



2025

Interim Report



MESSAGE FROM THE BOARD

The Board is pleased to present the Interim Results for the six months ended 31 August 2025 to Shareholders.

Board Approval

The Financial Statements for the six months ended 31 August 2025 are not audited. The Board of Directors (“the Board”) acknowledges its responsibility to ensure the integrity of the Interim Results, and in the Board’s opinion, it addresses all material issues and presents fairly the Group’s integrated performance.

Material changes

There have been no material changes in the business or trading objects of Runway for the period from the Company’s date of incorporation to the last practical date.

Board Responsibility Statement

In the opinion of the Board, the report provides a fair and balanced account of the performance, strategy and value creation of the Group as well as addressing material matters pertaining to the long-term sustainability of the Group and the impacts thereof. This report was approved by the Board on 18 November 2025 and signed on its behalf by:

Earle Marks
Earle Marks
Chief Executive Officer
21 November 2025

Zvi Kaplan
Zvi Kaplan
Financial Director

Shaun Zagroev
Shaun Zagroev
Independent Chairman

Forward-Looking Statements

This Interim Report may contain certain forward-looking statements concerning Runway Property Group’s operations, business strategy, financial conditions, growth plans and expectations. These statements include, without limitation, those concerning the economic outlook, business climate and changes in the market. Such views involve both known and unknown risks, assumptions, uncertainties and important factors that could materially influence the actual performance of the Group. No assurance can be given that these will prove to be correct and no representation or warranty, expressed or implied, is given as to the accuracy or completeness of such views contained in this Interim Report.

BUSINESS STRATEGY

Investment strategy

The Company’s investment strategy remains focused on acquiring predominantly retail properties that can add value or enhance distribution, thereby enhancing value for Shareholders.

Investment mandate and growth strategy

- The Board is responsible for Runway’s investment decisions.
- The Executive Directors shall be responsible for:
 - identifying, researching and evaluating potential investment opportunities for Runway;
 - monitoring and evaluating current Runway investments, and making recommendations to the Runway Board on investment decisions.

INFORMATION REGARDING PROPERTIES

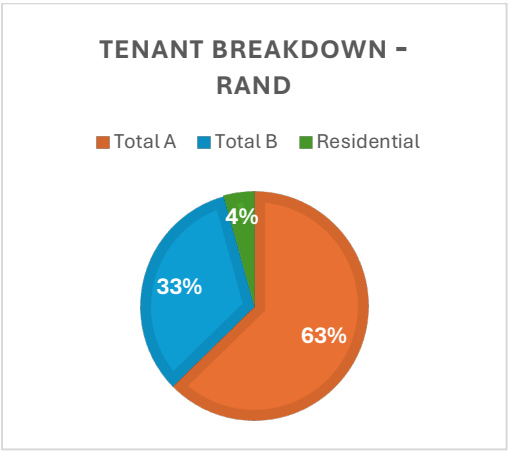
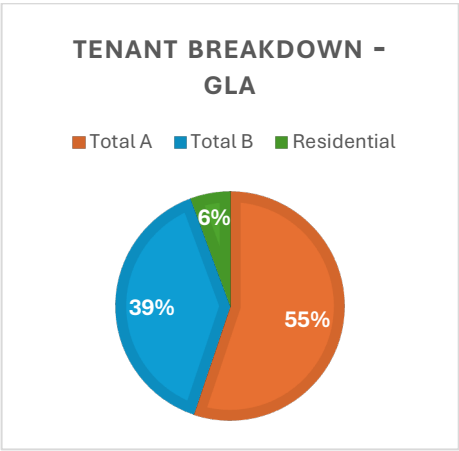
Property Manager

The Property Manager is Exceedprops Management Services Proprietary Limited (Registration Number 1995/008835/07), a private Company incorporated and registered in accordance with the laws of South Africa and the registered address of which is 22 Stirrup Lane, Woodmead Office Park, Woodmead, 2191. The sole shareholder and Director of the Property Manager is Peter Marks, who has been involved in managing properties for more than 22 years and is Earle Marks’ father. Earle’s brother, Wayne Marks, is an employee of the Property Manager.

Property Valuation

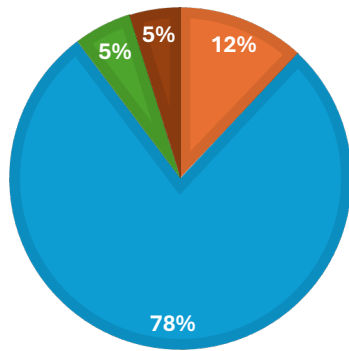
The independent valuer valued the properties in 2022. All are situated in Gauteng, except for one property in the Free State Province. The Group ended the financial year with a gearing ratio of 47.9%. An independent valuation will be done for the year ending 31 August 2025.

Set out by both GLA and rental income are the following profiles:



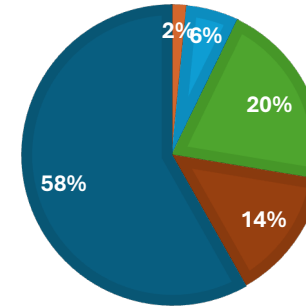
SECTOR BREAKDOWN - GLA

Industrial Retail Residential Office



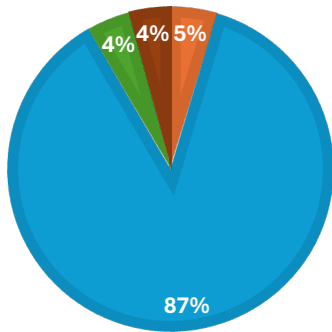
LEASE EXPIRING - GLA

Lease expiring in 2024 Lease expiring in 2025
Lease expiring in 2026 Lease expiring in 2027
Leasing expiring in 2028+



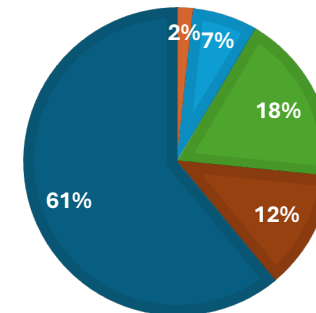
SECTOR BREAKDOWN - RAND

Industrial Retail Residential Office



LEASE EXPIRING - RAND

Lease expiring in 2024 Lease expiring in 2025
Lease expiring in 2026 Lease expiring in 2027
Leasing expiring in 2028+



Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated and Separate Financial Statements
for the 6 months period ended 31 August 2025

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Property investment and other related activities
Directors	E Marks ZR Cendrowski ZA Kaplan A Gluch (non-executive) J Bennett (non-executive) S Zagnoev (non-executive)
Audit and Risk Committee	A Gluch J Bennett (chairman) S Zagnoev
Registered office	22 Stirrup Lane Woodmead Office Park Woodmead 2191
Postal address	PO Box 431 Bergbron 1712
Holding company	Markscend Group Holdings Proprietary Limited incorporated in South Africa
Level of assurance	These unaudited consolidated and separate financial statements have not been audited or independently reviewed.
Preparer	The unaudited consolidated and separate financial statements were internally compiled by: S Zietsman CA (SA) MOI Financial Services under the supervision of: ZA Kaplan
Issued	21 November 2025

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Contents

The reports and statements set out below comprise the unaudited consolidated and separate financial statements presented to the shareholder:

	Page
Directors' Responsibilities and Approval	3
Statement on Internal Financial Controls	4
Directors' Report	5 - 6
Statement of Financial Position	7
Statement of Profit or Loss and Other Comprehensive Income	8
Statement of Changes in Equity	9
Statement of Cash Flows	10 - 11
Accounting Policies	12 - 16
Notes to the Unaudited Consolidated And Separate Financial Statements	17 - 36

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the unaudited consolidated and separate financial statements and related financial information included in this report. It is their responsibility to ensure that the unaudited consolidated and separate financial statements fairly present the state of affairs of the group as at the end of the financial period and the results of its operations and cash flows for the period then ended, in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board.

