 2023	466 051	354 604
Net profit for the year	–	136 112
Dividend declared	–	(136 066)
Balance 30 September 2024	**466 051**	**354 650**
Net profit for the year	**–**	**317 626**
Dividend declared	**–**	**(134 586)**
Balance 30 September 2025	**466 051**	**537 690**

Notes to the financial statements

for the year ended 30 September

1 ACCOUNTING POLICIES

The principal accounting policies incorporated in the preparation of these financial statements, are set out on pages 165 to 181, these are consistent with that of the Group unless otherwise indicated.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The area below involves a higher degree of judgement or complexity, or is an area where assumptions and estimates are significant to the financial statements of the company.

Investment in subsidiaries are tested for impairment indicators on an annual basis.

	COMPANY	
	2025 R'000	2024 R'000
2 INVESTMENT IN SUBSIDIARY COMPANY		
Unlisted:		
Agrimark Operations Limited		
Number of issued shares: 74 170 277 (2024: 74 170 277)		
Shareholding: 100% (2024: 100%)		
Shares at cost	**634 708**	634 708
PEG Retail Operations (Pty) Ltd*		
Number of issued shares: 125 825 126 (2024: Nil)		
Shareholding: 58,20% (2024: 0%)		
Shares at cost	**324 001**	–
Opening balance	**–**	–
Investment in subsidiary – unbundling	**324 001**	–
Agriplas (Pty) Ltd**		
Number of issued shares: 7 000 (2024: 7 000)		
Shareholding: 100% (2024: 100%)		
Shares at cost	**–**	43 486
Opening balance	**43 486**	43 486
Asset held for sale	**(43 486)**	–
Tego Plastics (Pty) Ltd***		
Number of issued shares: Nil (2024: 1 000)		
Shareholding: 0% (2024: 100%)		
Shares at cost	**–**	141 040
Opening balance	**141 040**	141 040
Additional shares purchased	**133 500**	–
Sale of shares	**(274 540)**	–
KAL Corporate Services (Pty) Ltd		
Number of issued shares: 100 (2024: 100)		
Shareholding: 100% (2024: 100%)		
Shares at cost	**–**	–
Partridge Building Supplies (Pty) Ltd		
Number of issued shares: 2 160 (2024: 2 160)		
Shareholding: 15% (2024: 15%)		
Shares at cost	**754**	754
The Company KAL Group Limited holds 15% directly in Partridge Building Supplies (Pty) Ltd, and 85% indirectly through its subsidiary, Agrimark Operations Limited.		
	959 463	819 988

* *On 1 August 2025 the initial shareholder, Agrimark Operations Limited, unbundled it's shareholding in PEG Retail Operations (Pty) Ltd to it's Holding company, KAL Group Limited.*

** *Refer to note 13 for more information.*

*** *KAL Group Limited's shareholding in Tego Plastics (Pty) Ltd was sold with an effective date of 30 September 2025.*

	COMPANY	
	2025 R'000	2024 R'000
3 TRADE AND OTHER RECEIVABLES		
Receivable – Sale of subsidiary	**7 500**	–
	7 500	–

Trade and other receivables are categorised as debt instruments at amortised cost.

The carrying value of trade and other receivables approximates its fair value at the reporting date.

	COMPANY	
	2025 R'000	2024 R'000
4 STATED CAPITAL		
Authorised: 1 000 000 000 (2024: 1 000 000 000) ordinary shares with no par value **Issued:** 74 319 837 (2024: 74 319 837) ordinary shares with no par value	**466 051**	466 051
5 LOAN TO SUBSIDIARY COMPANY		
Agrimark Operations Limited	**–**	713

The carrying value of the loan approximates its fair value at the reporting date.

The loan is unsecured, interest-free and there are no specific repayment terms.

	COMPANY	
	2025 R'000	2024 R'000
6 TRADE PAYABLES		
Other payables	**6 708**	–
	6 708	–

The carrying value of trade and other payables approximate its fair value at the reporting date.

7 RELATED PARTY TRANSACTIONS

Refer to notes 2, 5 and 9.

8 FINANCIAL RISK MANAGEMENT

The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

The company's interest rate exposure can be summarised as follows:

	NON-INTEREST-BEARING	
	Amount 2025 R'000	Amount 2024 R'000
Assets		
Other receivables	**7 500**	–
Loan: Agrimark Operations Limited	**–**	713
Liabilities:		
Trade and other payables	**6 708**	–

Fair value estimation:

Investments and derivative financial instruments

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the company is the current bid price.

