

THE GAUTENG GROWTH AND
DEVELOPMENT AGENCY (GGDA)

ANNUAL REPORT

2025/26



GAUTENG GROWTH AND DEVELOPMENT AGENCY





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LIST OF ABBREVIATIONS/ACRONYMS

ACMP	Association of Change Management Professionals	ERRP	Economic Reconstruction and Recovery Plan
ACSA	Airports Company South Africa	EV	Electric Vehicle
AfCFTA	African Continental Free Trade Area	EXCO	Executive Committee
AGSA	Auditor-General of South Africa	EYB	Expand Your Business
AI	Artificial Intelligence	FDI	Foreign Direct Investment
AIDC	Automotive Industry Development Centre	FIFO	First-In, First-Out
API	Application Programming Interface	FY	Financial Year
APP	Annual Performance Plan	G20	Group of Twenty
AR	Augmented Reality	GAP	Gauteng Accelerator Programme
ASB	Accounting Standards Board	GBV	Gender-Based Violence
ASP	Automotive Supply Park	GBVF	Gender-Based Violence and Femicide
B2B	Business-to-Business	GCEO	Group Chief Executive Officer
B2G	Business-to-Government	GCOO	Group Chief Operating Officer
B-BBEE	Broad-Based Black Economic Empowerment	GCR	Gauteng City Region
BITF	Black IT Forum	GDARD	Gauteng Department of Agriculture and Rural Development
BPESA	Business Process Enabling South Africa	GDED	Gauteng Department of Economic Development
BPO	Business Process Outsourcing	GDP	Gross Domestic Product
BRICS	Brazil, Russia, India, China, South Africa	GEP	Gauteng Enterprise Propeller
CCMA	Commission for Conciliation, Mediation and Arbitration	GEYODI	Gender, Youth and People with Disabilities
CEO	Chief Executive Officer	GFC	Gauteng Film Commission
CFO	Chief Financial Officer	GGDA	Gauteng Growth and Development Agency
CIA	Certified Internal Auditor	GGT 2030	Growing Gauteng Together 2030
CIC	Climate Innovation Centre	GIBS	Gordon Institute of Business Science
CICSA	Climate Innovation Centre South Africa	GIC	Gauteng Investment Conference
CIDB	Construction Industry Development Board	GIDZ	Gauteng IDZ Development Company
CIO	Chief Information Officer	GITIC	GGDA Group Infrastructure, Trade and Investment Committee
CIPC	Companies and Intellectual Property Commission	GLMP	Greater Lanseria Master Plan
CISA	Certified Information Systems Auditor	GPAA	Government Pensions Administration Agency
CLO	Community Liaison Officer	GPF	Gauteng Partnership Fund
COGTA	Department of Cooperative Governance and Traditional Affairs	GRAP	Generally Recognised Accounting Practice
CoJ	City of Johannesburg	GTA	Gauteng Tourism Authority
COO	Chief Operating Officer	HR	Human Resources
CoT	City of Tshwane	IAF	Internal Audit Function
CPI	Consumer Price Index	ICT	Information and Communication Technology
CSI	Corporate Social Investment	IDC	Industrial Development Corporation
CSIR	Council for Scientific and Industrial Research	IDZ	Industrial Development Zone
DALRRD	Department of Agriculture, Land Reform and Rural Development	IESBA	International Ethics Standards Board for Accountants
DDI	Direct Domestic Investment	IFWE	Irregular, Fruitless and Wasteful Expenditure
DMRE	Department of Mineral Resources and Energy	IIA	Institute of Internal Auditors
DPSC	Detainees Parents Support Committee	IKS	Indigenous Knowledge Systems
DRC	Democratic Republic of the Congo	IoDSA	Institute of Directors in South Africa
dtic	Department of Trade, Industry and Competition	IoT	Internet of Things
DTMH	The Downtown Music Hub	IP	Intellectual Property
EA	Environmental Authorisation	ISAs	International Standards on Auditing
EB3	Enterprise Building 3	ITMS	Integrated Talent Management System
ECL	Expected Credit Loss	IYB	Improve Your Business
EIA	Environmental Impact Assessment	IZP	Industrial Zone Programme (Industrial Development Corporation)
EPMO	Enterprise Project Management Office	JDA	Johannesburg Development Agency
EPWP	Expanded Public Works Programme	JSE	Johannesburg Stock Exchange
ERP	Enterprise Resource Planning	JTC	Joburg Tourism Company
		LAA	Land Availability Agreement

LLB	Bachelor of Laws
LOI	Letter of Intent
LRA	Land Reservation Agreement
LURA	Land Use Rights Agreement
M&E	Monitoring and Evaluation
MBL	Master of Business Leadership
MEC	Member of the Executive Council
METT	Management Effectiveness Tracking Tool
MoA	Memorandum of Agreement
MOU	Memorandum of Understanding
MSME	Micro, Small and Medium Enterprise
MTDP	Medium-Term Development Plan
MTEF	Medium-Term Expenditure Framework
NAACAM	National Association of Automotive Component and Allied Manufacturers
NAMB	National Artisan Moderation Body
NDP	National Development Plan
NEHAWU	National Education, Health and Allied Workers' Union
NEV	New Energy Vehicles
NGO	Non-Governmental Organisation
NHC	National Heritage Council
NHREMC	Nomination, Human Resources, Ethics and Remuneration Committee
NNR	National Nuclear Regulator
NQF	National Qualifications Framework
NT	National Treasury
OEM	Original Equipment Manufacturer
OHS	Occupational Health and Safety
OoP	Office of the Premier
ORTIA	OR Tambo International Airport
OUV	Outstanding Universal Value
PAA	Public Audit Act
PAYE	Pay-As-You-Earn
PFMA	Public Finance Management Act, Act 1 of 1999
PGM	Platinum Group Metals
PMO	Project Management Office
PMU	Project Management Unit
POA	Power of Attorney
PPP	Public-Private Partnership
PPPPA	Preferential Procurement Policy Framework Act
PPR	Preferential Procurement Regulations
PRT	Professional Resource Team
PSP	Professional Service Provider
PwD	People with Disabilities
QAIP	Quality Assurance and Improvement Programme
QCTO	Quality Council for Trades and Occupations
QMS	Quality Management System
ROD	Record of Decision
RSDF	Regional Spatial Development Framework
SA	South Africa

SABC	South African Broadcasting Corporation
SACO	South African Cultural Observatory
SAFEIC	South African Festivals Economic Impact Calculator
SAHRA	South African Heritage Resources Agency
SAICA	South African Institute of Chartered Accountants
SANRAL	South African National Roads Agency Limited
SARB	South African Reserve Bank
SARS	South African Revenue Service
SBL	School of Business Leadership
SCM	Supply Chain Management
SEC	Social and Ethics Committee
SDL	Skills Development Levy
SDP	Site Development Plan
SEDA	Small Enterprise Development Agency
SERA	Southern Education and Research Alliance
SETA	Sector Education and Training Authority
SEZ	Special Economic Zone
SEZ PMU	Special Economic Zone Project Management Unit
SFA	Strategic Focus Area
SLA	Service Level Agreement
SME	Small and Medium Enterprise
SMME	Small, Medium and Micro Enterprise
SOC	State-Owned Company
SPDC	Supplier Park Development Company
TAH	Township Automotive Hub
TASEZ	Tshwane Automotive Special Economic Zone
TEDA	Township Economic Development Act
TIA	Traffic Impact Assessment
TIH	The Innovation Hub
TIHMC	The Innovation Hub Management Company
TIRE	Trade, Investment and Regulatory Enablement
TR	Treasury Regulations
TTC	Trade Test Centre
TVET	Technical and Vocational Education and Training
TUT	Tshwane University of Technology
UIF	Unemployment Insurance Fund
UK	United Kingdom
UKZN	University of KwaZulu-Natal
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNISA	University of South Africa
UP	University of Pretoria
USA	United States of America
VAMCO	Vaal Aerotropolis Management Company
VAT	Value-Added Tax
VR	Virtual Reality
WCA	Workmen's Compensation Assessment
WEF	World Economic Forum
YoY	Year-on-Year

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GENERAL INFORMATION



PART A





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Part A: General information

Public entity's general information

Registered name:	Gauteng Growth and Development Agency SOC Ltd
Registration number:	2003/021743/30
Physical address:	The Place 1 Sandton Drive Sandton Johannesburg 2196
Telephone number/s:	010 001 8650
Email address:	info@ggda.co.za
Website address:	www.ggda.co.za
External auditors:	Auditor-General of South Africa
Banker:	First National Bank
Company/Board Secretary:	Advocate Pieter Holl

FOREWORD

BY THE CHAIRPERSON OF THE GGDA



Mr Craig Cornish
Group Chairperson
Gauteng Growth and Development Agency (GGDA)

Fortifying the institutional architecture: delivering governance stability and investment execution

The 2025/26 financial year marks a pivotal milestone in the institutional maturity of the Gauteng Growth and Development Agency (GGDA) Group. It has been a period of structural renewal, the stabilisation of executive leadership and the translation of landmark investment commitments into economic reality.

Fiduciary oversight requires that the Board does more than welcome a growing investment pipeline; we must actively govern the mechanisms that absorb and protect that capital. When this Board evaluated the landscape at the conclusion of the 2024/25 financial year, we recognised a significant responsibility: the province had mobilised R312 billion in investment pledges. For these pledges to translate into physical economic assets, the GGDA required stronger governance structures and executive leadership.

The Board's primary objective for the 2025/26 financial year was therefore to stabilise the executive leadership and tighten internal approval controls. I am pleased to report that, through rigorous and transparent recruitment processes, the Board resolved long-standing executive vacancies and appointed permanent executive leadership. These appointments have brought strategic clarity, institutional accountability and execution capability across the holding company and its subsidiaries. With the permanent appointments of the Group Chief Executive Officer (GCEO) and Group Chief Operating Officer (GCOO) finalised, we have mitigated institutional risk, reduced administrative bottlenecks and anchored a culture of disciplined compliance.

Having de-risked its institutional structures, the GGDA has moved beyond static commitments. During the financial year, the Group converted the previous cycle's pledges into 18 major implementation projects that are now breaking ground across the province's strategic economic corridors. These developments represent factories, expanded economic infrastructure and localised supply chains that are adding measurable value to the Gauteng City-Region — evidence of the Group's commitment to catalysing investment through strategic collaboration.

Good governance is not an administrative burden; it is the foundation of commercial confidence. The reforms implemented over the past 12 months have demonstrated to our shareholder, international development finance institutions and private-sector partners that the GGDA is structured to steward large-scale capital with integrity.

On behalf of the Group Board, I extend my sincere appreciation to the Executive Authority, our political leadership and our private-sector stakeholders for their continued collaboration. I also thank our newly appointed GCEO and GCOO, and the entire executive management team, for their steadfast commitment to strengthening the Group's governance.

The GGDA has cleared its institutional backlog, strengthened its leadership and demonstrated its ability to execute. We are well positioned to safeguard and accelerate Gauteng's industrial future.

Mr Craig Cornish
Group Chairperson
Gauteng Growth and Development Agency (GGDA)



GROUP

CHIEF EXECUTIVE OFFICER'S OVERVIEW



Ms Sthembiso Dlamini
Group Chief Executive Officer
Gauteng Growth and Development Agency (GGDA)

From commitment to delivery

The 2025/26 financial year was an important one for the Gauteng Growth and Development Agency Group. It was a year in which we had to demonstrate, through delivery, that the commitments we make as an economic development agency can translate into investment, trade, infrastructure, jobs and opportunities for the people of Gauteng.

We made meaningful progress. Across the Group, we achieved 35 of our 37 planned performance targets, representing an overall achievement of 95%. Behind that result are several important outcomes. GGDA Holdings facilitated R38.46 billion in investment against an annual target of R28 billion, while the

value of trade deals facilitated reached R11.5 billion against a target of R5.3 billion. Through our trade and investment activities, 13 446 jobs were facilitated, comprising both new and retained employment opportunities.

We also continued the more difficult work of converting investment commitments into projects. By year-end, 30% of the investment pledges secured through the inaugural Gauteng Investment Conference had been converted into investment projects. This matters because investment announcements, on their own, do not change an economy. The real test is whether investment moves into implementation, whether infrastructure is built, whether businesses expand and whether people find sustainable work.

Across the wider GGDA Group, there were further signs of progress. At the OR Tambo Special Economic Zone, investment commitments exceeded the target, six investors were secured for Precinct 2 against a target of two, and Precinct 1 achieved an occupancy rate of 99%. Constitution Hill continued to strengthen its economic and cultural contribution, while our automotive, innovation, infrastructure and enterprise-development programmes continued to support Gauteng's broader industrial and economic development agenda.

