



The Peninsula Share Block Proprietary Limited
Annual Financial Statements
for the year ended 31 December 2023

The
PENINSULA
SHARE BLOCK (PROPRIETARY) LIMITED
ANNUAL REPORT
2023

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The

PENINSULA

SHARE BLOCK (PROPRIETARY) LIMITED

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

DIRECTORS

A M Schlesinger · R W Dickson · H A F Patrick · R N Dickson

NATURE OF BUSINESS

Property timesharing scheme, known as “The Peninsula”

BUSINESS ADDRESS

313 Beach Road, Sea Point 8005

POSTAL ADDRESS

P O Box 50453, Waterfront, 8002

BANKERS

Standard Bank of South Africa Limited

AUDITORS

BDO Cape Inc.

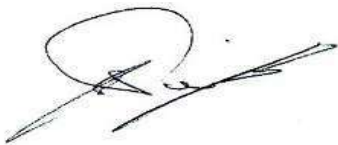
COMPANY REGISTRATION NUMBER

1938/011635/07

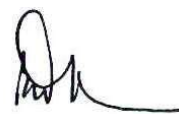
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The annual financial statements were approved by the directors on 31 March 2024 and signed on their behalf by:



DIRECTOR
(H A F Patrick)



DIRECTOR
(R W Dickson)

Independent Auditor's Report

To the shareholders of
The Peninsula Share Block Proprietary Limited

Opinion

We have audited the financial statements of The Peninsula Share Block Proprietary Limited (the company) set out on pages 15 to 28, which comprise the statement of financial position as at 31 December 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the ****year**** OR ****period**** then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Peninsula Share Block Proprietary Limited as at 31 December 2023, and its financial performance and cash flows for the ****year**** OR ****period**** then ended in accordance with International Financial Reporting Standards 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 Financial Statements* section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "The Peninsula Share Block Proprietary Limited Annual Financial Statements for the ****year**** OR ****period**** ended 31 December 2023", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the **directors'** use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

BDO South Africa Incorporated

BDO South Africa Incorporated (Apr 11, 2024 13:31 GMT+2)

BDO South Africa Incorporated
Registered Auditors

Jason Glass
Director
Registered Auditor

Date: 11 April 2024

119-123 Hertzog Boulevard
Foreshore
Cape Town, 8001

The

PENINSULA

SHARE BLOCK (PROPRIETARY) LIMITED

DIRECTORS' REPORT

The members, **THE PENINSULA SHARE BLOCK (PROPRIETARY) LIMITED**

The directors have pleasure in presenting their report for the year ended 31 December 2023.

NATURE OF BUSINESS

The company operates a timesharing scheme in respect of the property it owns known as "The Peninsula". The ownership of a share block in the company is linked to occupation rights granted in terms of use agreements with share block holders.

REVIEW OF ACTIVITIES

The results of the company and the state of its affairs are set out in the attached financial statements.

MANAGEMENT

The policy of the company is determined by the board of directors, subject to the decisions of the company in general meetings.

In terms of a written contract, the management of the company's timesharing scheme and the related hotel operation is conducted by Peninsula Management (Proprietary) Limited a wholly owned subsidiary of Dream Hotels and Resorts (Proprietary) Ltd, part of the Leisure Options Group.

In terms of a written subcontract with Peninsula Management (Proprietary) Limited, the management of the hotel is carried out by Dream Hotels and Resorts (Proprietary) Ltd, which currently manages or markets 22 hotels, game lodges and resorts in South Africa.

Dream Vacation Club ("DVC"), which is managed by Leisure Options (Pty) Ltd, is a points based membership club offering worldwide vacations on an exchange basis and remains the largest shareholder in the Share Block Company.

The Company's directors are set out on page 9 and those directors who are also directors of either of the two management companies or their holding company or trustees of the major shareholder are set out below:

Directors of Peninsula Management

A.M Schlesinger
R.W. Dickson
R.N. Dickson

Directors of Leisure Options

R.W. Dickson
R.N. Dickson

Directors of Dream Hotels & Resorts

R.W. Dickson
R.N. Dickson

Trustees of Dream Vacation Club

R.W. Dickson

LEVY FUND

Under the terms of their use and occupation agreements, owners are obliged to contribute to the levy fund of the company. The levy fund provides for the following:

- management and administration of the company
- repair, upkeep and management of the company's property which is used for purposes of a timesharing scheme and related hotel operations
- the discharge of any obligations of the company
- future expenditure in respect of fixed assets.

The basic weekly levies (inclusive of VAT) applicable to the four unit types are set out below.

	2023	2024
	R	R
Mini Suite	7,217	7,794
Luxury Suite	8,659	9,352
Super Luxury Suite	9,602	10,370
Royal Suite	12,050	13,014

In addition, there are supplementary seasonal weekly levies which cover additional facilities provided during peak and high season periods.

Inflation levelled at 6% by December 2023, below the 7.8% in the previous year. This, however, did not translate to the property utility costs. Electricity increased by 17.6% in July 2023 and will have similar increases for the next two years. Water and sewerage increased by 8.6%. Loadshedding continued throughout 2023, putting a burden on diesel and generator repair costs. Earlier in 2023, management made the decision to implement a diesel surcharge of R60 to owners and guests in-house when loadshedding reaches stage 2 and above. This surcharge meant that owners would not have to carry the diesel and generator costs in their levy.

The levy increase for 2024 was 8%. The above inflation increase was necessary to combat the increases discussed above and the replenishment of the reserve, which financed capital refurbishments of R10.1 million in 2023, this included the two new guest lifts. The service lift will be completed and expensed in 2024.

The levy fund receives "A" class levies from the timeshare owners, as reflected on the table of weekly levies set out above. It also receives "B" class levies, paid by the hotel operator from its trading income.

FINANCIAL RESULTS

The financial results of the Company are set out in the attached financial statements.

In accordance with the provisions of the Share Blocks Control Act, and in common with other timeshare operations in South Africa, this company raises an annual levy, which includes a provision for the maintenance and upkeep of the property. Asset replacement costs and major repairs to property, plant and equipment have been charged against this amount annually.

The Company adopted the International Financial Reporting Standards (IFRS) as of 2011 which requires specific accounting for Share Block companies. This required that the Property, namely Erf 1202, Sea Point West, Cape Town, measuring 5,738 square metres, be derecognized, as no future benefit is retained by the Share Block Company, because such benefits have been passed to timeshare owners who have acquired the right to occupy a specific unit for a specific period in each year. Consequently, the value of the Property is not reflected on the Statement of Financial Position of the Company.

AUDIT COMMITTEE

The report of the audit committee is included in the 2023 annual report.

SOCIAL AND ETHICS COMMITTEE

Since Peninsula Share Block Ltd has more than 500 individual shareholders, it is required in terms of Section 72(4) of the Companies Act 2008 and Regulation 43(5) of the Companies Regulations 2011, to have the above committee.

The responsibilities of this committee are as follows:

To monitor the company's activities, having regards to all legal requirements, with regard to matters relating to:

- a. Social and economic development as regards to its current and future employees.
- b. Good corporate citizenship, including sponsorship and development of its surrounding community.
- c. Protection of the environment including health and public safety.
- d. Consumer and public relations.
- e. Labour and employment relationships.

The report of the committee is included in the 2023 annual report.

MAINTENANCE AND REFURBISHMENT

Management continues to strive to maintain and improve the high standard of the building and the finishes at The Peninsula. A three-pronged programme, listed below, is in operation to meet these objectives.

1. Routine repairs and maintenance are budgeted for and expended as a normal levy expense.
2. Each suite is allocated a maintenance week between May and September. By grouping maintenance weeks within the building, management strives to ensure that any necessary maintenance refurbishment work is carried out with the minimum of inconvenience to owners and guests.

Points 1 and 2 were carried out at a total maintenance cost for the year of R1 239 352.

3. A long-term programme for refurbishment, replacement and enhancement of fixed assets is reviewed and updated annually against a 10-year capex plan. The expenditure incurred in terms of this programme is charged against the Reserve for Expenditure on Fixed Assets and amounted to R10 135 558 during 2023. This included the following programmes and additions:

- Replacing 28 suites' sleeper couches, bedspreads, curtains, and other softs
- Refurbishment of barstools, ottomans, dining chairs, dressing tables and tub chairs
- Refurbishment of bedroom cupboard fronts in 17 suites
- Replacing carpets in 21 suites
- Refurbishment of 17 suite bathrooms and 3 shower conversions
- Replacing floor tiles in 13 suite balconies
- Replacing balcony doors in 7 suites
- Replacing alternator on the generator
- Upgrade of 10th floor passage
- Replacing the 2 guest lifts
- Replacing wooden decking at entrance off Beach Road
- Installing 4 additional fire doors

FIXED ASSETS

A gross amount of R6 855 994 was transferred from the levy fund to the reserve for expenditure on fixed assets and an amount of R10 135 558 was expended against the reserve.

At the end of the 2023 financial year, the reserve amounted to R4 066 709. This reserve is adequately covered by the cash resources of the company, which amounted to R3 143 035 at the balance sheet date and 24-hour notice unit trust investments of R10 443 673. The directors are committed to ensuring that the reserve for expenditure on fixed assets remains sufficient to maintain The Peninsula facilities at an appropriate level.

