

CAPEVIN HOLDINGS PROPRIETARY LIMITED

Reg nr. 1997/020857/07

Audited annual financial statements - 30 June 2025

Consolidated annual financial statements

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CURRENCY OF FINANCIAL STATEMENTS

The annual financial statements are expressed in South African rand (R).

The rand cost of a unit of the following major currencies at 30 June was :

	2025	2024
US dollar	17.72	18.47
UK pound	24.33	23.33
Euro	20.78	19.75
Taiwan dollar	0.61	0.57

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

The South African Companies Act, No. 71 of 2008, as amended (the Companies Act) requires the directors to prepare annual financial statements for each financial year which fairly present the state of affairs of the Company and the Group and the profits or losses for the period. In preparing these annual financial statements, they must:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether set accounting standards have been followed, subject to any material departures disclosed and explained in the annual financial statements; and
- prepare the annual financial statements on the going concern basis unless it is inappropriate to presume the Group will continue in business.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Group, to ensure the financial statements comply with the Companies Act. They have general responsibility for taking such steps as are reasonably accessible to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

These annual financial statements are prepared in accordance with International Financial Reporting Standards and incorporate full and responsible disclosure in line with the accounting policies of the Group, supported by reasonable and prudent judgements and estimates.

The board of directors approves any change in accounting policy and applies these changes retrospectively, with their effects fully explained in the annual financial statements.

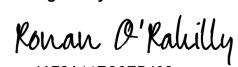
The directors have reviewed the Group's budget and cash flow projections for the period to 30 June 2026. Based on these projections and considering the Group's current financial position and the financing facilities available to it, they are satisfied it has adequate resources to continue its operations in the foreseeable future. The annual financial statements were prepared on a going concern basis.

No event, material to the understanding of this report, has occurred between the financial year-end and the date of this report.

The annual financial statements as set out on pages 12 to 68 were supervised by the Group financial director, Werner Nolte CA(SA), approved by the board of directors and are signed on its behalf:

Signed by:

J du Toit
Chairman

Signed by:

Ronan O'Rahilly
R O'Rahilly
Group chief executive officer

Stellenbosch
30 October 2025

SOCIAL AND ETHICS COMMITTEE REPORT

The Social and Ethics Committee (the committee) assists the Board in overseeing and reporting on Capevin's ethics, responsible corporate citizenship, sustainable development, legal compliance and stakeholder relationships. The Committee operates in accordance with the requirements of the Companies Act (No. 71 of 2008), as amended (Companies Act), and the King IV Report on Corporate Governance for South Africa (2016) (King IV). This report describes, *inter alia*, how the committee has discharged its statutory duties in terms of the Companies Act and King IV.

Committee members and attendance at meetings

The committee comprises three suitably skilled and experienced members appointed by the Board. The members of the committee for the year under review are set out below. The chairman of the committee is Mr. Stefan Crouse, who is an independent non-executive director. In terms of the committee's mandate, at least one meeting should be held annually.

Committee member	Number of Meetings
S Crouse (Chairperson)	2
R O'Rahilly*	2
W Nolte*	2

* Both R O'Rahilly and W Nolte are members of the Management Board and also prescribed officers in terms of the Companies Act.

Role and responsibilities

The committee's role and responsibilities are governed by a formal charter as approved by the Board. The charter is subject to an annual review by the Board.

The main objectives of the committee are to assist the Board in monitoring the Group's performance in respect of ethics, responsible corporate citizenship, sustainable development, compliance and stakeholder relationships. This is done by, *inter alia*, monitoring many of the key sustainable development practices of the Group as set out below, thereby assisting the Board in achieving its objectives of doing business ethically and sustainably.

The committee is satisfied that it has fulfilled all its duties in accordance with its annual programme, as further detailed below.

Monitoring of sustainable development practices

In the execution of its duties, the committee has reviewed many of the key sustainable development practices of the Group, specifically relating to:

- ethics and compliance;
- investing in and supporting our communities;
- protection of whistleblowers;
- climate change
- health and public safety;
- compliance with the International Labour Organization's definition of "decent work";
- broad-based black economic empowerment;
- management of the Group's environmental impacts; and
- relevant regulatory, statutory, and legislative compliance.

Public reporting and assurance

The committee is required to report through one of its members to the Company's shareholders on the matters within its mandate at the Company's Annual General Meeting. In the notice of the Annual General Meeting, shareholders are referred to this report by the committee. Any specific questions to the committee may be sent to the Company Secretary prior to the meeting. Committee members will be attending the Annual General Meeting to deal with any questions.

S Crouse

Chairman of the Social and Ethics Committee

Stellenbosch

30 October 2025

CERTIFICATE BY THE COMPANY SECRETARY

In terms of section 88(2)(e) of the Companies Act I, CIS Company Secretaries Proprietary Limited, being company secretary of Capevin Holdings Proprietary Limited, hereby certify that all returns and notices of Capevin Holdings Proprietary Limited required in terms of the Companies Act have in respect of the year under review, been filed with the Companies and Intellectual Property Commission and that all such returns and notices appear to be true, correct and up to date.

DocuSigned by:



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Hesta von Zeuner

Company secretary

Stellenbosch

30 October 2025

REPORT OF THE BOARD OF DIRECTORS

for the year ended 30 June 2025

The board has pleasure in reporting on the activities and financial results for the year under review:

NATURE OF ACTIVITIES

The Company, incorporated in the Republic of South Africa, is an investment holding company with interests in liquor-related companies.

The Group was historically South Africa's leading producer and marketer of wines, spirits, ciders and ready-to-drinks. In April 2023 the Group disposed of its cider, wine and spirits interests as part of the Heineken transaction. The longstanding Gordon's Gin distribution agreement also terminated during the previous financial year. The Group's focus will now be on developing and expanding its Scotch whisky and investment property portfolios.

GROUP FINANCIAL REVIEW*Results*

Year ended 30 June:

	2025	2024
	R'000	R'000
Revenue	1 922 909	2 901 420
Continuing operations	1 922 909	2 659 364
Discontinued operations	-	242 056
 Operating profit	 (692 955)	 1 308 769
Continuing operations	(692 955)	285 314
Discontinued operations	-	1 023 455
 Attributable earnings	 (811 847)	 944 539
Continuing operations	(811 847)	227 070
Discontinued operations	-	717 469
 Total assets	 7 899 699	 7 814 932
Total liabilities	 3 138 684	 2 109 932

The annual financial statements on pages 12 to 68 set out fully the financial position, results of operations and cash flows of the Group for the financial year ended 30 June 2025.

REPORT OF THE BOARD OF DIRECTORS

for the year ended 30 June 2025

	2025 R'000	2024 R'000
Dividends		
Group		

Total dividends for the year (R'000)	254 576	373 594
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Company		
Total dividends for the year (R'000)	216 390	227 755

The Group declared a cash dividend of R1.00 per share during the current financial year. The difference between the Group and Company dividend in the current year relates to dividends paid to non-controlling shareholders in subsidiaries of the Group.

KEY MATTERS IMPACTING THIS YEAR'S RESULTS

The following matters had specific material impacts on this year's financial results:

In May 2023 the Group concluded an agreement with Diageo Brands B.V. to terminate the longstanding Gordon's Gin and Pimm's No 1 Cup distribution agreement. On 19 July 2023 the Competition Commission of South Africa approved the proposed transaction without conditions. The financial results of this business have been excluded from the continuing operations of the Group and are disclosed separately in the financial statements as part of 'discontinued operations', including the R1 billion Termination Consideration received from Diageo in the previous financial year.

During the current financial year the Group exited the sales and distribution agreement of Wine and Amarula and handed operations back to Heineken Beverages. The financial impact on this exit was a reduction in Revenue of R539 million compared to prior year.

The overall Scotch whisky sector saw a significant decline in global sales compared to the previous financial year. The ongoing geopolitical and macroeconomic uncertainty coupled with high inflation and interest rates significantly impacted consumers where continuous cost pressure along with a decrease in disposable income and moderation trends resulted in softer demand and downtrading. Similar trends have been reported by the large multinational spirits companies where other spirits categories (e.g. Cognac) has seen significant declines. As a result of these current external factors negatively impacting the category, the Group decided to impair goodwill associated with CVH Spirits Limited with R798.9 million (2024: Rnil). The impairment loss is shown under 'other gains and losses' in the income statement. The performance outlook for this business unit remains strong and the group believes that its portfolio of premium single malts with its scarcity, availability of aged liquid and strong heritage positions itself as an attractive option for both customers and consumers, which will ultimately drive shareholder value.

REPORT OF THE BOARD OF DIRECTORS

for the year ended 30 June 2025

SUBSIDIARY COMPANIES AND INVESTMENTS

The Group acquired interests in the following subsidiaries:

2025

- No subsidiaries were acquired during the year.

2024

- CVH Europe GmbH (100,00%) (a subsidiary established by CVH Spirits Limited (UK))

Particulars of subsidiary companies are disclosed in notes 30.

DIRECTORS

The directors in office on 30 June 2025 were as follows:

Jan Du Toit (Appointed 5 June 2023)	Non-executive
Stefan Crouse (Appointed 5 June 2023)	Non-executive
Steven Nathan (Appointed 5 June 2023, resigned 30 September 2024)	Executive
Mariza Lubbe (Appointed 5 June 2023)	Non-executive
Lwanda Zingitwa (Appointed 5 June 2023)	Non-executive
Mark Jacobson (Appointed 5 June 2023, resigned 6 September 2024)	Non-executive
Mpumelo Maseko (Appointed 5 September 2023, resigned 4 August 2024)	Non-executive
Yvonne Maitin (Appointed 23 November 2023, resigned 19 September 2024)	Non-executive
Alberto Bozzi (Appointed 17 September 2024)	Non-executive
Botsang Ramorwa (Appointed 14 November 2024)	Non-executive

DIRECTORS' INTERESTS AND EMOLUMENTS

Particulars of the emoluments of directors and their interests in the issued share capital of the Company and in contracts are disclosed in notes 33 to 34 to the annual financial statements.

EVENTS SUBSEQUENT TO STATEMENT OF FINANCIAL POSITION DATE

In July 2025, the Company signed a contractual agreement with the University of Stellenbosch to sell the remainder of the Oude Libertas property (Erf in Stellenbosch) for R45 million. Transfer of property is expected to be completed by the end of September 2025.

ULTIMATE HOLDING COMPANY

The holding company of the Group is Remgro Limited.

HOLDING COMPANY

The holding company of the Group is Remgro Beverages Proprietary Limited

REPORT OF THE BOARD OF DIRECTORS
for the year ended 30 June 2025

SECRETARY AND REGISTERED ADDRESS

The company secretary is Hesta von Zeuner.

The Company's registered address is: Millennia Office Park, 16 Stellentia Avenue, Stellenbosch, Western Cape, 7600

APPROVAL

The annual financial statements set out on pages 12 to 68 have been approved by the board.

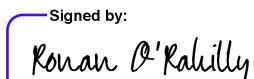
Signed on behalf of the board of directors:

Signed by:

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J du Toit
Chairman

Stellenbosch
30 October 2025

Signed by:

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R O'Rahilly
Group chief executive officer



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Co. Reg. No. 2005/002308/21

Independent Auditor's Report

To the Shareholders of Capevin Holdings Proprietary Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Capevin Holdings Proprietary Limited and its subsidiaries ('the group') and company set out on pages 12 to 68, which comprise the consolidated and separate statements of financial position as at 30 June 2025, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the 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 the group and company as at 30 June 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

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 of the group and company and 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 of the group and company and in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the 68-page document titled "Capevin Holdings Proprietary Limited Annual Financial Statements for the year ended 30 June 2025", which includes the Directors' Report as required by the Companies Act of South Africa as well as Annexure A: Acronyms, Abbreviations and Corporate Information. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not 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 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 and company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and 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 the 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Ernst & Young Inc.