These results matter, but they do not tell the whole story. Two of our 37 Group targets were not achieved, relating to infrastructure delivery and revenue generation. In particular, delays on the Constitution Hill Visitor Centre demonstrated again that infrastructure delivery requires more than approved budgets and project plans. It requires stronger project preparation, better contract management, timely decision-making and active management of dependencies throughout the delivery chain.

We must therefore be able to speak about performance with equal clarity, whether we succeed or fall short. A high-performing public institution is not one that claims perfection; it is one that recognises where execution is failing, acts quickly and learns from experience. That is the discipline we are working to build across the GGDA Group.

Building one GGDA Group

The year also reinforced the need to operate more deliberately as one Group. The strength of GGDA lies in the combination of capabilities across Holdings and our entities: investment and trade facilitation, automotive and industrial development, innovation, special economic zones, heritage and tourism assets, infrastructure delivery and enterprise development. Our opportunity is to bring these capabilities together around economic outcomes, rather than allowing them to operate as separate institutional activities. During the year, we began strengthening this line of sight by developing a Group Corporate Scorecard. The intention is simple: to measure what matters.

We need to understand not only how many activities we undertake, but what they produce. Investment facilitation must result in investment conversion. Infrastructure must result in economic activation. Enterprise support must improve market participation. Our assets must contribute to greater financial sustainability. And our programmes must ultimately contribute to jobs, productive capacity and inclusive economic growth. This shift from activity to impact will increasingly shape how we plan, allocate resources, manage performance and hold ourselves accountable.

Looking forward: the next phase must be about execution

The progress made during 2025/26 gives us a foundation, but the next phase requires greater pace, sharper prioritisation and stronger execution. My vision for GGDA is to build a high-performing, financially sustainable and partnership-led economic development institution — one capable of bringing together government, business, investors, development finance institutions, municipalities and communities around the opportunities that can materially change Gauteng's economic trajectory.

Our work over the coming period will therefore be organised around five mutually reinforcing pillars.

Investment Facilitation and Trade Enhancement will require us to move decisively from attracting investment to converting it. Our measure of success cannot be the value of pledges secured alone. We must increase the number and value of projects that reach implementation, deepen investor aftercare, expand Gauteng firms' presence in new markets, and use the opportunities presented by the African Continental Free Trade Area to strengthen Gauteng's position as a trade and investment gateway.

Economic Infrastructure Delivery will focus on moving from construction activity to economic activation. Our SEZs, industrial parks, precincts and other strategic economic infrastructure must ultimately be judged by the investment, industrial activity, enterprise participation and employment that they enable. This requires stronger project preparation, credible delivery schedules and earlier resolution of the municipal, regulatory, funding and infrastructure dependencies that delay implementation.

Revenue and Financial Sustainability will become increasingly important in a constrained fiscal environment. We must improve the commercial performance of our assets, grow our own revenue where our mandates allow, make better use of partnerships and development finance, and reduce unnecessary dependence on the fiscus. Financial sustainability is not separate from our developmental mandate; it strengthens our ability to deliver on it.

Internal Capability and High Performance is about building the institution behind the mandate. We will continue to strengthen Group governance, clarify accountabilities, improve shared services, use technology and data more effectively, and bring greater discipline to programme and project execution. We must operate as one GGDA Group, with a clear line of sight between strategy, resources, execution and economic outcomes.

And finally, People Matter. None of the first four pillars can be delivered without capable, committed people. We must attract and retain the skills required for the economy we are trying to build — from investment facilitation and project finance to infrastructure delivery, economic research, digital capability, trade, innovation and green industrialisation. Just as importantly, we must create an organisation where expectations are clear, good performance is recognised, leaders are accountable, and our people understand how their work contributes to Gauteng.

These pillars are not five separate programmes. They form a single execution agenda. Investment requires infrastructure; infrastructure requires capital and partnerships; financial sustainability depends on sound institutions; and strong institutions depend on capable people. Our task now is to make those connections work in practice.

A shared responsibility for delivery

The progress reflected in this Annual Report is the result of many people with different responsibilities working towards the same objective.

To our employees across the GGDA Group, thank you for the work behind these results. Strategies, projects and investment figures ultimately depend on the people who do the work every day, often in difficult circumstances. The next phase will require even more from us, and I am grateful for your commitment.

To the executive management teams across the Group, thank you for your leadership and stewardship of our institutions. Our responsibility as executives is not simply to administer programmes, but to remove obstacles, make decisions, manage resources responsibly and create the conditions in which our teams can deliver.

To the GGDA Board and the boards of our subsidiaries, thank you for your oversight, challenge and guidance. Strong governance provides management with the accountability and institutional confidence required to execute.

And to the Member of the Executive Council for Economic Development, Agriculture and Rural Development, thank you for the strategic direction, support and confidence placed in the GGDA Group. Our responsibility is to translate the Gauteng Provincial Government's policy priorities into visible economic outcomes for the province.

I also acknowledge our municipalities, national and provincial government partners, investors, organised business, development finance institutions, and other partners whose cooperation is indispensable to our mandate.

The measure of GGDA's success will ultimately not be the number of plans we produce or announcements we make. It will be what changes because we were here: investment implemented, infrastructure activated, enterprises growing, jobs created and retained, revenue strengthened, and confidence built in Gauteng's economy.

We have made progress. We also know where we need to improve. The task ahead is to deliver — consistently, collectively and at the scale Gauteng requires.



Ms Sthembiso Dlamini
Group Chief Executive Officer
Gauteng Growth and Development Agency

GGDA BOARD OF DIRECTORS



Mr Craig Cornish

Board Chairperson of the GGDA Board of Directors
Member: GITIC

Qualifications and Memberships

Mr Craig Cornish has a strong academic and professional foundation in accounting, strategic management, governance and forensic auditing. He holds a National Diploma in Accounting from Wits Technikon, now the University of Johannesburg, completed in 1999. He further completed the Senior Management Development Programme at the University of Stellenbosch Business School in 2006, with a focus on business planning, financial management and strategy. In 2009, he completed a Postgraduate Certificate in Forensic and Investigative Auditing through the University of South Africa, covering fraud prevention, fraud detection, fraud investigation, and forensic audit reporting.

He is professionally associated with the Institute of Accounting and Commerce and the Institute of Directors in Southern Africa.

Skills and Experience

Mr Cornish brings more than two decades of experience spanning the public sector, private enterprise, financial management, taxation, governance, audit, forensic investigation and strategic advisory. He has held leadership roles in accounting practice, tax administration, business advisory, enterprise development, governance oversight and board leadership.

As the founder and professional lead of Cornish & Associates, he has provided accounting, tax, company secretarial, payroll, statutory registration, compliance, and business advisory services to a broad client base. Earlier in his career at the South African Revenue Service, he gained extensive experience in audit leadership, tax enforcement, risk profiling, legislative compliance, team management and dispute resolution.

His governance experience includes service on boards and board subcommittees dealing with finance, audit, risk, investment and governance matters. He has served as Board Chairperson and Board Member of ERWAT and currently serves as Chairperson of the Gauteng Partnership Fund Board of Trustees, where he has also participated in funding, investment, governance, risk and audit structures.

Mr Cornish also has private-sector executive experience as Chief Executive Officer of East2West Holdings and Mining Civil Construction and Services. These roles have strengthened his practical experience in strategic business planning, corporate advisory, B-BBEE strategy, project development, enterprise investment, business valuation, civil construction, mining services, and operational leadership.

Current Appointments and Leadership Roles

Mr Cornish currently serves as Board Chairperson of the Gauteng Growth and Development Agency, the economic development agency of the Gauteng Provincial Government. In this role, he provides board leadership and governance oversight in support of the GGDA's mandate to catalyse sustainable economic growth, investment attraction, job creation, infrastructure-linked development and investor facilitation across Gauteng.

He also serves as Chairperson of the Gauteng Partnership Fund Board of Trustees, an agency focused on mobilising public- and private-sector resources to accelerate affordable housing finance and human settlements development in Gauteng. He has further served as a Trustee of the GPF Board and as a member of its Funding and Investment Sub-Committee and previously its Governance, Risk and Audit Sub-Committee.

In the private sector, Mr Cornish is Chief Executive Officer of East2West Holdings, an investment, corporate advisory and business development company, and Chief Executive Officer of Mining Civil Construction and Services, which provides integrated civil, general building and mechanical construction services in surface and underground mining environments.

Community and Development Involvement

Mr Cornish is actively involved in community development, socio-economic upliftment, youth development and local enterprise support. He serves as Chairperson of the ALMAC Development Centre, which provides social support, skills development and economic development programmes in Alra Park and Mackenzieville. His broader community work reflects a consistent commitment to inclusive growth, transformation and the development of local communities.



Ms Refilwe Letwaba

Deputy Chairperson of the GGDA Board of Directors
Director: GIDZ Board of Director

Qualifications and Memberships

Ms Letwaba holds a Bachelor of Laws degree from the University of the Witwatersrand. She has served on a range of boards, including the Cancer Association of South Africa, the Land Development Objectives Board of the North West Province and Temba Technical College.

Skills and Experience

Ms Letwaba has served as Chairperson of various Portfolio Committees of the Legislature, the Committee of Local Government, and the Standing Committee on the Scrutiny of Subordinate Legislation. She has built extensive knowledge and expertise through senior management positions within the South African government and served as a public representative in the Gauteng Legislature for ten years.

Current External Appointments

Ms Letwaba currently serves as Chairperson of the Board of the Gauteng Enterprise Propeller (GEP), where she also serves on the Remuneration and Human Resources Committee and the Social and Ethics Committee. She is further a member of the Advisory Panel of the Department of Human Settlements.



Advocate Kgotso Maja

Director of the GGDA Board of Directors
Chairperson: TIHMC Board of Directors
Chairperson: NHRMCO

Qualifications and Memberships

Advocate Maja obtained his Bachelor of Laws degree from the University of the Witwatersrand and his Master of Business Administration from the Johannesburg Business School. He is a member of the Institute of Directors in Southern Africa (IoDSA) and the Legal Practice Council.

Skills and Experience

Advocate Maja has gained experience across multiple sectors, including telecommunications, financial services, health, higher education and transport. His skills include human capital and labour relations, B-BBEE and transformation, socio-economic development and sustainability, public private partnerships, corporate governance, audit and risk management, legal and compliance, marketing and branding, strategic partnerships and social facilitation.

Current External Appointments

Advocate Maja is the Deputy Chairperson of the Legal Aid Board of South Africa and Chairperson of its Legal Services Committee. He is a member of the Gauteng Liquor Board and Chairperson of its Legal Committee. He is also a Non-executive Director of the Gautrain Management Agency and the Chairperson of its Human Capital and Remuneration Committee.



GGDA BOARD OF DIRECTORS



Mr Krishen Sukdev
Director of the GGDA Board of Directors
Chairperson: GGDA Audit and Risk Committee
Director: AIDC Board of Directors
Director: ConHill Board of Directors

Qualifications and Memberships

Mr Sukdev graduated with a Bachelor of Business Science (Hons) degree from the University of Cape Town and obtained his Master of Business Administration from Heriot-Watt University. He is a Fellow of the Faculty of Actuaries, the Actuarial Society of South Africa and the Financial Planning Institute.

Skills and Experience

Mr Sukdev has gained more than 30 years' experience in the financial services and retirement industry, serving as actuary, trustee, principal officer, liquidator, director, non-executive director and chief executive officer. He has extensive executive management experience in governance, risk management, and internal controls. He has excellent knowledge of both the private and public sectors. Mr Sukdev has worked extensively with internal and external auditors. His work has spanned Generally Recognised Accounting Practice (GRAP), corporate governance and compliance, public-sector supply chain management and organisational performance management. He served as Chief Executive Officer of the Government Pensions Administration Agency (GPAA) for five years. He has worked with various oversight committees to manage risk and performance and has also served as a director of the Association of South African Black Actuarial Professionals.

Current External Appointments

Mr Sukdev serves as a Trustee of various Retirement Funds including as Chair of the Liberty Life Lifestyle Retirement Annuity and Preservation Funds, Liberty Corporate Selection Umbrella Funds and the Mineworker's Provident Fund. In addition he is also the Principal Officer of the Impala Platinum Beneficiary Fund, and an Independent Trustee of the NEHAWU National Provident Fund.



Ms Dikeledi Tsotetsi
Director of the GGDA Board of Directors
Deputy Chairperson: GGDA Group Social and Ethics Committee
Member: GGDA Group Infrastructure, Trade and Investment Regulatory Enablement Committee

Qualifications and Memberships

Ms Tsotetsi holds a Bachelor of Arts degree with majors in Industrial Psychology and Sociology from the University of North West, where she also studied Labour Law. She further completed an Honours qualification and pursued Master's studies in Public Management and Governance at the same institution, successfully completing the coursework component, with the dissertation remaining outstanding.