HOTEL OPERATIONS

The Peninsula Management Company is owned by Dream Hotels and Resorts who manage the Hotel operations on behalf of the Share Block Company and own the "B" class shares running the Food and Beverage operations within the property,

2023 proved to be an excellent year for the Hotel Operations after what had been a roller coaster ride in 2022 having been difficult to estimate market recoveries post COVID. During the year The Peninsula recovered to occupancy levels exceeding pre-pandemic and showed a rooms revenue increase on previous year of 47%. Rooms revenue of R19,9 million ended 31% ahead of budget. The Hotel achieved an average occupancy percentage 83.5% at an average net room rate of R2351, this resulted in an average 16,7% increase to budgeted rental pool returns.

The Food and Beverage departments also recovered well but not at the same levels as the Hotel. This is due to the restaurant income being predominately achieved through outside residents and is more sensitive to the current economic conditions in South Africa. The new extension to Strolla of the Poolside proved to be a success and now has the addition of a Sushi and Oyster Bar.

Food and Beverage income for 2023 was R18 million, an increase of R1.5 million on the previous year, but was less than budgeted by R714K.

The Food and Beverage contribution to "B" class levy income of R1.5 million grew from R827K to R904K.

2023 total income was 16.3% better than budget and 9.6% more than previous year.

The Peninsula has maintained the 4-star hotel grading from the Tourism Grading Council and achieved a level 8 BBBEE rating for the Management Company. The resort achieved 95% for its external ORMS audit and continues to pride itself on sustainability through its association with ERO and our established greening program.

Peninsula Management had an excellent year where results exceeded all expectations with expenses being well controlled and revenues exceeding budget.

PROPERTY ENHANCEMENTS

The Peninsula has a comprehensive rolling 10-year capital refurbishment plan to ensure that it maintains its status as the Premier Timeshare Resort in South Africa. Management is willing to go through the finer details with any shareholder when visiting the property. Please read the 2024 Newsletter explaining the new design concept on Fynbos scheme.

The design decisions are made by a committee who meet quarterly to discuss changes and implementation of interior design, consisting of Claire Gardner (Interior Designer), Anthea Faulds, Brent Johansen, Yusuf Petersen, and Chris Godenir.

In 2023 we completed the soft refurbishment planned, consisting of 28 suites (002,004,104,106,110,201,202,203,114,214,301,304,311,407,412,403,502,508,512,702,207,212,601,606,607,609,706,810). The refurbishment includes replacing sleeper couches, bedspreads, curtains and the refurbishment of barstools, ottomans, dining chairs, dressing tables and tub chairs.

In addition to the soft refurbishment, we continued with the bathroom upgrade on 17 suite bathrooms (201x2,203x2,216x1,211x1,310x1,402x2,511x2,605x2,802x2,1001x2) and 3 shower conversions (216,211,511), replaced carpets in 21 suites (004,101,104,111,203,208,209,405,502,508,512,803,810,702,302,305,309,603,608,903,1102), replaced floor tiles on 13 suite balconies (801,706,609,502,402,407,409,410,303,302,102,312,206), replaced balcony doors in 7 suites (109,110,207,810,904,512,312) and the refurbishment of bedroom cupboard fronts in 17 suites (003,102,103,104,203,303,304,402,403,405,502,503,602,603,702,703,704).

Our major public area projects for the year were the 2 new guest lifts, new wooden decking leading off Beach Road and the 10th floor passageway leading to suites.

Emergency capital expenditure was required to replace the alternator on the generator and put in 4 new fire doors.

COVID-19 – GOING CONCERN 2023

After enduring a profound setback due to the COVID-19 pandemic, South Africa's tourism industry started witnessing a remarkable resurgence in 2023, signaling a hopeful recovery.

The Western Cape skies in 2023 were almost 70% busier than the previous year, with international arrivals at Cape Town International airport exceeding pre-pandemic levels by 106%.

In accommodation revenues, the hotel recorded a 47% increase to previous year and a 34% increase on 2019 revenues. 2024 is looking strong with advance accommodation bookings already in place.

In relation to the Directors assessment of the ability of the entity to continue as a going concern, they are confident that the company will remain viable and will meet its obligations as they fall due in the ordinary course of business.

SHARE CAPITAL

The share capital of the company is divided into share blocks. The ownership of a share block confers occupation rights of the company's property, granted in terms of use agreements with share block holders, which inter-alia provide for the following:

- the granting of exclusive rights of use and occupation of accommodation for determinable periods during the year
- levy contributions

DIVIDENDS

Due to the nature of the company's operations, no dividends were declared or paid.

DIRECTORS

The directors of the company in office during the year and at the date of this report are:

- | | | |
|------------------|---|---------------------------------|
| A.M. Schlesinger | - | "B" class director and chairman |
| R.W. Dickson | - | "A" class director |
| H.A.F. Patrick | - | "A" class director |
| R.N. Dickson | - | "B" class director |

SECRETARY

The secretary of the company is: Leisure Options (Pty) Ltd
310 Main Road
Bryanston 2021
Postal address: P.O.Box 786027
Sandton 2146

REPORT OF THE AUDIT COMMITTEE

1. MEMBERSHIP

The shareholders appointed the committee for the 2023 financial year at the annual general meeting in May 2023 and will be requested to approve the appointment of the chairman and members of the committee for the 2024 financial year at the annual general meeting scheduled for June 2024.

The committee consists of the following independent and non-executive Directors of the company together with the company Financial Manager and the Company Compliance officer:

Weston Dickson
 Nick Dickson
 Hugh Patrick – Chairman
 Anthea Faulds – Alternative to Nick Dickson
 Vee de Freitas – Financial Manager
 Abdul Davids – Compliance Officer

The committee is satisfied that the members thereof have the required knowledge and experience as set out in section 94 (5) of the Companies Act 71 of 2008 and regulation 42 of the Companies Regulations 2011.

2. MEETINGS HELD BY THE COMMITTEE

The committee meets with the internal accounts department and external auditors on a regular basis, also without management and other directors being present, and considers its findings and recommendations, as well as other information that may be relevant in carrying out their mandate or specific tasks entrusted to it by the board. The external auditors have unrestricted access to the chairman of the committee, which ensures that their independence is not impaired.

The Audit Committee held four meetings during the year.

Attendance at the meeting is shown in the table below:

Director	02/03/2023	25/05/2023	31/08/2023	26/10/2023
Mr. Hugh Patrick	√	√	√	√
Mr. Weston Dickson	√	√	√	√
Mr. Nick Dickson	√	√	√	√
Mr. Vee de Freitas – Fin. Manager	√	√	√	√
Mrs Anthea Faulds				
Mr. Abdul Davids – Compliance Officer	√	√	√	√
External Auditors – Jason Glass				√
External Auditors – Chernize Bullock	√			√

3. KEY FUNCTIONS AND RESPONSIBILITIES

The Committee:

In the execution of its duties according to the requirements of the Companies Act, the committee is responsible for the discussion and determination of:

- The effectiveness of internal control systems and risk management, including information technology, as well as the quality of management information, accounting policy and reporting to share holders and other interested parties;
- The independence of the auditors and the annual fees to be paid to them;
- The extent of and fees payable for any non-audit work to be performed by the auditors;
- Any concerns or complaints relating to the accounting practice, the auditing of the financial statements and the internal financial control environment;
- Any submissions to be made to the board on matters concerning the company's accounting policies, financial control, recording and reporting;
- The accuracy of the annual financial statements as prepared by the auditors;
- Any recommendations to be made to the board or the shareholders;
- Co-operation with the Social and Ethics Committee including the attendance of the Committee Chairman at meetings of the S & E Committee;

REPORT OF THE AUDIT COMMITTEE

- Continuous review of the effectiveness of the company's IT systems.
- The financial, enterprise-wide, market, regulatory, safety and other risks and control issues, and to monitor controls designed to minimise these risks.

4. INTERNAL CONTROL AND INTERNAL AUDIT

The Committee:

- Reviewed and approved the annual internal audit plans and evaluated the independence, effectiveness, and performance of the internal audit function;
- Considered the report of the internal auditors on the company's systems of internal control including financial controls, business risks, management, and maintenance of effective internal control systems;
- Received assurances that proper accounting records were maintained and that the systems safeguarded the company's assets against unauthorized use or disposal;
- Reviewed issues raised by internal audit and the adequacy of corrective action taken by management in respect thereto;
- Assessed the adequacy of the performance of the internal audit function and found it satisfactory;
- Reviewed the renewed physical internal audits whereby Peninsula staff audited another group location and vice versa;
- Arranged that a full IT system restoration was conducted during the year. In addition, an external specialist company is employed to conduct an annual system penetration test;
- Anthea Faulds from DHR completed a full Internal Audit during the year and the results were submitted to the Audit Committee;
- Reviewed a report on the successful implementation of the POPI Act. Provisions within the company; and
- Concluded that there were no material breakdowns in internal control.

5. FINANCIAL MANGER AND FINANCE FUNCTION

The committee:

- Considered the appropriateness of the experience and expertise of the company's financial manager and concluded that this was appropriate; and
- Considered the expertise, resources and experience of the financial function and concluded that these were appropriate.