Director: Danie Buys

Registered Auditor

Chartered Accountant (SA)

30 October 2025

STATEMENTS OF FINANCIAL POSITION

AT

NOTES	GROUP		COMPANY	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	R'000	R'000	R'000	R'000
ASSETS				
Non-current assets				
Property, plant and equipment	2	2 188 243	1 762 424	-
Investment properties	3	91 797	91 797	-
Investments in subsidiaries	4	-	-	3 379 000
Intangible assets	5	620 610	1 337 339	-
Deferred income tax assets	12	13 213	17 727	-
Total non-current assets		2 913 863	3 209 287	3 379 000
Current assets				
Inventories	6	4 228 639	3 511 754	-
Trade and other receivables	7	341 830	476 142	1
Current income tax assets		52 170	37 566	-
Cash and cash equivalents	23.9	363 197	580 183	8 956
Total current assets		4 985 836	4 605 645	8 957
Assets classified as held for sale		-	-	-
Total assets		7 899 699	7 814 932	3 387 957
EQUITY AND LIABILITIES				
Capital and reserves				
Stated capital	9	11 399 304	11 399 304	11 399 304
Other reserves	10	(8 808 931)	(8 927 034)	-
Retained earnings		1 991 000	3 017 674	(8 061 030)
Attributable to equity holders of the Company		4 581 373	5 489 944	3 338 274
Non-controlling interest		179 642	215 056	-
Total equity		4 761 015	5 705 000	3 338 274
Non-current liabilities				
Interest-bearing borrowings	11	2 178 212	1 142 614	-
Deferred income tax liabilities	12	429 907	348 172	-
Total non-current liabilities		2 608 119	1 490 786	-
Current liabilities				
Trade and other payables	13	501 988	550 615	49 465
Interest-bearing borrowings	11	24 720	15 615	-
Provisions	14	-	44 414	-
Derivative financial instruments	8	-	0 151	-
Current income tax liabilities		3,857	8,351	218
Total current liabilities		530 565	619 146	49 683
Total equity and liabilities		7 899 699	7 814 932	3 387 957
				5 293 458

INCOME STATEMENTS

FOR THE YEAR ENDED 30 JUNE

	NOTES	GROUP		COMPANY	
		2025 R'000	2024 R'000	2025 R'000	2024 R'000
Continuing operations					
Revenue	15	1 922 909	2 659 364	216 390	376 419
Operating costs	16	(1 840 849)	(2 460 611)	(27 770)	(688)
Costs of goods sold		(1 236 827)	(1 698 104)	-	-
Sales and marketing costs		(380 663)	(423 214)	-	-
Distribution costs		(26 517)	(58 222)	-	-
Administration and other costs		(194 697)	(283 705)	(27 770)	(688)
Net impairment gains/(losses) on financial assets		(2 145)	2 634	-	-
Other gains and losses	17	(775 015)	86 561	(1 904 000)	121 000
Operating profit/(loss)		(692 955)	285 314	(1 715 380)	496 731
Finance income	19	30 131	96 887	945	3 999
Finance costs	20	(109 446)	(87 586)	-	-
Profit/(Loss) before taxation		(772 270)	294 615	(1 714 435)	500 730
Taxation	21	(36 805)	(59 797)	(256)	(1 090)
Profit/(Loss) for the year from continuing operations		(809 075)	234 818	(1 714 691)	499 640
Discontinued operations		-	844 081	-	-
Profit/(Loss) for the year		(809 075)	1 078 899	(1 714 691)	499 640
 Attributable to:					
Equity holders of the Company		(811 847)	944 539	(1 714 691)	499 640
From continuing operations		(811 847)	227 070	-	-
From discontinued operations		-	717 469	(1 714 691)	499 640
Non-controlling interest		2 772	134 354	-	-
From continuing operations		2 772	7 742	-	-
From discontinued operations		-	126 612	-	-
		(809 075)	1 078 899	(1 714 691)	499 640

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE

NOTES	GROUP		COMPANY	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Loss for the year	(809 075)	1 078 899	(1714 691)	499 640
Other comprehensive income (net of taxation)				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Currency translation differences	10 119 666	(102 648)	-	-
Other comprehensive income/(losses)	119 666	(102 648)	-	-
Total comprehensive income/(losses) for the year	(689 409)	976 251	(1714 691)	499 640
 Attributable to:				
Equity holders of the Company	(692 181)	841 889	(1714 691)	499 640
Non-controlling interest	2 772	134 362	-	-
	(689 409)	976 251	(1714 691)	499 640

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE

Group	NOTES	Attributable to equity holders					Non-controlling interest R'000	Total equity R'000
		Share capital and premium R'000	Treasury shares R'000	Other reserves R'000	Retained earnings R'000	Total R'000		
2025								
Balance at 1 July 2024		11 399 304	-	(8 927 034)	3 017 674	5 489 944	215 056	5 705 000
Comprehensive income		-	-	-	(811 847)	(811 847)	2 772	(809 075)
Profit for the year		-	-	-	-	-	-	-
Other comprehensive income (net of taxation)		-	-	-	-	-	-	-
Currency translation differences	10	-	-	118 103	1 563	119 666	-	119 666
Total other comprehensive income		-	-	118 103	1 563	119 666	-	119 666
Total comprehensive income for the year		-	-	118 103	(810 284)	(692 181)	2 772	(689 409)
Transactions with owners								
Transfers	9	-	-	-	-	-	-	-
Ordinary shares repurchased	9	-	-	-	-	-	-	-
Dividends paid		-	-	-	(216 390)	(216 390)	(38 186)	(254 576)
Total contributions by and distributions to owners		-	-	-	(216,390)	(216 390)	(38 186)	(254 576)
Total transactions with owners		-	-	-	(216 390)	(216 390)	(38 186)	(254 576)
Balance at 30 June 2025		11 399 304	-	(8 808 931)	1 991 000	4 581 373	179 642	4 761 015

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE

Group	NOTES	Attributable to equity holders					Non-controlling interest	Total equity
		Share capital and premium R'000	Treasury shares R'000	Other reserves R'000	Retained earnings R'000	Total R'000		
2024								
Balance at 1 July 2023		11 563 565		(8 824 378)	2 300 890	5 040 077	226 533	5 266 610
Comprehensive income		-	-	-	944 539	944 539	134 354	1 078 893
Profit for the year								
Other comprehensive income (net of taxation)								
Currency translation differences	10	-	-	(102 656)	-	(102 656)	8	(102 648)
Total other comprehensive losses		-	-	(102 656)	-	(102 656)	8	(102 648)
Total comprehensive income for the year		-	-	(102 656)	944 539	841 883	134 362	976 245
Transactions with owners								
Proceeds from ordinary shares issued	9	75 000	-	-	-	75 000	-	75 000
Ordinary shares repurchased	9	(239 261)	-	-	-	(239 261)	-	(239 261)
Dividends paid	10	-	-	-	(227,755)	(227 755)	(145 839)	(373 594)
Total contributions by and distributions to owners		(164 261)	-	-	(227 755)	(392 016)	(145 839)	(537 855)
Changes in ownership interests in subsidiaries that do not result in a loss of control								
Transactions with non-controlling interests	-	-	-	-	-	-	-	-
Total transactions with owners		(164 261)	-	-	(227 755)	(392 016)	(145 839)	(537 855)
Balance at 30 June 2024		11 399 304	-	(8 927 034)	3 017 674	5 489 944	215 056	5 705 000

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE

Company	NOTES	Share capital R'000	Other reserves R'000	Retained earnings R'000	Total R'000
2025					
Balance at 1 July 2024		11 399 304	-	(6 129 948)	5 269 356
Comprehensive income				(1 714 691)	(1 714 691)
Loss for the year				(1 714 691)	(1 714 691)
Total comprehensive income for the year		-	-	(1 714 691)	(1 714 691)
Transactions with owners					
Dividends paid		-	-	(216 390)	(216 390)
Total transactions with owners		-	-	(216 390)	(216 390)
Balance at 30 June 2025		11 399 304	-	(8 061 029)	3 338 275
2024					
Balance at 1 July 2023		11 563 565	-	(6 401 833)	5 161 732
Comprehensive income				499 640	499 640
Profit for the year				499 640	499 640
Total comprehensive income for the year		-	-	499 640	499 640
Transactions with owners					
Proceeds from ordinary shares issued	9	75 000	-	-	75 000
Shares repurchased		(239 261)	-	-	(239 261)
Dividends paid		-	-	(227 755)	(227 755)
Total transactions with owners		(164 261)	-	(227 755)	(392 016)
Balance at 30 June 2024		11 399 304	-	(6 129 948)	5 269 356

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE

	NOTES	GROUP		COMPANY	
		2025 R'000	2024 R'000	2025 R'000	2024 R'000
Cash flows from operating activities					
Operating profit		(692 955)	1 308 769	(1 715 380)	496 731
Non-cash flow items	23.1	865 970	109 233	1 904 112	(121 000)
Working capital changes	23.2	(476 864)	(609,812)	25 403	1 796
Cash generated from operations		(303 849)	808 190	214 135	377 527
Finance income	23.3	30 131	96 887	946	3 999
Finance costs	23.4	(109 446)	(87 586)	-	-
Taxation (paid)/refunded	23.5	(54 378)	(237 029)	(78)	(1,113)
Cash-settled share-based payments		-	-	-	-
Net cash generated from operating activities		(437,542)	580 462	215 003	380 413
Cash flows from investment activities					
Purchases of property, plant and equipment (PPE) to maintain operations	23.7	(232,807)	(44,944)	-	-
Purchases of PPE to expand operations	23.8	(23,104)	(212,524)	-	-
Proceeds from disposal of PPE		16,206	2,412	-	-
Purchases of intangible assets	5	(28,835)	(28,698)	-	-
Cash (outflow)/inflow from investing activities		(268,540)	(283 754)	-	-
Cash flows from financing activities					
Shares issued		-	75 000	-	75 000
Shares repurchased		-	(239 261)	-	(239 261)
Proceeds from borrowings	23.10	775 664	409 772	-	-
Repayment of borrowings	23.10	-	(374 454)	-	-
Lease payments	24.3	(37 040)	(16 840)	-	-
Dividends paid to Company's shareholders	23.6	(216 390)	(227 755)	(216 390)	(227 755)
Dividends paid to non-controlling interests	23.6	(38 186)	(145 839)	-	-
Cash inflow/(outflow) from financing activities		484,048	(519 377)	(216 390)	(392 016)
(Decrease)/increase in net cash, cash equivalents and bank overdraft	23.9	(222,034)	(222 669)	(1 387)	(11 603)
Cash, cash equivalents and bank overdrafts at the beginning of the year		580 182	817 102	10 457	22 060
Exchange gains on cash, cash equivalents and bank overdrafts		5 049	(14 250)	-	-
Cash, cash equivalents and bank overdrafts at the end of the year		363 197	580 183	9 070	10 457

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1. MATERIAL ACCOUNTING POLICY INFORMATION

1.1 Basis of preparation

The consolidated and separate financial statements of Capevin Holdings Proprietary Limited are prepared in accordance with and comply with International Financial Reporting Standards (IFRS) and the IFRS Interpretations Committee (IFRS IC) interpretations, and the SAICA Financial Reporting Guides as issued by the International Accounting Standards Board and Financial Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act, No. 71 of 2008, as amended. The annual financial statements have been prepared on a historical cost basis, except for the following:

Standards and amendments applicable to the Group effective for the first time:

- *Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1 (effective 1 January 2024)*
- *Lease Liability in a Sale and Leaseback - Amendments to IFRS 16 (effective 1 January 2024)*
- *Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7 (effective 1 January 2024)*
- *Lack of exchangeability - Amendments to IAS21 (effective 1 January 2025)*

The amendments listed above did not have any impact on the amounts recognised in the current and prior periods and are not expected to significantly affect future periods.

The Group did not early adopt amendments that were not effective in 2025.

Standards, interpretations and amendments to published standards that are not yet effective:

Management considered all new accounting standards, interpretations and amendments to IFRS that were issued prior to 30 June 2025, but not yet effective on that date. Management is in the process of assessing the impact of these standards, interpretations and amendments on the reported results of the Group. These standards are not expected to have a material impact on the entity in future reporting periods and on foreseeable future transactions.

The standards that are applicable to the Group, but were not implemented early, are the following:

- *Classification and Measurement of Financial Instruments – Amendments to IFRS9 and IFRS 7 (effective 1 January 2026)*
- *Annual improvements to IFRS Accounting Standards Volume 11 (effective 1 January 2026)*
- *Contract Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (effective 1 January 2026)*

1.2 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future and these accounting estimates are an integral part of the preparation of financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

a) Estimated impairment of goodwill and intangible assets

The Group tests annually whether goodwill and intangible assets with indefinite useful lives have suffered any impairments, in accordance with the accounting policy stated in note 1.8. The recoverable amounts of cash-generating units are determined as being the higher of the value in use or fair value less costs to sell. Calculation of these amounts require the use of estimates. Further details are provided in note 6.

b) Impairment of financial assets

The Group follows the guidance of IFRS 9 to determine when a financial asset is impaired. This determination requires significant judgement. In making this judgement the Group evaluates, among other factors, the expected loss rates based on historical information and adjusted to reflect current and forward-looking information and macro-economic factors. Further details are included in notes 4 and 8.

c) Property, plant and equipment (PPE)

It is necessary for the Group to make use of estimates when determining the useful life of PPE.

d) Investment property

It is necessary for the reporting entity to make use of judgement when determining the useful life of investment property.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1.3 Basis of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) that are, directly or indirectly, controlled by the Group. Control is established where the Group is exposed, 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 effective control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred 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.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in 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 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 Group's share of the identifiable net assets acquired is recorded as goodwill. If this 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 the income statement. Transactions with owners are recognised in equity only when control is not lost.

Intercompany transactions, balances, income and expenses on transactions between Group companies are eliminated. Unrealised gains and losses resulting from intercompany transactions that are recognised in assets are also eliminated. Unrealised losses are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The investment of Capevin Holdings Proprietary Limited in the ordinary shares of its subsidiary, Remgro-Capevin Investments Proprietary Limited, are carried at cost less impairment losses in the separate financial statements.

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, as 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.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity 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.

A disposal of which the group of entities are ultimately controlled by the same party before and after the disposal are accounted for using the predecessor method of accounting. The assets and liabilities of the group of entities disposed of are stated at the predecessor carrying values. No fair value re-measurement is done. Any difference between the consideration received and the aggregate book value of the assets and liabilities of the entities disposed of at the date of the transaction is included directly in equity in retained earnings.

1.4 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each 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 prepared in South African rand (R), which is the Company's functional and the Group's presentation currency.

Foreign Group entities

The results and the financial position of all Group entities that have a functional currency that is different from the presentation currency of the Group are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that
- Income and expenses for each income statement presented are translated at the rate on the dates of the transactions.
- All resulting exchange differences are recognised in other comprehensive income as part of a foreign currency translation reserve (FCTR).
- On consolidation, exchange rate differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, if applicable, are also taken to the FCTR. When a foreign operation is sold, all related exchange rate differences that were recorded in the FCTR are recognised in the income statement as part of the profit or loss on sale. When a partial disposal takes place, the FCTR is proportionately reattributed to the non-controlling shareholders in terms of IAS 21. The Group's net investment in a subsidiary or joint venture is equal to the equity investment plus all monetary items that are receivable from or payable to the subsidiary or joint venture, for which settlement is neither planned nor likely to occur in the foreseeable future.
- Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. 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 profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the income statement within 'costs of goods sold'.