Skills and Experience

Ms Tsotetsi has served communities across the Sedibeng region of Gauteng and nationally. She has held senior public office, including as Executive Mayor of Emfuleni Local Municipality, Member of the Gauteng Provincial Legislature and Member of Parliament in the National Assembly.

Her academic and professional record reflects a sustained commitment to community development and effective governance. With a focus on workers' rights and women's empowerment, her work has centred on advancing the transformation and progress of rural communities. Her advocacy as a trade unionist and fieldworker for the South African Council of Churches addressed the challenges faced by rural communities and farmworkers, while her voluntary role as Secretary for the Detainees Parents Support Committee (DPSC) in the Vaal supported political prisoners and their families.

Current External Appointments

Ms Tsotetsi is not currently a member of external entities and holds no external appointments.



Dr Ezra Ndwandwe
Director of the GGDA Board of Directors
Chairperson: GIDZ Board of Directors
Deputy Chairperson: GGDA Group Trade, Investment, and Regulatory Enablement Committee

Qualifications and Memberships

Dr Ndwandwe completed a Bachelor of Science (B.Sc. Life Science) degree majoring in chemistry and microbiology at the University of the Witwatersrand. He also completed a Master of Business Leadership (MBL) degree at UNISA and is a PhD graduate.

Skills and Experience

Dr Ndwandwe is a turnaround business strategist and a change management expert. He currently consults and guest-lectures at business schools on subjects such as corporate strategy, change management, project management, business process re-engineering, managing transformation, organisational design, organisational development, employment equity and workplace diversity. He also writes as a columnist for Business Day, The CEO magazine, and many other top management-specific publications.

Dr Ndwandwe has held various positions at Unilever (Product Research and Development), Reckitt and Coleman (Head of Product Process Engineering from laboratory to factory production), McKinsey and Company (consultant) and SABMiller (Head of Strategy – depots, projects, Corporate Investments, and Trade Marketing). He is currently the Managing Director of his own management consultancy, Dual Point Consulting, a strategy and leadership development firm, and advises corporations on creating a performance-driven organisational culture while driving managers and business leaders to take ownership of their careers.

Current External Appointments

Dr Ndwandwe serves as a Non-executive Director at the Food and Beverage SETA, a Trustee at the Gauteng Partnership Fund (GPF) and is the Acting Chairman of the Downtown Music Hub (DTMH).



GGDA BOARD OF DIRECTORS



Ms Meloney van Eck

Director of the GGDA Board of Directors

Chairperson: AIDC Board of Directors

Member: GGDA Group Audit and Risk Committee

Qualifications and Memberships

Ms van Eck holds a Bachelor of Business Administration from the Southern Business School (STADIO), a Purchasing Management Diploma from Damelin, a Postgraduate Diploma in Business Management from Regenesys and an Advanced Management Development Programme through the University of Pretoria. She is currently completing a Master of Business Administration at UNISA.

Skills and Experience

Ms van Eck brings more than 17 years of experience in the public sector and public institutions, where she has formulated strategic partnerships with the private sector. Her most recent positions include Head Strategic Support at the Housing Development Agency and a Member of the Advisory Committee: Programme Management Support at the National Department of Water and Sanitation.

Current External Appointments

Ms van Eck serves as a board member on the Gauteng Liquor Board.



Mr Masilo Tampe

Director of the GGDA Board of Directors

Director: Constitution Hill Board of Directors

Member: GGDA Audit and Risk Committee

Qualifications and Membership

Mr Tampe completed a Diploma in Local Government Management at the Balgravia Institute of Management and is currently studying towards a Bachelor of Laws degree at Regenesys.

Skills and Experience

Mr Tampe is a social activist, project manager and communication specialist who believes in the integration of previously disadvantaged individuals into the mainstream economy of South Africa. Having served in both local and provincial government, Mr Tampe has developed a strong background in change and impact management and sound administrative leadership across government entities and institutions.

Current External Appointments

Mr Tampe is a board member of the Gauteng Liquor Board and serves on its Legal Sub-Committee and the Law Enforcement and Compliance Committee. He is also the Strategic Advisor on Finance at the Merafong City Local Municipality. He is also President of the Albinism Renaissance Forum of Southern Africa and a member of the Gauteng Disability Business Chamber.



Phindile Mbanjwa

Non-Executive Director of the GGDA Board of Directors

Chairperson: Constitution Hill Board of Directors

Qualifications and Memberships

Ms Mbanjwa holds a Master of Philosophy in Urban Infrastructure Design and Management from the University of Cape Town. She holds two postgraduate diplomas: one in Business Administration from Wits Business School and one in Public Policy and Development Administration from the University of the Witwatersrand. She also holds an undergraduate qualification, namely a Bachelor of Social Science in Public Affairs and Administration degree.

Skills and Experience

Ms Mbanjwa is a senior public sector executive and governance specialist with extensive experience in leadership roles across human settlements, economic development, and infrastructure. She is recognised for enabling institutional turnaround, performance improvements, and policy implementation at a strategic level.

She has led provincial departments at the highest level of public sector administration, driving complex reform agendas and delivering measurable impact across economic development, infrastructure, and human settlements. Her leadership has transformed institutional performance and strengthened service delivery.

She has extensive expertise in governance, strategic oversight and programme execution. A significant part of her professional record lies in building capable institutions, unlocking developmental value and aligning multi-stakeholder efforts around ambitious, results-oriented mandates.

Current External Appointments

Ms Mbanjwa serves as a non-executive director at Rand Water and on the board of the Rand Water Foundation. She contributes to strategic direction and oversight through committee roles, including membership on the Social and Ethics Committee and the Treasury and Capital Investment Committee at Rand Water. Her board experience spans multiple sectors, where she has provided leadership on governance, audit, risk, performance, and institutional development.



GGDA BOARD OF DIRECTORS



Ms Priscilla Monama
Director of the GGDA Board of Directors
Director: GIDZ Board of Directors
Deputy Chair: GGDA NHREMC0

Qualifications and Memberships

Ms Priscilla Monama holds a Master of Management in Entrepreneurship and New Venture Creation and a BA in Politics and International Relations from the University of the Witwatersrand. She earned a Marketing Management Diploma (with distinction) from Varsity College and a Certificate in Economics and Public Finance from UNISA. She is a Certified Change Management Professional (CCMP), a Prosci Practitioner, and a member of the Institute of Directors South Africa (IoDSA).

Skills and Experience

Ms Monama is a governance and transformation professional with over 15 years of leadership experience across executive government, multilateral institutions, and private enterprise. Her expertise spans public-sector reform, enterprise policy, multi-stakeholder governance, and institutional modernisation within Public Finance Management Act (PFMA) environments.

As Lead Change Management Consultant at Jicho Consulting, she directs transformation for a national public-sector modernisation programme, driving change governance, institutional readiness, and operational integration across eight justice-sector departments to enable digital adoption and cross-entity alignment. Her executive government background includes serving as Media Liaison and Acting Director in the Ministry of Small Business Development, where she led strategic communications, executive advisory support, and high-level stakeholder engagement in support of small enterprise policy. In international development, she served as Programme Coordinator for the African Union's NEPAD Grow Africa initiative, facilitating cross-border public-private partnerships, coordinating multi-country investment platforms, and aligning regional stakeholders around economic development goals.

A CCMP and Prosci Certified Practitioner with deep experience in enterprise development and government reform, Ms Monama brings independent judgement to the GGDA Board. As a Non-Executive Director and member of the Nominations and Human Resources Committee, she leverages her experience to provide rigorous oversight on human capital governance, executive alignment, and organisational design, ensuring the Agency effectively supports long-term value creation and Gauteng's economic growth priorities.

Current External Appointments

None



Mr Monwabisi Leon Stuurman
Director of GGDA Board of Directors
Deputy Chairperson: GIDZ Board of Directors
Member: GGDA Social and Ethics Committee
GGDA NHREMC0

Qualifications and Memberships

Mr Stuurman holds a Master of Business Administration (MBA) specialising in Executive Management, an Honours in Business Administration and a Postgraduate Diploma in Business Administration, all from the University of Cape Town. He also holds a Diploma in Welding and Fabrication Inspection through SAIW Certification (SCERT).

Experience and Key Skills

Mr Stuurman has built his career within a large commercial enterprise characterised by a complex operations environment and intricate business processes. He is an accomplished senior executive and management professional with 18 years of career progression in business operations.

He is an effective leader, skilled in developing and overseeing high-performing, multidisciplinary and quality-oriented teams. He has strong interpersonal skills and collaborates well across disciplines and with key institutions, government and partners. An adept problem solver, he applies creativity and innovation to resolve complex issues affecting people, processes and costs, and brings a thorough understanding of organisational culture, customer service and new business development to support and optimise business processes.

He is focused and meticulous in meeting financial and regulatory compliance objectives, planning and executing budgets and forecasts, and applying cost-reduction techniques and safety initiatives. He has extensive knowledge of the integrated logistics market and of changing business environments, and the ability to develop operations strategies, policies and procedures that use assets effectively and efficiently to meet business targets. He is proficient in analysing the risk of potential investments and returns, and is an outstanding communicator, fluent in English, Afrikaans and Xhosa, with strong experience in employee development and vendor and partner relations.



Ms Jane Mosebi-Koka
Director: GIDZ Board of Directors
TIHMC Board of Directors
Chairperson: GGDA Social and Ethics Committee

Qualifications and Memberships

Ms Mosebi-Koka holds a Bachelor of Commerce (B. Com) from the University of Zululand and a Postgraduate Certificate in Business Management from the Wirtschaft Akademie in Kiel, Germany. Her academic foundation is complemented by decades of strategic and entrepreneurial leadership in the ICT and consulting sectors, where she has specialised in business growth, transformation and economic development support.

Skills and Experience

Ms Mosebi-Koka is a seasoned executive with over 25 years of experience spanning ICT research, enterprise development, strategic consulting and manufacturing. She is currently the Managing Director of InnerCircle Consulting & Technologies, where she supports black SMMEs through strategy development, business coaching, ICT audits and policy advisory services.

Previously, she served as Managing Director of Yekani Technologies, a 100% black-owned ICT manufacturing business focused on the production of tablets and smart-TV technology for the education and public sectors. She also founded and led ForgeAhead, a pioneering ICT research and consulting firm that worked extensively with governments, regional bodies (including SADC and NEPAD), and leading private-sector clients on ICT strategy, policy and development across Africa, Brazil, India and Singapore.

Her additional leadership roles have included Director at Adamantium Africa, Mosenako Holdings and FICTDA, where she drove digital transformation, mining ICT solutions and public-sector strategy alignment. Her career has also included marketing and stakeholder-engagement roles at BMW South Africa and BMW AG in Munich, including advocacy work for trade unions and informal traders.

Ms Mosebi-Koka has served on several ICT policy advisory councils, including the North West Premier's Advisory Council on ICT, the DTI ICT Advisory Council and the Zimbabwe Ministry of ICT (as a strategic implementation partner). She is a longstanding member of the Black IT Forum (BITF), Women in ICT, NAMEC and the Chartered CIO Council. Her contributions to public platforms include presenting at conferences across Africa, lobbying for import-policy reform and leading community development through ward-level economic committees and school governing body (SGB) roles. She is an experienced mentor and coach, particularly to women and youth-led businesses.

Current External Appointments

Ms Mosebi-Koka is currently the Managing Director of InnerCircle Consulting and Technologies.

Statement of responsibility and confirmation of accuracy for the Annual Report



Ms Sthembiso Dlamini
Group Chief Executive Officer
Gauteng Growth and Development Agency (GGDA)



Mr Craig Cornish
Group Chairperson
Gauteng Growth and Development Agency (GGDA)

To the best of my knowledge and belief, I confirm the following:

- All information and amounts disclosed in the Annual Report are consistent with the Annual Financial Statements audited by Auditor-General of South Africa (AGSA).
- The Annual Report is complete, accurate and free from any omissions.
- The Annual Report has been prepared in accordance with the guidelines on annual reports issued by National Treasury.
- The Annual Financial Statements (Part F) have been prepared in accordance with the Generally Recognised Accounting Practice (GRAP) standards applicable to the public entity.
- The Accounting Authority is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.
- The Accounting Authority is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the Annual Financial Statements.
- The external auditors are engaged to express an independent opinion on the Annual Financial Statements.
- In our opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2026.