6. EXTERNAL AUDIT

The committee:

- Nominated BDO South Africa Incorporated as auditors to the shareholders for appointment for the financial year ended December 31 2023, of the company, and ensured that the appointment complied with legal and regulatory requirements for the appointment of an auditor;
- Approved the external audit representation letters, the audit plan and the budgeted audit fees payable to the external auditors;
- Determined the nature and extent of all non-audit services provided by the auditors and pre-approved all non-audit services undertaken;
- Obtained assurances from the auditors that adequate accounting records were being maintained;
- Confirmed that no reportable irregularities had been identified or reported by the auditors under the Auditing Profession Act;
- Arranged for the auditors to conduct an extensive IT Audit in addition to the normal annual audit;
- Confirmed that the auditors for the year ended 31 December 2023 had not revealed any material items of concern that would need to be addressed;
- In terms of the relative legislation the current audit partner Jason Glass will be replaced by a new audit partner for the 2024 audit;
- Two meetings were held with the external auditors during the year.

INDEPENDENCE OF EXTERNAL AUDITORS

The committee is satisfied that BDO Cape Incorporated is independent of the company after taking the following factors into account:

- Representations made by the auditors to the committee;
- The auditors do not, except as external auditors or in rendering permitted non-audit services, receive any remuneration or other benefit from the company;
- The auditors' independence was not impaired by any consultancy, advisory or other work undertaken;
- The auditors' independence was not prejudiced as a result of any previous appointment as auditors; and
- The criteria specified for independence by the Independent Regulatory Board for Auditors and international regulatory bodies.

7. RISK MANAGEMENT AND LEGAL REQUIREMENTS

The committee

- Reviewed the company's policies on risk management, including information technology risks and found them to be sound;
- Reviewed with management legal matters that could have a material impact on the company;
- Reviewed the adequacy and effectiveness of the company's procedures to ensure compliance with legal and regulatory responsibilities;
- Considered reports provided by management, internal assurance providers and the external auditors regarding compliance with legal regulatory requirements; and
- Arrange for IT Insurance to cover possible computer hacking and ransom attacks.

8. OPINION

The committee:

- The auditors are independent as detailed in point 6 above;
- The company's internal controls and risk management are sufficient, as detailed in point 4 above;
- The annual financial statements were prepared in accordance with international financial reporting standards (IFRS) and comply with these standards. It was recommended that the board approve the statements;
- The audit fee is reasonable taking into consideration such factors, as timing of the audit, the extent and scope of the work required, and has therefore been approved;
- There are no other matters which are to be revealed to shareholders, which have not been covered in the annual financial statements and directors' report.

9. DISCHARGE OF RESPONSIBILITIES

The committee determined that during the financial year under review it had discharged its legal and other responsibilities in terms of the Act. The Board concurred with this assessment.



H A F Patrick
Chairman – Audit Committee

REPORT OF THE SOCIAL & ETHICS COMMITTEE

Members

Chris Godenir – Chairman and Peninsula GM
Hugh Patrick – Peninsula Director
Anthea Faulds - Peninsula Management Director
Vee de Freitas – Peninsula Financial Manager
Brent Johansen – Peninsula Rooms Division Manager
Lwandile Makubalo – Peninsula Personnel & Committee Administrator
Kauthar Davids – Administration Office Manager

In 2023 the Peninsula Board confirmed the above committee to comply with Legislation and it has met 4 times over the past year with Hugh Patrick representing Share Block Directors and Anthea Faulds representing Peninsula Management Directors.

Purpose and Role of Committee

The committee assists the board in ensuring that the company is and remains a committed socially responsible corporate citizen. The commitment to sustainable development involves ensuring that the company conducts operations in a manner that meets existing needs without knowingly compromising the ability of future generations to meet their needs. The committee's primary role is to supplement, support, advise and provide guidance on the effectiveness or otherwise of management's efforts in respect of sustainable development, social and ethics related matters which, inter alia, include the following:

a) Health

The Peninsula offers all its employees a medical insurance scheme with the basic cover in Momentum Health for Me, where the contributions are 100% covered by The Peninsula. Every year there is a free wellness day when a local clinic runs a free testing centre for TB and HIV at The Peninsula, this year taking place in September.

b) Occupational hygiene

The Peninsula Kitchen, Storerooms, Refuse Area, Bars and Change Rooms are inspected and audited 4 times a year by FCS. An independent organization. Gripp Advisory services has been appointed to annually carry out a full Food Safety and Health and Safety Audit completed each year in December and certificate of compliance issued.

c) HIV/Aids

The Peninsula has a HIV Policy document in its policies and procedures. Free HIV testing is made available for all staff by a local Clinic on the awareness day mentioned under Health.

d) Ethics management

The Peninsula has a reputation for developmental management and has achieved some great success stories over the years. This is monitored and measured through a recognized performance management system and the completion of its annual workplace skills plan. In the staff “we care” workshops at the end of the year the theme for 2023 was “Commitment” and identifies any areas of concern, it is quite clear that the Peninsula is seen as their safe haven but there is a high level of stress and trauma being encountered within their home environments, 7 healing modalities were presented with each staff member selecting the one they most related to and will receive a session at the start of the new year to assist them with coping mechanisms. The company has various external and internal audits throughout the year and is compliant with all legislation. POPI regulations for the protection of personal information have been implemented and Abdulah Davids our Compliance Officer has been registered with the regulator. Our theme word for 2024 is “Unity”.

e) Corporate social investment

Through its active Equity Committee, The Peninsula has a well-prepared CSI plan which is prepared annually. Its main charity is the SOS Children's Village in Thornton, and it actively supports its “charity starts at home program”, Red Cross Children's Hospital, Musiquelaine and other worthwhile requests that meet equity criteria. We support the Dream Hotels & Resorts NPO Touching Dreams main charity project Reach for a Dream, Langkloof Orphanage and Christel House a school based in Cape Town founded by Christel De Haan founder of RCI. The Directors of Share Block agreed to support the NPO with a monthly contribution of R5000 along with the internal fund-raising initiatives, likewise the Management Company will donate a % of income. The National Projects for the Group are “Reach for a Dream” and Langkloof Orphanage with Cristel House being the regional project. Funds raised by the

REPORT OF THE SOCIAL & ETHICS COMMITTEE

Peninsula will be split 33% for National, 33% for Regional and 33% ring-fenced to use to benefit the selected projects chosen by the Equity Committee.

f) Environmental management

The Peninsula is supported by ERO, an environmental management company, and there is a working policy in place. There has been a new SEMP grading system which monitors energy, water, carbon footprint and waste and we are currently rated 5 stars on 2 categories 4.5 on the remaining 2 categories, our scores are proudly displayed on our website.

g) Sustainability strategy and framework

With both our 10-year capital expenditure plan and internal development plan, management have created a comprehensive framework and a sustainable business. The insurance cover and related values of buildings and its contents are regularly monitored by the Board.

h) Safety

The property in 2023 scored 95% for its external Health and Safety ORMS Audit and received a compliance certificate, which is completed annually. There is a strong Health and Safety Committee in place and all incidents are investigated and preventative measures actioned.

i) Labour

The company's employment relationships', working conditions and its contribution towards the educational development of its employees is monitored through our workplace skills plan and equity committee. Wage negotiations take place with SACCAWU every year when terms and conditions are negotiated and agreed. The policy of working a 5 day week has become a standard. After our annual wage negotiations were held in June with SACCAWU and staff agreed to an annual increase of 5% in July 2023 and an additional 2.5% increase in January 2024.

Statutory duties

- 1) To monitor the company's activities with regard to matters relating to:
 - a) Social & economic development, including the company's standing in terms of:
 - i) The 10 principles of the United Nations Global Compact.
 - ii) The OECD recommendations regarding corruption.
 - iii) The Employment Equity Act.
 - iv) The Broad Based Black Economic Empowerment Act.
 - b) Promotion of equality, prevention of unfair discrimination and reduction of corruption.
 - c) Contribution to the development of the communities in which it operates.
 - d) Recording of sponsorship, donations, and charitable giving.
 - e) The environment, health and public safety including the impact of the company's activities.
 - f) Consumer relationships including the company's advertising, public relations and compliance with consumer protection laws.
 - g) Labour and employment including:
 - i) The company's standing in terms of the International Labour Organisations Protocol on decent work and working conditions.
 - ii) The company's employment relationship and its contribution towards the educational development of its employees.
- 2) To draw matters within its mandate to the attention of the board as the occasion requires.
- 3) To report, through one of its members, to the shareholders at the company's annual general meeting, on the matters within its mandate.

The Committee is pleased to report that for all the above The Peninsula is compliant. It is externally and internally audited and has very acceptable scores for both Health and Safety and Food Hygiene. Its Workplace Skills Plan is completed and Workmen's Compensation, UIF and SARS are paid on time.