Changes in the fair value of monetary securities denominated in foreign currency classified as financial assets at fair value through other comprehensive income (FVOCI) are analysed between translation differences resulting from changes in the amortised cost of the security, and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in the carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities, such as equities held at fair value through profit or loss, are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as financial assets at FVOCI are recorded in other comprehensive income.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1.5 Property, plant, equipment

PPE are tangible assets held by the Group for use in the manufacturing and distribution of its products and are expected to be used during more than one period. All PPE are stated at historical costs less subsequent depreciation and accumulated impairment. The historical cost includes all expenditure that is directly attributable to the acquisition of the PPE and is depreciated on a straight-line basis, from the date that assets are available for use, at rates appropriate to the various classes of assets involved, taking into account the estimated useful life and residual values of the individual items.

Returnable bottles, pallets and divider boards in circulation are recorded within PPE and a corresponding liability is recorded at the point of the sale of the products packaged in these items in respect of the obligation to repay the customers' deposits. Deposits paid by customers for returnable items are reflected in the consolidated statement of financial position within current liabilities. Refer to note 1.18 for further details in this regard.

Land is not depreciated as it is deemed to have an unlimited useful life. Improvements to leasehold properties are recognised as PPE when it is probable that future economic benefits will flow to the Group. Improvements to leasehold properties are shown at cost and written off over the shorter of its useful life or the remaining period of the lease. Assets under construction are 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, or in the case of leasehold improvements and certain leased plant and equipment, the shorter of the lease term or the useful life of the assets.

Management determines the estimated useful lives and the related depreciation charges at acquisition.

Useful lives

Buildings	5 - 60 years
Stainless steel tanks	3 - 65 years
Other machinery and barrels	2 - 45 years
Equipment and vehicles	2 - 33 years
Right-of-use assets: equipment and	2 - 5 years
Right-of-use assets: property	2 - 7 years
Returnable containers:	
Crates:	14 years
Pallets and divider boards:	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, to the extent that 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. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

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. The recoverable amount is calculated as the higher of the asset's fair value less costs to sell and the value in use. Also refer to note 1.8 for impairment of non-financial assets.

Gains and losses on disposal or scrapping of PPE, this being the difference between the net proceeds on disposals or scrappings and the carrying amount, are recognised in the income statement within 'other gains and losses'.

1.6 Investment properties

Investment properties are tangible assets held by the reporting entity for capital appreciation and to earn rental income. Investment properties are stated at their historical costs less subsequent depreciation. The historical cost includes all expenditure that is directly attributable to the acquisition of the investment property and is depreciated on a straight-line basis, from the date of acquisition, at rates appropriate to the various classes of assets involved, taking into account the estimated useful life and residual values of the individual items. Land is not depreciated, as it is deemed to have an indefinite life.

Management determines the estimated useful lives and the related depreciation charges at acquisition but will revise the depreciation charge where useful lives are subsequently found to be different from the previous estimate.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Investment properties' residual values and useful lives are reviewed at each balance sheet date. If appropriate, adjustments are made and accounted for prospectively as a change in estimate. The useful lives of buildings are estimated to be between 5 to 60 years.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, to the extent that it is probable that future economic benefits associated with the item will flow to the reporting entity 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.

Gains and losses on disposal or scrapping of investment properties, being the difference between the net proceeds on disposals or scrappings and the carrying amount, are recognised in the statement of comprehensive income.

1.7 Intangible assets

Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest in the fair value of the net identifiable assets of the acquired subsidiaries at the date of acquisition. Goodwill on acquisition of subsidiaries is included in 'intangible assets'. Goodwill on acquisition of associates is included in 'investments in associates' and is tested for impairment as part of the overall balance. Goodwill denominated in a foreign currency is translated at closing rates.

Trademarks and other intangibles

Separately acquired trademarks and other intangibles, like customer relationships, that have a finite useful life are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks over their estimated useful lives. Trademarks and other intangibles are deemed as having an indefinite useful life when there is no foreseeable limit on the time it is expected to provide future cash flows. Trademarks and other intangibles that are deemed to have an indefinite useful life are carried at cost less accumulated impairment losses and are tested annually for impairment.

Computer software

Acquired computer software (which is not an integral part of computer hardware) and software licences and the direct costs associated with the development and installation thereof are capitalised.

Costs associated with developing or maintaining software are recognised as an expense when incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use
- Management intends to complete the software product and use it or sell it
- There is an ability to use or sell the software product
- It can be demonstrated how the software product will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development
- The expenditure attributable to the software product during its development can be reliably measured

Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Directly attributable costs that are capitalised as part of the software product include the software development employee cost and an appropriate portion of relevant overheads.

Computer software is depreciated on the straight-line method over its estimated useful life (three to 17 years) when available for use.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1.8 Impairment of non-financial assets

Assets that have an indefinite useful life – or intangible assets not ready for use – are not subject to amortisation and are tested for impairment annually. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the full 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 purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units (CGUs)). Non-financial assets, other than goodwill, that suffered impairment are reviewed for possible reversal of impairment at each reporting date.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at a company level (where it is attributed to a company) or CGU level which is lower than the operating segment level.

Goodwill impairment reviews are undertaken annually, or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

1.9 Financial assets

Classification

The Group classifies its financial assets in the following categories:

- Financial assets at amortised cost

The classification is dependent on the purpose for which the financial asset was acquired. Management determines the classification of its financial assets at initial recognition. For investments in equity instruments that are not held for trading, 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 FVOCI. Debt investments are only reclassified when its business model for managing those assets changes.

Recognition and measurement

The Group measures a financial asset at its fair value at initial recognition. In the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset are added to the fair value. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets at amortised cost

Financial assets at amortised cost are non-derivative debt instruments with fixed or determinable payments of principal and interest. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in 'other gains and losses'. Impairment losses are presented as a separate line item in the statement of profit or loss.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Impairment of financial assets

The Group assesses the expected credit losses associated with its debt instruments carried at amortised cost on a forward-looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Assets carried at amortised cost

The loss allowances for financial assets carried at amortised cost are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions, as well as forward-looking estimates at the end of each reporting period. The debt instruments are considered to have minimal credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. The investment in the savings bonds of the Reserve Bank of Zimbabwe is not considered to have minimal credit risk.

The calculation of the expected credit loss allowance on trade receivables is described in note 1.15.

Derivative financial instruments and hedging activities

The Group is party to financial instruments that reduce exposure to fluctuations in foreign currency exchange and interest rates. These instruments mainly comprise forward foreign exchange contracts and interest rate swaps. The purpose of these instruments to reduce risk.

Since the adoption of IFRS 9, 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 derivative is designated as a hedging instrument 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 or a firm commitment (fair value hedges);
- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges); or
- hedges of a net investment in a foreign operation (net investment hedges).

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(i) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within 'other gains and losses'.

When option contracts are used to hedge forecast transactions, the Group designates only the intrinsic value of the options as the

Gains or losses relating to the effective portion of the change in intrinsic value of the options are recognised in the cash flow hedge reserve within equity. The changes in the time value of the options that relate to the hedged item (aligned time value) are recognised within OCI in the costs of hedging reserve within equity.

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in the cash flow hedge reserve within equity. The change in the forward element of the contract that relates to the hedged item (aligned forward element) is recognised within OCI in the costs of hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedge reserve within equity.

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss, as follows:

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

- Where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), both the deferred hedging gains and losses and the deferred time value of the option contracts or deferred forward points, if any, are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example through costs of goods sold).
- The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in profit or loss within finance cost at the same time as the interest expense on the hedged borrowings.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset such as inventory. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

(ii) Net investment hedges

Hedges of net investments in foreign operations, if and when applicable, are accounted for similarly to cash flow hedges.

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within 'other gains and losses'.

Gains and losses accumulated in equity are reclassified to profit or loss when the foreign operation is partially disposed of or sold.

(iii) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in 'administration and other costs'.

1.11 Financial guarantees

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under IFRS 9 Financial Instruments; and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of IFRS 15 Revenue from Contracts with Customers.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1.12 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

The Group is subject to income taxes in numerous jurisdictions. Judgement may be required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination may be uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax assets and liabilities in the period in which such determination is made. Additional disclosure will be provided where this applies.

Deferred income tax

Deferred income tax is provided in full at currently enacted or substantially enacted tax rates using the liability method. Provision is made for all temporary differences arising between the taxation bases of assets and liabilities and their statement of financial position carrying values.

No deferred income tax is 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 tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position 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 are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Management applies judgement to determine whether sufficient future taxable profit will be available after considering, among others, factors such as profit history, forecasted cash flows and budgets.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that it will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary differences for associates.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Taxation rates

The normal South African company tax rate used for the year ending 30 June 2025 is 27% (2024: 27%). Deferred tax assets and liabilities for South African entities at 30 June 2025 have been calculated using the rates currently enacted or substantially enacted, this being the rate that the Group expects to apply to the periods when the assets are realised or the liabilities are settled. Capital gains tax is calculated as 80% (2023: 80%) of the company tax rate. The normal United Kingdom company tax rate used for the year ending 30 June 2025 is 25,0% (2024: 25,0%). Other international tax rates vary from jurisdiction to jurisdiction.

In preparing the tax rate reconciliation, the tax charge is reconciled to the tax rate of the parent, i.e. the South African company tax rate.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Dividend withholding tax (DWT)

Shareholders are subject to DWT on dividends received, unless they are exempt in terms of the amended tax law. DWT is levied at 20% (2024: 20%) of the dividend received. The DWT is categorised as a withholding tax as the tax is withheld and paid to tax authorities by the company paying the dividend or by a regulated intermediary and not the beneficial owner of the dividend.

1.13 Leases

The Group leases, warehouses, machinery, equipment and vehicles under non-cancellable lease agreements. The leases have varying terms, renewal rights and escalation clauses.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

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 other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

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 (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable by the Group under residual value guarantees
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option
- Payments of penalties for terminating the lease, if applicable

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the incremental borrowing rate of the Group entity incurring the lease is used, being the rate that the individual company 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.

To determine the incremental borrowing rate, the Group:

- where possible, uses an internal borrowing rate, adjusted to reflect changes in financing conditions since third-party financing was received;
- makes adjustments specific to the lease, for example term, country, currency and security.

The Group is exposed to potential future increases in variable 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.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of the lease liability,
- Any lease payments made at or before the commencement date less any lease incentives received,
- Any initial direct costs, and
- Restoration costs

Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Payments associated with short-term leases of equipment and vehicles 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 comprise IT equipment and small items of office furniture. A lease agreement of which the underlying asset's value is R80 000 or less will be considered a low-value lease.

Some property and equipment leases contain extension and termination options. These options provide operational flexibility for managing the assets required for the Group's operations. The majority of extension and termination options held are exercisable only by the Group lessee entity and not by the respective lessor.

The Group sometimes provides residual value guarantees for vehicle leases to optimise costs.

1.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the first-in first-out (FIFO) method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity), but excludes borrowing cost.

Net realisable value is the estimated selling price in the ordinary course of business, less the applicable costs of completion and selling expenses.

1.15 Trade and other receivables

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. They are generally due for settlement within 30 to 120 days, depending on the type of customer, and therefore are all classified as current. The Group holds the trade and other receivables with the objective to collect the contractual cash flows. Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for expected credit losses. Fair value is determined as the estimated future cash flows discounted at a market-related interest rate.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 36 months and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables. The Group has identified the gross domestic product (GDP) and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Expected credit losses are recognised using the simplified model based on a provision matrix which incorporates historical default rates of the debtors, adjusted for factors specific to the debtor including general economic conditions, both current and forecast.

The Group applies the general approach to measuring expected credit losses for all financial assets that are classified within other receivables. The stage the other receivable is classified determines if a lifetime or 12-month expected credit loss allowance is recognised. For stage 1, where credit risk has not increased significantly since initial recognition, a 12-month loss allowance is used. For stage 2, where credit risk has increased significantly since initial recognition, and stage 3, where the financial asset is credit impaired, a lifetime credit loss is recognised.

Impairment losses on trade and receivables are presented as 'net impairment losses' within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

1.16 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are included in current interest-bearing borrowings in the statement of financial position.

1.17 Stated capital

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from proceeds, net of taxation.

Where entities controlled by the Group purchase the Company's shares, the consideration paid, including attributable transaction costs net of income taxes, is deducted from total shareholders' equity as treasury shares until they are sold or cancelled. Where such shares are subsequently sold, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects is included in equity attributable to the Company's equity holders. Dividends received on treasury shares are eliminated on consolidation.

1.18 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective

For returnable containers a liability is recorded in respect of the obligation to repay the customers' deposits, at the point of sale of the products packaged in these items. The deposit value is an amount imposed by the Group on the purchaser to expedite the return of the Group's containers for reuse. It is arbitrarily set by the Group with a view to the efficient use of the asset – it is not an attempt to value the asset nor to sell it, but is set to encourage the purchaser to return the container in return for the deposit. Deposits paid by customers for returnable items are reflected in the consolidated statement of financial position within current liabilities.

1.19 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 the unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

If a modification of loan terms is not considered to result in an extinguishment of the initial borrowings, the cash flows of the modified borrowings are discounted at the original effective interest rate and the difference is recognised in profit or loss. A substantial debt modification or a debt exchange with substantially different terms is accounted for as an extinguishment of the original financial liability. This results in derecognition of the original loan and the recognition of a new financial liability at its fair value. The difference between the carrying amount of the original financial liability and the fair value of the new financial liability is recognised in profit or loss.

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. When funds are borrowed specifically for the purpose of obtaining a qualifying asset, the amount to be capitalised is the actual borrowing costs less any temporary investment income on those borrowings. General borrowing costs are capitalised by calculating the weighted average expenditure on the qualifying asset and applying a weighted average borrowing rate to the expenditure.

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 or when 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 profit or loss in the period in which they are incurred.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation, as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. 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. The increase in the provision due to the passage of time is recognised as interest expense. Provisions are not recognised for future operating losses.

1.21 Employee benefits

Retirement funds

The Group provides pension, retirement or provident fund benefits to all permanent employees.

The schemes are generally funded through payments to insurance companies or trustee-administered funds, which are determined by periodic actuarial calculations.