Trade receivables and trade payables

The nominal value less impairment provision of trade receivables and payables are assumed to approximate their fair values.

Financial liabilities

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

Capital maintenance

The company considers total equity, which includes share capital and reserves, as capital. The ratio between capital and debt is the capital ratio. The company's objective with the management of the capital ratio is to ensure that the company continues to trade as a going concern and to create wealth for its shareholders and other stakeholders. The influence on the capital ratio is considered with decisions on the declaration of dividends, repurchase of shares, issue of shares, purchase and disposal of assets and investments and the acquiring or repayment of debt. The movement in capital is presented in the statement of changes in equity.

	COMPANY	
	2025 R'000	2024 R'000
9 REVENUE		
Dividends received – cash	**219 277**	135 399
Dividends received – in specie	**324 001**	–
Dividends forfeited	**1 388**	713
	544 666	136 112

Dividends received from subsidiaries of the company.

The revenue reflected is not considered to be Revenue from Contracts with Customers in terms of IFRS 15 considering the nature of the revenue earned (dividends received).

	COMPANY	
	2025 R'000	2024 R'000

10 INCOME TAX

	2025 R'000	2024 R'000
Tax expenditure		
Current taxation – current year	**–**	–
The tax on the company's profit before tax differs from the theoretical amount that would arise using the statutory rate as follows:		
	%	%
Statutory tax rate	**27,00**	27,00
Adjusted for:		
Non-taxable dividend income	**(46,30)**	(27,00)
Capital loss on sale of subsidiary	**19,30**	–
Effective rate	**–**	–

11 GOING CONCERN

Based on the financial statements, the present financial position of the company and budgets for the coming year, the directors have no reason to believe that the company will not be a going concern. The going concern principle is therefore accepted and applied in the preparation of the financial statements.

12 EVENTS AFTER REPORTING DATE

A gross final dividend of 154,00 cents (2024: 126,00 cents) per share has been approved and declared by the Board from income reserves, for the period ended 30 September 2025.

The directors are not aware of any matter or circumstance that occurred since the end of the financial year up to the date of this report that has not been dealt with in the report or financial statements and which may have a significant influence on the activities of the company or the results of those activities.

13 ASSET HELD FOR SALE

The investment held in Agriplas (Pty) Ltd was reclassified to asset held for sale during the current year as the subsidiary is in the process of being sold with the only significant outstanding condition being competition commission approval. The value of the investment is R43,5 million.

Accounting policies to the consolidated and company annual financial statements

for the year ended 30 September

1 BASIS OF PREPARATION

The consolidated and separate annual financial statements are prepared on the going concern and historical cost basis, unless otherwise indicated, in accordance with IFRS Accounting Standards® as issued by the International Accounting Standards Board, the requirements of the Companies Act (No. 71 of 2008), as amended, the SAICA Financial Reporting Guide issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the JSE Listings Requirements.

These financial statements incorporate accounting policies that have been consistently applied to all periods presented and are consistent with those applied in the previous financial year. Various other changes in IFRS became effective for the financial year under review but had no material impact on the Group.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in the notes of the accounting policies.

2 NEW, AMENDED AND IMPROVED ACCOUNTING STANDARDS AND INTERPRETATIONS EFFECTIVE DURING THE CURRENT FINANCIAL YEAR

The following standards, amendments and interpretations have been adopted by the Group and became effective for the current reporting period beginning on 1 October 2024:

Amendments to Standards

Amendment to IFRS 16 – Leases on sale and leaseback (effective 1 January 2024)

These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

Amendment to IAS 7 and IFRS 7 Supplier finance Arrangements (effective 1 January 2024)

These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

Amendment to IAS 1 – Non-current liabilities with covenants (effective 1 January 2024)

These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.

The amendments listed above had no significant effect on the Company's financial results.

2 NEW, AMENDED AND IMPROVED ACCOUNTING STANDARDS AND INTERPRETATIONS EFFECTIVE DURING THE CURRENT FINANCIAL YEAR (CONTINUED)

Amendments to Standards (continued)

The following standards are not yet mandatory in South Africa and have not been adopted by the Group.

IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (effective 1 January 2024)

IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S2 – Climate-related Disclosures (effective 1 January 2024)

IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

Management will consider the above accounting standards for implementation in the next financial year.