Chairman – C D Godenir

STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2023

		2023	2022
	Notes	R	R
ASSETS			
CURRENT ASSETS			
Inventories	4	223 691	211 942
Loans and receivables	5	459 396	1 280 650
Share block holders for outstanding levies	6	2 623 171	2 612 883
Other receivables	6	942 552	1 049 668
Investments	7	10 443 673	9 625 774
Bank balance and cash	8	3 143 035	6 029 198
TOTAL ASSETS		<u>17 835 518</u>	<u>20 810 115</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Share capital	9	401	401
Reserve for expenditure on fixed assets	11	4 066 709	7 346 273
CURRENT LIABILITIES			
Accounts payable	12	3 976 418	2 718 609
Loans and payables	13	111 413	-
Prepaid levies		9 415 496	10 328 361
Taxation		265 081	416 471
TOTAL EQUITY AND LIABILITIES		<u>17 835 518</u>	<u>20 810 115</u>

**STATEMENT OF COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 DECEMBER 2023**

		2023	2022
	Notes	R	R
REVENUE	15	44 212 829	40 763 241
Operating expenses		(38 203 976)	(35 658 671)
Operating profit	16	6 008 853	5 104 570
Investment revenue		1 111 044	1 100 748
Profit before taxation		7 119 897	6 205 318
Taxation	17	(263 902)	(221 560)
Total comprehensive income		6 855 995	5 983 758

**STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 31 DECEMBER 2023**

	Share Capital R	Reserve for Expenditure on Assets R	Accumulated profits R	Total R
Balance at 31 December 2021	401	12 027 046	-	12 027 447
Total comprehensive income for the year	-	-	5 983 758	5 983 758
Transfer to reserve	-	5 983 758	(5 983 758)	-
Expenditure against reserve	-	(10 664 531)	-	(10 664 531)
Balance at 31 December 2022	401	7 346 273	-	7 346 674
Total comprehensive income for the year	-	-	6 855 995	6 855 995
Transfer to reserve	-	6 855 995	(6 855 995)	-
Expenditure against reserve	-	(10 135 559)	-	(10 135 559)
Balance at 31 December 2023	401	4 066 709	-	4 067 110
Notes	9	11		

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

		2023	2022
	Note	R	R
CASH INFLOW FROM OPERATING ACTIVITIES			
Cash generated from operations	2	(3 864 184)	3 974 056
Interest received		249 770	552 962
Taxation paid	4	(415 292)	0
NET CASH GENERATED FROM (USED IN) OPERATING ACTIVITIES		<u>(4 029 706)</u>	<u>4 527 018</u>
CASH UTILISED FROM RESERVE FOR EXPENDITURE ON FIXED ASSETS			
		(10 135 558)	(10 664 531)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from intercompany loans		11 735 152	3 448 408
Repayment on intercompany loans		(456 051)	(684 261)
NET CASH FROM FINANCING ACTIVITIES		<u>11 279 101</u>	<u>2 764 147</u>
TOTAL CASH MOVEMENT FOR THE YEAR		(2 886 163)	(3 373 366)
CASH AT BEGINNING OF YEAR		<u>6 029 198</u>	<u>9 402 564</u>
CASH AT THE END OF THE YEAR		<u>3 143 035</u>	<u>6 029 198</u>

1. ACCOUNTING POLICIES

Presentation of Annual Financial Statements

The financial statements are prepared in accordance with International Financial Reporting Standards and the Companies Act 71 of 2008. The annual financial statements are prepared under the historical cost basis except where otherwise indicated below. These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Financial assets measured at cost and amortised cost

The company assesses its financial assets measured at cost and amortised cost for impairment at each statement of financial position date. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Allowance for slow moving, damaged and obsolete inventory

An allowance for inventory to write inventory down to the lower of cost or net realisable value. Management have made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the operating profit note.

Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate taxation determination is uncertain which the company recognises during the ordinary course of business. The liabilities for anticipated taxation audit final taxation outcome issues are based on estimates of whether additional taxes will be due. Where the final taxation outcome of the income taxation and these matters is different from the amounts that were initially recorded, such differences will impact the income taxation and deferred taxation provisions in the period in which such determination is made.

The company recognises the net future taxation benefit related to deferred income taxation assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income taxation assets requires the company to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing taxation laws in each jurisdiction.

To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the company to realise the net deferred taxation assets recorded at the end of the reporting period could be impacted.

Estimation of expected credit loss allowance

In recognising and measuring the expected credit loss allowance (ECL), management is required to make certain judgements and estimates as follows:

Trade and other receivables

The company has applied the simplified approach to measuring the impairment allowance for trade and other receivables, which uses a lifetime expected loss allowance.

Historical loss rate/ historical credit quality forward looking factors:

The Company's historical credit loss rate has been low.

The historical loss rates have been used for the previous few years of assessment and these are the most relevant and timely information.

The following reasonable and supportable information has been taken into account, as part of the forward looking factors, namely:

- The Company's long standing trade history and trade relationships with its customer base.
- Forward-looking information such as the likelihood of default and economic conditions of the industry.
- Macro-economic factors affecting customers' ability to settle amounts owing, including the following:
 - a) Foreign currency exchange rates
 - b) Increases in customer local inflation and interest rates as this would erode a customers' purchasing power
 - c) General customer confidence in regards to their own financial situations

1.2 Revenue Recognition

The company recognises revenue from the following major sources:

- Levy income from class A shareholders
- Class B levy income

The entity's accounting policy in line with IFRS 15 is:

Revenue represents income arising in the course of ordinary activities, being those activities as highlighted above.

Revenue is recognised over a period of time as the performance obligations are fulfilled with the customer.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts, volume rebates and value added tax.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.3 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

1.4 Current taxation

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 assets for the current and prior periods are measured at the amount expected to be recovered from the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

1.5 Levies received

Share Block owners are obliged, by way of agreement, to contribute levies to enable the company to defray its expenditure.

1.6 Financial Instruments

Financial instruments are initially recognised at fair value.

Financial instruments at amortised cost

Financial instruments may be designated to be measured at amortised cost less any impairment using the effective interest method. These include trade and other receivables, cash and cash equivalents, loans and trade and other payables. At the end of each reporting period, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If so, an impairment loss is recognised.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment. This includes equity instruments held in unlisted investments.

Financial instruments carried on the balance sheet include cash and bank balances, prepaid expenses, other debtors, share block holders for outstanding levies, creditor and prepaid levies. These items are carried as follows:

Prepaid expenses and other debtors:

Prepaid expenses and other debtors are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Share block holders for outstanding levies:

Trade and other receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Creditors and prepaid levies:

Creditors and prepaid levies are stated at nominal value.

1.6.1 IFRS 9 Financial instruments

Loans receivable

The company has adopted the general approach, which takes into account the three-stage approach, with respect to the recognition of credit losses being:

- Stage 1: Credit risk has not increased significantly since initial recognition - 12 month ECL.
- Stage 2: Credit risk has increased significantly since initial recognition. Lifetime ECL and effective interest on gross amount.
- Stage 3: Credit risk has increased significantly since initial recognition. Lifetime ECL and effective interest on net amount.

1.7 **Inventory**

Inventory consists of stationery, guest and cleaning supplies listed as other consumables.

A reserve for expenditure on inventory is provided for. This reserve is intended to provide for the acquisition and replacement of inventory.

2. **Standards and interpretations**

2.1 **Standards and interpretations effective and adopted in the current year**

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation :	Effective Date : Years beginning on or after	Expected impact :
• Initial application of IFRS 17 and IFRS 9 - Comparative information	01 January 2023	The impact of the amendment is not material.
• Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	01 January 2023	The impact of the amendment is not material.
• Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023	The adoption of this amendment has not had a material impact on the results of the company, but has resulted in less disclosure than would have previously been provided in the financial statements.
• Definition of accounting estimates to AIS 8 Amendment to IAS 1	01 January 2023	The impact of the amendment is not material.
• Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	01 January 2023	The impact of the amendment is not material.

2.2 **Standards and interpretations not yet effective**

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 01 January 2024 or later periods:

Standard/ Interpretation :	Effective Date : Years beginning on or after	Expected impact :
• Supplier finance arrangement - amendments to IAS 7 and IFRS 7	01 January 2024	Unlikely there will be a material impact.
• Non-current liabilities with covenants - amendments to IAS 1	01 January 2024	Unlikely there will be a material impact.
• Lease liability in a sale and leaseback	01 January 2024	Unlikely there will be a material impact.

3. **SHARE BLOCK HOLDERS LOANS & SHAREHOLDERS' LOANS**

Amounts previously recognised viz property, plant and equipment (R113,017,785) including revaluation reserve (R93,732,944) were derecognised in accordance with the guide in financial reporting by share block companies. The net difference (R19,284,841) was set off against amount due by shareholders (R18,000,000) and replacement reserve (R1,284,841). The title deed is still registered under the company with the municipal valuation of R174 million.

The Company has adopted the International Financial Reporting Standards (IFRS) as of 2011 which requires specific accounting for Share Block companies. This required that the Property, namely Erf 1202, Sea Point West, Cape Town, the size of which is 5,738 square metres, be derecognized, as no future benefit is retained by the Share Block Company, because such benefits have been passed to timeshare owners who have acquired the right to occupy a specific unit for a specific period in each year.

4. **INVENTORY**

Inventory comprises:	2023 R	2022 R
Stationery	73 665	106 075
Cleaning materials	29 388	19 632
Guest supplies	70 645	86 235
Diesel stock	49 993	-
	<u>223 691</u>	<u>211 942</u>

At the reporting date no indication was noted suggesting a possible impairment of the inventory on hand and therefore no provision for obsolescence has been raised.

5. **LOANS AND RECEIVABLES**

Peninsula Management (Proprietary) Limited - Interest free loan	-	310 782
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The above loan is unsecured and interest free. Terms of repayment: 30 days.

- Interest bearing loan	459 396	969 868
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The above loan is repayable over 2 years at 9.7% per annum, with 10 months remaining at year - end. Rate changed in October 2023 from 8% to fall in line with rate return on investments

<u>459 396</u>	<u>1 280 650</u>
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The fair values of these loans and receivables approximate their carrying amounts.