The unaudited consolidated and separate financial statements are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the unaudited consolidated and separate financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the group's cash flow forecast for the period to 28 February 2027 and, in light of this review and the current financial position, they are satisfied that the group has or had access to adequate resources to continue in operational existence for the foreseeable future.

The unaudited consolidated and separate financial statements set out on pages 7 to 36, which have been prepared on the going concern basis, were approved by the board of directors on 21 November 2025 and were signed on their behalf by:

Approval of financial statements



E Marks
Chief Executive Officer



S Zagnoev
Chairman

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Statement on Internal Financial Controls

The directors, whose names are stated below, hereby confirm that:

(a) the unaudited consolidated and separate financial statements set out on pages 7 to 36, fairly present in all material respects the financial position, financial performance and cash flows of the group in terms of IFRS Accounting Standards;

(b) no facts have been omitted or untrue statements made that would make the unaudited consolidated and separate financial statements false or misleading

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

(d) the internal financial controls are adequate and effective and can be relied upon in compiling the unaudited consolidated and separate financial statements, having fulfilled our role and function within the combined assurance model pursuant to principle 15 of the King Code. Where we are not satisfied, we have disclosed to the audit committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors, and have taken the necessary remedial action.



E Marks
Chief executive officer



ZA Kaplan
Chief financial officer

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Directors' Report

The directors have pleasure in submitting their report on the unaudited consolidated and separate financial statements of Runway Property Group Limited ("the company") and its subsidiaries ("the group") for the period ended 31 August 2025.

1. Nature of business

Runway Property Group Limited is an investment entity incorporated in South Africa with interests in the Real Estate Investment Trust industry. The company does not trade, and all of its activities are undertaken through its principal subsidiaries. The group operates in South Africa.

There have been no material changes to the nature of the group's business from the prior period.

2. Review of financial results and activities

The consolidated unaudited consolidated and separate financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior period.

Full details of the financial position, results of operations and cash flows of the group are set out in these unaudited consolidated and separate financial statements.

3. Share capital

There have been no changes to the authorised or issued share capital during the period under review.

4. Dividends

No dividend was declared during the current period (February 2025: R23.5 million).

5. Directorate

The directors in office at the date of this report are as follows:

Directors

E Marks

ZR Cendrowski

ZA Kaplan

A Gluch (non-executive)

J Bennett (non-executive)

S Zagnoev (non-executive)

6. Directors' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the company had an interest and which significantly affected the business of the company.

7. Holding company

The group's holding company is Markscend Group Holdings Proprietary Limited which holds 99.72% (2025: 99.72%) of the group's equity. Markscend Group Holdings Proprietary Limited is incorporated in South Africa.

8. Borrowing powers

In terms of the Memorandum of Incorporation, the borrowing powers of the group are unlimited. However all borrowings by the group are subject to board approval as required by the board delegation of authority.

9. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Directors' Report

10. Going concern

The unaudited consolidated and separate financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The shareholders of the group have guaranteed by way of a Letter of Support and subordination of loans that they will provide the necessary financial support to enable the group to continue to operate its business in a lawful and proper manner and to satisfy all obligations in full as they fall due, for a period of 12 months from the date of signing financial statements for the financial period ended 28 February 2026.

The directors believe that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly the unaudited consolidated and separate financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the group. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the group.

11. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act of South Africa.

12. Secretary

The company secretary is Juba Statutory Services Proprietary Limited (Reg no. 2010/006409/07).

Business address: Block B Office 107
The Park Shopping Centre
837 Barnard Street
Elarduspark Pretoria
0181

13. Directors' and prescribed officer's interest in shares

P Marks is the sole shareholder of the management company, Exceedprops Management Services Proprietary Limited. P Marks is related to E Marks, executive director of Runway Property Group Limited.

Current directors and prescribed officers	2025 Direct	2025 Indirect
E Marks	- %	- %
ZA Kaplan	0.10 %	0.10 %
ZR Cendrowski*	- %	- %
A Gluch (non-executive director)	- %	- %
J Bennett (non-executive director)	- %	- %
S Zagoev (non-executive director)	- %	- %

* ZR Cendrowski and E Cendrowski are married in community of property and together hold 50% of the shares in Markscend Proprietary Limited. ZR Cendrowski and E Cendrowski therefore effectively have a combined indirect interest of 49.86% in Runway Property Group Limited.

14. Letter of support

The shareholders issued a letter of support to the group and a subordination for some of the loans which will remain in force until such a time that the company can settle its debt as and when it becomes due.

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Statement of Financial Position as at 31 August 2025

		Group		Company	
	Note(s)	31 August 2025 R	28 February 2025 R	31 August 2025 R	28 February 2025 R
Assets					
Non-Current Assets					
Investment property	3	1 289 025 102	1 307 369 122	-	-
Investments in subsidiaries	4	-	-	478 507 920	478 507 920
Loans to group companies	5	-	-	34 194 234	34 194 234
Loans to shareholders	6	33 047 203	25 975 194	-	-
Related party loans	7	23 754 102	22 591 075	-	-
Operating lease asset	8	22 645 476	24 008 877	-	-
		1 368 471 883	1 379 944 268	512 702 154	512 702 154
Current Assets					
Trade and other receivables	9	5 334 247	5 217 364	-	-
Operating lease asset	8	310 527	499 317	-	-
Current tax receivable		22 793	22 793	22 793	22 793
Dividend receivable		-	-	-	23 472 632
Cash and cash equivalents	10	2 784 024	2 224 037	2 385	-
		8 451 591	7 963 511	25 178	23 495 425
Total Assets		1 376 923 474	1 387 907 779	512 727 332	536 197 579
Equity and Liabilities					
Equity					
Share capital	11	479 950 920	479 950 920	479 950 920	479 950 920
Retained income		200 552 105	200 153 288	42 599	43 933
		680 503 025	680 104 208	479 993 519	479 994 853
Liabilities					
Non-Current Liabilities					
Loans from group companies	12	-	-	27 725 576	27 721 204
Loans from shareholders	13	-	-	4 976 206	4 976 206
Borrowings	14	646 615 322	641 215 959	-	-
Deferred tax	15	1 415 974	1 415 974	-	-
		648 031 296	642 631 933	32 701 782	32 697 410
Current Liabilities					
Trade and other payables	16	47 139 175	40 449 028	32 031	32 031
Operating lease liability	8	1 249 505	1 249 505	-	-
Current tax payable		473	473	-	-
Dividend payable		-	23 472 632	-	23 472 632
Bank overdraft	10	-	-	-	653
		48 389 153	65 171 638	32 031	23 505 316
Total Liabilities		696 420 449	707 803 571	32 733 813	56 202 726
Total Equity and Liabilities		1 376 923 474	1 387 907 779	512 727 332	536 197 579

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Statement of Profit or Loss and Other Comprehensive Income

		Group		Company	
		6 months ended 31 August 2025 R	12 months ended 28 February 2025 R	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R
	Note(s)				
Revenue	17	108 306 813	207 208 700	-	23 472 632
Other operating income		2 000	12 350	-	-
Other operating (losses) gains	18	(12 266 238)	131 182 647	-	-
Other expenses		(65 913 493)	(120 782 445)	(1 300)	55 098
Operating profit (loss)	19	30 129 082	217 621 252	(1 300)	23 527 730
Finance income	20	1 521 829	3 568 694	2	2
Finance costs	21	(31 252 094)	(59 527 618)	(36)	(10)
Profit (loss) before taxation		398 817	161 662 328	(1 334)	23 527 722
Taxation	22	-	(1 370 939)	-	-
Profit (loss) for the period		398 817	160 291 389	(1 334)	23 527 722
Other comprehensive income		-	-	-	-
Total comprehensive income (loss) for the period		398 817	160 291 389	(1 334)	23 527 722
Basic earnings per share	27	0.83	333.97		
Headline earnings per share	27	26.39	60.65		
Diluted earnings per share	27	0.83	333.97		