A defined contribution plan is a plan under which the Group pays fixed contributions to a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group's contributions to defined contribution plans, in respect of services rendered in a particular period, are recognised as an expense in that period. Additional contributions are recognised as an expense in the period during which the associated services are rendered by employees.

Incentive plans

The Group recognises a liability and an expense for incentives and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.22 Revenue from contracts with customers and other income

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities, including excise duty, but net of value added tax (VAT), general sales taxes (GST), rebates and discounts, and after eliminating sales within the Group. The Group's revenue consists mostly of sales of liquor products delivered to customers at the point of sale and does not have multiple performance obligations included in it. The Group recognises revenue when it transfers control over a good to a customer.

Excise duty is not directly related to sales, unlike VAT. It is not recognised as a separate item on invoices. Increases in excise duty are not always directly passed on to customers and the Group cannot reclaim the excise duty where customers do not pay for products received. The Group considers excise duty as a cost to the Group and reflects it in 'costs of goods sold' and, consequently, any excise duty that is recovered in and forms part of the transaction price is included in revenue.

Revenue is recognised as follows:

Sales of goods are recognised when control of goods is transferred to the customer which is upon delivery of products and customer acceptance.

The Group manufactures and sells a range of alcoholic and non-alcoholic products in various categories and to a range of customers, including the wholesalers, retailers and redistributors. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the products, and there is no unfulfilled obligation that could affect the customers' acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss, i.e. risks and rewards of ownership, have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied and therefore has right to payment.

The products sold often include various types of discounts, including volume discounts based on aggregate sales and early settlement discounts which are considered to represent variable consideration. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A liability (included in trade and other payables) is recognised for expected discounts payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are made with credit terms which are consistent with market practice.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

The Group's obligation to replace or accept return of faulty products is recognised as a refund liability (included in trade and other payables) and a right to the returned goods (included in other current assets) is recognised for the products expected to be returned. The value of the returned goods is based on the cost of the products expected to be returned. Accumulated experience is used to estimate such returns at the time of sale at a category level (expected value method). Because the number of products returned has been steady for years, it is highly probable that a significant reversal in the cumulative revenue recognised will not occur. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

A receivable is recognised when control of goods is transferred upon delivery as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due, which is generally considered to be less than 12 months.

The Group makes payments in the form of various rebates and allowances to customers linked to distribution or sales and marketing functions carried out by them. Due to such consideration paid or payable to a customer of the Group not relating to distinct services provided by the customer to the Group, these costs are accounted for against revenue at the later of when the Group recognises revenue for the transfer of the related goods or when the Group pays or promises to pay the consideration to the customer.

Recognition of other income streams

- Interest income is recognised on a time-proportion basis using the effective interest rate method.
- Dividend income is recognised when the shareholder has an irrevocable right to receive payment.

1.23 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

Dividends in specie are recognised at the book value of the assets and liabilities distributed under the common control method of accounting.

1.24 Non-current assets held for sale

Non-current assets (or disposal groups) held for sale are classified as assets held for sale and are stated at the lower of the carrying amount and fair value, less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continued use.

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 recognition.

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 balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Inter-company transactions were eliminated by taking a view of the post-disposal situation. This is incorporated by eliminating the transaction against the discontinued or the continuing business depending on which entity was considered to be the distributor.

1.25 Related parties

Individuals 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. Key management personnel are also considered to be related parties and are defined as the directors of Capevin Holdings Proprietary Limited.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2. PROPERTY, PLANT AND EQUIPMENT

	Properties R'000	Machinery, tanks and barrels R'000	Equipment and vehicles R'000	Assets under construction R'000	Total R'000
2025					
Opening balance	735 998	812 645	43 624	170 157	1 762 424
Additions	264 333	231 413	2 550	9 549	507 845
Disposals and scrappings	(11 974)	(9 038)	(144)		(21 156)
Transfers	61 602	125 381	-	(186 983)	-
Depreciation	(39 593)	(86 123)	(10 227)	-	(135 943)
Exchange differences	33 958	32 138	1 700	7 277	75 073
	1 044 324	1 106 416	37 503		2 188 243
At cost	1 241 241	1 553 888	75 201	-	2 870 330
Accumulated depreciation and impairment	(196 917)	(447 472)	(37 698)	-	(682 087)
Net carrying value	1 044 324	1 106 416	37 503		2 188 243
2024					
Opening balance	756 969	706 098	32 000	113 943	1 609 010
Additions	12 228	172 977	22 710	73 535	281 450
Disposals and scrappings	-	(1 681)	-	-	(1 681)
Transfers	552	14 766	-	(15 318)	-
Depreciation	(18 483)	(55 811)	(9 334)	-	(83 628)
Exchange differences	(15 268)	(23 704)	(1 752)	(2 003)	(42 727)
	735 998	812 645	43 624	170 157	1 762 424
At cost	893 322	1 173 994	71 095	170 157	2 308 568
Accumulated depreciation and impairment	(157 324)	(361 349)	(27 471)	-	(546 144)
Net carrying value	735 998	812 645	43 624	170 157	1 762 424
2025					
Right-of-use assets included in aforementioned categories:	Properties R'000	Equipment and vehicles R'000	Total R'000	Properties R'000	Equipment and vehicles R'000
Opening balance	29 285	22 482	51 767	38 882	7 225
Additions	250 778	1 156	251 934	1 292	22 690
Disposals and scrappings		(1 724)	(1 724)	-	-
Depreciation	(25 087)	(6 895)	(31 982)	(8 496)	(6 282)
Exchange differences	402	2 517	2 919	(2 393)	(1 151)
	255 378	17 536	272 914	29 285	22 482
At cost	315 714	34 908	350 622	64 534	32 959
Accumulated depreciation and impairment	(60 336)	(17 372)	(77 708)	(35 249)	(10 477)
Net carrying value	255 378	17 536	272 914	29 285	22 482
2024					
Right-of-use assets included in aforementioned categories:	Properties R'000	Equipment and vehicles R'000	Total R'000	Properties R'000	Equipment and vehicles R'000
Opening balance	29 285	22 482	51 767	38 882	7 225
Additions	250 778	1 156	251 934	1 292	22 690
Disposals and scrappings		(1 724)	(1 724)	-	-
Depreciation	(25 087)	(6 895)	(31 982)	(8 496)	(6 282)
Exchange differences	402	2 517	2 919	(2 393)	(1 151)
	255 378	17 536	272 914	29 285	22 482
At cost	315 714	34 908	350 622	64 534	32 959
Accumulated depreciation and impairment	(60 336)	(17 372)	(77 708)	(35 249)	(10 477)
Net carrying value	255 378	17 536	272 914	29 285	22 482

Depreciation of R122.8 million (2024: R67.3 million) is included in 'cost of goods sold', R2.5 million (2024: R8.9 million) is included in 'sales and marketing costs', R0 million (2024: R0 million) is included in 'distribution costs', and R10.5 million (2024: R7.4 million) is included in 'administration and other costs'.

Details of properties are available for inspection at the registered office of the Company.

The UK pound borrowing facility is secured by a bond and floating charge over the entirety of the assets and undertaking of CVH Spirits Limited, together with a standard security creating a fixed charge over each of the company's heritable properties.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

3. INVESTMENT PROPERTIES

	Properties R'000	Total R'000
2025		
Opening balance	91 797	91 797
Additions	-	-
	91 797	91 797
At cost	92 064	92 064
Accumulated depreciation and impairment	(267)	(267)
Net carrying value	91 797	91 797
2024		
Opening balance	91 797	91 797
	91 797	91 797
At cost	92 064	92 064
Accumulated depreciation and impairment	(267)	(267)
Net carrying value	91 797	91 797

Investment properties mainly comprises an office building, a function venue and a commercial property in Stellenbosch, Western Cape, approximately 25 ha in size, and held under various title deeds. The fair value of the property was determined at R376.0 million (2024: R404.0 million), which represents the market value, determined utilising the Level 3 valuation method as detailed in note 27.2.

The fair value as stated above have been determined by independent professional valuers on 5 February 2025.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2025 R'000	2024 R'000
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4. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES
Company**Investments in subsidiaries (note 30)**

Opening balance

Reversal of impairment/(Impairment)

Balance at the end of the year

5 283 000	5 162 000
(1 904 000)	121 000
3 379 000	5 283 000

Impairment tests of investments in subsidiaries

The investment in Remgro-Capevin Investments Proprietary Limited was impaired in the current year with R1,940.0 million due to a decrease in the value of the underlying investments. In the previous year R121.0 million of the prior year impairment was reversed following an increase in the value of the underlying investments.

5. INTANGIBLE ASSETS

	Capitalised software R '000	Goodwill R '000	Trademarks and other intangibles R '000	Total R '000
2025				
Opening balance	28 219	766 184	542 936	1 337 339
Additions	28 835	-	-	28 835
Impairments	-	(798 952)	-	(798 952)
Amortisation	(2,537)	-	-	(2 537)
Exchange differences	1 107	32 768	22 050	55 925
Balance at the end of the year	55 624	-	564 986	620 610
Cost	59 163	1 273	727 007	787 443
Accumulated amortisation and impairment	(3 539)	(1 273)	(162 021)	(166 833)
Net carrying value	55 624	-	564 986	620 610
Finite useful life	55 624	-	-	55 624
Indefinite useful life	-	-	564 986	564 986
	55 624	-	564 986	620 610
2024				
Opening balance	274	776 982	550 586	1 327 842
Additions	28 698	-	-	28 698
Amortisation	(355)	-	-	(355)
Exchange differences	(398)	(10 798)	(7 650)	(18 846)
Balance at the end of the year	28 219	766 184	542 936	1 337 339
Cost	29 221	1 221 178	697 190	1 947 589
Accumulated amortisation and impairment	(1 002)	(454 994)	(154 254)	(610 250)
Net carrying value	28 219	766 184	542 936	1 337 339
Finite useful life	28 219	-	-	28 219
Indefinite useful life	-	766 184	542 936	1 309 120
	28 219	766 184	542 936	1 337 339

Amortisation is included in 'administration and other costs' in the income statement.

Included in trademarks and other intangibles are brand names, customer relationships and distribution rights relating to the acquisition of CVH Spirits Limited (previously Distell International Limited). This entity constitute the cash-generating units to which these items are attributed.

Management regards the trademarks as having an indefinite useful life as there are no foreseeable limits on the time the trademarks are expected to provide future cash flows. The trademarks are protected in all the major markets where they are sold and there is not believed to be any legal, regulatory or contractual provisions that limit the useful lives of these brands. The brands included in trademarks above are Scottish Leader, Black Bottle, Bunnahabhain, Tobermory and Deanston.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2025 R'000	2024 R'000
5. INTANGIBLE ASSETS (continued)		
Goodwill		
CVH Spirits Limited (previously named Distell International Limited)	-	766 184
	-	766 184
Trademarks and other intangibles	Useful life classification	
<u>CVH Spirits Limited (previously named Distell International Limited)</u>		
Black Bottle	Indefinite	564 986
Scottish Leader	Indefinite	51 596
Bunnahabhain	Indefinite	365 181
Deanston	Indefinite	98 701
Tobermory	Indefinite	20 299
Ledaig	Indefinite	14 811
		14 398
		564 986
		542 936

The finite useful life intangible assets are amortised over a period of between three and seventeen years. There are no internally generated trademarks recorded.

Discount rates

The discount rates used are the weighted average cost of capital (WACC) which reflects the returns on government bonds specific to the CGUs to which the intangible assets are attributed. The discount rates used have been adjusted to reflect specific risks relating to the CGU's under consideration. In cases where the CGU is deemed to be at greater risk than the Group as a whole, a risk premium has been included within the discount rate applied.

Growth rates

In determining the growth rate, consideration is given to the growth potential of the respective CGU. Volume growth assumptions are based on management's best estimates of known strategies and future plans to grow the business.

Impairment tests for goodwill and indefinite useful life trademarks and trade names

The goodwill and indefinite useful life trademarks and tradenames are allocated to their respective CGUs and are tested for impairment on an annual basis. The recoverable amounts of the CGU have been based on a value-in-use calculation. To calculate this, cash flow projections are based on financial budgets approved by management covering a five to 10-year period. A longer than five-year period was used as these longer periods better reflect the nature of the spirits category due to the long maturation periods required for some of the products.

The impairment test for the current year resulted in an impairment of R798.9 million (2024: R 0) of the goodwill associated with CVH Spirits Limited. The whisky industry faced a global decline in demand, especially in key geographical markets due to constrained consumer spending. This led to a decline in profitability for the year under review, which impacted forecasted cash flows. Additionally, discount rates increased and expected growth rates declined. Accordingly, the remaining goodwill allocated to Capevin amounting to R798.9 million was impaired.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

The key assumptions used for the value-in-use calculations of the CGU's to which goodwill and indefinite useful life intangible assets are allocated as follows:

	2025			2024	
	Forecast growth rate	Long-term growth rates	Discount rate	Forecast and long-term growth rates	Discount rate
CVH Spirits Limited	8.0%	3.4%	6.6%	8.0% / 3.3%	7.8%

Sensitivity analysis of assumptions used in the impairment tests and the potential additional 2025 impairment as a result thereof:

	Forecast growth rate	Discount rate	Discount rate	Long-term growth rate	Long-term growth rate
	-2.0%	+1.5%	+0.5%	-0.5%	-1.5%
	R '000	R '000	R '000	R '000	R '000
CVH Spirits Limited	3 942 660	2 086 882	1 114 332	961 028	1 732 859

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant.

	2025		2024	
	R '000	R '000	R '000	R '000
The amount by which the recoverable amount exceeds the carrying value is as follows: CVH Spirits Limited	(391 506)		304 942	

The underlying assets of CVH spirits have been tested for impairment and it was noted their recoverable amounts exceed their carrying values and are measured appropriately in terms of IFRS. Therefore no further impairment loss will be recognised.