The loan has not been impaired in the past and there is no provision for impairment considered necessary.

6. **TRADE AND OTHER RECEIVABLES**

Financial instruments

Share block holders for outstanding levies	2 623 171	2 612 883
Sundry debtors	8 000	8 000
Staff loans	3 848	3 615

Non - financial instruments

Prepayments	930 704	1 038 053
	<u>3 565 723</u>	<u>3 662 551</u>

Exposure to credit risk

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

The risk of default is also mitigated by the fact management are able to sell the timeshare weeks to defray the cost of the outstanding debt. In order to mitigate the risk of financial loss from defaults, the company only deals with reputable customers with consistent payment histories. Sufficient collateral or guarantees are also obtained when appropriate. Each customer is analysed individually for creditworthiness before terms and conditions are offered. Statistical credit scoring models are used to analyse customers. These models make use of information submitted by the customers as well as external bureau data (where available). Customer credit limits are in place and are reviewed and approved by credit management committees. The exposure to credit risk and the creditworthiness of customers, is continuously monitored.

6. **TRADE AND OTHER RECEIVABLES (continued)**

Expected credit loss

The Company applies the IFRS 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

The balance of trade receivables have been assessed on a collective basis as the items possess shared credit risk characteristics.

	2023	2023	2022	2022
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
	R	R	R	R
Expected credit loss rate:				
0 - 60 days past due: 0% (2022: 0%)	2 623 171	-	2 612 883	-
61 - 90 days past due: 0% (2022: 0%)	-	-	-	-
More than 90 days past due: 0% (2022: 0%)	-	-	-	-
	<u>2 623 171</u>	<u>-</u>	<u>2 612 883</u>	<u>-</u>

Management has assessed the outstanding debtors and does not deem it necessary to raise an allowance for expected credit losses as the end of the financial year.

7. **INVESTMENTS**

Investment comprises:

	2023	2022
	R	R
Unit trusts		
36406.7 units in Allan Gray Coronation Strategic Income Fund (Class P) (2022: 33809,82)	560 427	514 261
280910,9 units in Allan Gray Mi-Plan Enhanced Income Fund (Class A1) (2022: 258294,84)	2 890 461	2 680 532
3501346,48 units in Boutique Collective Investments Sasfin Flexible Income Fund A (2022: 2905132,86)	3 477 887	3 205 524
3140545,20 units in Boutique Collective Investments Best Blend Flexible Income Fund Class C (2022: 3198272,17)	3 514 898	3 225 457
	<u>10 443 673</u>	<u>9 625 774</u>

8. **BANK AND CASH**

Bank and cash consists of:

Cash at bank	3 143 035	6 029 198
	<u>3 143 035</u>	<u>6 029 198</u>

The credit quality of cash at banks and short term deposits, excluding cash on hand, that are neither past due nor impaired can be assessed with reference to external credit ratings or historic information about counterparty default rates:

Credit ratings

Standard Bank Limited (Ba1)	3 143 035	6 029 198
	<u>3 143 035</u>	<u>6 029 198</u>

9. **SHARE CAPITAL**

Authorised and issued

40 040 "A" class ordinary shares of 1c each, divided into 40 040 share blocks of 1 share each	400	400
16 "B" class ordinary shares of 5c each, comprising 1 block of 16 shares	1	1
	<u>401</u>	<u>401</u>

10. **RETAINED INCOME**

Balance at 31 December 2021	-
Total comprehensive income for the year	5 983 758
Transfer to reserve	(5 983 758)
Balance at 31 December 2022	-
Total comprehensive income for the year	6 855 995
Transfer to reserve	(6 855 995)
Balance at 31 December 2023	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2023

CONTINUED

		2023 R	2022 R		
11.	RESERVE FOR EXPENDITURE ON FIXED ASSETS				
	Balance at beginning of year	7 346 273	12 027 046		
	Transfer of levy fund surplus for the year	6 855 995	5 983 758		
	Expenditure during the year	(10 135 559)	(10 664 531)		
		4 066 709	7 346 273		
	The reserve for expenditure on fixed assets provides for the purchase, replacement, refurbishment and maintenance of the company's property.				
12.	ACCOUNTS PAYABLE				
	Accounts payable comprises:				
	Trade creditors	1 584 254	786 860		
	Vat payable	366 548	306 586		
	Other payables	2 025 616	1 625 163		
	TOTAL	3 976 418	2 718 609		
	Fair Value				
	The fair value of trade and other payables approximates its carrying amount.				
13.	LOANS AND PAYABLES				
	Peninsula Management (Proprietary) Limited				
	- Interest free loan	111 413	-		
		111 413	-		
	The above loan is unsecured and interest free. Terms of repayment: 30 days.				
	The fair values of these loans and receivables approximate their carrying amounts.				
	The loan has not been impaired in the past and there is no provision for impairment considered necessary.				
14.	PROVISIONS				
	2023	Carrying amount at beginning of year R	Additional provisions R	Used during the year R	Carrying amount at end of year R
	Annual bonus	-	1 282 532	(1 282 532)	-
		-	1 282 532	(1 282 532)	-
	2022	Carrying amount at beginning of year R	Additional provisions R	Used during the year R	Carrying amount at end of year R
	Annual bonus	-	1 128 031	(1 128 031)	-
		-	1 128 031	(1 128 031)	-
15.	REVENUE		2023 R	2022 R	
	Revenue from contracts with customers				
	Levy income		44 212 829	40 763 241	
	Disaggregation of revenue from contracts with customers				
	The company disaggregates revenue from customers as follows:				
	<u>Provision of levy generating services</u>				
	Class A Levies		42 736 152	39 389 784	
	Class B levies		1 476 677	1 373 457	
			44 212 829	40 763 241	
	Timing of revenue recognition				
	<u>Over time recognition</u>				
	Class A Levies		42 736 152	39 389 784	
	Class B levies		1 476 677	1 373 457	
			44 212 829	40 763 241	

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2023

CONTINUED

16.	PROFIT FROM OPERATIONS	2023	2022
	Profit from operations is stated after:	R	R
	Interest received	1 111 044	1 100 748
	Rental charges	290 958	254 498
	Employee costs	20 814 000	18 981 775
17.	TAXATION		
	Except for taxation on interest income, the company is not liable for taxation on the surplus arising in the levy operating statement. Exemption from tax is claimed in terms of Section 10(1)(e) of the Income Tax Act. In determining the tax on interest income, interest earned on arrear levies is excluded and an appropriate portion of administration expenditure is claimed against interest received.		
	Current year	<u>263 902</u>	<u>221 560</u>
		<u>263 902</u>	<u>221 560</u>
	Reconciliation of rate of taxation:		
	South African normal taxation rate	27%	28%
	Adjusted for:		
	Disallowable expenditure	145%	160%
	Exempt income	<u>-168%</u>	<u>-184%</u>
	Effective rate:	<u>4%</u>	<u>4%</u>
18.	RELATED PARTIES		
	Relationship		
	Shareholder - Class B shares Peninsula Management (Proprietary) Limited		
	Related party balances		
	Amount owed by related parties		
	Peninsula Management (Proprietary) Limited	459 396	1 280 650
	Amount owed to related parties		
	Peninsula Management (Proprietary) Limited	111 413	-
	Related party transactions		
	Management fees paid to related parties		
	Peninsula Management (Proprietary) Limited	1 451 100	1 348 608
	Levies received from related parties		
	Peninsula Management (Proprietary) Limited "B" Class levies	1 476 677	1 373 457
	Peninsula Management (Proprietary) Limited "A" Class levies	2 956 091	712 386

The Peninsula Management (Proprietary) Limited, a subsidiary within the Dream Hotels & Resorts group of companies, manages the company's timesharing scheme and related hotel operations, for which it receives an agreed fee. As a "B" Class shareholder, it pays levies to the company out of its trading income. As an "A" Class Shareholder, it pays levies according to the weekly levy set out in the Directors' Report.

19. **FINANCIAL INSTRUMENTS**

The company's operations expose it to a number of financial risks. A risk management programme has been established to protect the company against the potential adverse effects of these financial risks.

19.1 **Sensitivity analysis**

The group exposures to various financial risks are set out below:

2023 2022

Class of financial instrument: Carrying value	Interest rate risk	Interest rate risk
<i>Working capital balances</i>		
Other financial liability	-	-
Bank and cash	3 143 035	6 029 198
Net exposure	3 143 035	6 029 198

Class of financial instrument: Sensitivity to changes in underlying financial variables: Possible changes	Interest rate risk 1%	Interest rate risk 1%
<i>Working capital balances</i>		
Trade and loans receivable	-	-
Bank and cash	31 430	60 292
Net exposure	31 430	60 292

19.2 **Financial risk management**

19.2.1 *Interest rate risk*

Surplus cash flows exposed to interest rate risk are placed with recognised institutions and facilities which yield an acceptable rate of return.