3 NEW AND AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS THAT ARE NOT YET EFFECTIVE

The following standards, amendments and interpretations are not yet effective and have not been early adopted by the Group (the effective dates stated below refer to financial reporting periods beginning on or after the stated dates):

Amendments to Standards

Amendments to the SASB standards (effective 1 January 2025)

Amendments to the SASB standards to enhance their international applicability.

Amendments to IFRS 9 and IFRS 7 (effective 1 January 2026)

Amendments to the Classification and Measurement of Financial Instruments.

Annual Improvements to IFRS Accounting Standards – Volume 11 (effective 1 January 2026)

The IASB issued the following amendments to IFRS Accounting Standards as part of its annual improvements process:

IFRS 1 First-time Adoption of International Financial Reporting Standards
- Hedge accounting by a first-time adopter

IFRS 7 Financial Instruments: Disclosures
- Gain or loss on derecognition
- Disclosure of deferred difference between fair value and transaction price
- Credit risk disclosures

IFRS 9 Financial Instruments
- Derecognition of lease liabilities
- Transaction price

IFRS 10 Consolidated Financial Statements
- Determination of a ‘de facto agent’

IAS 7 Statement of Cash Flows
- Cost method

3 NEW AND AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS THAT ARE NOT YET EFFECTIVE (CONTINUED)

Amendments to Standards (continued)

IFRS 18, 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027)

The new standard, IFRS 18, replaces IAS 1 Presentation of Financial Statements while carrying forward many of the requirements in IAS 1. The standard will impact disclosure as it will result in changes to the presentation to the primary statements. The company is still in the process of assessing the impact.

IFRS 19, 'Subsidiaries without Public Accountability: Disclosures' (effective 1 January 2027)

The IASB published IFRS 19, which permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements.

The Company has not early adopted any of the above. The application thereof in future financial periods is not expected to have a significant impact on the Company financial results.

The following new accounting standards, interpretations and amendments will not have an impact on the financial statements:

Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity (effective 1 January 2025)

This standard address how to account for contracts that reference the price or delivery of electricity generated from renewable sources (such as wind or solar), where the amount or timing of delivery is dependent on natural phenomena (e.g., wind speed, sunlight hours).This is not applicable to the company, as they do not have contracts of this nature. Furthermore, any impact of these amendments are only applicable to 2026 financial statements.

Management considered all new accounting standards, interpretations and amendments to IFRS that were issued prior to 30 September 2025 but not yet effective on that date.

4 BASIS OF CONSOLIDATION

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets.

4 BASIS OF CONSOLIDATION (CONTINUED)

Subsidiaries (continued)

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9: Financial Instruments in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Inter-company transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the stand-alone financial statements of the holding company, the investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investments.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions, that is, transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control, any retained interest in equity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Treasury shares

The cost of treasury shares is presented as a deduction from equity. Shares under option already allocated to employees and unallocated shares are considered as treasury shares and are consolidated as such as part of the Group's results.

4 BASIS OF CONSOLIDATION (CONTINUED)

Joint ventures

Under IFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits and losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests, that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred. Any additional capitalisation or increase in the investment (not resulting in a change in the percentage equity held) are accounted for at cost. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

Consolidation of Special Purpose Entities

The special purpose entities ("SPEs") established in terms of the B-BBEE equity transaction implemented in 2011 have been consolidated in the Group results. The substance of the relationship between the company and these entities has been assessed and the conclusion was made that they are controlled entities, mainly due to the fact that the Group retains residual or ownership risks relating to the SPEs.

5 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the Executive committee. The Executive committee is responsible for allocating resources and assessing performance of the operating segments and is therefore considered to be the Chief Operating Decision Maker of the Group.

6 PROPERTY, PLANT AND EQUIPMENT

Land and buildings mainly comprise retail outlets and offices. Property, plant and equipment is stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

6 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to write off the cost to a value equal to the residual values over their estimated useful lives, as follows:

> Buildings	50 years
> Grain silos	10 – 50 years
> Machinery and equipment	4 – 10 years
> Injection moulding machines	5 – 20 years
> Vehicles	4 – 5 years
> Office furniture and equipment	2 – 10 years

Assets under construction is defined as assets still in the construction phase and not yet available for use. These assets are carried at initial cost and are not depreciated. Depreciation on these assets commences when they become available for use and depreciation periods are based on management's assessment of their useful lives.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals of fixed assets are determined by comparing proceeds with the carrying amounts and are included in the income statement as other operating income or other operating expenses.