6. INVENTORIES

	2025 R'000	2024 R'000
Maturing spirit and other work in progress	3 782 312	3 098 225
Finished goods	346 959	320 991
Packaging material and other	99 368	92 538
Total inventories	4 228 639	3 511 754
	4 228 639	3 511 754
	4 228 639	3 511 754

The operating cycle of the various categories of inventories are as follows:

Spirits: Brown spirits, mainly three to five years, but can exceed 30 years for certain aged whiskies. White spirits, up to 18 months.

The cost of inventories recognised as an expense and included in 'costs of goods sold' amounted to R976.6 million (2024: R1 141.0 million).

Inventory provisions relating to the year-end balance amounted to R19.2 million (2024: R21.1 million). No previous write-down was reversed during the year (2024: R nil). Refer to note 16.2 where write-offs and provisions related to inventory are disclosed.

The UK pound borrowing facility is secured by a bond and floating charge over the assets and undertakings of CVH Spirits Limited for a maximum value £95m or R2 311.4 million (2024: R2 216.6 million) (note 11).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2025 R '000	2024 R '000
7. TRADE AND OTHER RECEIVABLES		
Group		
Financial instruments		
Trade receivables	278 842	421 751
Loss allowance	(5 006)	(6 978)
Trade receivables - net	273 836	414 773
Other receivables	-	30 911
	273 836	445 684
Non-financial instruments		
Prepayments	65 935	24 867
Value added tax	2 059	5 591
	67 994	30 458
	341 830	476 142

The loss allowance as at 30 June 2025 was determined as follows:

	Current	Up to 60 days past due	Up to 90 days past due	More than 90 days past due	Total
	R '000	R '000	R '000	R '000	R '000
Gross carrying amount	213 374	42 992	1 806	20 670	278 842
Expected loss rate	0.0%	0.0%	0.0%	24.0%	1.8%
Loss allowance	-	-	-	5 006	5 006

Refer to note 27.1(b) for more detail about the assessment of the credit risk of trade and other receivables.

The loss allowance as at 30 June 2024 was determined as follows:

	Current	Up to 60 days past due	Up to 90 days past due	More than 90 days past due	Total
	R '000	R '000	R '000	R '000	R '000
Gross carrying amount	383 308	13 630	796	24 017	421 751
Expected loss rate	0.0%	0.0%	0.0%	29.1%	1.7%
Loss allowance	-	-	-	6 989	6 978

The movement of the Group's loss allowance for trade receivables is as follows:

	2025 R' 000	2024 R' 000
Opening balance	6 978	10 721
Increase in loss allowance recognised in profit or loss during the year	2,137	-
Receivables written off during the year as uncollectable	(456)	(19)
Exchange difference	223	(154)
Unused amounts reversed	(3 876)	(3 570)
Balance at the end of the year	5 006	6 978

The movement in the loss allowance is disclosed separately in the income statement as part of 'net impairment losses on financial assets'.

Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The maximum exposure to credit risk at the reporting date is the carrying value of each category of receivable as mentioned below. The fair values of trade and other receivables approximate their book values as shown in this note due to the short-term maturities of these assets. The Group does not hold any collateral as security. Included in other receivables are amounts receivable to which the Group has applied the simplified impairment model. Based on an evaluation and conclusion that the credit risk relating to these receivables is limited, the probability of default relating to these receivables was considered to be low.

None of the payment terms of trade and other receivables that are fully performing or overdue have been renegotiated during the year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

	2025 R '000	2024 R '000
South African rand	8 699	4 677
US dollar	10 900	12 615
Euro	19 757	70 865
UK pound	274 013	349 122
Canadian dollar	3 674	9 587
Taiwanese dollar	23 260	27 709
Other currencies	1 527	1 567
	341 830	476 142

Industry spread of trade and other receivables:

South Africa	8 699	4 677
International	333 131	471 465
	341 830	476 142

Company

Trade receivables - South African rand

1

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2025 R'000	2024 R'000
8. DERIVATIVE FINANCIAL INSTRUMENTS		
Group		
The following amounts are included in 'other receivables' (note 7) during the current and prior year:		
Current liabilities		
Forward foreign exchange contracts - held for trading	-	(151)
	-	(151)
Total	-	(151)

Refer to note 27 for further information in respect of the Group's derivatives and hedging activities.

Forward foreign exchange contracts

Material forward exchange contracts as at 30 June 2025 and 30 June 2024 are summarised below:

Forward foreign exchange contracts – anticipated transactions

These forward foreign exchange contracts do not relate to specific items on the statement of financial position, but were entered into to cover export proceeds not yet receivable or import commitments not yet payable. The forward foreign exchange contracts will be utilised for the purposes of trade within the following year.

Foreign currency	Foreign currency amount '000	Rand amount R'000	Fair value gain/(loss) R'000			
2025						
Forward foreign exchange sales						
US dollar	-	-	-			
	-	-	-			
2024						
Forward foreign exchange sales						
US dollar	713	13 169	(832)			
	713	13 169	(832)			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2025 R'000	2024 R'000
9. STATED CAPITAL		
Ordinary share capital		
<u>Authorised</u>		
1.3 billion (2024: 1.3 billion) ordinary shares with no par value	-	-
<u>Issued</u>		
216.4 million (2024: 216.4 million) ordinary shares with no par value	11 399 304	11 399 304
	Number '000	Number '000
Opening balance	216 390	216 390
Ordinary shares of no par value issued and fully paid	216 390	216 390

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company.

Certain ordinary shares are linked to B shares and are subject to restrictions upon disposal.

	R'000	R'000
B share capital		
<u>Authorised</u>		
300 million (2024: 300 million) unlisted, non-convertible, non-participating, no par value B shares	-	-
<u>Issued</u>		
124,227 million (2024: 124,227 million) unlisted, non-convertible, non-participating, no par value B shares	1	1

A total of 124 226 613 B shares are held by Remgro Beverages Proprietary Limited, and are linked to such ordinary shares it holds and cannot be traded separately from each other. Linked ordinary shares, together with B shares, are subject to restrictions upon disposal. The holders of B shares are entitled to the same voting rights as holders of ordinary shares, but are not entitled to any rights to distributions by the Company or any other economic benefits. Remgro is regarded as the ultimate holding company of the Group through the effective voting rights of 57.8% of total voting rights it holds through a combination of the ordinary and B shares it owns.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

9. STATED CAPITAL (Continued)

	Company		Group
	Issued shares R'000	Share premium R'000	Total R'000
2025			
Opening balance	11 392 304	7 000	11 399 304
Balance at the end of the year	11 392 304	7 000	11 399 304
2024			
Opening balance	11 556 565	7 000	11 563 565
Issue of ordinary shares	75 000	-	75 000
Issue of B-shares	(239 261)	-	(239 261)
Balance at the end of the year	11 392 304	7 000	11 399 304

10. OTHER RESERVES

	Group	2025 R'000	2024 R'000
Reorganisation reserve	(10 304 053)	(10 304 053)	(10 304 053)
Opening balance	(10 304 053)	(10 304 053)	(10 304 053)
Foreign currency translations	1 495 122	1 377 019	1 377 019
Opening balance	1 377 019	1 479 675	1 479 675
Currency translation differences for the year	118 103	(102 656)	(102 656)
	(8 808 931)	(8 927 034)	(8 927 034)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2025 R'000	2024 R'000
11. BORROWINGS		
11.2 INTEREST-BEARING BORROWINGS		
NON-CURRENT		
Secured inventory UK pound facility, bearing interest at Bank of England base rate plus 1.3%, for a minimum period of five years from February 2022	1 926 105	1 104 004
Lease liabilities (note 24)	252 107	38 610
	2 178 212	1 142 614
CURRENT		
Short-term portion of non-current borrowings	-	-
Lease liabilities short term (note 24)	24 720	15 615
	24 720	15 615
Total interest-bearing borrowings	2 202 932	1 158 229

11. BORROWINGS (Continued)

11.2 INTEREST-BEARING BORROWINGS (Continued)

The maturity profile of the interest-bearing borrowings is indicated in note 27.1(c).

Total borrowings include secured liabilities of R1 926.1 million (2024: R1 158.2 million). The UK pound facility is secured by a bond and floating charge over the whole assets and undertaking of CVH Spirits Limited (formerly Distell International Limited), together with a standard security creating a fixed charge over each of the company's heritable properties.

The covenants relating to the secured inventory UK pound facility are measured by tangible net worth (more than £100 million), interest cover (more than 4:1) and other undertakings.

The fair value of borrowings equates to their carrying amount, as the impact of discounting is not significant as the interest rates are market related.

2025 R'000	2024 R'000
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The Group's unutilised banking facilities and reserve borrowing capacity are as follows :

Unutilised banking facilities

Total floating rate UK pound banking facilities expiring in February 2027	2 311 436	1 889 973
Less: Current interest-bearing UK pound borrowings	(1 926 105)	(1 104 004)
Unutilised UK pound banking facilities	385 331	785 969

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2025 R'000	2024 R'000
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12. DEFERRED INCOME TAX

Deferred income tax assets and deferred income tax liabilities are offset when there is a legally enforceable right to offset and when the deferred income tax relates to the same fiscal authority.

The amounts disclosed on the statement of financial position are as follows:

Companies in the Group with net deferred income tax assets		
Deferred tax asset to be recovered after more than 12 months	(13 213)	(17,727)
Deferred tax asset to be recovered within 12 months	-	
	(13 213)	(17,727)
Companies in the Group with net deferred income tax liabilities		
Deferred tax liability to be recovered after more than 12 months	429 907	346 115
Deferred tax liability to be recovered within 12 months	-	2 057
	429 907	348 172
Net deferred income tax liability	416 694	330 445

The gross amount of deferred income tax assets and liabilities is as follows:

Deferred income tax liabilities	429 907	348 172
Deferred income tax assets	(13 213)	(17 727)
	416 694	330 445

The net movement on the deferred income tax account is as follows:

Opening balance	330 445	319 367
Exchange differences	34 168	(4 622)
Charged to the income statement (note 21.1)	52 081	15 700
Balance at the end of the year	416 694	330 445

The gross movement in deferred income tax assets and liabilities during the year, without taking offsetting into account, is as follows:

	Intangible assets R '000	Allowances on fixed assets R '000	Other R '000	Total R '000
Deferred income tax liabilities				
2025				
Opening balance	125 407	200 571	35 132	361 110
Exchange differences	4 786	10 466	1 512	16 764
Charged to the income statement	(13 504)	67 075	(1 754)	51 817
Balance at the end of the year	116 689	278 112	34 890	429 691
2024				
Opening balance	127 174	172 756	25 234	325 164
Exchange differences	(1 767)	(2 358)	(497)	(4 622)
Charged to the income statement		30 173	10 395	40 568
Balance at the end of the year	125 407	200 571	35 132	361 110

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

		2025 R'000	2024 R'000	
	Assessed losses	Leave and bonus accruals	Other	Total
Deferred income tax assets		R '000	R '000	R '000
2025				
Opening balance	(174)	(2 186)	(28 305)	(30 665)
Exchange differences				-
Charged to the income statement	(12 809)	1 956	28 305	17 452
Balance at the end of the year	<u>(12 983)</u>	<u>(230)</u>	<u>-</u>	<u>(13 213)</u>
2024				
Opening balance	(217)	(4 487)	(1 093)	(5 797)
Charged to the income statement	43	2 301	(27 212)	(24 868)
Balance at the end of the year	<u>(174)</u>	<u>(2 186)</u>	<u>(28 305)</u>	<u>(30 665)</u>

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related benefit through future taxable profits is probable. This was assessed through board approved budgets and found to be adequately supported given the expected taxable income to be generated in future.

Refer to note 21 for taxation losses available for offset against future taxable income.

For subsidiaries the Group is able to control the timing of any distributions and none of the distributions will give rise to tax liabilities. For equity-accounted investments it is not probable that any distributions will be made in the foreseeable future. Similarly, tax is not provided where it is expected at the reporting date that such distributions will not give rise to a tax liability.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2025 R'000	2024 R'000
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13. TRADE AND OTHER PAYABLES

Group

Financial instruments

Trade payables

Accrued expenses

	284 900	468 040
	132 004	61 506
	416 904	529 546

Non-financial instruments

Accrued leave pay

Excise duty

Other payable

Value added tax

	8 575	14 877
	72 874	6 195
	-	-
	3 635	-
	85 084	21 072
	501 988	550 618

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

The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

South African rand

9 348

15 105

US dollar

3 588

6 965

Euro

49 905

22 902

UK pound

365 900

406 619

Taiwan dollar

70 566

98 243

Other currencies

2 681

784

501 988

550 618

Company

Intergroup loan

34 846

23 379

Trade and other payables

14 618

683

49 464

24 062

14. PROVISIONS

Performance and other incentives

Opening balance

44 414

25 030

Exchange differences

-

797

Additional provisions

2 500

40 153

Unused amounts - reversed

-

(9 903)

Utilised during the year

(46 914)

(11 663)

Balance at the end of the year

-

44 414

Summary

Performance and other incentives

-

44 414

-

44 414

Performance and other incentives

No provision for performance based incentives has been made for the financial year ended June 2025 as the performance targets required to trigger such payments were not met.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

		2025 R'000	2024 R'000
Continuing operations			
15. REVENUE FROM CONTRACTS WITH CUSTOMERS			
Group			
Sales		1 797 553	2 486 497
Excise duty		125 356	172 867
		1 922 909	2 659 364
The Group also report on a measure of revenue per category and geographical region, which is detailed below:			
Category			
Whisky		1 775 529	1 970 551
Other owned and distributed brands		106 273	106 026
Heineken Beverages brands		13 276	551 826
Other		27 831	30 961
Total revenue		1 922 909	2 659 364
Geographical region			
Africa		33 477	47 054
Americas		68 562	249 059
Asia Pacific		735 573	904 225
Europe		115 036	456 342
United Kingdom		970 261	1 002 684
Total revenue		1 922 909	2 659 364
Company			
Dividends received			
Ordinary shares: Remgro-Capevin Investments Limited		216 390	376 419
		216 390	376 419
16. OPERATING COSTS			
16.1 Costs classified by function			
Costs of goods sold		1 236 827	1 698 104
Sales and marketing costs		380 663	423 214
Distribution costs		26 517	58 222
Administration and other costs		194 697	283 705
Net impairment losses on financial assets		2 145	(2 634)
		1 840 849	2 460 611