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Statement of Changes in Equity

	Share capital	Retained income	Total equity
	R	R	R
Group			
Balance at 1 March 2024	479 950 920	63 334 531	543 285 451
Profit for the period	-	160 291 389	160 291 389
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	160 291 389	160 291 389
Dividends recognised as distributions to shareholder	-	(23 472 632)	(23 472 632)
Balance at 1 March 2025	479 950 920	200 153 288	680 104 208
Profit for the period	-	398 817	398 817
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	398 817	398 817
Balance at 31 August 2025	479 950 920	200 552 105	680 503 025
Note(s)	11		
Company			
Balance at 1 March 2024	479 950 920	(11 157)	479 939 763
Profit for the period	-	23 527 722	23 527 722
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	23 527 722	23 527 722
Dividends recognised as distributions to shareholder	-	(23 472 632)	(23 472 632)
Balance at 1 March 2025	479 950 920	43 933	479 994 853
Loss for the period	-	(1 334)	(1 334)
Other comprehensive income	-	-	-
Total comprehensive loss for the period	-	(1 334)	(1 334)
Balance at 31 August 2025	479 950 920	42 599	479 993 519
Note(s)	11		

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Statement of Cash Flows

		Group		Company	
	Note(s)	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R
Cash flows from operating activities					
Profit (loss) before taxation		398 817	161 662 328	(1 334)	23 527 722
Adjustments for non-cash items:					
Depreciation		-	70 000	-	-
Losses on sale of assets and liabilities		12 266 238	-	-	-
Fair value gains		-	(131 182 647)	-	-
Changes in operating lease assets		1 552 191	(609 540)	-	-
Changes in operating lease liabilities		-	261 346	-	-
Interest income		(1 521 829)	(3 568 694)	(2)	(2)
Dividends received		-	-	-	(23 472 632)
Finance costs		31 252 094	59 527 618	36	10
Changes in working capital:					
(Increase) decrease in trade and other receivables		(116 883)	578 725	-	-
Increase (decrease) in trade and other payables		6 690 147	1 739 964	-	(57 306)
Cash generated from (used in) operations		50 520 775	88 479 100	(1 300)	(2 208)
Interest income	20	1 521 829	3 568 694	2	2
Dividends received		-	-	23 472 632	28 440 774
Finance costs	21	(31 252 094)	(59 527 618)	(36)	(10)
Dividends paid	24	(23 472 632)	(28 440 774)	(23 472 632)	(28 440 774)
Tax received	23	-	45 508	-	-
Net cash (used in) generated from operating activities		(2 682 122)	4 124 910	(1 334)	(2 216)
Cash flows from investing activities					
Purchases of investment property	3	(16 230 980)	(40 906 475)	-	-
Proceeds from sales of investment property	3	22 308 762	-	-	-
Cash receipts on repayments of loans to group companies	5	-	-	-	8 357 303
Movement in loans to shareholders	6	(7 072 009)	(5 709 318)	-	-
Movement in related party loans	7	(1 163 027)	7 540 373	-	-
Net cash (used in) generated from investing activities		(2 157 254)	(39 075 420)	-	8 357 303
Cash flows from financing activities					
Movement in loans from group companies	12	-	-	4 372	27 721 204
Movement in loans from shareholders	13	-	(25 740 517)	-	(36 077 280)
Movement in borrowings	14	5 399 363	62 031 865	-	-
Net cash generated from (used in) financing activities		5 399 363	36 291 348	4 372	(8 356 076)

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Statement of Cash Flows

	Note(s)	Group		Company	
		6 months ended 31 August 2025 R	12 months ended 28 February 2025 R	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R
Total cash movement for the period		559 987	1 340 838	3 038	(989)
Cash and cash equivalents at the beginning of the period		2 224 037	883 199	(653)	336
Cash and cash equivalents at the end of the period	10	2 784 024	2 224 037	2 385	(653)

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Accounting Policies

1. Material accounting policies

Management has considered the principles of materiality in IFRS Practice Statement 2 Making Materiality Judgements, and only those accounting policies which are considered material have been presented in these unaudited consolidated and separate financial statements.

1.1 Basis of preparation

The consolidated and separate financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS Accounting Standards as issued by the International Accounting Standards Board and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these unaudited consolidated and separate financial statements and the Companies Act of South Africa as amended.

The unaudited consolidated and separate financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the material accounting policies set out below. They are presented in Rands, which is the group and company's functional currency.

These accounting policies are consistent with the previous period.

1.2 Consolidation

Basis of consolidation

The unaudited consolidated and separate financial statements incorporate the unaudited consolidated and separate financial statements of the company and all subsidiaries. Subsidiaries are entities which are controlled by the group.

The results of subsidiaries are included in the unaudited consolidated and separate financial statements from the date of obtaining control until the date that control is lost.

The accounting policies of all subsidiaries are the same as those of the parent.

All inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Non-controlling interests in the net assets of subsidiaries are identified and recognised separately from the group's interest therein, and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

1.3 Significant judgements and sources of estimation uncertainty

The preparation of unaudited consolidated and separate financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

Key sources of estimation uncertainty

Impairment of financial assets

The impairment provisions for financial assets 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. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Accounting Policies

1.3 Significant judgements and sources of estimation uncertainty (continued)

Principal assumptions underlying estimation of fair value property

The property valuation is to determine the current market value (fair value) for this property as may be achieved on the market after due consideration of all market forces. The property and its value-forming attributes are benchmarked against the current market and fair consideration is then made in order to indicate what value the property may realise in the broader or end-user market based on the principal of willing buyer and willing seller.

The properties are valued independently every three years and valued internally by the directors on an annual basis, where they are not valued independently.

1.4 Investment property

Investment property consists of land and buildings. These properties are held to earn rentals and for capital appreciation rather than being occupied by the group.

Investment property is initially recognised at cost, including transaction costs.

Cost for additions to or replacement of parts of investment property, are included in the costs of the investment property when they will result in future economic benefits. The carrying amount of replaced parts are derecognised.

Subsequent to initial measurement, investment property is measured at fair value, with changes in fair value recognised in profit or loss in the period in which it arises.

Gains or losses arising from a change in fair value, as well as gains or losses on disposal of investment property are included in profit or loss for the period in which they arise.

Disposal

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period of the retirement or disposal.

Tenant installations

Deferred expenses comprise tenant installation costs which are initially recognised at cost and then amortised on a straight-line basis over the lease period to which they relate.

1.5 Financial instruments

Financial instruments are recognised when the group becomes a party to the contractual provisions. They are measured, at initial recognition, at fair value plus transaction costs, if any.

The material accounting policies for each type of financial instrument held by the group are presented below:

Loans receivable at amortised cost

Management have assessed and classified loans to group companies, related party loans and loans to shareholders as financial assets at amortised cost.

The amortised cost, calculated using the effective interest method, is the amount recognised initially, minus principal repayments, plus cumulative amortisation of interest, adjusted for any loss allowance.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of the loan in the application of the effective interest method. The gross carrying amount is the amortised cost before adjusting for a loss allowance.

Refer to the loss allowances and write offs accounting policy for impairment of loans receivable.

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Accounting Policies

1.5 Financial instruments (continued)

Trade and other receivables

Trade and other receivables, excluding, when applicable, VAT and prepayments, are measured, subsequent to initial recognition, at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

The accounting policy for impairment of trade and other receivables is set out in the loss allowances and write offs accounting policy.

Impairment - Expected credit losses and write offs

Loss allowances are recognised for expected credit losses on loans receivable and trade receivables.

The group measures the loss allowance for loans receivable and trade receivables at an amount equal to lifetime expected credit losses (lifetime ECL).