7 INTANGIBLE ASSETS

Goodwill

Goodwill is determined as the consideration paid, plus the fair value of any shareholding held prior to obtaining control, plus non-controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree.

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of associates/joint venture is included in investment in associated companies/joint ventures. Separately recognised goodwill is reviewed annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Customer relations

Customer relations consist of non-contractual customer relationships. Customer relations acquired in a business combination are recognised at fair value at the acquisition date.

The customer relations have a finite useful life and are carried at cost less accumulated amortisation and accumulated impairment. Amortisation is calculated on the straight-line method to allocate the cost of customer relations over the estimated useful life of five years.

Tradename

A tradename has been recognised by the Group as part of a business combination. Tradenames are capitalised at the fair value initially identified and amortised on a straight-line basis over their estimated useful lives of 10 to 50 years. Tradenames are carried at cost less accumulated amortisation and accumulated impairment. Expenditure to maintain tradenames is accounted for as an expense in the income statement.

7 INTANGIBLE ASSETS (CONTINUED)

Fuel retail licenses

The fuel retail licenses are contractual in nature and has been recognised by the Group as part of a business combination. Given that the fuel retail licenses remain valid for as long as the license holder operates as an going concern, the estimated useful life of the individual fuel retail licenses are considered to be indefinite. This intangible asset is reviewed annually for impairment and carried at cost less accumulated impairment losses.

8 IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

9 LEASES

The Group leases various retail stores, storage sites and vehicles. Rental contracts are typically made for fixed periods of 3 to 12 years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

> Fixed payments
> Lease payments to be made under reasonably certain extension options

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Group is exposed to potential future increases in lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

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

Right-of-use assets are measured at cost comprising the following:

> The amount of the initial measurement of lease liability
> Any lease payments made at or before the commencement date

Leasehold improvements are accounted for as part of right-of-use assets and are depreciated over the period of the lease.

9 LEASES (CONTINUED)

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets mostly comprise information technology equipment and other similar assets.

Right-of-use assets are depreciated over the lowest of the lease term (including the extension period if applicable) or the useful life.

To determine the incremental borrowing rate, the Group uses recent third-party financing received by the lessee as a starting point and adjusts the rate to reflect changes in financing conditions since the third-party financing was received. The Group also adjusts the rate relating to the specific lease based on the term and security and nature of the asset.

The lease term is determined as the non-cancellable period of the lease, together with the periods covered by an option to extend the lease where there is reasonable certainty that the option will be exercised.

The majority of the extension and termination options held are exercisable only by the Group and not by the respective lessor. In determining the lease term, all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option, are considered.

The assessment of the lease term is revised if there is a change in the non-cancellable lease period.

A lease modification is a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease. The group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) when:

- there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate; and
- there has been a change to the lease payments due to a change in an index or a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

10 OTHER FINANCIAL INSTRUMENTS

Initial recognition and measurement

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument. Initial recognition is measured at fair value including directly attributable transaction costs for financial instruments not measured at fair value through profit and loss. Transaction costs of financial instruments carried at fair value through profit and loss are expensed in profit or loss.

Derecognition

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when they are extinguished, i.e. when the contractual obligation is discharged, cancelled, expires or when a substantial modification of the terms occurs.

Offsetting

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

10 OTHER FINANCIAL INSTRUMENTS (CONTINUED)

Classification and subsequent measurement

Financial assets

The Group classifies its financial assets in the following measurement categories:

- Financial assets measured subsequently at fair value (either through other comprehensive income (FVOCI) or through profit or loss (FVPL))
- Financial assets measured at amortised cost

The classification depends on the business model for managing the financial assets and the contractual term of the cash flows. Management determines the classification of its investment at initial recognition. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in relation to the instrument held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Equity instruments

The Group subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at fair value through other comprehensive income (OCI) are recognised in OCI in the statement of comprehensive income. Where management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Upon derecognition of these equity investments, any balance within the FVOCI reserve is reclassified to retained earnings. Dividends from such investments are recognised in profit or loss as other gains and losses when the Group's right to receive payments is established. Currently the Group has elected to designate equity instruments at FVOCI.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows representing solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income under other operating income using the effective interest rate method. Trade receivables, cash and cash equivalents and loans receivable are classified as debt instruments measured at amortised cost.

Fair value through profit or loss (FVPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss is recognised in profit or loss and presented in the income statement as part of other gains and losses in the period in which it arises. Interest income from these financial assets is included in finance income. Debt instruments are included in current assets, except for maturities greater than 12 months after the reporting date, which are classified as non-current assets.