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

		2025 R'000	2024 R'000
16.	Continuing operations		
16.1.	OPERATING COSTS (continued)		
16.2	Costs classified by nature		
	Group		
	Advertising costs and promotions	161 212	163 307
	Amortisation of intangible assets	2 560	355
	Auditors' remuneration	6 932	5 326
	Depreciation of PPE	135 943	83 628
	Employee benefit expense (note 16.3)	413 835	503 762
	Net impairment losses on financial assets (note 16.5)	2 145	(2 634)
	Insurance	19 870	18 514
	Maintenance and repairs	63 693	51 991
	Net foreign exchange (gains)/losses	(511)	(1 238)
	Lease expenses (notes 16.4 and 24)	110 580	100 064
	Property rates	17 015	14 631
	Raw materials and consumables used	643 785	1 140 938
	Research expenditure: trademarks and brands	7 280	6 304
	Services	96 059	88 831
	Supplies (including water and electricity)	117 927	155 763
	Transportation costs	34 674	33 455
	Write-offs and provisions related to inventory	7 337	9 293
	Other expenses	513	88 321
		1 840 849	2 460 611
	Company		
	Administrative costs	27 771	688
		27 771	688
16.3	Employee benefit expense		
	Salaries and wages	347 542	445 973
	Pension costs - defined-contribution plans	29 571	20 126
	Medical aid contributions	3 275	5 037
	Social security costs	33 447	32 626
		413 835	503 762
16.4	Lease expenses		
	Properties	109 768	99 477
	Vehicles	812	587
		110 580	100 064
	Refer to note 24.2 where the amounts are split between leases of low value assets and short-term leases.		
16.5	Net impairment losses on financial assets		
	Movement in loss allowance and impairment for trade and other receivables	2 145	(2 634)
		2 145	(2 634)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2025 R'000	2024 R'000
17. Continuing operations	2025	2024
OTHER GAINS AND LOSSES	R'000	R'000
Group		
Profit/(loss) on disposal of PPE	-	731
Group restructuring related gains and losses	-	-
Rental income	23 937	85 830
Impairment of intangible assets	(798,952)	-
	(775,015)	86 561
Company		
Reversal of impairment/(Impairment) of investment in subsidiary	(1 904 000)	121 000
	(1 904 000)	121 000
18. DIVIDEND INCOME		
Dividend income derived from unlisted investments	-	-
	-	-
19. FINANCE INCOME		
Group		
Interest received		
Bank	30 131	96 883
Other	-	4
	30 131	96 887
Company		
Interest received	946	3,999
	946	3 999
20. FINANCE COSTS		
Interest paid		
Bank borrowings	(94 592)	(85 204)
Leases	(14 716)	(2 378)
Other	(138)	(4)
	(109 446)	(87 586)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

		2025 R'000	2024 R'000
21.	Continuing operations		
21.1	TAXATION		
21.1.1	Normal company taxation		
Income statement			
Group			
Current taxation			
current year	13 724	59 345	
previous year	(29 000)	(15 343)	
Deferred taxation	52 081	15 801	
	36 805	59 803	
Composition			
Normal South African taxation	11 015	26 101	
Foreign taxation	25 790	33 702	
	36 805	59 803	
Company			
Normal South African taxation			
current year	256	1,090	
21.2	Reconciliation of rate of taxation (%)	2025 %	2024 %
Standard rate for companies	27.0	27.0	
Differences arising from normal activities:			
Non-taxable income	-	-	
Non-deductible expenses	(30.8)	0.6	
Impairment of intangible	(27.9)	-	
Expenses of a capital nature for tax purposes	-	0.6	
Other	(2.9)	-	
Taxation losses utilised/written back	(0.8)	(5.3)	
Capital allowances			
Adjustments in respect of prior years	(0.2)	-	
Foreign tax rate differential, withholding taxes and income from associates	(0.04)	(0.4)	
	-	(1.6)	
Effective rate	(4.8)	20.3	
The standard rate of tax for companies in South Africa is 27,0% (2024: 27,0%). The average rate of tax applicable to companies in the UK is 25,0% (2024: 25).			
Items included in non-taxable income mainly relate to dividend income and the reversal of previous expected credit loss provisions. Items included in non-deductible expenses mainly relate to expenses of a capital nature and expenses paid on behalf of the holding company.			
21.3	Taxation losses		
Calculated taxation losses and capital improvements available for offset against future taxable income	195 012	644	
Applied to reduce deferred income tax	(6 267)	(644)	
	188 745	-	
Unrecognised taxation losses amounted to R604 912 (2024: R0). The taxation losses have no expiry dates.			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2025 R'000	2024 R'000
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22. DIVIDENDS

Group

Paid:	100 cents (2024: 100 cents)	(254 576)	(373 594)
Declared:	100 cents (2024: 100 cents)	254 576	373 594
		-	-

A cash dividend of 100 cent per ordinary share was declared and paid during the financial year ended 30 June 2025

Company

Paid:	100 cents (2024: 100 cents)	(216 390)	(227 755)
Declared:	100 cents (2024: 100 cents)	216 390	227 755
		-	-

A cash dividend of 100 cent per ordinary share was declared and paid during the financial year ended 30 June 2025

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2025 R'000	2024 R'000
23. CASH FLOW INFORMATION		
23.1 Non-cash flow items		
Group		
Depreciation	69 854	83 628
Intangible assets amortisation	2 537	355
Loss on disposal of PPE	5 895	(731)
Expected credit loss of trade receivables	(1 972)	(3 589)
Impairment of intangible assets	798 952	-
Provision for leave and bonuses	92	30 250
Other	(9 388)	(680)
	865 970	109 233
Company		
(Reversal of impairment)/Impairment of investments	1 904 112	(121 000)
	1 904 112	(121 000)
23.2 Working capital changes		
Group		
(Increase)/Decrease in inventories	(545 554)	(444 966)
Decrease in trade and other receivables	130,988	100 814
Increase in trade and other payables	(62 298)	(265 661)
	(476 864)	(609 812)
Company		
Increase/(Decrease) in trade and other payables	25 403	1 796
	25 403	1 796
23.3 Finance income		
Group		
Finance income per income statement	30 131	96 887
	30 131	96 887
Company		
Finance income per income statement	946	3 999
	946	3 999
23.4 Finance costs		
Group		
Finance costs per income statement	(109 446)	(87 586)
	(109 446)	(87 586)
23.5 Taxation paid		
Group		
Prepaid at the beginning of the year	29 215	15 898
Current provision for taxation	(36 805)	(223 477)
Exchange differences	5 382	(235)
(Prepaid)/unpaid at the end of the year	(52 170)	(29 215)
	(54 378)	(237 029)
Company		
Unpaid at the beginning of the year	(40)	(63)
Current provision for taxation	(256)	(1,090)
Unpaid	216	40
	(80)	(1,113)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

		2025 R'000	2024 R'000
23. CASH FLOW INFORMATION			
23.6 Dividends paid			
Group			
Dividends paid to parent equity holders		(216 390)	(227 755)
Dividends paid to non-controlling shareholders in subsidiaries		(38 186)	(145 839)
		(254 576)	(373 594)
Company			
Dividends declared		(216 390)	(227 755)
		(216 390)	(227 755)
23.7 Purchases of PPE to maintain operations			
Group			
Properties		-	(9 400)
Machinery, tanks and barrels		(231 413)	(23 717)
Equipment and vehicles		(1,394)	(20)
Assets under construction		-	(11 807)
		(232,807)	(44 944)
23.8 Purchases of PPE to expand operations			
Group			
Properties		(13 555)	(1 536)
Machinery, tanks and barrels		-	(149 260)
Assets under construction		(9 549)	(61 728)
		(23 104)	(212 524)
23.9 Increase/(decrease) in net cash, cash equivalents and bank overdrafts			
Group			
Balance at the beginning of the year		(580 182)	(817 102)
Exchange losses on cash, cash equivalents and bank overdrafts		(5 049)	14 250
Balance at the end of the year		363 197	580 183
		(222 034)	(222 669)
Company			
Bank account			
Balance at the beginning of the year		(10 457)	(22 060)
Balance at the end of the year		8 956	10 457
		(1 501)	(11 603)

Cash balances have been assessed for expected credit losses in terms of IFRS 9. This has been performed through assessment of the counterparty risk of the related financial institutions where the cash is held, through adjusted credit risk factors. The majority of cash in the Group is held with financial institutions guaranteed by the local reserve bank, which reduces credit risk further. The expected credit losses were immaterial in the current and previous financial years.

23.10 Borrowings reconciliation

	Financing cash flows					Currency, interest and other changes R'000	Closing carrying value R'000
	Opening carrying value R'000	Borrowings repaid * R'000	Borrowings drawn * R'000	New leases R'000			
	R'000	R'000	R'000	R'000			
2025							
Secured loans	1 104 004	-	775 664	-	46 411	1 926 105	
Leases	54 225	(37 040)	-	243 218	16 429	276 831	
	1 158 229	(37 040)	775 664	243 218	62 840	2 203 506	
2024							
Secured loans	1 083 215	(374 454)	409 772	-	(14 529)	1 104 004	
Leases	48 206	(16 840)	-	23 982	(1 123)	54 225	
	1 131 421	(391 294)	409 772	23 982	(15 652)	1 158 229	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2025 R'000	2024 R'000
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24. LEASES

Information on leases where the Group is the lessee are as follows:

24.1 Amounts recognised in the statement of financial position

Right-of-use assets

Property	255 378	29 285
Equipment and vehicles	17 536	22 482
	272 914	51 767

Additions to the right-of-use assets during the financial year were R251.9 million (2024: R24 million).

Lease liabilities

Current	24 720	15 615
Non-current	252 107	38 610
	276 827	54 225

24.2 Amounts recognised in the income statement *

Depreciation of right-of-use assets

Property	25 226	8 496
Equipment and vehicles	5 285	5 674
	30 511	14 170

Interest expense (included in finance cost)

	14 716	2 378
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Lease expenses (note 16.4)

Expense relating to short-term leases (included in costs of goods sold and other operating costs)	110 580	100 064
	110 580	100 064

24.3 Amounts recognised in the cash flow statement

Operating activities: Finance cost	(14 716)	(2 378)
Financing activities: Lease payments	(37 040)	(16 840)
Cash payments in respect of short-term and low value leases	(110 580)	(100 064)

25. COMMITMENTS

Capital commitments

Capital expenditure contracted, not yet incurred	6 934	97 322
Capital expenditure authorised by the directors, not yet contracted	-	154 642
	6 934	251 964

Composition of capital commitments

Subsidiaries	6 934	251 964
	6 934	251 964

These commitments will be incurred in the coming year and will be financed by own and borrowed funds.

Operating lease commitments

The Group leases warehouses, machinery, equipment and vehicles on a short-term basis or which are classified as low-value leases. The leases are not capitalised in terms of IFRS 16 but expensed as incurred.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

26. FINANCIAL INSTRUMENTS BY CATEGORY

Financial instruments disclosed in the statement of financial position include interest-bearing borrowings, derivatives, financial assets, cash and cash equivalents, trade and other receivables and trade and other payables.

The following is a summary of financial instrument categories applicable to the Group and Company:

	Assets at amortised cost R'000	Other financial liabilities at amortised cost R'000	Total R'000
2025			
Group			
Cash and cash equivalents (note 23.9)	363 197	-	363 197
Trade and other receivables (note 7)	273 836	-	273 836
Trade and other payables (note 13)	-	(416 904)	(416 904)
	637 033	(2 619 836)	(1 982 803)
Company			
Cash and cash equivalents (note 28.8)	8 956	-	8 956
Trade and other receivables (note 8)	2	-	2
Trade and other payables (note 16)	-	(49 464)	(49 464)
	8 958	(49 464)	(40 506)
2024			
Group			
Cash and cash equivalents (note 23.9)	580 183	-	580 183
Trade and other receivables (note 7)	445 684	-	445 684
Derivative financial instruments (note 8)	-	-	-
Interest-bearing borrowings (note 11)	-	(1 158 229)	(1 158 229)
Trade and other payables (note 13)	-	(529 546)	(529 546)
	1 025 867	(1 687 775)	(661 908)
Company			
Cash and cash equivalents (note 28.8)	10 457	-	10 457
Trade and other receivables (note 8)	1	-	1
Trade and other payables (note 16)	-	(24 062)	(24 062)
	10 458	(24 062)	(13 604)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

27. FINANCIAL RISK MANAGEMENT

27.1 Financial risk factors

The board of directors oversees the adequacy and functioning of the entire system of risk management and internal control, assisted by management. Group internal audit provides independent assurance on the entire risk management and internal control system. Regional and subsidiary company management are responsible for managing performance, underlying risks and effectiveness of operations, within the rules set by the board, supported and supervised by Group departments. The audit and risk committees review the internal control environment and risk management systems within the Group and report their activities to the board. The board members receive reports on treasury activities, including confirmation of compliance with treasury risk management policies.

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk and foreign currency risk), credit risk and liquidity risk. The board approves prudent treasury policies for managing each of the risks summarised below.

The Group's finance department is responsible for controlling and reducing exposure to interest rate, liquidity and currency transaction risks. Senior executives and advisers meet on a regular basis to analyse currency and interest rate exposures and re-evaluate treasury management strategies against revised economic forecasts. Group policies, covering specific areas such as foreign exchange risk, interest rate risk, credit risks, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity, are reviewed annually by the board. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and responsibilities. The Group's finance department does not undertake speculative financial transactions.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

27. FINANCIAL RISK MANAGEMENT (Continued)
27.1(a) Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group is not materially exposed to equity price risk on investments held.