A provision matrix is used as a practical expedient when determining expected credit losses. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast conditions.

The measurement of expected credit losses incorporates the probability of default, loss given default and the exposure at default, taking the time value of money, historical data and forward-looking information into consideration.

The movement in credit loss allowance is recognised in profit or loss with a corresponding adjustment to the carrying amount of the instrument through a loss allowance account.

The group writes off an instrument when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Instruments written off may still be subject to enforcement activities under the group's recovery procedures. Any recoveries made are recognised in profit or loss.

Borrowings and loans from related parties

Loans from group companies, loans from shareholders and borrowings are classified as financial liabilities subsequently measured at amortised cost.

Interest expense on borrowings is calculated on the effective interest method, and is included in profit or loss.

Trade and other payables

Trade and other payables, excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Accounting Policies

1.5 Financial instruments (continued)

Derecognition

The group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

The group derecognises financial liabilities when its obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

1.6 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

The income tax expense consists of current and deferred tax and is recognised in profit or loss.

1.7 Leases

The group assesses whether a contract is, or contains a lease, at the inception of the contract.

No contracts were identified that required specific judgement as to whether they contained leases.

Group as lessor

Leases for which the group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Lease classification is made at inception and is only reassessed if there is a lease modification.

Operating leases

Lease payments from operating leases are recognised on a straight-line basis over the term of the relevant lease.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and are expensed over the lease term on the same basis as the lease income.

Modifications made to operating leases are accounted for as a new lease from the effective date of the modification. Any prepaid or accrued lease payments relating to the original lease are treated as part of the lease payments of the new lease.

1.8 Impairment of assets

Management assesses, at the end of each reporting period, whether there is any indication that an asset may be impaired. If any such indication exists, then the recoverable amount of the asset is determined.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. If the recoverable amount cannot be determined for an individual asset, then it is determined for the cash generating unit to which the asset belongs.

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Accounting Policies

1.8 Impairment of assets (continued)

An impairment loss is recognised for an asset if the recoverable amount of the asset or cash generating unit is less than the carrying amount. The impairment loss is determined as the difference between the two amounts.

Impairment losses are recognised immediately in profit or loss.

1.9 Share capital and equity

Equity instruments issued by the group are recognised at the proceeds received, net of direct issue costs.

1.10 Employee benefits

Short-term employee benefits

Short-term employee benefits, which consist of (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal obligation to make such payments as a result of past performance.

1.11 Revenue

The group recognises revenue from the following major sources:

- Rental income; and
- Dividend income.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The group recognises revenue when it transfers control of a product or service to a customer.

Rental income

Rental income is recognised in profit or loss on a straight-line basis over the term of the lease. Recoveries of cost from lessees, where the entity merely acts as an agent and make payments of these costs on behalf of the lessees, are offset against the relevant cost. Contingent rents (turnover rentals) are included in revenue when the amounts can be reliably measured. Premiums to terminate leases are recognised in profit or loss as they arise.

Dividend income

Dividend income is recognised when the company's right to receive payment has been established and is shown as revenue. Dividend income represents approximately 75% distribution of the profits and is in line with the taxation requirements of a REIT.

1.12 Borrowing costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

1.13 Expenses

Expenses, other than those specifically dealt with in another accounting policy, are recognised in profit or loss when as incurred.

1.14 Earnings per share

The calculation of earnings per share is based on profit for the period attributable to ordinary shareholders and the weighted average number of ordinary shares in issue during the period. Headline earnings per share are calculated in accordance with Circular 1/2023 issued by the South African Institute of Chartered Accountants.

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

2. New Standards and Interpretations

2.1 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 1 March 2026 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after
• Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
• IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
• IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
• Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards	1 January 2026
• Amendments to IFRS 7 Financial Instruments: Disclosures	1 January 2026
• Amendments to IFRS 9 Financial Instruments	1 January 2026
• Amendments to IFRS 9 Financial Instruments	1 January 2026
• Amendment to IFRS 9 and IFRS 7	1 January 2026
• Amendments to IFRS 10 Consolidated Financial Statements	1 January 2026
• Amendments to IAS 7 Statement of Cash Flows	1 January 2026
• Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
• Lack of exchangeability - amendments to IAS 21	1 January 2025

The directors do not expect the impact of the adoption of the above standards that are not yet effective will have a material impact on the financial position of the group.

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

3. Investment property

Group	August 2025			February 2025		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Investment property	1 248 523 767	-	1 248 523 767	1 273 153 921	-	1 273 153 921
Tenant Installations	40 501 335	-	40 501 335	34 215 201	-	34 215 201
Total	1 289 025 102	-	1 289 025 102	1 307 369 122	-	1 307 369 122

Reconciliation of investment property - Group - August 2025

	Opening balance	Additions	Disposals	Fair value adjustments	Closing balance
Investment property	1 273 153 921	9 944 846	(34 575 000)	-	1 248 523 767
Tenant Installations	34 215 201	6 286 134	-	-	40 501 335
	1 307 369 122	16 230 980	(34 575 000)	-	1 289 025 102

Reconciliation of investment property - Group - February 2025

	Opening balance	Additions	Disposals	Fair value adjustments	Closing balance
Investment property	1 135 350 000	6 621 274	-	131 182 647	1 273 153 921
Tenant Installations	1 099 190	33 116 011	-	-	34 215 201
	1 136 449 190	39 737 285	-	131 182 647	1 307 369 122

Details of valuation

Valuations take place very three years by external valuers and internal valuations will take place by directors on an annual basis, where they are not valued independently. The valuations takes into account both the qualitative and quantitative inputs in respect of the discounted cash flow valuation. An external valuation was performed by an independent valuer with a Dip. Val MIV (SA) from Quadrant Properties Proprietary Limited during the 2025 financial year which resulted in a fair value gain of R131.2 million (2024: internal valuation resulting in fair value loss of R71.6 million). Quadrant Properties Proprietary Limited are not connected to the company and have recent experience in location and category of the investment property being valued.

The property is valued in it's current use. The property is leased in the market. It's value is, therefore, accurately determined by discounting the potential or current lease actual net revenue income stream over a period of 5 years. These figures are applied in direct consideration of current contractual leases. Any spare land value added to the discounted value is based on comparative sales of similar land. Any rentalisations / amortisations are discounted over the contractual lease period (Finite cash flows) only and added back to the discounted value.

Investment property are classified as a level 3 financial instrument.

Group		Company	
Aug 2025	Feb 2025	Aug 2025	Feb 2025
R	R	R	R

Amounts recognised in profit and loss for the period

Rental income from investment property	69 029 829	128 304 605	-	-
Municipal charge recoveries	40 794 217	78 359 910	-	-
Direct operating expenses from rental generating property	(48 792 004)	(111 917 745)	-	-
Repairs and maintenance	(4 725 656)	(1 965 267)	-	-
	56 306 386	92 781 503	-	-