Impairment

The Group has the following financial assets that are subject to the expected credit loss impairment model in terms of IFRS 9:

- Trade and other receivables
- Loans receivable
- Cash and cash equivalents

The Group determines loss allowances by considering available forward-looking information which could adversely impact a debtor's ability to pay.

Financial assets subject to impairment are written off when there is no reasonable expectation of recovery, and the amount is recognised in profit or loss within 'operating expenses'.

10 OTHER FINANCIAL INSTRUMENTS (CONTINUED)

Trade receivables

The Group elected to apply the simplified approach for measuring impairment provisions for trade receivables. In terms of this approach, the loss allowances are calculated with reference to lifetime expected credit losses. The Group determines expected credit loss allowances both on a specific (credit impaired) and a contingency (not credit impaired) basis.

Credit terms, interest rates and other applicable terms are determined based on the calculated risk profile of the credit taker(s). A strict credit policy is followed which includes the ongoing revision of credit limits, security assessments and credit evaluations of the financial position of clients. These factors have been taken into consideration on an individual and collective basis when determining the recoverability of debtors. The Group has a specific loss allowance and a contingency loss allowance. The group defines "outside terms" debtors as all debtors more than 90 days outside terms. The specific loss allowance is determined on all "outside terms" debtors as their risks are different than the rest of the debtors' book within terms and they are assessed individually. The assessment for the specific loss allowance considers security held, reputation and expected payments in the future to determine the value of the specific loss allowance. Regarding the contingency loss allowance, the group divides the rest of the debtors' book (after considering the specific loss allowance) into different categories with risk factors applied to each category. The categories are based on different type of produce commodities mostly in the agricultural sector (grain, fruit, other agri and non-agri). The percentage expected credit loss applied to each category depends on the forward-looking risk of default and expectations on macro-economic factors including market share, competitor strength, industry risk, profitability, price volatility risks and climate changes.

Cash and cash equivalents

Cash comprises cash on hand and cash at banks. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value. Interest on cash and cash equivalents is recognised in the statement of comprehensive income as interest received from bank account balances. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

Other financial assets

Loss allowances relating to loans receivable, cash and cash equivalents, deposits and other receivables are determined in terms of the general expected credit loss model, considering a 12-month expected credit loss.

In terms of this model the Group considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date compared to the credit risk at initial recognition date. It considers available reasonable and supportive forwarding-looking information that could be indicative of a deterioration in the counterparty's ability to pay. The Group assesses factors such as credit ratings, actual/adverse conditions in the industry or changes in value of security held.

For these financial assets, the Group accounts for its credit risk by appropriately providing for expected credit losses. In calculating the expected credit loss rates, the Group considers the exposure at default, probability of default and loss given default. The impact of the adoption of IFRS 9 and at the end of the reporting period was not material for other financial assets.

Property in possession is measured at the lower of its carrying amount or its fair value less costs to sell. This is classified under trade and other receivables.

10 OTHER FINANCIAL INSTRUMENTS (CONTINUED)

Financial liabilities

Financial liabilities are classified as subsequently measured at amortised cost, using the effective interest rate method. The effective interest rate amortisation is recognised in the statement of comprehensive income as finance costs.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Instalment sale agreements

Instalment sale agreements are recognised where the Group will become the legal owner of the assets after the purchase payment agreement is completed. The instalment sale agreements are recognised as a financial liability from the date of recognition and measured at amortised cost using the effective interest rate method. Instalment sale agreements are classified as current liabilities, unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Any subsequent remeasurements is recognised in the income statement as finance costs.

Trade payables

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at fair value. Trade payables are subsequently stated at amortised cost using the effective interest rate method.

Trade payables are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Contingent consideration

The Group shall classify an obligation to pay contingent consideration that meets the definition of a financial instrument as a financial liability.

Changes in the fair value of contingent consideration that the Group recognises after the acquisition date may be the result of additional information that the Group obtained after that date about facts and circumstances that existed at the acquisition date. Such changes are measurement period adjustments. However, changes resulting from events after the acquisition date, such as meeting an earnings target, reaching a specified share price or reaching a milestone, are not measurement period adjustments.

Changes in the fair value of contingent consideration, that are not measurement period adjustments, which falls within the scope of IFRS 9 shall be measured at fair value at each reporting date and changes in fair value shall be recognised in profit or loss in accordance with IFRS 9.