Yours faithfully

Ms Sthembiso Dlamini
Chief Executive Officer

Craig Cornish
Chairperson of the GGDA Board of Directors

Executive Management



Sthembiso Dlamini
Group Chief Executive Officer



Mpho Baatjies
Group Chief Financial Officer



Leah Mabusela
Group Chief Operations Officer



Advocate Pieter Holl
Company Secretary



Muziwethu Mathema
Group Executive: Macro Business Intelligence



Sipho Marala
Group Executive: Trade and Investment Regulatory Enablement



Fuziwe Kubheka
Group Executive: Marketing and Communication



Itumeleng Mogorosi
Group Executive: Monitoring, Evaluation and Organisation Performance



Zukiswa Ncunzana
Group Executive: Corporate Services



Zanele Fakude
Senior Manager Strategic Support (Office of the Group CEO)



Thandiwe Ngqobe
Chief Executive Officer: Gauteng Industrial Development Zone



Andile Africa
Chief Executive Officer: Automotive Industry Development Centre



Dr Bangani Mpangalasane
Chief Executive Officer: The Innovation Hub Management Company



Koketso Calvin Seerane
Programme Executive: West Rand SEZ PMU



Khomotso Letsatsi
Head of Infrastructure Financing: Lanseria Smart City PMO



Langutani Nxumalo
Senior Manager: Internal Audit



Boitumelo Khutswane
Senior Manager: Enterprise Risk, Compliance and Ethics

STRATEGIC OVERVIEW 2025–2030



Mandate, Vision and Context

Implementing arm of the Gauteng Department of Economic Development, constituted under the amended Blue IQ Investment Holdings Act No. 5 of 2013, mandated to lead, facilitate and manage sustainable job creation and inclusive economic growth in the Gauteng City Region — delivering through TIRE, the EPMO, the SEZ programme, AIDC, The Innovation Hub, GIDZ and Constitution Hill, aligned to NDP 2030, MTDP 2025–29, GGT 2030 and the Township Economic Development Act. Vision: premier catalyst of innovative, sustainable and inclusive growth in the GCR. Impact: inclusive, sustainable economic growth that stimulates jobs within the GCR.

- Gauteng holds 34% of national GDP and grew 0.3% in Q3 2024 against a national contraction of 0.3% — but recorded its first labour-force contraction in 18 quarters, unemployment of 33.7%, and above 40% in the non-metro districts.
- Finance anchors growth while manufacturing, wholesale trade and construction detract from it — the tertiary-sector concentration that makes re-industrialisation the plan's central economic argument.
- The province drew 28% of national FDI (R6.86bn in the quarter) but competes with Mauritius, Egypt, Morocco and Rwanda; delivery is constrained by fiscal pressure, deteriorating infrastructure, energy and water security, and a 20% group vacancy rate.



Five Strategic Priorities for the Term

1. **Investment and trade** — R120bn in direct investment and R35bn in trade deals through AfCFTA, trade missions and investor after-care that unlocks regulatory bottlenecks.
2. **Catalytic infrastructure** — a 10-project pipeline across the province's corridors, with the Vaal, West Rand and Lanseria Hi-Tech SEZs promulgated and operationalised alongside the OR Tambo SEZ precincts.
3. **Structural transformation** — re-industrialisation in automotive, ICT and digital, agro-processing, green industries, pharmaceuticals and the creative industries, with supplier development pulling township firms into mainstream value chains.
4. **SMME and township enterprise** — Township Economic Development Act implementation, sector incubation, access to finance, markets and public procurement, and **expansion of township automotive hubs**.
5. **Innovation, skills and green economy** — world-class manufacturing standards, demand-led innovation adopted by industry and government, artisan and youth pipelines, and rooftop solar capacity.



What success looks like by 2030

Outcome indicator	Baseline	2030
Direct investment facilitated (TIRE)	R117bn	R120bn
Trade deals facilitated (TIRE)	R30bn	R35bn
Businesses expanded into markets (TIRE)	204	225
Infrastructure projects delivered (EPMO)	3	14
Investment at Vaal / West Rand / Lanseria	R8.6bn	R29bn
Private investment, OR Tambo SEZ (GIDZ)	R1.27bn	R6bn
Operational jobs, OR Tambo SEZ (GIDZ)	2 734	6 000
SMME opportunities linked to investors	183	385
Suppliers at world-class standards (AIDC)	171	200
Township automotive hubs (AIDC)	2	5
Financial independence ratio (AIDC)	75%	95%
Land uptake on TIHMC precinct (TIH)	32%	44%
Jobs by SMEs and park tenants (TIH)	1 841	8 500
Innovations adopted post-demo (TIH)	New	60
Museum visitors (ConHill)	180 040	650 000
Own revenue generated (ConHill)	R19.2m	R100.7m



Risks and Enablers

Three risks carry the plan: infrastructure delivery (met with standardised SOPs, a strengthened EPMO group policy, better project tracking and conditional cost assessments), insufficient FDI and DDI (GGT 2030 high-impact sectors, destination marketing, lead generation, regulatory advocacy, improved IGR), and long-term financial sustainability (the province-wide revenue enhancement initiative GGDA leads with Gauteng Provincial Treasury, plus subsidiary revenue targets). Delivery depends on leveraging the GGDA budget to crowd in co-funding, municipal turnaround on EIA and township establishment approvals at Gemspost, Witpoortjie and Springs — and funding for the currently unfunded Lanseria bulk services — closing the vacancy rate, and building the economic modelling and impact-monitoring tools the agency lacks. A mid-term reconfiguration assessment is built into the strategy.

LEGISLATIVE AND OTHER MANDATES

The expanded mandate of the GGDA enables the agency to promote economic growth and development in an integrated manner. The objectives of the GGDA, in terms of Section 3 of the amended . The Gauteng Growth and Development Agency (GGDA) (Proprietary) Limited Act, No. 5 of 2003:

- Enable the economic development focus on sustainable jobs;
- Drive growth in the provincial gross domestic product and employment rates;
- Strategically position the province as a globally competitive city region;
- Facilitate partnerships and create linkages across the province to maximise service delivery outcomes; and
- Support the development of key sectors in the economy, in line with the established economic and industrial policies of the province.

The GGDA's responsibilities are carried out in terms of (but not limited to) the following national and provincial laws:

National legislation

- Public Finance Management Act, 1999, as amended;
- Companies Act, 2008, as amended in 2011;
- Promotion of Access to Information Act, 2000;
- Intergovernmental Relations Framework Act, 2005;
- Preferential Procurement Policy Framework Act, 2000;
- Employment Equity Act, 1998;
- Basic Conditions of Employment Act, 1997;
- Labour Relations Act, 1995;
- Occupational Health and Safety Act, 1995;
- Prevention and Combating of Corrupt Activities Act, 2004;
- Skills Development Act, 1998;
- World Heritage Convention Act, 1999;
- Credit Agreements Act, 1980;
- Business Act, 1991;
- National Environmental Management: Protected Areas Act, 2003;
- Sales and Services Matters Amendment Act, 1995;
- Municipal Systems Act, 2000;
- Township Planning and Township Ordinance, 1986;
- Development Facilitation Act, 1995;
- Broad-based Black Economic Empowerment Act, 2003;
- Municipal Finance Management Act, 1999;
- South African Qualifications Authority Act, 1995;
- Promotion of Trade and Investment Bill; and
- Special Economic Zones (SEZ) Act, 2014 (Act 16 of 2014).

Provincial legislation

- Blue IQ Investment Holdings Act, 2003, as amended;
- Gauteng Tourism Act, 2001;
- The Gauteng Tender Board Repeal Act, 2002;
- Gauteng Unfair Business Practices Act, 1996; and
- Gauteng Inter-governmental Fiscal Relations Act, 1997.

Good governance policy frameworks

- South African National Policy Framework for Women Empowerment and Gender Equality;
- White Paper on Transforming Public Service Delivery (Batho Pele White Paper);
- National Youth Policy Development Framework, 2002–2008;
- National Programme of Action for Children Framework (NPA), 1996;
- Gauteng Monitoring and Evaluation Policy Framework, 2010; and
- National Disability Policy Framework, 2009.

Institutional policies and strategies

The institutional policies and strategies that govern the GGDA are described in the sections that follow.

Institutional policies

The GGDA reviews and applies updates (where applicable) to its internal operating policies annually and the amended policies are tabled before the accounting authority during the first quarter of the financial year for approval. As an implementing arm of the Gauteng Department of Economic Development (GDED), the GGDA relies on the shareholder to provide direction regarding the implementation of strategic policy matters to ensure the achievement of inclusive economic development.



The policies listed in Table 1 below set the basis for the GGDA's priorities.

Table 1: Institutional policies

Policy/Framework	Level	Relevance to GGDA
National Development Plan (NDP) 2030	National	Long-term vision for eliminating poverty and reducing inequality through inclusive growth and employment.
Economic Reconstruction and Recovery Plan (ERRP)	National	Post-COVID strategy focusing on infrastructure, industrialisation, and job creation.
Industrial Policy Action Plan (IPAP)	National	Sectoral development and industrialisation, especially in manufacturing and agro-processing.
Special Economic Zones (SEZ) Act No. 16 of 2014	National	Legal framework for SEZ development, central to GGDA's infrastructure and investment strategy.
Broad-Based Black Economic Empowerment (B-BBEE) Act	National	Promotes transformation and inclusive participation in the economy.
Growing Gauteng Together 2030 (GGT2030)	Provincial	GGDA's core strategic alignment focuses on doubling GDP, halving unemployment, and reducing inequality.
Gauteng Provincial Medium-Term Development Plan (MTDP)	Provincial	Translates GGT2030 priorities into actionable programmes over five years.
Gauteng Industrial Policy Framework (GIPF)	Provincial	Supports industrialisation and competitiveness in key sectors.
Gauteng Office of the Premier Strategic Plan (2020–2025)	Provincial	Provides governance and coordination for provincial entities including GGDA.
Township Economic Development Act (TEDA)	Provincial	Enables procurement and support for township-based enterprises.
African Continental Free Trade Area (AfCFTA)	Provincial	Expands trade opportunities for Gauteng-based firms across Africa.

Organisational Structure



Figure 1: Organisational Structure



02

PERFORMANCE INFORMATION

PART B





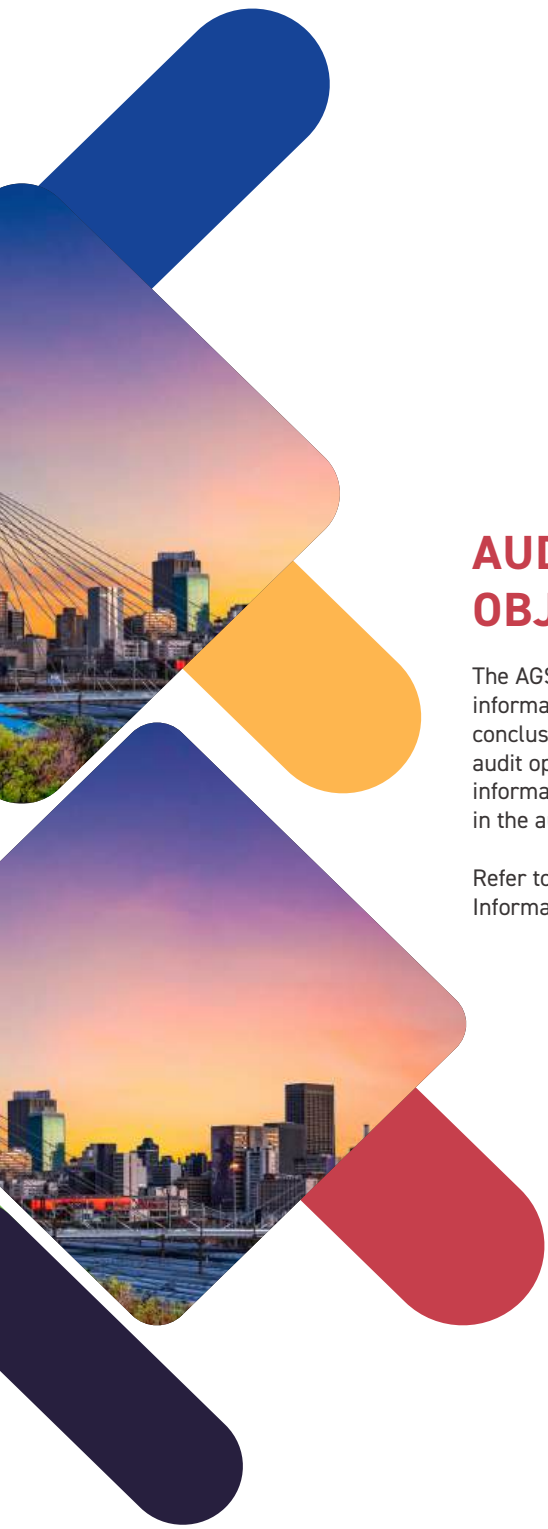
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Note on figures: unless otherwise indicated, values in the tables that follow are rounded to the nearest R'000 and percentages are stated to one decimal place. Line items may therefore not cast exactly to the stated totals. Where a material rounding difference arises, it is noted beneath the relevant table.





AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The AGSA/auditor currently performs certain audit procedures on the performance information. The level of assurance provided may be reasonable (an opinion), or limited (a conclusion) or none (findings) as predetermined by the AGSA. Assurance in the form of an audit opinion or conclusion on the usefulness and reliability of the reported performance information is currently included in the management report. Material findings are reported in the auditor's report.

Refer to page 172 to 176 of the Report of the Auditors, published as Part F: Financial Information.



MACROECONOMIC OVERVIEW





Gauteng Growth and Development Agency | Chief Economist: **Macro Business Intelligence Unit**

Gauteng's economy demonstrated resilience in 2025/26, anchored by a diversified services base, growing FDI inflows and improving labour-market conditions. This overview presents the macroeconomic context within which GGDA operated: global headwinds, South Africa's structural reform trajectory, Gauteng GDP performance, employment, trade and foreign direct investment outcomes.



SOUTH AFRICA: MACROECONOMIC PERFORMANCE

GDP, inflation, employment, sectoral growth and drag — South Africa 2025

SOUTH AFRICA MACROECONOMIC PERFORMANCE | 2025



South Africa's economy grew by **1.1% in 2025**, supported by improved electricity stability and a recovering services sector, though constrained by weak industrial output and global demand softness.

1.1%

GDP Growth 2025
GDP: **R4.75 trillion**

4.4%

Inflation (CPI) 2025
Within SARB **3-6%**
target band

6.75%

Repo Rate 2025
SARB held amid
inflation risk



312K Jobs Added Nationally | Total employed: **17.10 million**



SECTORS DRIVING GROWTH



Finance & Business Services
+1.9% growth | Contributed
0.46pp to national GDP



Agriculture
+17.4% growth | Contributed
0.43pp to national GDP



Trade
+2.3% growth | Contributed
0.26pp to national GDP



Transport & Communication
+0.8% growth | Contributed
0.08pp to national GDP



SECTORAL DRAGS ON GROWTH



Manufacturing
-1.2% contraction |
Subtracted **0.12pp** from GDP growth



Construction
-4.4% contraction |
Subtracted **0.10pp** from GDP growth



Electricity & Water
-4.3% contraction |
Subtracted **0.10pp** from GDP growth



Collectively subtracted **0.32pp**
from 2025 GDP growth

2026 FORECAST: **GDP 1.0%** | **Inflation 4.6%** | **Repo Rate 6.75%-7.25%**
| 2027 FORECAST: **GDP 1.3%** | **Inflation 4.5%** | **Repo Rate 6.50%-7.00%**



GAUTENG: GDP PERFORMANCE AND ECONOMIC STRUCTURE

Gauteng outperformed the national economy in 2025 — driven by a deep, diversified services economy

GAUTENG PROVINCIAL GDP PERFORMANCE | 2025



Gauteng outperformed the national economy in 2025, recording GDP growth of 1.3% against South Africa's 1.1%, driven by finance, trade, transport and business services — reinforcing the province's dominance as Africa's economic powerhouse.

34%

of South Africa GDP
7% of Africa GDP

1.3%

GDP Growth 2025 vs SA 1.1%

R1.59 tn

Provincial GDP 2025 Up from R1.57tn (2024)

5.18m

Employed (Q4 2025) Largest provincial labour market

R549.8 bn

MTEF Allocation
Lowest per capita in SA: R9,400



ECONOMIC STRUCTURE — SECTOR SHARES



Finance & Business Services
31.7% of provincial GDP | **+2.2%** growth
| Contributed **0.69pp**



Manufacturing
12.8% of provincial GDP | **-1.2%** contraction
| **-0.16pp** drag



Trade
10.9% of provincial GDP | **+2.6%** growth
| Contributed **0.28pp**



Community Services
10.8% of provincial GDP | **+0.4%** growth



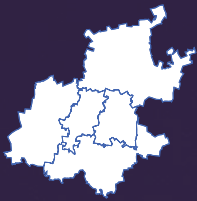
KEY ECONOMIC INSIGHT

Finance and business services accounted for more than half of Gauteng's total economic growth in 2025, **contributing 0.69 percentage** points of the province's **1.3% GDP expansion**.

Services-Led Growth Model:

Gauteng's resilience stems from its services economy depth — financial markets, corporate headquarters, business process outsourcing and regional logistics systems provided a buffer against weak industrial output.





GAUTENG: LABOUR MARKET PERFORMANCE

Employment trends, sectoral job creation and spatial labour-market dynamics – 2025

GAUTENG PROVINCIAL GDP PERFORMANCE | 2025



Gauteng's labour market recorded moderate improvement in 2025, adding **92,000 jobs** to reach **5.18 million employed**. Unemployment fell from **34.7% to 33.0% across the year**, though structural constraints – infrastructure gaps, weak manufacturing absorption and logistics bottlenecks – limited the pace of recovery.

33.0%

Unemployment Rate Q4 2025
Improved from 34.7% in Q1 2025

46.3%

Labour Absorption Rate Q4 Up from 44.7% in Q1 2025

67.2%

Labour Force Participation Q4
Among highest rates in SA



30%+ Share of National Employment **5.18m** of **17.10m** nationally



SECTORS WITH JOB GAINS (+000s)



Community & Social Services **+78,000**



Construction **+66,000**



Private Households **+21,000**



Mining **+19,000**



Finance & Business Services **+9,000**



Transport & Logistics **+5,000**



Agriculture **+4,000**



SECTORS WITH JOB LOSSES (000s)



Manufacturing **-57,000**



Trade **-41,000**



Utilities **-7,000**

Metro Performance:

Ekurhuleni **+46K**

Tshwane **+34K**

Johannesburg **-62K**

Non-Metro **+74K**





GAUTENG: TRADE PERFORMANCE AND EXPORT STRUCTURE

Gauteng — South Africa's trade powerhouse: exports, imports, markets and sectoral trends — 2025

GAUTENG TRADE PERFORMANCE | 2025



Gauteng is South Africa's largest trading province, **accounting for 61% of national trade**. In 2025, Gauteng recorded **exports of R1.13 trillion** and **imports of R1.10 trillion**, generating a trade surplus underpinned by strong regional and global demand for mining products, automotive manufacturing and precious metals.

61%

Share of SA National Trade
SA trade surplus: R200bn+

R1.13 tn

Exports 2025
Africa surplus: R247.9bn

R1.10 tn

Imports 2025
Asia: largest import source (48%)



Primary Export Surplus Partner
30% of export destinations

33%

Asia Export Share
Trade deficit with Asia



TOP EXPORT CATEGORIES (Rbn)



Ores, Slag & Ash
R233.9bn (+R14.9bn YoY)



Vehicles & Automotive
R179.2bn (+R1.0bn YoY)



Precious Metals & Gems
R166.0bn (+R31.2bn YoY)



Mineral Fuels
R137.1bn (-R11.2bn YoY)



Machinery & Equipment
R71.4bn (+R1.7bn YoY)



Electrical Machinery
R27.1bn (stable)



Optical & Medical Instr.
R9.3bn (+R2.5bn YoY)



TOP IMPORT CATEGORIES (Rbn)



Machinery & Appliances
R184.3bn (+R8.9bn YoY)



Electrical Machinery
R134.6bn (+R4.1bn YoY)



Vehicles
R103.1bn (+R15.3bn YoY)



Aircraft & Aerospace
R19.6bn (+R7.2bn YoY)

Key Insight: Machinery and technology imports reflect capital formation and industrial activity. Aviation growth signals logistics expansion and sector recovery.



GAUTENG: FOREIGN DIRECT INVESTMENT PERFORMANCE

FDI inflows, sectoral composition, investor origins and strategic positioning — 2025

GAUTENG FOREIGN DIRECT INVESTMENT | 2025



Gauteng attracted R12.4 billion in announced FDI in 2025 — an 87.9% increase on 2024. The province accounted for 28.1% of South Africa's total FDI and 43% of projected FDI-related jobs, reinforcing its position as Africa's leading investment destination.

R12.4 bn

FDI Inflows 2025
Up from R6.6bn in 2024

+87.9%

Growth in FDI Inflows
Largest increase since 2020

28.1%

Share of National FDI
54 announced projects

5,300+

Projected Direct Jobs
43% of SA FDI job creation

54

Investment Projects
Down from 57 in 2024



FDI BY SECTOR (2025)



Metals & Mining
R5.4bn | 1,500+ jobs



Software & IT Services
R1.8bn | Multiple projects



Communications
R1.5bn | Digital infrastructure



Business Services
R1.1bn | 1,475 jobs



Automotive & Manufacturing
Continued pipeline



Food & Beverages
Consumer demand linked



Logistics & Industrial Equipment
Corridor-linked investment



STRATEGIC CONTEXT

Key Investor Countries:

- United States
- United Kingdom
- Germany
- China
- Netherlands

Gauteng ranks among Africa's top FDI destinations, competing with Cairo, Lagos, Nairobi and the Western Cape. Sustained inflows during a period of elevated global uncertainty reflect durable investor confidence.

Green Industrialisation Trend:

Growing investor interest in green industrialisation, logistics infrastructure, advanced manufacturing, digital infrastructure and AfCFTA-linked regional supply-chain development signals a structural shift in Gauteng's investment composition.



GROUP PERFORMANCE SUMMARY

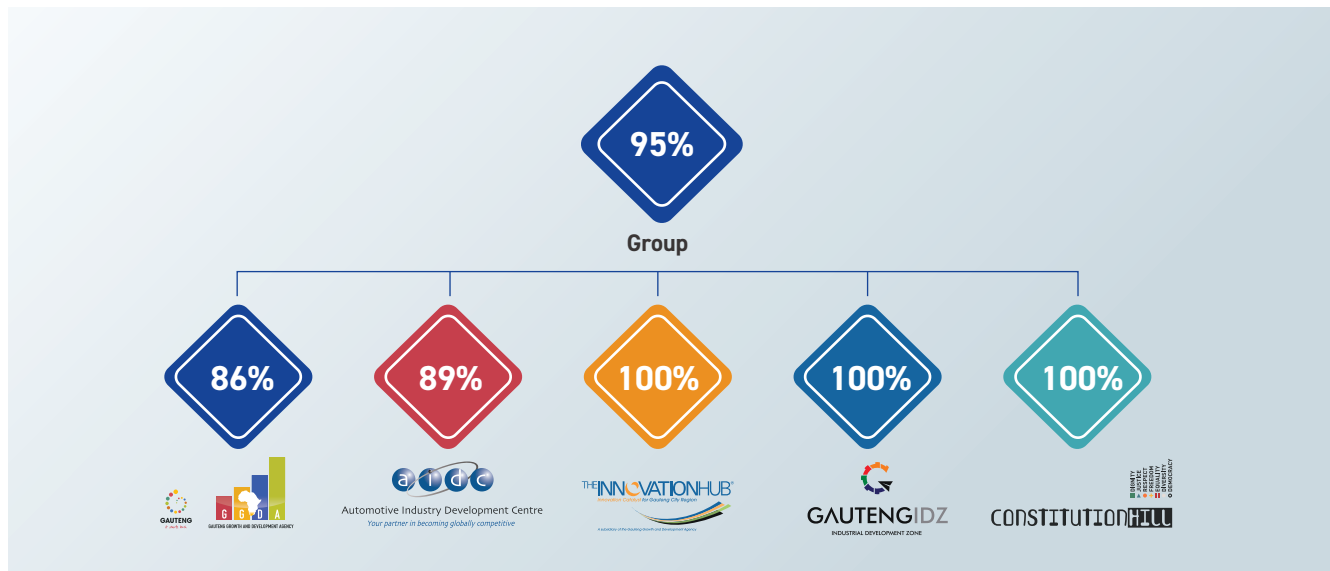


Figure 2: Group Performance

Table 2: Group Performance Summary

Division	Number of Output Indicators Due for Reporting	Number of Output Indicators Achieved	Annual % Achieved	Number of Output Indicators Not Achieved	% of Targets Not Achieved
Holdings	7	6	86%	1	14%
AIDC	9	8	89%	1	11%
TIH	8	8	100%	-	-
GIDZ	8	8	100%	-	-
ConHill	5	5	100%	-	-
Total	37	35	95%	2	5%