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

3. Investment property (continued)

Property details	Purchase date	Purchase price	Revaluation	Capitalised expenditure	Tenant Installations	Closing balance
Voortrekker Street, Heidelberg - Portion 8 of Erf 144	3 January 2005	1 000 000	1 583 329	16 671	-	2 600 000
Ferndale Village Shopping Centre - Erf 2112 Ferndale	18 November 2009	88 750 000	54 060 640	1 440 170	749 190	145 000 000
Palmer Place - Erf 851 Parktown	8 January 2009	6 500 000	16 635 875	864 125	-	24 000 000
Sophiatown Shopping Centre - Erf 1781 Triomf Township	31 March 2010	22 750 000	62 993 561	2 256 439	-	88 000 000
Sharon Park Shopping Centre - Erf 329, Sharon Park	30 August 2011	20 517 500	11 962 530	3 075 688	19 770 930	55 326 648
Sasolburg Square Shopping Centre - Portion 2 of Erf 24824, Sasolburg	23 March 2012	72 500 000	66 243 399	180 825	1 075 776	140 000 000
Primrose Square Shopping Centre - Erven 382, 383, 2257, 2553, 3032, Portion 1 of Erf 375, 377, 2544, Portion 2 of erf 376, 377, 385, Portion 3 of Erf 376 and 384, Primrose	20 August 2014	52 893 751	66 106 249	3 496 939	-	122 496 939
Cramerview Village Centre - Erven 7, 9, Portion 1 of Erf 8 Cramerview and Erf 4832 Bryanston Ext 40	23 July 2014	120 000 000	52 906 165	1 912	4 091 923	177 000 000
Dowerglen Plaza - Erf Dowerglen Ext 3	8 December 2014	42 537 161	23 964 497	2 348 328	8 791 342	77 641 328
Laser Downs Industrial Park - Erf 105, 114, 115 and 175	25 June 2014	17 219 050	8 980 950	-	-	26 200 000
Noordheuwel Shopping Centre - Erf 3562 Noordheuwel Ext 4, Krugersdorp	3 April 2014	108 000 000	41 769 262	5 849 974	-	155 619 236
Selcourt Centre - Erven 305 and 1524, Selcourt	23 June 2015	14 500 000	20 341 460	193 657	-	35 035 117
Erf 726, Woodmead	3 April 2014	6 000 000	(2 215 400)	15 400	-	3 800 000
23 Thora Cres - Erf 433, Wynberg Ext 3	3 April 2014	18 981 850	(781 850)	-	-	18 200 000
Darras Centre - Erf 7987, Kensington	29 July 2016	85 000 000	32 084 680	4 314 848	5 742 174	127 141 702
Erf 52, Florida CBD	13 December 2006	7 031 527	4 188 473	-	280 000	11 500 000
Melville Gardens - Erf 109, Melville	14 November 2007	6 156 145	5 843 855	-	-	12 000 000
New Heights 267 - Erf 1999, Valhalla Township	29 June 2001	4 556 347	3 500 000	37 407 785	-	45 464 132
Portion 1 of Erf 206, Boksburg	4 August 2011	11 750 000	3 700 000	(1 450 000)	-	14 000 000
Portion 1 of Erf 1622, Boksburg		4 800 000	3 280 725	(80 725)	-	8 000 000
		711 443 331	477 148 400	59 932 036	40 501 335	1 289 025 102

The property details listed above represents a cumulative movement in values from purchase date. The properties have been pledged as securities as referred to under note 14.

Registers with details of land and buildings are available for inspection by shareholders or their duly authorised representatives at the registered office of the company.

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

4. Investment in subsidiaries

The following table lists the entities which are controlled by the group, either directly or indirectly through subsidiaries.

Company

Name of company	Year end	% voting power 2025	% holding 2025	Carrying amount Aug 2025	Carrying amount Feb 2025
Directly held					
Stand 278 Strijdompark Proprietary Limited	February	100 %	100 %	290 246 660	290 246 660
Reflect-All 1025 Proprietary Limited	February	100 %	100 %	166 837 320	166 837 320
Linden Square Shopping Centre Proprietary Limited	February	100 %	100 %	21 423 940	21 423 940
Indirectly held through Stand 278 Strijdompark Proprietary Limited					
New Heights 224 Proprietary Limited	February	100 %	100 %	-	-
New Heights 267 Proprietary Limited	February	100 %	100 %	-	-
Tensing Trade Proprietary Limited	February	100 %	100 %	-	-
Thistledown Properties Proprietary Limited	February	100 %	100 %	-	-
				478 507 920	478 507 920
		Group		Company	
	Aug 2025	Feb 2025		Aug 2025	Feb 2025
	R	R		R	R

5. Loans to group companies

Subsidiaries

Reflect-all 1025 Proprietary Limited	-	-	30 876 933	30 876 933
Linden Square Shopping Centre Proprietary Limited	-	-	3 317 301	3 317 301
	-	-	34 194 234	34 194 234

The above loans are interest free and have no specified repayment terms, other than that the loans will not be repayable within the next 12 months.

All intercompany loans have been subordinated until Runway Property Group Limited ("Runway"), the wholly owned subsidiary of Runway and the indirect subsidiaries of Runway through Stand 278 Strijdompark Proprietary Limited reflects a status of solvency.

Split between non-current and current portions

Non-current assets	-	-	34 194 234	34 194 234
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6. Loans to shareholders

Markscend Group Holdings Proprietary Limited	33 047 203	25 975 194	-	-
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The loan to Markscend bears no interest. No terms of repayment have been specified, other than the loans will not be repayable in the next 12 months.

Split between non-current and current portions

Non-current assets	33 047 203	25 975 194	-	-
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Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

	Group		Company	
	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R

7. Related party loans

Flamink 22 Proprietary Limited	23 754 102	22 591 075	-	-
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The loan is unsecured, accrues interest at 10% p.a. and is repayable in 5 years. No portion is repayable in the next 12 months and the last repayment is due in November 2026.

Split between non-current and current portions

Non-current assets	23 754 102	22 591 075	-	-
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8. Operating lease asset (accrual)

Non-current assets	22 645 476	24 008 877	-	-
Current assets	310 527	499 317	-	-
Current liabilities	(1 249 505)	(1 249 505)	-	-
	21 706 498	23 258 689	-	-

Future minimum lease payments receivable

Not later than one year	(938 978)	(752 559)	-	-
Between 2 and 5 years	14 533 515	15 811 690	-	-
After 5 years	8 111 961	8 199 557	-	-
	21 706 498	23 258 688	-	-

The group leases a number of industrial, office, retail and residential properties under operating leases. Lease agreements are entered into with tenants on variable terms depending on the location and nature of the lettable area.

9. Trade and other receivables

Financial instruments:

Trade receivables	2 503 094	2 013 426	-	-
Deposits	2 829 728	2 833 728	-	-

Non-financial instruments:

VAT	1 425	370 210	-	-
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Total trade and other receivables	5 334 247	5 217 364	-	-
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Financial instrument and non-financial instrument components of trade and other receivables

At amortised cost	5 332 822	4 847 154	-	-
Non-financial instruments	1 425	370 210	-	-
	5 334 247	5 217 364	-	-

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

	Group		Company	
	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R

9. Trade and other receivables (continued)

Exposure to credit risk

Trade receivables inherently expose the group to credit risk, being the risk that the group will incur financial loss if customers fail to make payments as they fall due.

The group's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles. The loss allowance provision is determined as follows:

Group	2025	2025	2025	2025
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:				
Not past due	1 007 760	-	1 587 176	-
Less than 30 days past due	846 760	-	244 599	-
31 - 60 days past due	376 173	-	65 083	-
61 - 90 days past due	272 401	-	116 568	-
Total	2 503 094	-	2 013 426	-

10. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	2 784 024	2 224 037	2 385	-
Bank overdraft	-	-	-	(653)
	2 784 024	2 224 037	2 385	(653)
Current assets	2 784 024	2 224 037	2 385	-
Current liabilities	-	-	-	(653)
	2 784 024	2 224 037	2 385	(653)

11. Share capital

Authorised

1 000 000 000 ordinary shares of R1 each	1 000 000 000	1 000 000 000	1 000 000 000	1 000 000 000
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Issued

47 995 092 ordinary shares of R10 each	479 950 920	479 950 920	479 950 920	479 950 920
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12. Loans from group companies

Subsidiaries

Stand 278 Strijdompark Proprietary Limited	-	-	27 725 576	27 721 204
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Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

	Group		Company	
	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R

12. Loans from group companies (continued)

The loan is interest free and have no specified repayment terms, other than that the loans will not be repayable within the next 12 months.

All intercompany loans have been subordinated until Runway Property Group Limited ("Runway"), the wholly owned subsidiary of Runway and the indirect subsidiaries of Runway through Stand 278 Strijdompark Proprietary Limited reflects a status of solvency.