19.3 **Financial liabilities**

19.3.1 *Maturity analysis*

31 DECEMBER 2023

Contractual undiscounted liabilities	Payable in 1 to 12 months	Payable in 1 to 5 years	Total
<i>Working capital balances</i>			
Trade and loans payable	3 976 418	-	3 976 418
Financial liability	-	-	-
Net exposure	3 976 418	-	3 976 418

31 DECEMBER 2022

Contractual undiscounted liabilities	Payable in 1 to 12 months	Payable in 1 to 5 years	Total
<i>Working capital balances</i>			
Trade and loans payable	2 718 609	-	2 718 609
Financial liability	-	-	-
Net exposure	2 718 609	-	2 718 609

19.3.2 *Liquidity risk management*

The company maintains sufficient cash and ensures that funds remain available through an adequate amount of credit facilities. The company manages its liquidity requirements by monitoring forecast cash flows.

19.3.3 *Capital management*

The company's objectives when managing capital are to safeguard the entity's ability to continue as a going concern.

During 2023, the company's strategy, which was unchanged from 2022, was to maintain a debt free structure and maintain enough capital to ensure the availability of working capital.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2023

CONTINUED

20. **FINANCIAL INSTRUMENT DISCLOSURE**

31 DECEMBER 2023		Notes	Loans and receivables R	Available for sale R	Financial liabilities at amortised cost R	Non financial instruments R	Total R
ASSETS							
CURRENT ASSETS							
Inventories	4		3 094 415	13 586 708	-	1 154 395	17 835 518
Loan receivable	5		-	-	-	223 691	223 691
Share block holders for outstanding levies	6		459 396	-	-	-	459 396
Other receivables	6		2 623 171	-	-	-	2 623 171
Investments	7		11 848	-	-	930 704	942 552
Bank balance and cash	8		-	10 443 673	-	-	10 443 673
			-	3 143 035	-	-	3 143 035
TOTAL ASSETS			3 094 415	13 586 708	-	1 154 395	17 835 518
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable	12		-	-	(3 721 283)	(10 047 125)	(13 768 408)
Loans payable	13		-	-	(3 609 870)	(366 548)	(3 976 418)
Prepaid levies			-	-	(111 413)	-	(111 413)
Taxation			-	-	-	(9 415 496)	(9 415 496)
			-	-	-	(265 081)	(265 081)
TOTAL LIABILITIES			-	-	(3 721 283)	(10 047 125)	(13 768 408)
CAPITAL AND RESERVES							4 067 110
31 DECEMBER 2022							
ASSETS							
CURRENT ASSETS							
Inventories	4		3 905 148	15 654 972	-	1 249 995	20 810 115
Loans receivable	5		-	-	-	211 942	211 942
Share block holders for outstanding levies	6		1 280 650	-	-	-	1 280 650
Other receivables	6		2 612 883	-	-	-	2 612 883
Investments	7		11 615	-	-	1 038 053	1 049 668
Bank balance and cash	8		-	9 625 774	-	-	9 625 774
			-	6 029 198	-	-	6 029 198
TOTAL ASSETS			3 905 148	15 654 972	-	1 249 995	20 810 115
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable	12		-	-	(2 412 023)	(11 051 418)	(13 463 441)
Prepaid levies			-	-	(2 412 023)	(306 586)	(2 718 609)
Taxation			-	-	-	(10 328 361)	(10 328 361)
			-	-	-	(416 471)	(416 471)
TOTAL LIABILITIES			-	-	(2 412 023)	(11 051 418)	(13 463 441)
CAPITAL AND RESERVES							7 346 674

21. COVID-19 - GOING CONCERN

After enduring a profound setback due to the COVID-19 pandemic, South Africa's tourism industry started witnessing a remarkable resurgence in 2023, signalling a hopeful recovery.

The Western Cape skies in 2023 were almost 70% busier than the previous year, with international arrivals at Cape Town International airport exceeding pre-pandemic levels by 106%.

In accommodation revenues, the hotel recorded a 47% increase to previous year and a 34% increase on 2019 revenues.

2024 is looking strong with advance accommodation bookings already in place.

In relation to the Directors assessment of the ability of the entity to continue as a going concern, they are confident that the company will remain viable and will meet its obligations as they fall due in the ordinary course of business.

22. EVENTS AFTER THE REPORTING DATE

No abnormal events have taken place after the reporting date.

23. CONTINGENCIES AND COMMITMENTS

The major capital commitment for 2024 are listed below:

- Replacement of the service lift
- Refurbishment of furniture and softs in 28 suites
- Refurbishment of bedroom cupboard fronts in 3 suites
- Replacing carpets in 20 suites
- Refurbishment of 9 suite bathrooms and 1 shower conversion
- Replacing floor tiles in 12 suite balconies
- Replacing balcony doors in 8 suites

**NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED
 31 DECEMBER 2023**

	2023 R	2022 R
1.	The following convention applies to figures other than adjustments	
	- Outflows of cash are represented by figures in brackets	
	- Inflows of cash are represented by figures without brackets	
2.	CASH GENERATED BY SHARE BLOCK OPERATIONS	
	7 119 896	6 205 318
	Profit / (Loss) before taxation	
	Adjusted for:	
	43 375	78 248
	Changes in fair value	
	(1 111 044)	(1 100 748)
	Interest income	
	<u>(9 856 119)</u>	<u>(3 534 884)</u>
	<u>(3 803 892)</u>	<u>1 647 934</u>
3.	CHANGES IN WORKING CAPITAL	
	(11 749)	(70 920)
	Decrease (increase) in inventories	
	96 828	361 840
	Decrease (increase) in trade and other receivables	
	(145 371)	2 035 202
	Increase (decrease) in trade and other payables	
	<u>(3 864 184)</u>	<u>3 974 056</u>
4.	TAXATION PAID	
	(416 471)	(194 911)
	Taxation receivable (payable) at beginning of year	
	(263 902)	(221 560)
	Per levy operating statement	
	265 081	416 471
	Taxation payable (receivable) at end of year	
	<u>(415 292)</u>	<u>-</u>

LEVY OPERATING STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

Levy fund established in terms of Section 13 of the Share Blocks Control Act.

	2023 R	2022 R
INCOME		
Levies		
- A class shareholders	42 736 152	39 389 784
- B class shareholders	1 476 677	1 373 457
Interest received	1 111 044	1 100 748
	<u>45 323 873</u>	<u>41 863 989</u>
EXPENDITURE		
ADMINISTRATION	2 281 312	2 108 515
Auditors' remuneration	97 051	87 216
Payroll administration	76 320	72 000
Bank charges	45 062	44 939
Insurance	878 238	800 057
Legal & consulting fees	-	24 500
Levy collection fee	1 909	2 821
Credit card commissions	192 688	183 646
License fees	382 912	373 331
Postage, printing and stationery	378 577	341 921
CSOS levies	52 800	52 800
Subscriptions	80 993	77 691
Donations	60 000	10 191
Television licenses	34 762	37 402
	6 683 625	6 823 783
PROPERTY		
Electricity	2 792 584	3 125 156
Rates	2 266 581	2 153 525
Sewerage	432 750	606 700
Refuse	387 201	156 659
Water	804 509	781 743
	1 239 352	1 280 703
MAINTENANCE		
Building	335 275	281 691
Computer	167 284	146 069
Electrical and mechanical	114 084	93 308
Elevators	93 286	188 140
Grounds and gardens	110 126	94 921
Indoor plants	116 353	105 015
Laundry equipment	81 863	80 800
Motor vehicles	41 028	45 763
Painting materials	57 617	73 567
Pest control	73 404	67 524
Pool	33 294	36 557
Telephone and PABX	-	46 049
Television	15 738	21 299
Balance carried forward	10 204 289	10 213 001

LEVY OPERATING STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

Levy fund established in terms of Section 13 of the Share Blocks Control Act.

	2023 R	2022 R
Balance brought forward	10 204 289	10 213 001
SUNDRY & OPERATIONAL	5 400 254	4 782 541
Cartage and transport	5 760	9 053
Flowers	77 740	77 740
Guest entertainment	978 618	809 362
Guest supplies	1 013 658	844 262
Laundry/cleaning supplies	562 762	427 074
DSTV	459 788	444 890
Wireless services	180 433	183 021
Petrol and travelling	304 118	303 625
Replacement of operating equipment	221 798	197 605
Security	1 595 579	1 485 909
RENTAL CHARGES	290 958	254 498
Photostat rental	231 057	189 902
Vehicle rental	59 901	64 596
SALARIES AND WAGES	20 814 000	18 981 775
Administration	5 425 244	4 928 709
Casual wages	277 749	273 587
Sunday pay	706 456	618 693
Front office	7 093 048	6 598 829
Housekeeping & Laundry	5 543 033	4 800 397
Repairs and maintenance	1 768 470	1 761 560
MANAGEMENT FEES	1 451 100	1 348 608
CAPITAL (PROFIT) / LOSS ON INVESTMENT	43 375	78 248
TOTAL EXPENDITURE	<u>38 203 976</u>	<u>35 658 671</u>
EXCESS OF INCOME OVER EXPENDITURE FOR THE YEAR	7 119 897	6 205 318
TAXATION ON INVESTMENT INCOME (note 17)	(263 902)	(221 560)
GROSS TRANSFER TO RESERVE FOR		
EXPENDITURE ON FIXED ASSETS	<u>6 855 995</u>	<u>5 983 758</u>