(i) Foreign currency risk management

The Group operates internationally and has transactional currency exposures, which principally arise from commercial transactions, recognised assets and liabilities and investment in foreign operations. In order to manage this risk the Group may enter into transactions in terms of approved policies and limits which make use of financial instruments that include forward foreign exchange contracts. Foreign subsidiaries do not have material transactional currency exposures as they mainly operate in their functional currencies. Refer to note 7 (trade receivables) and note 13 (trade payables) for balances denominated in foreign currencies.

The Group does not speculate or engage in the trading of financial instruments.

The Group is primarily exposed to the currencies of the US dollar, Euro, Taiwanese dollar and UK pound. If the rand had weakened/strengthened by 10% against the USD on 30 June 2025, with all other variables remaining constant, the post-tax profit for the year would have been R0.068 million (2024: R1.2 million) lower/higher, mainly as a result of translating outstanding foreign currency denominated monetary items.

Had the rand at 30 June 2025 weakened/strengthened by 10% against the euro, with all other variables remaining constant, the post-tax profit for the year would have been R1.45 million (2024: R4.1 million) lower/higher.

Similarly, had the rand at 30 June 2025 weakened/strengthened by 10% against the UK pound, with all other variables remaining constant, the post-tax profit for the year would have been R159,75 million (2024: R85,5 million) lower/higher.

It is management's opinion that the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year-end exposure does not reflect the exposure during the year.

(ii) Price risk management

The Group is not materially exposed to commodity price risk. To manage the price risk the Group diversifies its portfolio.

(iii) Interest rate risk management

The Group's interest rate risk arises from long-term borrowings and cash. Borrowings at variable interest rates expose the Group to cash flow interest rate risk, while fixed rate borrowings expose the Group to fair value interest rate risk. Refer to note 11 and note 23.9 for details of these balances.

The Group is exposed to interest rate risk arising from the repricing of forward cover and floating rate debt as well as incremental funding/new borrowings and the rollover of maturing debt/refinancing of existing borrowings.

The management of the actual debt and investment portfolios is done by adjusting the repricing and maturity profiles of the debt and/or investment portfolios from time to time, relative to that of the benchmark portfolios as well as using derivative instruments to alter the repricing profiles of the actual portfolios relative to the benchmark portfolios.

As at 30 June 2025, if the floating interest rates had been 100 basis points higher/lower and all other variables held constant, the Group's post-tax profit for the year would have increased/decreased as a result of interest received/paid on cash and cash equivalents and borrowings by R15.7 million (2024: R4.2 million).

The other financial instruments in the Group's statement of financial position are not exposed to interest rate risk.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

27. FINANCIAL RISK MANAGEMENT (Continued)
27.1(b) Credit risk management

Potential concentrations of credit risk principally exist for financial assets at amortised cost, trade and other receivables, cash and cash equivalents and derivative financial instruments.

Financial assets at amortised cost

The Group accounts for its credit risk by appropriately providing for expected credit losses using the general model. In calculating the expected credit loss rates, the Company considers historical loss rates for each category of financial asset, and adjusts for forward-looking data.

The assumptions underpinning the Company's expected credit loss model are as follows:

- Performing (stage 1):	Includes financial instruments that have not had a significant increase in credit risk since initial recognition. For these items, 12-month expected credit losses (ECLs) are recognised and the interest is calculated on the gross carrying amount of the asset.
- Underperforming (stage 2):	Includes financial instruments that have had a significant increase in credit risk since initial recognition. For these items, lifetime ECLs are recognised, but interest is still calculated on the gross carrying amount of the asset. The Group applies the IFRS 9, paragraph 5.5.11 presumption that credit risk has increased significantly.
- Non-performing (stage 3): Credit-impaired assets	Includes financial assets that have objective evidence of impairment at the reporting date. For these items, lifetime ECLs are recognised and interest is calculated on the net carrying amount, that is, net of credit allowance. The Group applies the IFRS 9 paragraph B5.5.37 presumption that default does not occur later than when a financial asset is 90 days past due.

The gross carrying amount of financial assets at amortised cost, and thus the maximum exposure to loss, is as follows:

Trade and other receivables

Trade receivables comprise a widespread customer base and the Group performs ongoing credit evaluations of the financial strength of these customers. The type of customers range from wholesalers and distributors to smaller retailers. The granting of credit is controlled by means of a robust application process and the credit limits assigned to each individual customer are reviewed and updated on an ongoing basis taking into consideration its financial position, past experience and other factors. The Group does not have any significant credit risk exposure to any single counterparty.

In assessing the credit risk associated with trade receivables, the receivables are categorised in various customer segments with similar risk profiles. These categories include international and South African customers in the various regions. ECLs are recognised using the simplified model based on a provision matrix which incorporates historical observed default rates and which is adjusted for forward-looking information and other observable inputs. Forward-looking information includes expected economic growth and employment rates of the regions assessed and the potential impact thereof on the buying power of consumers and sustainability of customers. Receivables are analysed in various age buckets and varying loss rates applied to each age bucket, with long overdue buckets having higher loss rates.

The provision matrix of the lifetime expected loss allowance for trade receivables is as follows:

2025	Total	Current	Up to 60 days past due	Up to 90 days past due	Above 90 days past due
International	0.0%	0.0%	0.0%	0.0%	0.0%
South Africa	0.0%	0.0%	0.0%	24.0%	1.8%
Total average	0.0%	0.0%	0.0%	24.0%	1.8%

The gross carrying amounts of trade receivables per risk segment for the current financial year is as follows:

2025	Total	Current	Up to 60 days past due	Up to 90 days past due	Above 90 days past due
	R'000	R'000	R'000	R'000	R'000
International	270 143	206 298	41 794	1 381	20 670
South Africa	8 699	6 076	1 198	1 425	-
Total	278 842	212 374	42 992	2 806	20 670

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

27. FINANCIAL RISK MANAGEMENT (Continued)
27.1(b) Credit risk management (Continued)

Trade and other receivables (Continued)

The provision matrix of the lifetime expected loss allowance for trade receivables is as follows:

	Total	Current	Up to 60 days past due	Up to 90 days past due	Above 90 days past due
2024					
International	1.7%	0.0%	0.0%	0.0%	29.8%
South Africa	0.0%	0.0%	0.0%	0.0%	0.0%
Total average	1.7%	0.0%	0.0%	0.0%	29.8%

The gross carrying amounts of trade receivables per risk segment for the previous financial year is as follows:

	Total R'000	Current R'000	Up to 60 days past due R'000	Up to 90 days past due R'000	Above 90 days past due R'000
2024					
International	421 751	383 308	13 630	796	24 017
South Africa	-	-	-	-	-
Total	421 751	383 308	13 630	796	24 017

For additional information relating to the credit risk considerations for other receivables, refer to note 7.

Cash and cash equivalents

The Group only deposits cash with banks with high credit ratings. At year-end the Group's cash was invested with financial institutions that have been awarded the following Moody's short-term credit rating:

	2025 R'000	2024 R'000
Cash and cash equivalents		
NP (2024: NP)	-	580 000
A1	109 700	-
Aa3	20	-
Ba2	248 240	-
Baa3	5 237	-
Cash	-	183
	363 197	580 183

Cash and cash equivalents are stage 1 financial assets and there has been no significant movement between stages. No amount has been recognised for 12-month ECLs as the amounts are not material due to low probability of default.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

27. FINANCIAL RISK MANAGEMENT (Continued)
27.1(c) Liquidity risk management

The Group manages liquidity risk through the compilation and monitoring of cash flow forecasts, as well as ensuring that adequate borrowing facilities are maintained. Refer to note 11 regarding the Group's unutilised banking facilities and reserve borrowing capacities. Banking facilities are renewed annually and are subject to review at various dates during the next year.

The table below analyses the Group's financial liabilities and derivative financial instruments which will be settled on a gross basis into relevant maturity groupings based on the remaining period at the statement of financial position date to contract maturity date. The amounts disclosed in the table are the contracted undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	2025	0 - 12 months	1 - 2 years	3 - 5 years	Beyond 5 years	Total	Carrying value
		R'000	R'000	R'000	R'000	R'000	R'000
Financial liabilities							
Interest bearing borrowings		103212	1 992 626	-	-	2 095 838	1 926 105
Trade and other payables		416 904	-	-	-	416 904	416 094
Lease liabilities		24 713	39 683	39683	172 753	276 832	276 827
		544 829	2 032 309	39 683	172 753	2 789 574	2 619 836

2024

Financial liabilities

Forward exchange contracts

held for trading

- Outflow	13 320	-	-	-	13 320	-
- Inflow	(13 169)	-	-	-	(13 169)	-
Trade and other payables	529 546	-	-	-	529 546	529 546
Interest-bearing borrowings	72 300	72 300	1 151 952	-	1 296 552	1 104 004
Lease liabilities	17 523	16 523	16 523	10 018	60 587	54 225
	619 520	88 823	1 168 475	10 018	1 886 836	1 687 775

27.2 Fair value estimation

The below analyses assets and liabilities carried at fair value, by valuation method. The different levels have been defined as follows:

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 inputs, which reflect the market conditions, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Specific valuation techniques used to value these assets and liabilities include:

Cash and cash equivalents, trade and other receivables and financial assets at amortised cost: The carrying amounts reported in the statement of financial position approximate fair values due to the short-term maturities of these amounts.

Forward foreign exchange contracts: Forward foreign exchange contracts are entered into to cover import orders and export proceeds, and fair values are determined using foreign exchange bid or offer rates at year-end as the significant inputs in the valuation.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

27. FINANCIAL RISK MANAGEMENT (Continued)
27.2 Fair value estimation (Continued)

The following table presents the Group's assets and liabilities that are measured at fair value at 30 June:

	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
2025				
Derivative financial liabilities	-	-	-	-
	-	-	-	-
2024				
Derivative financial assets	-	-	-	-
Derivative financial liabilities	-	(151)	-	(151)
	-	(151)	-	(151)

27.3 Reference to capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position plus net debt.

	2025 R'000	2024 R'000
Total borrowings (note 11)	2 202 932	1 158 229
Less: Cash and cash equivalents	(363 197)	(580 183)
Net debt	1 839 735	578 046
Total equity	4 761 015	5 705 000
Total capital	6 600 750	6 283 046
Gearing ratio	27.9%	9.2%

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

28. GROUP REORGANISATION, DISCONTINUED OPERATIONS AND COMPARATIVE FIGURES

28.1 DISPOSAL OF CIDER, WINES AND SPIRITS BUSINESS, NAMIBIAN OPERATIONS AND TERMINATION OF GORDON'S GIN DISTRIBUTION AGREEMENT

In May 2023 the Group concluded an agreement with Diageo Brands B.V. to terminate the longstanding Gordon's Gin and Pimm's No 1 Cup distribution agreement. The Group ceased the distribution of these brands in August 2023 after the requisite regulatory approvals were obtained and received R1 billion as compensation for the termination of the agreement.

The financial results of these disposed businesses referred to above have been excluded from the continuing operations of the Group and are disclosed separately in the financial statements as part of 'discontinued operations'.

The financial results of the discontinued operations are as follows:

2024	Gordon's Gin	Total
	R'000	R'000
Revenue	242 056	242 056
Operating costs	(218 602)	(218 602)
Other gains and losses	1 000 001	1 000 001
Operating profit	1 023 455	1 023 455
Dividend income	-	-
Finance income	-	-
Finance costs	-	-
Share of equity-accounted earnings	-	-
Profit before taxation	1 023 455	1 023 455
Taxation	(179 374)	(179 374)
Profit after tax for the year from discontinued operations	844 081	844 081
Gain on disposal of interest in discontinued operations	-	-
Gain on sale of interest in subsidiary	-	-
Foreign currency translation reserves reclassified to profit and loss	-	-
Fair value adjustments recognised in profit and loss	-	-
Profit for the period from discontinued operations	844 081	844 081
Attributable to:		
Equity holders of the Company	717 469	717 469
Non-controlling interest	126 612	126 612
	844 081	844 081

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

28. GROUP REORGANISATION, DISCONTINUED OPERATIONS AND COMPARATIVE FIGURES (CONTINUED)

28.1 DISPOSAL OF CIDER, WINES AND SPIRITS BUSINESS, NAMIBIAN OPERATIONS AND TERMINATION OF GORDON'S GIN DISTRIBUTION AGREEMENT (CONTINUED)

	Gordon's Gin R'000	Total R'000
The consideration received and the total net assets sold, are summarised as follows:		
Proceeds		
Cash consideration	1 000 001	1 000 001
Total consideration received	1 000 001	1 000 001
The book value of identifiable assets and liabilities disposed were as follows:		
Intangible assets	-	-
Total identifiable net assets	-	-
Reserves *	-	-
Non-controlling interest	-	-
Gain on disposal of interest in discontinued operations	1 000 001	1 000 001
Total	1 000 001	1 000 001
Reconciliation of cash flow impact		
Proceeds from disposal	1 000 001	1 000 001
Cash disposed of	-	-
	1 000 001	1 000 001
Cash flows		
Operating cash flows	855 587	855 587
Investing cash flows	-	-
Financing cash flows	-	-
	855 587	855 587

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2025 R '000	2024 R '000
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29. RELATED-PARTY TRANSACTIONS

The Group is controlled by Remgro Limited which owns 57.8% of the voting rights attached to the Company's shares and 33.6% of the economic interest. The Public Investment Corporation (PIC) owns 33.3% of the economic interest in the Company's shares.

Related-party relationships exist between the Group, associates, joint ventures, key management and the shareholders of the Company.