Split between non-current and current portions

Non-current liabilities	-	-	27 725 576	27 721 204
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13. Loans from shareholders

Markscend Group Holdings Proprietary Limited	-	-	4 976 206	4 976 206
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The loan is subordinated, interest free and have no specified repayment terms, other than that the loans will not be repayable within the next 12 months.

Split between non-current and current portions

Non-current liabilities	-	-	4 976 206	4 976 206
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14. Borrowings

Held at amortised cost

Stand 278 Strijdompark Proprietary Limited

Investec Bank Limited

	30 467 542	29 239 631	-	-
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The above mortgage bond is secured by investment property as referred to in note 3.

Execution of a joint and several continuing guarantee by:

PSM Holdings Pty Ltd, PA Marks, E Marks limited to R40 million;

New Heights 224 Pty Ltd limited to R15 million;

New Heights 267 Pty Ltd limited to R16 million;

Reflect-All Pty Ltd limited to R40 million; and

Markscend Group Holdings Pty Ltd limited to R30 million

plus interest and costs in favour of Investec in a form acceptable to Investec. This guarantee is in addition to and without prejudice to any other security (including any suretyships/guarantees signed by this surety) now or hereafter to be held by Investec, relating to the borrower's indebtedness to Investec.

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

	Group		Company	
	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R

14. Borrowings (continued)

Reflect-all 1025 Proprietary Limited

Investec Bank Limited

The above mortgage bond is secured by investment property as referred to in note 3.	116 408 354	104 738 143	-	-
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Execution of a joint and several continuing guarantee by:

PSM Holdings Pty Ltd, PA Marks, E Marks limited to R40 million;

Stand 278 Strijdom Park Pty Ltd limited to R60 million;

New Heights 224 Pty Ltd limited to R15 million;

New Heights 267 Pty Ltd limited to R16 million;

Reflect-All Pty Ltd limited to R40 million; and

Markscend Group Holdings Pty Ltd limited to R30 million

plus interest and costs in favour of Investec in a form acceptable to Investec. This guarantee is in addition to and without prejudice to any other security (including any suretyships/guarantees signed by this surety) now or hereafter to be held by Investec, relating to the borrower's indebtedness to Investec.

Nedbank Limited

The above mortgage bond is secured by investment property as referred to in note 3.	499 739 426	507 238 185	-	-
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Execution of a joint and several continuing guarantee by:

PSM Holdings Pty Ltd limited to R64.1 million;

New Heights 224 Pty Ltd limited to R4.4 million;

Tensing Trade Pty Ltd limited to R7.05 million;

Thistledown Properties 15 Pty Ltd limited to R2.6 million;

Linden Square Shopping Centre Pty Ltd limited to R7.4 million; and

Stand 278 Strijdompark Pty Ltd limited to R59.4 million

plus interest and costs in favour of Nedbank in a form acceptable to Nedbank. This guarantee is in addition to and without prejudice to any other security (including any suretyships/guarantees signed by this surety) now or hereafter to be held by Nedbank, relating to the borrower's indebtedness to Nedbank.

646 615 322	641 215 959	-	-
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Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

	Group		Company	
	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R

14. Borrowings (continued)

Split between non-current and current portions

Non-current liabilities	646 615 322	641 215 959	-	-
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Borrowings are structured as interest-only loans with principal repayable at maturity. The interest rates on these loans are linked to variable but observable benchmark rates, specifically JIBAR plus 2.3% and the prime rate less 0.85%. These loans are classified as long-term.

15. Deferred tax

Deferred tax liability

Capital allowance (solar)	(1 451 220)	(1 451 220)	-	-
Assessed loss	35 246	35 246	-	-
Total deferred tax liability	(1 415 974)	(1 415 974)	-	-

Reconciliation of deferred tax liability

At beginning of year	(1 415 974)	-	-	-
Current year charge	-	(1 415 974)	-	-
At end of the year	(1 415 974)	(1 415 974)	-	-

16. Trade and other payables

Financial instruments:

Trade payables	30 311 976	21 287 927	25 318	25 318
Deposits received	8 201 366	8 432 617	-	-
Other payables	8 363 620	9 743 832	-	-

Non-financial instruments:

VAT	262 213	984 652	6 713	6 713
	47 139 175	40 449 028	32 031	32 031

Financial instrument and non-financial instrument components of trade and other payables

At amortised cost	46 876 962	39 464 376	25 318	25 318
Non-financial instruments	262 213	984 652	6 713	6 713
	47 139 175	40 449 028	32 031	32 031

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

	Group		Company	
	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R
17. Revenue				
Revenue from contracts with customers				
Rental income	108 306 813	207 208 700	-	-
Revenue other than from contracts with customers				
Dividends received	-	-	-	23 472 632
	108 306 813	207 208 700	-	23 472 632
Disaggregation of revenue from contracts with customers				
The group disaggregates revenue from customers as follows:				
Contracts with customers				
Assessment, water and sewerage, refuse recoveries	40 794 216	78 359 909	-	-
Rental income	69 029 828	128 500 598	-	-
Straight line - Rental income	(1 517 231)	348 193	-	-
	108 306 813	207 208 700	-	-
Revenue disaggregated by type of customer*				
A Office	-	162 187	-	-
B Office	4 524 750	12 770 961	-	-
A Retail	64 071 348	104 733 371	-	-
B Retail	29 551 991	63 024 379	-	-
Residential	5 161 730	10 628 445	-	-
A Industrial	1 647 361	5 135 305	-	-
B Industrial	3 349 633	10 754 052	-	-
	108 306 813	207 208 700	-	-
Over time				
Rental income	108 306 813	207 208 700	-	-

* Disaggregated based on the following:

A - National and international companies, large listed companies and government

B - Other local tenants and sole proprietors

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

		Group		Company	
		6 months ended 31 August 2025 R	12 months ended 28 February 2025 R	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R

18. Other operating (losses) gains

Losses on disposals

Investment property	3	(12 266 238)	-	-	-
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Fair value gains

Investment property	3	-	131 182 647	-	-
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Total other operating (losses) gains		(12 266 238)	131 182 647	-	-
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19. Operating profit (loss)

Operating profit (loss) for the period is stated after charging (crediting) the following, amongst others:

Expenses by nature

The total cost of sales, selling and distribution expenses, marketing expenses, general and administrative expenses, research and development expenses, maintenance expenses and other operating expenses are analysed by nature as follows:

Employee costs	3 660 339	7 263 659	-	-
Depreciation	-	70 000	-	-
Other expenses	7 934 685	15 757 147	1 300	(55 098)
Management fees	5 766 569	15 199 324	-	-
Municipal charges	43 826 244	80 507 997	-	-
Repairs and maintenance	4 725 656	1 984 318	-	-
	65 913 493	120 782 445	1 300	(55 098)

20. Finance income

Other interest	1 521 829	3 568 694	2	2
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21. Finance costs

Non-current borrowings	31 252 058	59 527 608	-	-
Other interest paid	36	10	36	10
Total finance costs	31 252 094	59 527 618	36	10

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

	Group		Company	
	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R

22. Taxation

Major components of the tax expense

Current

Local income tax - current period	-	473	-	-
Local income tax - prior period (over) under provision	-	(45 508)	-	-
	<u>-</u>	<u>(45 035)</u>	<u>-</u>	<u>-</u>

Deferred

Originating and reversing temporary differences	-	1 415 974	-	-
	<u>-</u>	<u>1 370 939</u>	<u>-</u>	<u>-</u>

Reconciliation of the tax expense

Reconciliation between accounting profit (loss) and tax expense.