**LEVY OPERATING STATEMENT & BUDGET
 FOR THE YEAR ENDED 31 DECEMBER 2023 AND 31 DECEMBER 2024**

	Budget 2023 R	Actual 2023 R	Budget 2024 R
INCOME			
Levies			
- A class shareholders	42 736 152	42 736 152	46 154 430
- B class shareholders	1 465 726	1 476 677	1 614 830
Interest received	868 800	1 111 044	1 224 521
	45 070 678	45 323 873	48 993 781
EXPENDITURE			
ADMINISTRATION	2 370 099	2 281 312	2 484 148
Auditor's remuneration	87 672	97 051	94 680
Payroll administration	76 320	76 320	80 892
Bank charges	46 800	45 062	49 200
Insurance	864 597	878 238	938 452
Legal & consulting fees	60 000	-	60 000
Levy collection fee	30 000	1 909	30 000
Credit card commissions	186 000	192 688	190 200
License fees	420 612	382 912	408 324
Postage, printing and stationery	364 800	378 577	390 600
CSOS levies	52 800	52 800	52 800
Subscriptions	81 786	80 993	90 288
Donations	60 000	60 000	60 000
Television licenses	38 712	34 762	38 712
PROPERTY	7 062 246	6 683 625	7 464 229
Electricity	3 160 290	2 792 584	3 318 777
Rates	2 274 488	2 266 581	2 392 818
Sewerage	641 356	432 750	671 922
Refuse	160 140	387 201	213 890
Water	825 972	804 509	866 822
MAINTENANCE	1 287 299	1 239 352	1 355 639
Building	318 000	335 275	366 000
Computer	157 200	167 284	174 840
Electrical and mechanical	97 800	114 084	131 088
Elevators	61 500	93 286	-
Grounds and gardens	139 200	110 126	147 600
Indoor plants	110 635	116 353	123 703
Laundry equipment	84 000	81 863	85 800
Motor Vehicles	42 000	41 028	42 000
Painting materials	88 000	57 617	88 000
Pest control	69 168	73 404	76 812
Pool	34 200	33 294	34 200
Telephone and PABX	68 916	-	68 916
Television	16 680	15 738	16 680
Balance carried forward	10 719 644	10 204 289	11 304 016

**LEVY OPERATING STATEMENT & BUDGET
 FOR THE YEAR ENDED 31 DECEMBER 2022 AND 31 DECEMBER 2023**

	Budget 2023 R	Actual 2023 R	Budget 2024 R
Balance brought forward	10 719 644	10 204 289	11 304 016
SUNDRY & OPERATIONAL	5 070 821	5 400 254	5 524 294
Cartage and transport	9 300	5 760	9 564
Flowers	82 396	77 740	83 259
Guest entertainment	853 000	978 618	928 000
Guest supplies	864 000	1 013 658	960 000
Laundry/cleaning supplies	439 200	562 762	549 000
DSTV	467 253	459 788	506 165
Wireless services	180 564	180 433	180 564
Petrol and travelling	330 500	304 118	343 570
Replacement of operating equipment	222 000	221 798	234 000
Security	1 622 608	1 595 579	1 730 172
RENTAL CHARGES	297 163	290 958	332 350
Photostat rental	215 163	231 057	252 850
Vehicle rental	82 000	59 901	79 500
SALARIES AND WAGES	20 795 359	20 814 000	22 696 300
Administration	5 412 730	5 425 244	5 867 886
Casual wages	289 500	277 749	310 300
Sunday & public holiday pay	678 509	706 456	762 157
Front office	7 151 761	7 093 048	7 548 123
Housekeeping & Laundry	5 499 657	5 543 033	6 332 024
Repairs and maintenance	1 763 202	1 768 470	1 875 810
MANAGEMENT FEES	1 451 100	1 451 100	1 529 460
CAPITAL (PROFIT) / LOSS ON INVESTMENT	-	43 375	-
CONTINGENCY	20 000	-	20 000
TOTAL EXPENDITURE	38 354 087	38 203 976	41 406 420
EXCESS OF INCOME OVER EXPENDITURE FOR THE YEAR	6 716 591	7 119 897	7 587 361
TAXATION FOR THE YEAR	(243 264)	(263 902)	(330 621)
GROSS TRANSFER TO RESERVE FOR EXPENDITURE ON FIXED ASSETS	6 473 327	6 855 995	7 256 740

LEVY EXPENSE SUMMARY

Expense Category	Budget 2023		Actual 2023		Budget 2024	
	Average per unit per day R	Percentage of total levy %	Average per unit per day R	Percentage of total levy %	Average per unit per day R	Percentage of total levy %
Administration	59.19	5	56.98	5	62.04	5
Property	176.38	16	166.92	15	186.42	15
Maintenance	32.15	3	30.95	3	33.86	3
Sundry & operational	126.64	11	134.87	12	137.97	11
Rental	7.42	1	7.27	1	8.30	1
Salaries & wages	519.36	46	519.83	46	566.84	47
Management fees	36.24	3	36.24	3	38.20	3
Contingency	0.50	0	0.00	0	0.50	0
Total expenditure	957.89	85	953.06	84	1034.13	85
Surplus transferred to reserve for expenditure on fixed assets	167.75	15	177.82	16	189.49	15
TOTAL	1125.64	100	1130.88	100	1223.62	100

The

PENINSULA

SHARE BLOCK (PROPRIETARY) LIMITED Reg. No. 1938/011635/07
("the company")

310 Main Road
Bryanston 2021
P.O.Box 786027
Sandton 2146
Tel: 0112678300 / 0214307777
Email: account@peninsula.co.za

Notice to "A" Members

Notice is hereby given that the thirty fifth annual general meeting of the "A" class shareholders of The Peninsula Share Block (Proprietary) Limited ("**the Company**") ("**AGM**") will be held at The Peninsula, 313 Beach Road, Sea Point, Cape Town on the 13th June 2024 at 11h30, to deal with such business as may lawfully be dealt with at the meeting in the manner required by the Companies Act, No. 71 of 2008 (as amended) ("**the Companies Act**"), as read with the Share Block Property Control Act, No. 59 of 1980 as amended.

Record Dates

In terms of sections 59(1)(a) and (b) of the Companies Act, the Board of the Company has set the record dates for the purposes of determining which shareholders are entitled to receive notice, participate in, vote:

- Record date to receive the notice of the AGM Friday, 24 May 2024
- Record date to be eligible to participate in and vote at the AGM Monday, 10 June 2024
- Last date for lodging proxy forms 11:30 Tuesday, 11 June 2024

Kindly note that in terms of section 63(1) of the Companies Act, meeting participants (including proxies) will be required to provide reasonably satisfactory identification before being entitled to participate in or vote at the AGM. Forms of identification that will be accepted include original and valid identity documents, driver's licences and passports.

Electronic Participation

The Company intends to offer shareholders reasonable access to attend the AGM through electronic conference call facilities, in accordance with the provisions of the Companies Act. Shareholders wishing to participate electronically in the AGM are required to deliver written notice to the Company at 313 Beach Road, Sea Point, Cape Town (marked for the attention of the General Manager) or by e-mail to account@peninsula.co.za, by no later than 12h00 on Monday, 10 June 2024 that they wish to participate via electronic communication at the AGM ("**the electronic notice**"). In order for the electronic notice to be valid it must contain:

- If the shareholder is an individual, a certified copy of their identity document or passport;
- If the shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution, which resolution must set out who from the relevant entity is authorised to represent the relevant entity at the AGM via electronic communication; and
- A valid e-mail address and/or facsimile number (the contact address/number), telephone and/or cell phone number.

Voting on shares will not be possible via electronic communication and accordingly shareholders participating electronically and wishing to vote their shares at the AGM will need to be represented at the AGM, either in person, by proxy or by letter of representation. The Company shall use its reasonable endeavours on or before close of business on Tuesday, 11 June 2024, to notify the shareholder who has delivered a valid

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electronic notice, at its contact address/number, of the relevant details through which the shareholder can participate via electronic communication.

Agenda

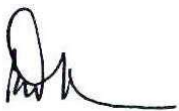
1. To consider the report of the directors, audit committee and external auditors insofar as they relate to the levy fund for the period ended 31 December 2023. (Please note: The Annual Report, which includes the report of the directors, audit committee and external auditors, as well as the levy fund, can be found on www.peninsula.co.za.)
2. To determine the amount and manner of insurance of the improvements on the unit property.
3. General – Items for discussion only.

Items for discussion under any agenda item should be advised to the secretary at the Company's registered office at the above address, by no later than 12 noon on 10 June 2024. Such notification must be in writing and be fully motivated to avoid any unnecessary lengthy discussion at the meeting.

Any shareholder entitled to attend and vote is entitled to appoint a proxy to attend, vote, and speak in his stead and such proxy need not also be a shareholder of the Company. Proxy forms should be forwarded to reach the offices of the Company by no later than 48 hours before the time appointed for the holding of the meeting.

Please note: The Annual Report can be found on www.peninsula.co.za.

By order of the board



Leisure Options (Pty) Ltd
Secretaries

31 March 2024

The

PENINSULA

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Notice to all "A" and "B" class shareholders

Notice is hereby given that the thirty fifth annual general meeting of the "A" and "B" class shareholders (being all the shareholders) of The Peninsula Share Block (Proprietary) Limited ("**the Company**") ("**AGM**") will be held at The Peninsula, 313 Beach Road, Sea Point, Cape Town on the 13th June 2024 at 12h00 (or immediately after the annual general meeting of the "A" class shareholders scheduled for 11h30, whichever is the later time), to deal with such business as may lawfully be dealt with at the meeting and the ordinary resolutions, set out hereunder, in the manner required by the Companies Act, No. 71 of 2008 (as amended) ("**the Companies Act**"), as read with the Share Block Property Control Act, No. 59 of 1980 as amended.