GGDA Group Job Creation



Figure 3: GGDA Group Job Creation

Jobs by Permanent/temporary category

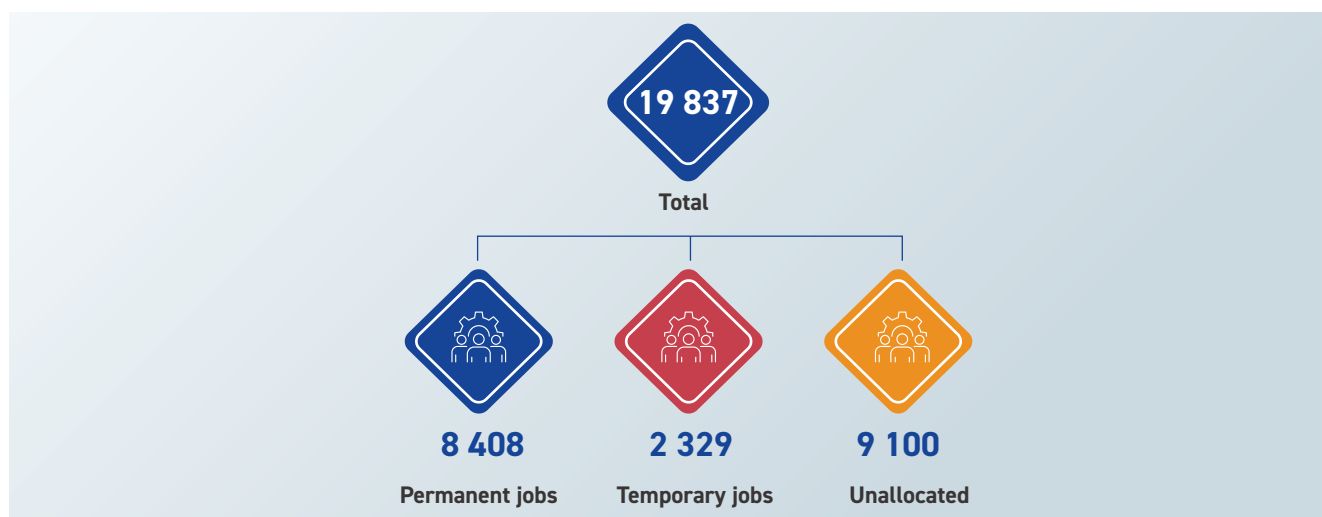


Figure 4: Jobs by Permanent/temporary category

Jobs by Gender

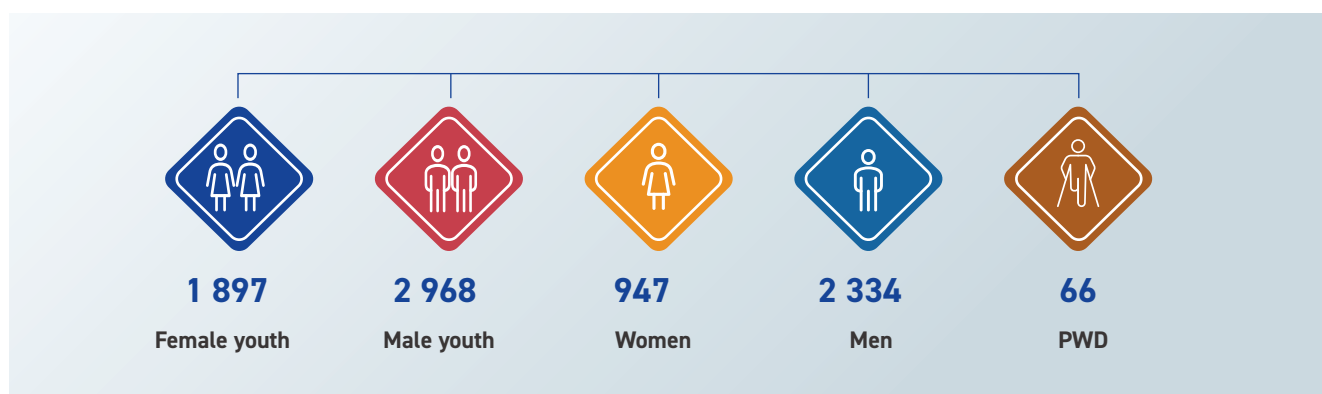


Figure 5: Jobs by Gender

Table 3: Detailed job creation summary

Group Job Creation Summary							
Entity	Annual Actual	Female Youth	Male Youth	Women (over 35 years)	Men (over 35 years)	PWD	Unallocated by gender, perm/temp
Holdings EPMO	87	14	26	21	26	-	-
Holdings TIRE	13 446	1 667	2 674	767	2 552	39	57 47
AIDC	2 048	5	-	5	-	-	2 038*
TIH	203	85	88	12	18	-	-
GIDZ	3 282	15	77	6	118	-	3 066**
ConHill	771 ¹	111	103	136	120	27	274
Total	19 837	1 897	2 968	947	2 834	66	11 125

*jobs created by ASP tenants

**new and retained operational jobs by tenants

¹In the creative sector, gig work is typical as many roles are freelance, project-oriented, and flexible, responding to the fluctuating demand for creative skills rather than permanent positions, resulting in short-term, contract-based engagements.

Service Delivery Environment

The reporting period opened with Gauteng province hosting a successful inaugural annual Investment Conference, which secured investment pledges worth R312 billion. By the close of the period, the GGDA had converted 30% of these pledges into committed projects.

The pledges spanned 60 projects across key sectors – manufacturing, infrastructure, energy, ICT and agro-processing – reflecting a diversified pipeline aimed at driving inclusive economic growth. Property development accounted for most of the pledged value (65%), with most projects (74%) destined for the central corridor.

The conference laid a strong foundation for future investment mobilisation, reinforcing Gauteng's role as South Africa's economic hub and a gateway for regional and global investment.

The final quarter of the financial year was shaped by escalating geopolitical tensions, as conflict intensified between the United States and Israel on the one hand and Iran on the other.

These developments showed a higher inflationary outlook, with oil prices reaching \$110 per barrel. With key maritime chokepoints affected and oil companies scrambling for ships to secure transport, such a development disrupted and squeezed physical supplies of crude oil and other commodities, such as fertilisers, liquefied natural gas and liquefied petroleum gas.

Whilst the outlook appears bleak in the short term, positive possibilities are manifesting for the African continent. For example:

- Mr. Aliko Dangote's refinery aims to increase its crude processing capability from 40 to 130 different crude grades and processing multiple crude grades will enhance the refinery's flexibility and competitiveness in international markets.
- The push to refine crude domestically is gaining momentum across Africa as oil-producing nations (Algeria, Angola, Ghana, Nigeria) seek to reduce reliance on imported fuels and retain a larger share of the value generated by their petroleum resources.

The GGDA Group planned to deliver 37 outputs, which are broadly categorised into the following areas to aid understanding of the institution's mandate:

- Trade and investment facilitation
- Infrastructure development
- Skills development
- Sector development
- Enterprise development
- Job creation

The Group achieved 95% of its targets (35 of 37), improving on the prior financial year. The two unmet targets related to infrastructure delivery and revenue generation at the Holdings Company and AIDC respectively. The unmet targets weighed on the overall performance and is addressed under Programmes 1 and 2.

Trade and investment facilitation

The TIRE business unit achieved and exceeded the four planned targets and facilitated a total of 13 446 jobs. Of these, 4 611 (34%) were new jobs and 8 835 (66%) were retained. By type, 8 338 (62%) are permanent and 1 112 (8%) temporary, with 3 996 (30%) not allocated to a specific category.

Trade value of R5.30 billion was planned to be facilitated, and the target was exceeded by R6.20 billion, bringing the total trade value facilitated to R11.50 billion.

Improved inter-governmental collaboration enabled the unlocking of regulatory bottlenecks and made it possible for the above investment and trade values to be realised. The business unit was able to assist companies in obtaining approvals from, amongst others:

- the Department of Mineral Resources and Energy (re: social labour plans),
- SANRAL (servitude and access road),
- Department of Water and Sanitation (re: integrated water-use license),
- Rand Water (re: water availability and effluent discharge),
- GDARD and Department of Environment (re: EIA),
- South African Heritage Resource Agency,
- SARS,
- City Power and ESKOM,
- the dtic,
- Department of Employment and Labour,
- Department of Home Affairs (re: visa waivers, intra company transfers, permanent residency permit, visa renewals), etc.

Infrastructure development

Of the two infrastructure output targets, the Group delivered the Land Parcel E (We the People Park) milestone but did not meet the Constitution Hill Visitor Centre target. The outstanding wayleave for the Land Parcel E stormwater connection will be resolved through the precinct township establishment process.

The Vaal Heidelberg X24 bulk infrastructure project reached the 8% construction milestone by the end of the reporting period, and civil works, including sewer and water pipe laying, have commenced.

Practical completion stage was reached on the Ramparts project in February 2026, and the project was at the close-out stage at the end of the reporting period.

Bulk Infrastructure development for ORTIA Precinct 2

The GIDZ exceeded the planned 50% bulk installation target by 2%, owing to the acceleration of planned works and the allocation of additional resources to the project.

Notable challenges encountered in the delivery of the projects included:

Visitor Centre

Project delays resulted from the late appointment of key subcontractors, which has impacted on the execution of critical activities and the overall project schedule. These delays are largely due to underperformance by the Professional Service Provider (PSP) in finalising subcontractor appointments, as well as delays by the main contractor in completing their appointment and onboarding.

Additional setbacks arose from the procurement of long-lead items, including lifts and escalators. Although orders have been placed, delivery was only expected in April 2026, further affecting project timelines.

Progress was also temporarily disrupted due to health and safety concerns raised by the Occupational Health and Safety Agent, which required a stand-down of on-site work to implement corrective measures (from 24 February, resolved by 31 March)

Planned Mitigation

The Implementing Agent, JDA, continues to actively oversee and expedite the subcontractor appointment process. Procurement for the fire, electrical, and electronic subcontractors is completed, and an instruction was issued on 6 March for the main contractor to proceed with the appointment of subcontractors.

The main contractor was required to submit a comprehensive recovery and catch-up programme.

Health and safety audits have been conducted, and the contractor has been formally instructed to address all outstanding corrective measures.

Skills development

AIDC Learning Centre

- 629 persons employed in the automotive industry were trained across all AIDC training centres, against the annual target of 500.
- 250 trade assessments were conducted at the Trade Test Centre against the annual target of 240.

Enterprise development

Ford and Nissan Incubation Centre

The two incubation centres generated R80.03 million against a target of R45 million. The overachievement was due to larger stock volumes requested from the Ford SA Incubation Centre necessitated by the planned graduation of two incubated suppliers at the end of September.

TIH Incubation Programme

20 companies graduated from the incubation programme as planned, and 1 062 young people were capacitated with ICT skills.

GIDZ

12 interns were recruited to participate in the OR Tambo SEZ mentorship programmes based on opportunities created in various parts of the SEZ.

ConHill Incubation Programme

- 1693 creatives benefitted from the creatives uprising programme exceeding the annual target by 493. The positive deviation was driven by the precinct's deliberate creation of targeted upskilling opportunities and strategic collaborations with support organisations. By proactively fostering a vibrant cultural and creative ecosystem that bolsters heritage tourism and the broader cultural economy, the precinct generated higher-than-expected demand among creatives. This engagement was particularly fuelled by programmes utilising various mediums to elevate constitutionalism, justice, and art.
- A further 461 market access opportunities were facilitated for creatives across the value chain.

Job creation

The Group facilitated the creation of 19 837 new and retained jobs as follows:

- TIRE business unit facilitated the creation of 13 446 jobs
- EPMO has facilitated 87 temporary construction jobs
- AIDC created 2 048 jobs
- TIH facilitated 203 jobs through incubated companies
- GIDZ created 3 282 cumulative jobs
- Constitution Hill – facilitated 771 temporary gig jobs

Organisational environment

The challenge in delivering the Visitor Centre infrastructure project is articulated above and is reported in further detail under the EPMO section in Programme 1 (Holdings company).

Geopolitical issues affecting the Gauteng economy – the United States/Israel–Iran conflict:

- Fuel shortages
- Fertiliser shortages

Key policy developments and legislative changes

During the 2025/26 financial year, several legislative and policy developments impacted on the operations of the Gauteng Growth and Development Agency (GGDA) Group and its subsidiaries. The following Acts were promulgated and necessitated adjustments in governance, financial management, and human resource practices:

Adjustments Appropriation Act 2 of 2026

Assented to on 25 February 2026, this Act provided for additional funding allocations to address fiscal pressures.

Impact on GGDA: Required financial reporting adjustments and compliance with revised budgetary frameworks.

Special Appropriation Act 1 of 2026

Assented to on 25 February 2026, this Act authorised special appropriations to stabilise public finances.

Impact on GGDA: Influenced budgetary planning and necessitated revisions to subsidiary funding allocations.