Accounting profit (loss)	398 817	161 662 328	(1 334)	23 527 722
Tax at the applicable tax rate of 27% (2025: 27%)	107 681	43 648 829	(360)	6 352 485

Tax effect of adjustments on taxable income

REIT dividends	-	(6 356 250)	-	(6 352 485)
Lease smoothing	-	(94 013)	-	-
Non-taxable income - fair value gain	-	(35 419 315)	-	-
Assessed loss raised	-	-	360	-
Current tax - prior year adjustment	-	(45 508)	-	-
Solar allowance	(107 681)	(1 814 025)	-	-
Solar recoupment	-	1 451 221	-	-
	<u>-</u>	<u>1 370 939</u>	<u>-</u>	<u>-</u>

For further information regarding the REIT dividends, please refer to the Directors report.

The Company is a REIT and all subsidiaries in the Company are "controlled companies" (as defined in the Income Tax Act). The Company applies judgement in determining what income sources constitute "rental income" as defined by section 25BB of the Income Tax Act. After deducting "qualifying distributions" from taxable income, no income tax is payable in the current year.

Deferred tax is not recognised on the fair value adjustment of investment properties as capital gains tax is not applicable in terms of section 25BB. In addition, section 25BB does not allow for allowances relating to immovable property. Allowances granted in prior years, before becoming a REIT must be recouped in the year the immovable property is sold. A deferred tax liability will be recognised on the recoupment to the extent it will result in a tax liability after the qualifying distribution deduction.

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

	Group		Company	
	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R
23. Tax refunded				
Balance at beginning of the period	22 320	22 793	22 793	22 793
Current tax recognised in profit or loss	-	45 035	-	-
Balance at end of the period	(22 320)	(22 320)	(22 793)	(22 793)
	<u>-</u>	<u>45 508</u>	<u>-</u>	<u>-</u>
24. Dividends paid				
Balance at beginning of the period	(23 472 632)	(28 440 774)	(23 472 632)	(28 440 774)
Dividends	-	(23 472 632)	-	(23 472 632)
Balance at end of the period	-	23 472 632	-	23 472 632
	<u>(23 472 632)</u>	<u>(28 440 774)</u>	<u>(23 472 632)</u>	<u>(28 440 774)</u>
Dividends recognised as distributions to shareholder are from capital profits.				
25. Related parties				
Relationships				
Holding company			Markscend Group Holdings Proprietary Limited	
Subsidiaries			Refer to note 4	
Related parties			CEZ Investments Proprietary Limited	
			PSM Holdings Proprietary Limited	
			Flamink 22 Proprietary Limited	
Related party balances				
Loan accounts - Owing by related parties				
Markscend Group Holdings Proprietary Limited	38 023 409	25 975 194	-	-
Flamink 22 Proprietary Limited	23 754 102	22 591 075	-	-
Reflect-all 1025 Proprietary Limited	-	-	30 876 933	30 876 933
Linden Square Shopping Centre Proprietary Limited	-	-	3 317 301	3 317 301
	<u>61 777 511</u>	<u>48 566 269</u>	<u>34 194 234</u>	<u>34 194 234</u>
Loan accounts - Owing to related parties				
Markscend Group Holdings Proprietary Limited	(4 976 206)	-	(4 976 206)	(4 976 206)
Stand 278 Strijdompark Proprietary Limited	-	-	(27 725 576)	(27 721 204)
	<u>(4 976 206)</u>	<u>-</u>	<u>(32 701 782)</u>	<u>(32 697 410)</u>
Related party transactions				
Dividends paid to related parties				
Markscend Group Holdings Proprietary Limited	-	23 472 632	-	23 472 632
Dividends received from related parties				
Reflect-All 1025 Proprietary Limited	-	-	-	(6 803 342)
Stand 278 Strijdompark Proprietary Limited	-	-	-	(14 393 291)
Linden Square Shopping Centre Proprietary Limited	-	-	-	(2 275 998)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(23 472 631)</u>

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

	Group		Company	
	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R

25. Related parties (continued)

Interest received from related parties

Flamink 22 Proprietary Limited	(1 250 799)	(2 640 984)	-	-
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26. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

Group - August 2025

	Note(s)	Amortised cost	Total	Fair value
Loans to shareholders	6	33 047 203	33 047 203	33 047 203
Related party loans	7	23 754 102	23 754 102	23 754 102
Trade and other receivables	9	5 332 822	5 332 822	5 332 822
Cash and cash equivalents	10	2 784 024	2 784 024	2 784 024
		64 918 151	64 918 151	64 918 151

Group - February 2025

	Note(s)	Amortised cost	Total	Fair value
Loans to shareholders	6	25 975 194	25 975 194	25 975 194
Related party loans	7	22 591 075	22 591 075	22 591 075
Trade and other receivables	9	4 847 154	4 847 154	4 847 154
Cash and cash equivalents	10	2 224 690	2 224 690	2 224 690
		55 638 113	55 638 113	55 638 113

Company - August 2025

	Note(s)	Amortised cost	Total	Fair value
Loans to group companies	5	34 194 234	34 194 234	34 194 234
Cash and cash equivalents	10	2 385	2 385	2 385
		34 196 619	34 196 619	34 196 619

Company - February 2025

	Note(s)	Amortised cost	Total	Fair value
Loans to group companies	5	34 194 234	34 194 234	34 194 234

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

26. Financial instruments and risk management (continued)

Categories of financial liabilities

Group - August 2025

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	16	46 876 962	46 876 962	46 876 962
Borrowings	14	646 615 322	646 615 322	646 615 322
		693 492 284	693 492 284	693 492 284

Group - February 2025

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	16	39 464 376	39 464 376	39 464 376
Borrowings	14	641 215 959	641 215 959	641 215 959
Dividend payable		23 472 632	23 472 632	23 472 632
		704 152 967	704 152 967	704 152 967

Company - August 2025

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	16	25 318	25 318	25 318
Loans from group companies	12	27 725 576	27 725 576	27 725 576
Loans from shareholders	13	4 976 206	4 976 206	4 976 206
		32 727 100	32 727 100	32 727 100

Company - February 2025

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	16	25 318	25 318	25 318
Loans from group companies	12	27 721 204	27 721 204	27 721 204
Loans from shareholders	13	4 976 206	4 976 206	4 976 206
Dividend payable		23 472 632	23 472 632	23 472 632
Bank overdraft	10	653	653	653
		56 196 013	56 196 013	56 196 013

Capital risk management

The group's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the group's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

26. Financial instruments and risk management (continued)

Financial risk management

Overview

The group is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The group is exposed to credit risk on related party loans, loans to shareholders, loans to group companies, trade and other receivables and cash and cash equivalents.

Credit risk exposure arising on cash and cash equivalents is managed by the group through dealing with well-established financial institutions with high credit ratings.

Credit loss allowances for expected credit losses are recognised for all debt instruments, but excluding those measured at fair value through profit or loss. Credit loss allowances are also recognised for loan commitments and financial guarantee contracts.

In order to calculate credit loss allowances, management determine whether the loss allowances should be calculated on a 12 month or on a lifetime expected credit loss basis. This determination depends on whether there has been a significant increase in the credit risk since initial recognition. If there has been a significant increase in credit risk, then the loss allowance is calculated based on lifetime expected credit losses. If not, then the loss allowance is based on 12 month expected credit losses. This determination is made at the end of each financial period. Thus the basis of the loss allowance for a specific financial asset could change year on year.

Management apply the principle that if a financial asset's credit risk is low at year end, then, by implication, the credit risk has not increased significantly since initial recognition. In all such cases, the loss allowance is based on 12 month expected credit losses. Credit risk is assessed as low if there is a low risk of default (where default is defined as occurring when amounts are 90 days past due). When determining the risk of default, management consider information such as payment history to date, industry in which the customer is employed, period for which the customer has been employed, external credit references etc. In any event, if amounts are 30 days past due, then the credit risk is assumed to have increased significantly since initial recognition. Credit risk is not assessed to be low simply because of the value of collateral associated with a financial instrument. If the instrument would not have a low credit risk in the absence of collateral, then the credit risk is not considered low when taking the collateral into account. Trade receivable and contract assets which do not contain a significant financing component are the exceptions and are discussed below.