Record Dates

In terms of sections 59(1)(a) and (b) of the Companies Act, the Board of the Company has set the record dates for the purposes of determining which shareholders are entitled to receive notice, participate in, vote:

- Record date to receive the notice of the AGM Friday, 24 May 2024
- Record date to be eligible to participate in and vote at the AGM Monday, 10 June 2024
- Last date for lodging proxy forms 12:00 Tuesday, 11 June 2024

Kindly note that in terms of section 63(1) of the Companies Act, meeting participants (including proxies) will be required to provide reasonably satisfactory identification before being entitled to participate in or vote at the AGM. Forms of identification that will be accepted include original and valid identity documents, driver's licences and passports.

Electronic Participation

The Company intends to offer shareholders reasonable access to attend the AGM through electronic conference call facilities, in accordance with the provisions of the Companies Act. Shareholders wishing to participate electronically in the AGM are required to deliver written notice to the Company at 313 Beach Road, Sea Point, Cape Town (marked for the attention of the General Manager) or by e-mail to account@peninsula.co.za, by no later than 12h00 on Monday, 10 June 2024 that they wish to participate via electronic communication at the AGM ("**the electronic notice**"). In order for the electronic notice to be valid it must contain:

- If the shareholder is an individual, a certified copy of their identity document or passport;
- If the shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution, which resolution must set out who from the relevant entity is authorised to represent the relevant entity at the AGM via electronic communication; and
- A valid e-mail address and/or facsimile number (the contact address/number), telephone and/or cell phone number.

Voting on shares will not be possible via electronic communication and accordingly shareholders participating electronically and wishing to vote their shares at the AGM will need to be represented at the AGM, either in person, by proxy or by letter of representation.

The

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The Company shall use its reasonable endeavours on or before close of business on Tuesday, 10 June 2024, to notify the shareholder who has delivered a valid electronic notice, at its contact address/number, of the relevant details through which the shareholder can participate via electronic communication.

Agenda

1. To consider the annual financial statements for the period ended 31 December 2023. (Please note: The Annual Report, which includes the annual financial statements, can be found on www.peninsula.co.za.)
2. Ordinary Resolution Number 1
To appoint BDO Cape Inc. as the auditors of the Company.
The reason for the resolution is to ensure that the Company continues to enjoy the services of an auditor and the additional assurance this provides to the directors and shareholders. The effect of the resolution, if passed, will be to achieve such continuity.
3. Ordinary Resolution Number 2
To approve the re-appointment as directors of the Company, of Hugh Patrick and Weston Dickson. Pursuant to the Companies Act, the re-appointment of each of the above named directors shall be conducted by a separate show of hands or a separate poll, as applicable.
The reason for the resolution is that in terms of clause 19 of the Memorandum of Incorporation ("MoI") of the Company, each director elected by the "A" class shareholders shall be entitled to hold office for a period of 3 (three) years, whereafter each such director shall automatically retire from office, but shall be eligible for re-election. The two abovenamed directors have advised the Company of their willingness to be re-elected as directors of the Company. The effect of the resolution, if passed, will be to secure the re-election of experienced directors to the Board of the Company.
4. Ordinary Resolution Number 3
To approve the appointment as director of the Company, of Charle Meintjes. Pursuant to the Companies Act, the appointment of the above named director shall be conducted by a show of hands or a poll, as applicable. The reason for the resolution is that in terms of clause 19 of the Memorandum of Incorporation ("MoI") of the Company, each director elected by the "A" class shareholders shall be entitled to hold office for a period of 3 (three) years, whereafter each such director shall automatically retire from office, but shall be eligible for re-election. The abovenamed director has advised the Company of his willingness to be elected as director of the Company. The effect of the resolution, if passed, will be to secure the election of knowledgeable and keen timeshare owner onto the Board of the Company.
5. Ordinary Resolution Number 4
To approve the re-appointment of the Audit Committee of the Company, consisting of Hugh Patrick (Chairman), Weston Dickson and Nicholas Dickson.
The reason for the resolution is to ensure that the Company continues to appoint an Audit Committee, pursuant to the Companies Act and continues to enjoy the additional assurance this provides to the directors and shareholders. The effect of the resolution, if passed, will be to achieve such continuity.

The

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6. Ordinary Resolution Number 5

To approve the re-appointment of the Social & Ethics Committee of the Company, consisting of Chris Godenir (Chairman), Hugh Patrick, Anthea Faulds, Vee de Freitas, Brent Johansen, Kauthar Davids and Lwandile Makubalo.

The reason for the resolution is to ensure that the Company continues to appoint a Social & Ethics Committee, pursuant to the Companies Act. The effect of the resolution, if passed, will be to achieve such continuity.

7. Ordinary Resolution Number 6

To approve that any director of the Company be and he is hereby authorised, on behalf of the Company, to do all things and sign all such documents as may be necessary to give effect to the foregoing resolutions.

The reason for the resolution is to ensure that the Company is able validly to give effect to the foregoing resolutions and that the directors of the Company are authorised to do so. The effect of the resolution, if passed, will be to achieve this.

8. General – Items for discussion only.

Items for discussion under any agenda item should be advised to the secretary at the Company's registered office at the above address, by no later than 12 noon on 10 June 2024. Such notification must be in writing and be fully motivated to avoid any unnecessary lengthy discussion at the meeting.

Any shareholder entitled to attend and vote is entitled to appoint a proxy to attend, vote, and speak in his stead and such proxy need not also be a shareholder of the Company. Proxy forms should be forwarded to reach the offices of the Company by no later than 48 hours before the time appointed for the holding of the meeting.

Please note: The Annual Report can be found on www.peninsula.co.za.

By order of the board



Leisure Options (Pty) Ltd
Secretaries

31 March 2024

The

PENINSULA

SHARE BLOCK (PROPRIETARY) LIMITED Reg. No. 1938/011635/07
("the company")

310 Main Road, Bryanston 2021

P.O.Box 786027, Sandton 2146

Tel: 0112678300 / 0214307777

Email: account@peninsula.co.za

Form of proxy for use by the shareholders at the thirty fifth annual general meeting of "A" members of the Peninsula Share Block (Proprietary) Limited to be held at The Peninsula, 313 Beach Road, Sea Point, Cape Town on 13th June 2024 at 11h30.

Form of Proxy

I / We.....being the holder/s of "A" ordinary shares in the company appoint:

1.or failing him/her
2.or failing him/her
3. the chairman of the annual general meeting.

as my / our proxy to vote for me / us / on my / our behalf at the annual general meeting of "A" members, to be held on the abovementioned date and at any adjournment thereof as follows:

	In favour of	Against	Abstain
Resolution 1*			
Resolution 2*			

* Refer "Notice of meeting"

Signed at.....this.....day of.....2024.

.....
Signature Assisted by me (where applicable)

Notes

Unless otherwise instructed, specifically, as above, the proxy will vote as he / she thinks fit on all matters.

Any alteration or correction made to this form (including the deletion of alternatives, but excluding the deletion of singular / plural alternatives) must be initialed by the signatory/ies.

Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form.

The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms thereof, should such shareholder wish to do so.

Proxy forms should be forwarded to reach the offices of the company by no later than 48 hours before the time appointed for the holding of the meeting.

The

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Tel: 0112678300 / 0214307777

Emai: account@peninsula.co.za

Form of proxy for use by the shareholders at the thirty fifth annual general meeting of "A" and "B" members of the Peninsula Share Block (Proprietary) Limited to be held at The Peninsula, 313 Beach Road, Sea Point, Cape Town on 13th June 2024 at 12h00 (or immediately after the annual general meeting of the "A" class members scheduled for 11h30, whichever is the later time).

Form of Proxy

I / We.....being the holder/s of "A" or "B" ordinary shares in the company appoint:

1. or failing him/her
2. or failing him/her
3. the chairman of the annual general meeting.

as my / our proxy to vote for me / us / on my / our behalf at the annual general meeting of "A" and "B" members, to be held on the abovementioned date and at any adjournment thereof as follows:

	In favour of	Against	Abstain
Resolution 1*			
Resolution 2*			
• Hugh Patrick			
• Weston Dickson			
Resolution 3*			
• Charle Meintjes			
Resolution 4*			
• Hugh Patrick			
• Weston Dickson			
• Nicholas Dickson			
Resolution 4*			
• Chris Godenir			
• Hugh Patrick			
• Anthea Faulds			
• Vee de Freitas			
• Brent Johansen			
• Kauthar Davids			
• Lwandile Makubalo			
Resolution 5*			

* Refer "Notice of meeting"

Signed at.....this.....day of.....2024.

Signature

Assisted by me (where applicable)

Notes

Unless otherwise instructed, specifically, as above, the proxy will vote as he / she thinks fit on all matters.

Any alteration or correction made to this form (including the deletion of alternatives, but excluding the deletion of singular / plural alternatives) must be initialed by the signatory/ies.

Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form.

The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms thereof, should such shareholder wish to do so. Proxy forms should be forwarded to each the offices of the company by no later than 48 hours before the time appointed for the holding of the meeting.