11 INVENTORY

Merchandise, raw materials and consumable goods are valued at the lower of cost, calculated on the average cost basis, or net realisable value, taking into account obsolescence and saleability. Implement stock (included in merchandise) is valued at the specific cost price or net realisable value, whichever is the lower. Finished goods (included in merchandise) are valued at the lower of cost, including cost of raw materials, direct costs and related production overheads, but excluding finance costs, determined on the average cost basis, or net realisable value. Net realisable value is the estimate of the selling price in the ordinary course of business, less the cost of completion and selling expenses.

12 STATED CAPITAL

Ordinary shares are classified as equity. Additional costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any company in the Group purchases the company's equity share capital (treasury shares), the consideration paid, including any directly attributable additional costs (net of income taxes) is deducted from equity attributable to the Group's equity holders until the shares are cancelled, re-issued, or disposed of. Where such shares are subsequently sold or re-issued, any consideration received, net of any directly attributable additional transaction costs and the related income tax effects, is included in equity attributable to the Group's shareholders.

13 PROVISIONS

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources which entail economic benefits will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

14 DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivatives are designated as hedging instruments, and if so, the nature of the item being hedged. The Group designates certain derivatives as either hedges of the fair value of recognised assets or liabilities (fair value hedge) or hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge).

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest rate method is used, is amortised to profit or loss over the period to maturity.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Amounts accumulated in equity are recycled to the income statement in the periods when the hedged item affects profit or loss. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example inventory) or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

14 DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES (CONTINUED)

Cash flow hedge (continued)

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at the time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

Certain derivatives do not qualify for hedge accounting. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in the income statement.

15 EMPLOYEE BENEFITS

Pension scheme arrangements

The Group operates a pension fund consisting of a defined contribution plan registered in terms of the Pension Funds Act, 1956, and the assets are administered separately by trustees. Funding is in terms of conditions of employment by means of contributions by the participating subsidiaries in the Group as well as employees. The Group has no further obligations to the fund once the contributions have been paid. Contributions are recognised in the income statement when they are due.

Post-retirement medical benefits

Certain in-service members and retired employees are members of the post-retirement medical subsidy scheme of the Group. The Group pays the monthly contributions in respect of the retired members over to the medical fund. The valuation method used to value the liability is the projected unit method. The expected costs of these benefits are accrued over the period of employment, using an accounting methodology similar to that for defined benefit pension plans. Valuations of these obligations are carried out by independent qualified actuaries. Any actuarially determined profits or losses are recognised in the income statement.

In terms of the Group's present policy the benefits are only available to certain in-service members and retired staff and not to future employees.

Profit sharing and bonus plans

A liability for employee benefits in the form of profit sharing and bonus plans is recognised under accounts payable when there is no realistic alternative but to settle the liability, and at least one of the following conditions is met:

> there is a formal plan; or

> past practice has created a valid expectation by employees that they will receive a bonus or profit share.

It is expected that the liability will be paid within 12 months.

Equity settled management share incentive scheme

The Group operates an equity settled management share incentive scheme ("the scheme"). In terms of IFRS 2, the fair value of the equity instrument is determined at grant date and the corresponding expense is recognised over the vesting period. The fair value of the grant is determined using the Black-Scholes-Merton model using six different inputs that would have an effect on the fair value of the grant. The inputs are the exercise price of the option, the current share price, the expected life of the option, the expected volatility, the expected dividend yield and the risk-free interest rate.

16 REVENUE FROM CONTRACTS WITH CUSTOMERS (IFRS 15) AND OTHER OPERATING INCOME

According to IFRS 15, revenue is recognised at a point in time or over time depending on the performance obligations linked to separate elements of the contract with the customer. Revenue is recognised when the Group satisfies performance obligations and transfers control of goods or services to its customers at an amount that reflects the consideration the Group expects to be entitled to in exchange for these goods or services. The Group's revenue consists mostly of sales of products delivered to customers at the point of sale and does not have multiple element arrangements included in it.

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown, net of value-added tax and trade discounts and after elimination of sales within the Group. Revenue is recognised as follows:

Sales of goods

The Group specialises in trading in agricultural-, fuel- and related retail markets in Southern Africa. At the point-of-sale in the trade and manufacturing environment, the client takes ownership of the goods bought. Revenue is thus recognised at that point when control of the products has transferred, the customer has accepted inventory risk related to the products and there is no unfulfilled obligation that could affect the customer's acceptance of the products and the Group has a present right to payment. In these segments, prices are determined centrally. Fuel sales follow the same principles as the client takes ownership once the product is sold and transferred to the customer. Fuel prices are regulated. Grain sales follow a similar process as over-the-counter sales as the product is delivered to the client and the revenue is recognised at that point in time when the customer takes ownership of the goods sold. Grain sales prices are based on fixed contract SAFEX prices. Invoicing occurs as soon as control of the goods has been transferred to the customer.