Where necessary, the assessment for a significant increase in credit risk is made on a collective basis. Management typically adopt this approach when information relevant to the determination of credit risk is not available on an individual instrument level. Often, the only information available on individual instruments which could indicate an increase in credit risk, is "past due" information. It is typical that more forward-looking information is generally more readily available on a collective basis. Therefore, making the determination on a collective basis, helps to ensure that credit loss allowances are determined on the basis of lifetime expected credit losses before they reach the point of being past due. Forward looking, macro-economic information is applied on a collective basis when it is readily available without undue cost or effort. When loss allowances are determined on a collective basis, management determines the loss allowances by grouping financial instruments on the basis of shared credit risk characteristics.

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

26. Financial instruments and risk management (continued)

The maximum exposure to credit risk is presented in the table below:

Group		August 2025			February 2025		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Loans to shareholders	6	33 047 203	-	33 047 203	25 975 194	-	25 975 194
Related party loans	7	23 754 102	-	23 754 102	22 591 075	-	22 591 075
Operating lease asset	8	22 956 003	-	22 956 003	24 508 194	-	24 508 194
Trade and other receivables	9	5 334 247	-	5 334 247	5 217 364	-	5 217 364
Cash and cash equivalents	10	2 784 024	-	2 784 024	2 224 690	-	2 224 690
		87 875 579	-	87 875 579	80 516 517	-	80 516 517

Company		August 2025			February 2025		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Loans to group companies	5	34 194 234	-	34 194 234	34 194 234	-	34 194 234
Cash and cash equivalents	10	2 385	-	2 385	-	-	-
		34 196 619	-	34 196 619	34 194 234	-	34 194 234

Liquidity risk

The group is exposed to liquidity risk, which is the risk that the group will encounter difficulties in meeting its obligations as they become due.

The group manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through a mixture of cash generated from operations and long and short term borrowings. Committed borrowing facilities are available for meeting liquidity requirements and deposits are held at central banking institutions.

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

Group - August 2025

		Less than 1 year	1 to 2 years	2 to 5 years	Total	Carrying amount
Trade and other payables	16	46 876 962	-	-	46 876 962	46 876 962
Borrowings	14	30 920 000	61 840 000	741 691 516	834 451 516	646 615 322
		77 796 962	61 840 000	741 691 516	881 328 478	693 492 284

Group - February 2025

		Less than 1 year	1 to 2 years	2 to 5 years	Total	Carrying amount
Trade and other payables	16	39 464 376	-	-	39 464 376	39 464 376
Borrowings	14	64 608 122	209 419 929	555 024 102	829 052 153	641 215 959
Dividend payable		23 472 632	-	-	23 472 632	23 472 632
		127 545 130	209 419 929	555 024 102	891 989 161	704 152 967

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

26. Financial instruments and risk management (continued)

Company - August 2025

		Less than 1 year	2 to 5 years	Total	Carrying amount
Trade and other payables	16	25 318	-	25 318	25 318
Loans from group companies	12	-	27 725 576	27 725 576	27 725 576
Loans from shareholders	13	-	4 976 206	4 976 206	4 976 206
		25 318	32 701 782	32 727 100	32 727 100

Company - February 2025

		Less than 1 year	2 to 5 years	Total	Carrying amount
Trade and other payables	16	25 318	-	25 318	25 318
Loans from group companies	12	-	27 721 204	27 721 204	27 721 204
Loans from shareholders	13	-	4 976 206	4 976 206	4 976 206
Dividend payable		23 472 632	-	23 472 632	23 472 632
Bank overdraft	10	653	-	653	653
		23 498 603	32 697 410	56 196 013	56 196 013

Foreign currency risk

The company transacts mostly in South African rands and therefore the exposure to foreign currency is limited.

Interest rate risk

The debt of the group is comprised of different instruments, which bear interest at either fixed or floating interest rates. The ratio of fixed and floating rate instruments in the loan portfolio is monitored and managed, by incurring either variable rate bank loans or fixed rate bonds as necessary. Interest rate swaps are also used where appropriate, in order to convert borrowings into either variable or fixed, in order to manage the composition of the ratio. Interest rates on all borrowings compare favourably with those rates available in the market.

Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

Group

At 31 August 2025, if the interest rate had been 1% per annum higher or lower during the period, with all other variables held constant, profit or loss for the year would have been R 6 200 772 (2025: R 6 412 160) lower/higher.

Company

At 31 August 2025, if the interest rate had been 1% per annum higher or lower during the period, with all other variables held constant, profit or loss for the year would have been R - (2025: R -) lower/higher.

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

	Group		Company	
	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R	6 months ended 31 August 2025 R	12 months ended 28 February 2025 R

27. Basic, headline and diluted earnings per share

Basic (cents)	0.83	333.97		
Headline (cents)	26.39	60.65		
Diluted earnings (cents)	0.83	333.97		
Diluted headline earnings (cents)	26.39	60.65		
Weighted average shares in issue	47 995 092	47 995 092	47 995 092	47 995 092

Reconciliation of profit for the year to headline earnings (R)

Profit (loss) for the year	398 817	160 291 389	(1 334)	23 527 722
Fair value gain	-	(131 182 647)	-	-
Loss on disposal of investment property	12 266 238	-	-	-
Headline earnings	12 665 055	29 108 742	(1 334)	23 527 722

28. Shareholder information at 28 February 2025

Heading	Number of shareholders	Percentage of total shareholders	Number of issued shares held	Percentage of issued shares held
1 -1 000 shares	44	63.0 %	22 300	0.04 %
1 001 - 10 000 shares	17	31.0 %	39 600	0.08 %
10 001 - 100 000 shares	3	4.6 %	82 400	0.16 %
100 001 - 1000 000 shares	-	- %	-	- %
1 000 001 shares and over	1	1.4 %	47 850 792	99.72 %
	65	100 %	47 995 092	100 %

Distribution of shareholders

Individual	63	97.0 %	98 300	0.20 %
Directors	1	1.5 %	46 000	0.08 %
Company	1	1.5 %	47 850 792	99.72 %
	65	100 %	47 995 092	100 %

Beneficial holding of more than 5%

Markscend Group Holdings Proprietary Limited	47 850 792	99.72 %
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29. Segmental reporting

The group has identified four reportable segments which represents the structure used by management to make key opportunity decisions and assess performance.

The four reportable segments are:

- Rental income from Industrial properties
- Rental income from Office properties
- Rental income from Retail properties
- Rental income from Residential properties

Runway Property Group Limited

(Registration number 2019/547292/06)

Unaudited Consolidated And Separate Financial Statements for the 6 months period ended 31 August 2025

Notes to the Unaudited Consolidated And Separate Financial Statements

29. Segmental reporting (continued)

Year ended August 2025	Industrial	Office	Retail	Residential	Total
Revenue - external customers	4 996 994	4 524 750	93 623 339	5 161 730	108 306 813
Investment property	61 000 000	3 800 000	1 200 225 102	24 000 000	1 289 025 102
Year ended February 2025	Industrial	Office	Retail	Residential	Total
Revenue - external customers	15 889 358	12 933 148	167 757 748	10 628 446	207 208 700
Investment property	61 000 000	14 375 000	1 207 994 122	24 000 000	1 307 369 122

30. Going concern

The unaudited consolidated and separate financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The shareholders of the group have guaranteed by way of a Letter of Support and subordination of loans that they will provide the necessary financial support to enable the group to continue to operate its business in a lawful and proper manner and to satisfy all obligations in full as they fall due, for a period of 12 months from the date of signing financial statements for the financial period ended 28 February 2026.

The directors believe that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly the unaudited consolidated and separate financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the group. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the group.

31. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.