Group

The following transactions were carried out with subsidiaries and equity-accounted investments of our major shareholders:

Purchases of goods and services

Holding company and its subsidiaries or affiliates and other related parties

Remgro Management Services Limited (management services)	11 640	5 681
Distell Limited/Heineken Beverages (South Africa) (Pty) Ltd (goods and services)	-	131 120
Heineken Beverages (International) (Pty) Ltd (goods and services)	18 936	124 525
Distell Europe GmbH (goods and services)	-	3 208
Oroprops (Proprietary) Limited (rent and services)	403	587

Sale of goods and services

Holding company and its subsidiaries or affiliates

Distell Limited/Heineken Beverages (South Africa) (Pty) Ltd (goods, services and rent)	62 253	166 416
Heineken Beverages (UK) Limited (goods and services)	8 381	60 474
Kenya Wine Agencies Limited (goods and services)	8 184	5 352

Year-end balances arising from purchases and sales of goods and services

Holding company and its subsidiaries or affiliates

Remgro Management Services Limited (including VAT) (current account)	(2,924)	(140)
Heineken Beverages (International) (Pty) Ltd (goods and services) (payable)	-	(4 652)
Heineken Beverages (UK) Limited (goods and services)	(25 696)	61 510
Distell Limited/Heineken Beverages (South Africa) (Pty) Ltd (goods, services and rent) (receivable)	8 004	27 283
Distell Limited/Heineken Beverages (South Africa) (Pty) Ltd (goods and services) (payable)	(857)	(3 073)
Distell Europe GmbH (goods and services)	-	-
Kenya Wine Agencies Limited (goods and services)	2 724	1 418

Also refer to notes 33 and 34 where other related-party transactions or balances are disclosed.

Company

Year-end balances arising from purchases and sales of goods and services

Castle Wine and EK Green Limited (current account)	34 846	-
CVH Spirits Ltd	(5 500)	

Castle Wine and EK Green Limited is controlled by the Company through its intermediate holding companies and it can therefore determine the repayment profile of the debt.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2025	2024
	R'000	R'000

30. INTEREST IN SUBSIDIARIES

The total profits/(losses) after taxation of consolidated subsidiaries for the year are as follows:

Profits	(784 878)	942 315
Losses	-	-
Net consolidated profit after taxation	(784 878)	942 315

The Company's direct interests in its subsidiaries are as follows:

Remgro-Capevin Investments Proprietary Limited (100,0% (2024: 100,0%) - Unlisted	3 343 000	5 283 000
Shares at cost	11 650 709	11 650 709
Impairment of investment	(8 307 709)	(6 367 709)
	3 379 000	5 283 000

Investments in subsidiaries

The Company's indirect interest in subsidiaries through Remgro-Capevin Investments Proprietary Limited is as follows:

	Nature of business	Issued share capital	
		Interest %	R
Distell Group Limited	Holding company	100	752 613 671
CVH Spirits Limited (previously Distell International Limited) (United Kingdom)	Manufacturer and distributor	100	360 205 109
South African Distilleries and Wines (SA) Proprietary Limited	Holding company	85	200
Castle Wine and EK Green Proprietary Limited	Service and Administrative Entity	85	100
Mons Cellarium Properties Proprietary Limited	Property owning	85	55 669 625
Parva Properties Proprietary Limited	Property owning	85	37 518 211

Notes:

1. Information is only disclosed in respect of those subsidiaries of which the financial position or results are significant.
2. All subsidiaries are incorporated in South Africa, unless otherwise stated.

Ownership interest held by non-controlling interests in subsidiaries are as follows:

South African Distilleries and Wines (SA) Proprietary Limited and subsidiaries	15.0	15.0	179 642	179 642	215 056
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The aggregate statements of financial position, statement of profit or loss and other comprehensive income and statement of cash flow of South African Distilleries and Wines (SA) Proprietary Limited and its major subsidiaries are summarised as follows:

2025	South African Distilleries and Wines (SA) Proprietary Limited	Castle Wine and EK Green Proprietary Limited	Mons Cellarium Properties Proprietary Limited	Parva Properties Proprietary Limited	Total R 000
	1 125	230	55 656	36 979	93 990
Non-current assets	1 125	230	55 656	36 979	93 990
Current assets	3	260 784	20 171	31 519	312 477
Total assets	1 128	261 014	75 827	68 498	406 467
Equity	920	254 303	60 518	59 055	374 796
Non-current liabilities	-	-	8 923	4 580	13 503
Current liabilities	208	6 711	6 386	4 863	18 168
Total equity and liabilities	1 128	261 014	75 827	68 498	406 467

2025	South African Distilleries and Wines (SA) Proprietary Limited	Castle Wine and EK Green Proprietary Limited	Mons Cellarium Properties Proprietary Limited	Parva Properties Proprietary Limited	Total R 000
	255	58	8 871	14 441	23 625
Revenue	255	58	8 871	14 441	23 625
Profit or loss from operating activities	262	(8 654)	3 244	8 456	3 308
Profit before tax	262	15 192	4 128	9 899	29 481
Profit for the year	259	10 008	3 187	7 284	20 738

	South African Distilleries and Wines (SA) Proprietary Limited	Castle Wine and EK Green Proprietary Limited	Mons Cellarium Properties Proprietary Limited	Parva Properties Proprietary Limited	Total R'000
2025					
Net cash flows from / (used in) operations	259	(31 664)	2 915	6 483	(22 007)
Net cash flows from operating activities	259	(264 996)	2 281	4 571	(257 885)
Cash flows used in investing activities	(6)	(5 202)			(5 208)
Cash flows used in financing activities	(254)		3 084	2 923	5 753
Net (decrease) / increase in cash and cash equivalents	(1)	(270 198)	5 365	7 494	(257 340)
Cash and cash equivalents at the beginning of the year	4	467 663	11 294	18 439	497 400
Cash and cash equivalents at the end of the year	3	197 465	16 659	25 933	240 060
	(1)	(270 198)	5 365	7 494	(257 340)

The aggregate statements of financial position of the major subsidiaries are summarised as follows:

	South African Distilleries and Wines (SA) Proprietary Limited	Castle Wine and EK Green Proprietary Limited	Mons Cellarium Properties Proprietary Limited	Parva Properties Proprietary Limited	Total R'000
2024					
Non-current assets	1 118	14 225	55 658	37 111	108 112
Current assets	4	506 063	12 338	21 019	539 424
Total assets	1 122	520 288	67 996	58 130	647 536
Equity	915	498 871	57 331	51 771	608 888
Non-current liabilities	-	-	8 736	4 339	13 075
Current liabilities	207	21 417	1 929	2 020	25 573
Total equity and liabilities	1 122	520 288	67 996	58 130	647 536

	South African Distilleries and Wines (SA) Proprietary Limited	Castle Wine and EK Green Proprietary Limited	Mons Cellarium Properties Proprietary Limited	Parva Properties Proprietary Limited	Total R'000
2024					
Revenue	972		8 840	14 582	24 394
Profit or loss from operating activities	975	(37 303)	7 033	12 755	(16 540)
Profit before tax	975	530 671	7 425	13 383	552 454
Profit for the year	974	876 507	5 625	7 312	890 418

	South African Distilleries and Wines (SA) Proprietary Limited	Castle Wine and EK Green Proprietary Limited	Mons Cellarium Properties Proprietary Limited	Parva Properties Proprietary Limited	Total R'000
2024					
Net cash flows from / (used in) operations		997 693	7 872	12 947	1 018 512
Net cash flows from operating activities	972	898 214	6 173	10 339	915 698
Cash flows used in investing activities		(17 643)	(10)		(17 653)
Cash flows used in financing activities	(972)	(975 867)		597	(976 242)
Net (decrease) / increase in cash and cash equivalents		(95 296)	6 163	10 936	(78 197)
Cash and cash equivalents at the beginning of the year	4	562 959	5 132	7 502	575 597
Cash and cash equivalents at the end of the year	4	467 663	11 295	18 438	497 400
	(95 296)	6 163	10 936	(78 197)	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

31. GOING CONCERN

The Group has a strong balance sheet, underpinned by the recent upgrades to its production network, powerful and well-known brands across the Scotch Whisky portfolio range servicing consumer needs over various price points and a strong customer base covering multiple channels and geographies.

In assessing the ability of the Group to continue as a going concern, management has considered the following:

- the Group's ability to settle its obligations as they become due and payable in the next 12 months;
- the solvency and liquidity position of the Group, which included an assessment of achieving the covenants relating to its medium-term UK debt;
- the cash generation ability of the Group, including a historical view of cash flows; and
- the current and forecast debt utilisation of the Group.

The Group has access to committed banking facilities of R2.3 billion for its international operations, of which R1.9 billion was utilised on 30 June 2025. Management regards the Group as having sufficient financial and operational capacity to continue operations as a going concern in the foreseeable future.

32. EVENTS SUBSEQUENT TO STATEMENT OF FINANCIAL POSITION DATE

In July 2025, the group signed a contractual agreement with the University of Stellenbosch to sell the remainder of the Oude Libertas property (Erf in Stellenbosch) for R45 million. Transfer of property is expected to be completed by the end of September 2025.

The PNC borrowing facility in the UK has been extended to 31 December 2027 post year end.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

33. INTEREST OF DIRECTORS IN SHARE CAPITAL AND CONTRACTS

On 30 June 2025 and on 30 June 2024, as well as on the date of this report, the directors of the Company held in total less than 3% of the Company's issued share capital.

Interests of the directors in the number of shares issued

	Direct		Indirect		2025 Total	2024 Total
	Beneficial	Non-beneficial	Beneficial	Non-beneficial		
S Nathan	-	-	-	-	-	6 585 364
	-	-	-	-	-	6 585 364

The other directors of the Company have no interest in the issued capital of the Company. There was no change in these interests since the financial year-end and the date of approval of this report.

The directors of the Company have each certified that they did not have any direct interest in any contract of significance to the Company or any of its subsidiaries which would have given rise to a related conflict of interest during the year.

SHARE SCHEMES

The directors of the Company do not participate in any share scheme related to the shares of the Company.

34. DIRECTORS' EMOLUMENTS

	2025			2024		
	Executive R '000	Non-executive R '000	Total R '000	Executive R '000	Non-executive R '000	Total R '000
Salaries	4 832	11 902	16 734	5 559	9 827	15 386
Fees	-	471	471	-	445	445
Incentive bonuses	-	-	-	-	935	935
Retirement fund contributions	-	2 451	2 451	-	2 222	2 222
Other benefits	-	2 260	2 260	-	1 774	1 774
Paid by subsidiaries	4 832	17 084	21 916	5 559	15 203	20 762
	Salaries R '000	Fees R '000	Incentive bonuses R '000	Retirement fund contributions R '000	Other benefits R '000	2025 Total R '000
Executive						2024 Total R '000
S Nathan	4 162	-	340	-	330	4 832
Subtotal	4 162	-	340	-	330	4 832
Non-executive¹						
J Du Toit	3 207	-	-	636	609	4 452
S Crouse	2 173	-	-	428	466	3 067
M Lubbe	3 281	471	-	744	627	5 123
L Zingitwa	3 241	-	-	643	558	4 442
Subtotal	11 902	471	-	2 451	2 260	17 084
Total	16 064	471	340	2 451	2 590	21 916
						20 762

No other directors' emoluments were paid during the current and previous financial years.

1. Directors' emoluments paid by Remgro Limited

Directors of the Company employed by Remgro Limited receives remuneration in their capacity as directors and/or prescribed officers of Remgro Limited. This remuneration includes fees, salaries, retirement fund contributions and other benefits. They are also participants of the Remgro Share Appreciation Rights Plan and the Remgro Conditional Share Plan. Details in this regard is disclosed in Remgro Limited's annual financial statements available at www.remgro.com.

Certificate Of Completion

Envelope Id: EE90F597-DF90-4F8B-BF15-4B5B046240FA	Status: Completed
Subject: CAPEVIN HOLDINGS (Pty) Ltd Audited annual financial statements - 30 June 2025	
Source Envelope:	
Document Pages: 69	Signatures: 5
Certificate Pages: 2	Initials: 0
AutoNav: Enabled	Envelope Originator:
Enveloped Stamping: Enabled	Hesta von Zeuner
Time Zone: (UTC+02:00) Harare, Pretoria	16 Stellentia Road Millenia Park Stellenbosch, Western Cape 7600 hvzeuner@remgro.com IP Address: 45.220.188.74

Record Tracking

Status: Original 30/10/2025 11:56	Holder: Hesta von Zeuner hvzeuner@remgro.com	Location: DocuSign
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Signer Events	Signature	Timestamp
Hesta von Zeuner hvzeuner@remgro.com Security Level: Email, Account Authentication (None)	 A8EEE3DD5F57F467...	Sent: 30/10/2025 12:02 Viewed: 30/10/2025 12:02 Signed: 30/10/2025 12:02 Signature Adoption: Pre-selected Style Using IP Address: 45.220.188.74

Electronic Record and Signature Disclosure:

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Jan du Toit jjdt@remgro.com Security Level: Email, Account Authentication (None)	 07D889D9DA584A6...	Sent: 30/10/2025 12:02 Viewed: 30/10/2025 12:28 Signed: 30/10/2025 12:29 Signature Adoption: Drawn on Device Using IP Address: 45.220.188.74
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Ronan O'Rahilly ronan.orahilly@cvhspirits.com CEO Capevin Holdings (Pty) Ltd Security Level: Email, Account Authentication (None)	 4A72A11EC9EB490...	Sent: 30/10/2025 12:02 Viewed: 30/10/2025 12:08 Signed: 30/10/2025 12:08 Signature Adoption: Pre-selected Style Using IP Address: 196.210.55.177 Signed using mobile
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In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp

Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	30/10/2025 12:02
Envelope Updated	Security Checked	30/10/2025 16:00
Certified Delivered	Security Checked	30/10/2025 12:08
Signing Complete	Security Checked	30/10/2025 12:08
Completed	Security Checked	30/10/2025 16:00
Payment Events	Status	Timestamps