Division of Revenue Amendment Act 20 of 2025

Assented to on 28 November 2025, this Act amended intergovernmental transfers and allocations.

Impact on GGDA: Affected subsidiary funding streams, particularly for township economic development and special economic zones.

Progress towards achievement of institutional impacts and outcomes

As this report covers the first year of the 7th Administration, an impact evaluation of the Group's interventions will be undertaken in the next reporting period.





INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

PROGRAMME 1

GGDA HOLDINGS



Ms Sthembiso Dlamini
Group Chief Executive Officer
Gauteng Growth and Development Agency (GGDA)

Purpose: The GGDA is committed to fostering an inclusive, transformed Gauteng economy that drives job creation, skills development, innovation, and the growth of sustainable enterprises; strengthens strategic economic infrastructure; expands exports across the continent; and attracts increased foreign and domestic direct investment.

86%

ACHIEVED



R38.46 billion
investments facilitated

R11.50 billion
trade secured



96 expansion opportunities
created for GCR companies

1 infrastructure
project completed



R32.85 billion
investment committed to the Vaal SEZ

Achievement of Institutional Outcomes

Outcomes	Outcome Indicators	Baseline	5-Year Target 2025- 2030	Progress	% of Five-year target
TRADE, INVESTMENT AND REGULATORY ENABLEMENT (TIRE)					
Attractiveness of Gauteng as preferred investment destination economy	Rand value of direct investment to Gauteng facilitated	R117 billion	R120 billion	R38.46 billion	32%
Exports from Gauteng driven into new strategic markets and expansion of exports in existing markets	Rand Value of trade deals facilitated	R30 billion	R35 billion	R11.50 billion	33%
	Gauteng businesses supported to expand operations into new and existing markets	204	225	96	43%
ENTERPRISE PROJECT MANAGEMENT OFFICE (EPMO)					
Levels of economic activities in localities in which economic infrastructure was delivered	Economic infrastructure projects delivered	3	14 10 industrial parks 1 Mega township industrial Park Conhill Visitor Centre Biopark Phase 3 We the Peoples Park	1	7%
SPECIAL ECONOMIC ZONES PROGRAMME (SEZ's)					
Levels of economic activity in localities in which infrastructure was delivered	Vaal SEZ (Heidelberg, Emfuleni and Vaal Aerotropolis sites) operationalised by 2030	- Over 3000 hectares of land secured for development. - Master plan developed, business case and SEZ designation application complete. - Over R8 billion worth of investment commitments secured. - EIA and township establishment undertaken. - SEZ Fund applications submitted and under review.	Vaal SEZ (Heidelberg X24 Emfuleni & Vaal Aerotropolis sites) operationalised	Phase 1 developments of the SEZ: Heidelberg X24 bulk installation commenced, and at 8% progress Environmental Authorisation was granted by GDARD on 31 March 2026 for the Reitspruit site, which will allow for the finalisation of township proclamation processes (bulk designs for this site are still on hold due to funding). Designation application completed submitted and currently being considered by the dtic The Vaal Aerotropolis has to date concluded the Feasibility Studies, Business Case, and Master planning	-
	West Rand SEZ operationalised by 2030	- Five land parcels availed from municipalities and private sector (Sibanye) - one land lease agreement signed - Anchor tenants secured in respect of Sibanye sites - Signed MOU with COGTA - Full collaborative support of the three district municipalities - Completed original Masterplan and Business Case (based on three land parcels)	West Rand SEZ (Phase 1 Precinct) operationalised	The supplementary Business Case and Feasibility Study for the additional sites was concluded in the financial year. The Environmental Impact Assessment (EIA) and Township Establishment processes for Portion 47 of Gemspost and Portion 3 of the Farm Witpoortjie are at 40% overall completion. The project still has challenges relating to delayed responses from key authorities.	-

Outcomes	Outcome Indicators	Baseline	5-Year Target 2025- 2030	Progress	% of Five-year target
	Lanseria Hi-Tech SEZ operationalised by 2030	- Investor attraction strategy implemented - High-Tech SEZ business case developed (Bronkhorstspuit municipal area)	Lanseria Hi-Tech SEZ (Phase 1 Precinct) operationalised	The Lanseria SEZ technical feasibility study has reached 95% completion. Key technical, financial, and strategic components are now nearing finalisation. Key outstanding elements to complete the feasibility study include; - financial feasibility analysis, which will integrate capital requirements, - funding strategies, and projected returns - SEZ Business Case and Master Plan, both of which are currently at advanced stages of development The completion of these elements will enable the programme to present a fully integrated and bankable feasibility package. This process is scheduled for the 26/27 financial year.	-
	Rand Value of Investments secured for locations at the Lanseria, West-Rand and Vaal SEZ	R8.6 billion	R29 billion	R32.85 billion Rand value of investment committed to the Vaal SEZ	113%

Sub- Programmes

Trade, Investment and Regulatory Enablement (TIRE)

Whose purpose is as follows:

- Identify and promote investment opportunities in the Gauteng City Region and subsidiaries.
- Offer value added facilitation services to investors to ease the cost of doing business in Gauteng.
- Advocate for investor-friendly regulatory environment.
- Provide and support Gauteng enterprises with market access and expansion opportunities.
- Increase intra-Africa trade.
- Retention of companies invested in Gauteng and support expansion efforts.

The Trade, Investment and Regulatory Enablement (TIRE) unit is one of the core business units of the GGDA. The business unit is mandated to promote and attract trade and investment into the Gauteng City Region. For the 2025/26 financial year, TIRE was required to deliver four output indicators: the Rand value of investments facilitated, the Rand value of trade deals facilitated, the number of expansion opportunities matched with Gauteng City Region companies, and the number of Gauteng Investment Conference pledges converted into investment projects. The unit achieved all four output indicators for the period under review.

Against a planned target of R28 billion, the unit facilitated 15 investment projects with a total investment value of R38.46 billion, comprising R3.76 billion in foreign direct investment and R34.70 billion in domestic direct investment.

Against a target of R5.3 billion, the unit facilitated trade deals valued at R11.50 billion for the period under review. In total, 28 companies were assisted with 96 expansion opportunities across the continent and globally, against a target of 35 expansion opportunities for the 2025/26 financial year.

Rand value of investments facilitated

The annual target for investments facilitated during the 2025/26 financial year was R28 billion. By the end of the financial year, the unit had facilitated R38.46 billion, exceeding the target. The total Rand value of investments facilitated is further disaggregated below to present a detailed breakdown of Foreign Direct Investment (FDI) and Domestic Direct Investment (DDI) by sector, country, and corridor.

Foreign Direct Investments Facilitated

Foreign Direct Investment (FDI) projects contributed R3.76 billion to the R38.46 billion value of investments facilitated and supported 1 539 jobs, of which 257 were new jobs and 1 282 were retained.

Table 4: FDI investment projects and jobs

Foreign Direct Investment (FDI)			New jobs			Retained Jobs		
Sector	Investment value (R'million)	Percentage (%)	Permanent	Temporary	Total	Permanent	Temporary	Total
Food & Beverage	750	19,9%						
Steel	3 000	79,7%	117	55	172	3		3
Manufacturing	13	0,3%	47	38	85	824	455	1 279
Total	3 763	100%	164	93	257	827	455	1 282

Domestic Direct Investments Facilitated

During the 2025/26 financial year, Domestic Direct Investment (DDI) projects contributed R34.70 billion to the total Rand value of investments facilitated, resulting in the creation of 8 220 jobs, of which 2 483 were new jobs and 5 737 were retained.

Table 5: DDI investment projects and jobs

Domestic Direct Investment (DDI)			New jobs			Retained Jobs		
Sector	Investment value (R'million)	Percentage (%)	Permanent	Temporary	Total	Permanent	Temporary	Total
Property Development	28 000	80,7%	1 000		1 000	2 500		2 500
Food & Beverage	2 993	8,6%	1 331	43	1 374	1 402	175	1 577
Recycling	200	0,6%						
Manufacturing	2	0,01%	4	2	6	10	2	12
Rail	3 103	8,9%	68	17	85	654	28	682
Steel	400	1,2%	18		18	863	103	966
Total	34 698	100%	2 421	62	2 483	5 429	308	5 737

Investment projects (FDI and DDI) by sector

Foreign Direct Investment (FDI) and Domestic Direct Investment (DDI) facilitated during the 2025/26 financial year amounted to a combined total of R38.46 billion, with all investments concentrated in the secondary sector.

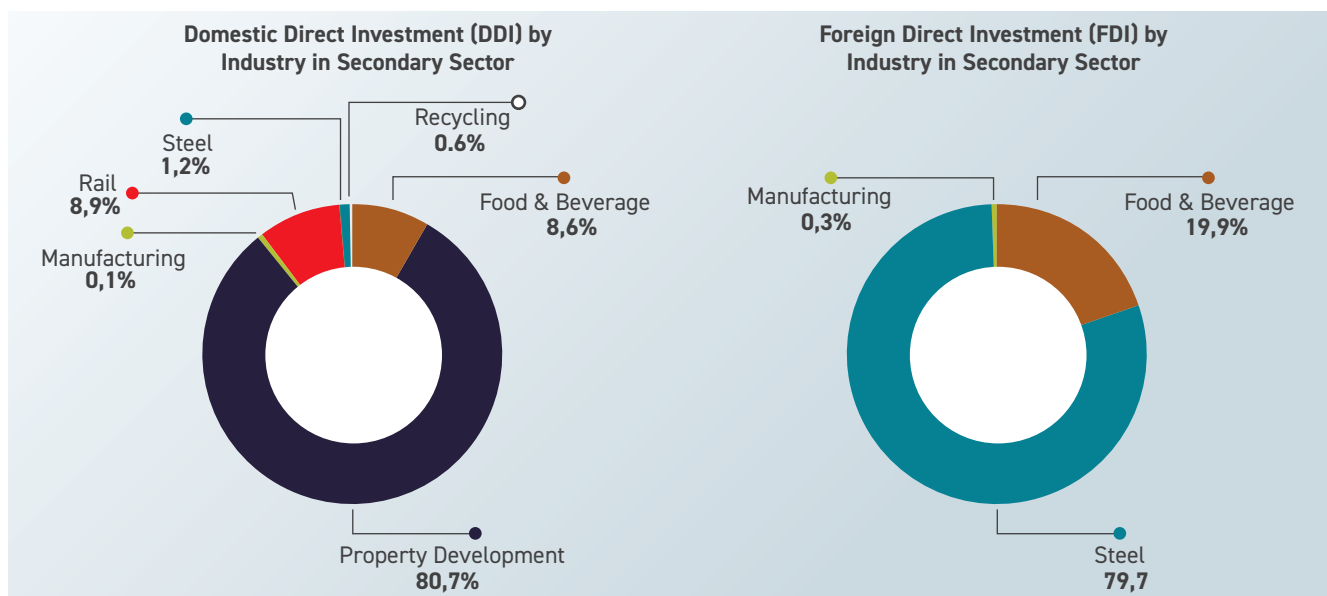


Figure 6: Investment projects (FDI and DDI) by Sector

Property development: sector momentum in the Gauteng City Region

Property development accounted for the largest share of investment value facilitated by the GGDA in 2025/26. Market activity beyond the Agency's own pipeline underscores why the sector continues to anchor investment into the Gauteng City Region:

Bankenveld District City, Johannesburg — Calgro M3, with Eris Property Group and funding from Nedbank, broke ground on phase 1 bulk and link infrastructure, including connector bridges and arterial roads. The integrated housing precinct, within walking distance of the Marlboro Gautrain Station, is planned to deliver 20 000 opportunities in total and 6 000 serviced opportunities over five years. The developer enters its 2027 financial year with a combined development pipeline of R31.8 billion. (Moneyweb, 18 May 2026)

Equinix data-centre expansion, Johannesburg — the Nasdaq-listed data-centre provider acquired additional land in Johannesburg and Cape Town for R890 million, securing 327 000 square metres as part of a R7.5 billion South African programme to add 160 megawatts of capacity. South Africa accounts for approximately three-quarters of Africa's operational data-centre capacity. (News24, 31 March 2026)

Together these developments illustrate the depth of demand for serviced land, bulk infrastructure and integrated precinct development in Gauteng — the same enablers the GGDA provides through its precinct, SEZ and investment facilitation mandate.

Analysis of Investment Projects

This section provides a detailed disaggregation of the investment projects facilitated, focusing on two dimensions — source country and economic corridor — to highlight the contributions of both foreign and domestic investors to the region's economic development.