Revenue for the sale of merchandise from ordinary Group-operating activities, net of value added tax and trade discounts and after eliminating sales within the Group are recognised at a point in time, upon delivery of products and customer acceptance. Customers have a choice to pay cash (via cash, debit card or credit card) or on account. Related card transaction costs are recognised in the income statement as other expenses.

Payment terms for normal over the counter credit sales are mostly 30 days. Seasonal accounts are provided to agricultural debtors on longer terms; these terms do not exceed 12 months.

Limited establishment accounts are also provided on longer terms (up to five years) with the purpose to assist the customer in establishing farming operations. Interest is charged on these accounts at market related rates and accounted for accordingly.

Sales of services

Sale of services include grain handling revenue which is revenue received for the storage and handling of the client's grains. The other services are provided within the mechanisation division where labour is invoiced as a service to repair and maintain client's machinery or vehicles. Revenue received for these services is recognised over time. Revenue is recognised at a fair value (determined based on a fixed price per tonnage/hour charged) of services rendered and are invoiced on a regular basis as the services are rendered.

16 REVENUE FROM CONTRACTS WITH CUSTOMERS (IFRS 15) AND OTHER OPERATING INCOME (CONTINUED)

Variable consideration

The Group assessed if the contracts entered into include variable consideration, but none were noted, other than trade discounts provided at the point-of-sale.

Other operating income is recognised as follows:

Margin on direct transactions

Direct sales relate to sales made, where goods purchased by clients are directly delivered to the client by the suppliers of the Group. Only the margin earned on direct sales is recognised as revenue. The margin is recognised on delivery of products by the supplier to the customer. The group assessed the treatment of these sales as agent or principal in terms of IFRS 15.

The supplier has the primary responsibility for providing the goods to the client.

KAL Group has no control before the product is delivered to the client, and the Group does not recognise the inventory in their books.

The supplier takes the inventory risk up until inventory is delivered to the client.

The price is determined by the supplier. The Group acts as intermediary and earns commission on the transaction. All the indicators according to the standard indicate that the Group is acting as an agent, rather than a principal, thus the net amount is recognised as revenue. Thus, the treatment under IFRS 15 stays consistent to the prior year.

Interest income

Under IFRS 9, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance). When a receivable is written off, the Group reduces the carrying amount to its recoverable amount. Interest is recognised using the original effective interest rate.

Interest income is recognised as other income as it is an incidental benefit from the group's ordinary activities.

Dividend income

Dividend income is recognised when the right to receive payment is established and is treated as revenue for the company but is not considered to be revenue from contracts with customers (IFRS 15).

Dividend in specie is recognised as revenue for the Company when it receives non-cash assets as a dividend at the fair value of the underlying assets that was distributed.

17 BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- Expenditures for the asset have occurred.
- Borrowing costs have been incurred.
- Activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted. Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. All other borrowing costs are recognised as an expense in the period in which they are incurred.

18 FOREIGN CURRENCY TRANSACTIONS

Functional and presentation currency

Items included in the financial statements of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Rand, which is the holding company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting

from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges.

19 CURRENT AND DEFERRED INCOME TAX

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

Deferred income tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination, that at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets relating to unused tax losses are recognised to the extent that it is probable that future taxable profits will be available against which the unused losses can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates/joint venture, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

The Group determines the deferred income tax asset and deferred income tax liability that arise on the initial recognition of a lease to be integrally linked and recognise the temporary difference on a net basis.

20 RECURRING HEADLINE EARNINGS

Recurring headline earnings is a Non-IFRS measure. Non-IFRS measures are measures that (i) are not defined by IFRS; (ii) are not uniformly defined or used by all entities and (iii) may not be comparable with similar labelled measured and disclosures provided by other entities. The executive committee are responsible for compiling the non-IFRS performance measures, used by the CODM and the executive committee.

The Group monitors headline earnings as earning less non-recurring costs to increase comparability of the performance of the group from one year to another. Non-recurring costs are defined as once off costs or transactions as a result of ad hoc transactions or IFRS valuations that do not form part of ordinary business operations, and which causes fluctuations year-on-year.

21 DIVIDEND DISTRIBUTIONS

Dividend distributions to the company's shareholders are recognised as a liability in the company's financial statements in the period in which the dividends are approved.

22 RELATED PARTIES

Individuals, as well as their close family members, or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions or if the parties are jointly controlled in a joint venture.

23 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Non-current assets classified as held for sale non-current assets and/or disposal groups are classified as assets held for sale and are stated at the lower of the carrying amount and fair value less costs of disposal if their carrying amount will be recovered principally through a sale transaction rather than through continued use and this sale is considered highly probable.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position.

The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

Assets and liabilities of abandoned disposal groups are not classified as held for sale because the carrying amounts will not be recovered principally through a sale transaction.

When a non-current asset ceases to be classified as held for sale, it should be measured at the lower of:

- its carrying amount before the asset was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been classified as held for sale; and
- its recoverable amount at the date of the subsequent decision not to sell or distribute.

Shareholder information

SHAREHOLDERS' PROFILE

Spread	Number of shareholders	Number of shares	Percentage held
1 to 1 000 shares	**7 210**	**1 588 491**	**2,1%**
1 001 to 10 000 shares	**2 513**	**8 245 452**	**11,1%**
10 001 to 100 000 shares	**497**	**13 712 283**	**18,5%**
100 001 to 1 000 000 shares	**70**	**20 942 184**	**28,2%**
More than 1 000 000 shares	**14**	**29 831 427**	**40,1%**
Total	**10 304**	**74 319 837**	**100,0%**
Type of shareholder			
Public	**10 288**	**68 987 278**	**92,8%**
Non-public	**16**	**5 332 559**	**7,2%**
Directors and associates of the company	**14**	**1 522 427**	**2,0%**
Empowerment and Transformation Investments (Pty) Ltd	**1**	**3 708 514**	**5,0%**
The Fruit Workers Development Trust	**1**	**101 618**	**0,2%**
	10 304	**74 319 837**	**100,0%**
Major beneficial shareholders			
The following shareholders have a holding equal to or greater than 5% of the issued shares of the company.			
Investec		**5 840 795**	**7,9%**
JF Mouton Familietrust		**5 321 577**	**7,2%**
PSG Financial Services		**4 737 528**	**6,4%**
Empowerment and Transformation Investments (Pty) Ltd		**3 708 514**	**5,0%**
		19 608 414	**26,5%**

	Number	
	2025	2024
Shareholding of directors (direct and indirect)		
JH le Roux	**67 884**	24 284
EA Messina	**30 000**	30 000
CA Otto	**809 124**	761 456
GW Sim	**144 105**	116 642
AJ Mouton	**40 033**	40 033
GM Steyn	**41 905**	41 905
S Walsh	**389 376**	325 768
Total	**1 522 427**	1 340 088
Percentage of issued shares	**2,0%**	1,8%

There has been no change in the directors' interest from the financial year-end of the company on 30 September 2025 up until the approval of the financial statements.

Notes

Notes

Corporate information

KAL GROUP LIMITED
("KAL GROUP")

Incorporated in the Republic of South Africa
Registration number: 2011/113185/06
Income tax number: 9312717177
JSE share code: KAL
ISIN code: ZAE000244711

Directors

GM Steyn (Chairman)#*
S Walsh (Chief Executive Officer)
GW Sim (Financial Director)
D du Toit#*
T Kabalin#*
JH le Roux#*
B Mathews#*
EA Messina#*
AJ Mouton#*
CA Otto#*
I Chalumbira@*
*NR Nkosi *#^*

* *Non-executive*
\# *Independent*
@ *Resigned on 9 December 2024*
^ *Appointment on 1 November 2025 is subject to shareholder approval at the upcoming AGM.*

Company Secretary

KAL Corporate Services (Pty) Ltd

Registered address

1 Westhoven Street, Paarl, 7646
Suite 110, Private Bag X3041, Paarl, 7620
Telephone number: 021 860 3750

Website: www.kalgroup.co.za

Auditors

For the financial year ended 30 September 2025
– Deloitte & Touche

Transfer Secretary

Computershare Investor Services (Pty) Ltd
Registration number: 2004/003647/07
Rosebank Towers, 15 Biermann Avenue,
Rosebank, Johannesburg, 2196
Private Bag X9000, Saxonwold, 2132
Fax: 086 636 7200

Sponsor

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and

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#19517

KAL GROUP

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www.kalgroup.co.za