Investment Project by Country

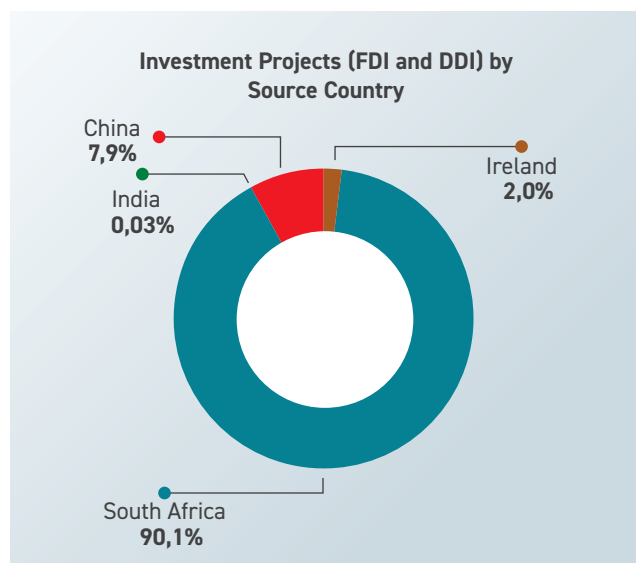


Figure 7: FDI and DDI by Country

FDI and DDI by Country

The GGDA has successfully facilitated investment projects totalling R38.46 billion. South African-based entities contributed R34.29 billion, representing 90.1% of the total, followed by China at 7.9%.

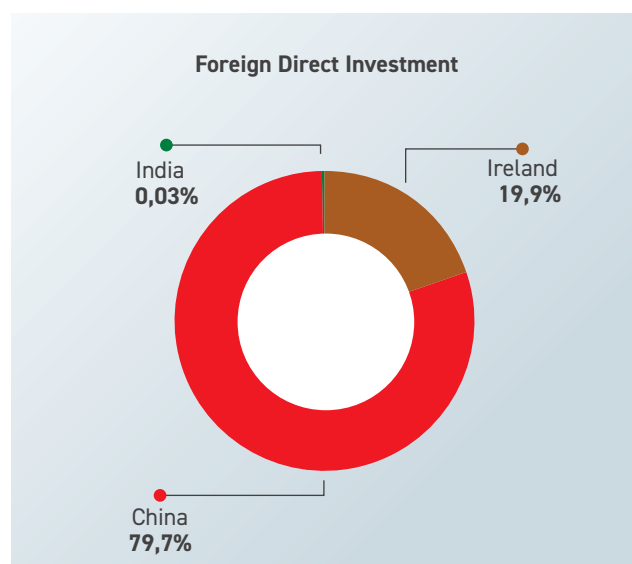


Figure 8: FDI by Country

FDI by Country

The GGDA has successfully facilitated FDI amounting to R3.76 billion, with 79.7% originating from China.

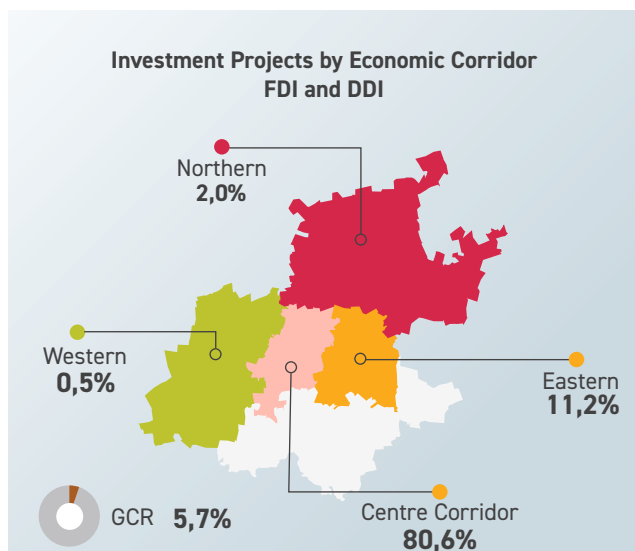


Figure 9: FDI and DDI by Corridor

FDI and DDI by Corridor

In the facilitation of projects by the GGDA, both Foreign Direct Investment (FDI) and Domestic Direct Investment (DDI) accounted for 80.6% in the Central Corridor, with a total investment of R31 billion, followed by the Eastern Corridor at 11.2%.

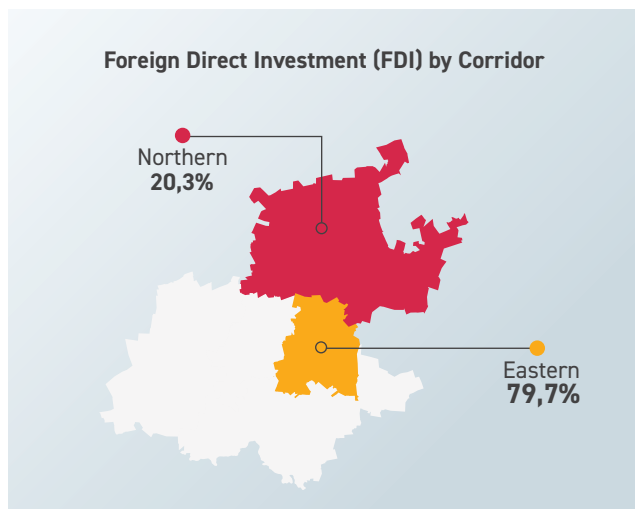


Figure 10: FDI by Corridor

FDI by Corridor

The distribution of FDI by Corridor indicates that the Eastern Corridor received the bulk of the FDI, accounting for approximately R3 billion (79.7%) of the total FDIs facilitated while the Northern Corridor accounted for R763 million (20.3%).

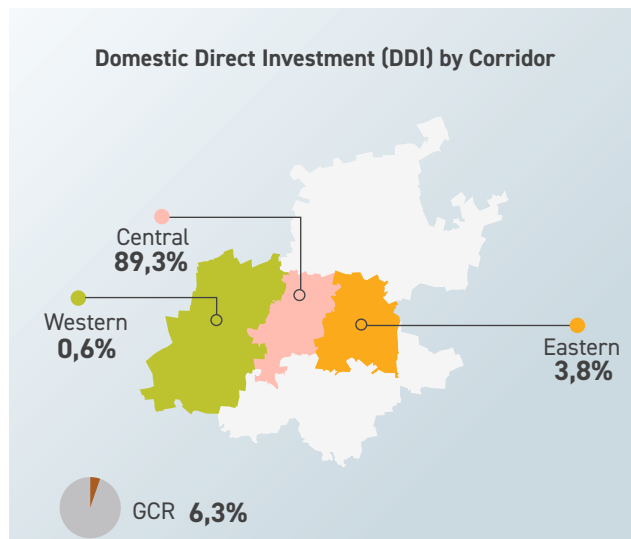


Figure 11: DDI by corridor

DDI by Corridor

DDI was realised in the four economic development corridors of the GCR. The Central Corridor contributed 89.3% of these investments, to a value of R31 billion, followed by cross-cutting investment across the GCR at 6.3%, the Western Corridor at 0.6% and the Eastern Corridor at 3.8% respectively, as shown in Figure 11.

Cross-cutting projects in the Gauteng City Region

These include investments that cut across multiple regions within the Gauteng City Region, particularly in the agro-processing, steel, and manufacturing sectors, with notable activity in areas such as Vereeniging, Germiston, Centurion, Ekurhuleni, and Sedibeng.

Rand value of trade deals facilitated

The purpose of the Trade and Export development unit is to increase trade activities in Gauteng by supporting emerging, small, medium and large enterprises to ensure seamless movement of goods and services to new markets globally. This is done through the following services and programmes:

- Facilitation of access to new markets (domestic & international)
- Provision of export readiness training for Gauteng based companies
- Selling platforms including e-commerce – Export portal, International/National and Provincial pavilions, exhibitions/trade fairs
- Identification and matching of infrastructure and/or export opportunities in goods and services, as well as linkages (B2G, B2B, chambers, export councils, industry associations, etc.)
- Facilitation of access to trade finance and all export-related facilitation support required by exporters
- Export enhancement programmes (to drive global competitiveness)

Trade and export development plays a critical role in the promotion of economic development and meaningful participation in the global economic and trade environment. This is done through multilateral trading systems built at National and Provincial level. Great focus is placed on the rest of the continent to achieve targets set in the GGT-2030. This will be mainly done by implementing the African Continental Free Trade Area (AfCFTA) Roadmap which focuses on key economies in regions (Eastern, Western, Southern, Central and North Africa).

Trade valued at R11.50 billion was facilitated for the 2025/26 financial year, resulting in the creation of 3 687 jobs, of which 1 871 were new jobs and 1 816 were retained jobs, as outlined in the table below.

Table 6: Trade facilitated projects by jobs created and retained per sector

Trade Sectors	New jobs			Retained Jobs		
	Permanent	Temporary	Total	Permanent	Temporary	Total
Manufacturing	58	127	185	95	17	112
Medical	6		6	3		3
BPO	1680		1680	1701		1701
Total	1744	127	1871	1799	17	1816

The figure below outlines trade deals facilitated, including the values.



Figure 12: Trade deals facilitated by Sector

Table 7: Trade deals facilitated by sector and destination market

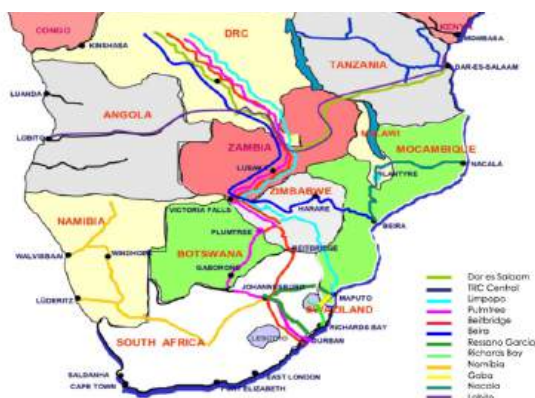
Sector	Export Value (R Millions)	Destination Market
Medical	48	Romania, Poland, Vietnam, Singapore
BPO	162	Australia, Europe, UK, USA, Canada, China, Japan
Automotive	1 400	Botswana, Zimbabwe, Zambia, eSwatini, Namibia
Manufacturing	2 324	China, Zambia, DRC, Mozambique, Dar Es Salaam, Germany, Durban, Saudi Arabia, Canada, Botswana,
ICT	2 300	Unspecified
Transportation (Rail)	5 260	Botswana, Namibia, Zambia, Kenya, Democratic Rep. of Congo, Lesotho, eSwatini, Zimbabwe, Indonesia, Australia, Mozambique, Ghana, Malawi, Angola, Morocco, Mauritius, Philippines, USA, Tanzania, Sierra Leone
TOTAL	11 494	



Figure 13: Total Trade deals facilitated (Africa vs The rest of the world)

Rail was one of the strongest contributors to Gauteng's 2025/26 trade performance, delivering R5.26 billion in trade deals. 37 of the 96 expansion opportunities facilitated for GCR companies were in the rail sector, spanning markets including Namibia, Botswana, Tanzania, Malawi, Zambia, Zimbabwe, Angola, Kenya, the DRC, Lesotho, Eswatini and Ghana. These corridors position Gauteng's rail manufacturers and exporters to supply the continental market as intra-African trade expands under the African Continental Free Trade Area (AfCFTA).

Rail: connecting African markets under the AfCFTA



The primary developmental objective of trade and export services promotion is to ensure that the GGDA leads the implementation of the necessary support initiatives for provincial exporters, in alignment with the unit's Key Performance Indicators, which include:

- Increased total value of trade deals (impactful and effective)
- Increased number of trade deals (accessible)
- Capacitation of Gauteng-based exporters (developmental)
- Development of tools and policies that will ensure ease of access to support Gauteng exporters (feasible); and
- Ensuring growing capacity to handle increased production/volumes (efficiency).

There is a vast potential to support more emerging exporters, with identification of new markets and linkages to opportunities, particularly in the rest of the African continent. Through the market access element of the GGDA team's facilitation support, the identification of platforms and initiatives such as exhibitions, workshops and linkages are among the activity offerings supplied to Gauteng-based exporters. This will have to be coupled with access to finance, as it is one of the major obstacles faced by emerging exporters. The trade team is therefore working on opening more channels that will provide access to trade financial instruments that can cater for the various needs of small enterprises, while ensuring that exposure to risks is minimal. Engagements with key stakeholders such as the Development Finance Institutions, Commercial banks, private trade financiers and the Export Credit Insurance Corporation have been critical in ensuring that enterprises are well equipped with information relating to political and commercial risk insurance. In addition, the trade team is facilitating programmes that are tailored to improving enterprise export competitiveness, thus providing the foundation for export growth in the Gauteng Province. The successful facilitation of trade deals throughout the financial year was further supported by the easing of regulatory processes, including the cross-border movement of company materials, which necessitated Cross Border Management Agency interventions facilitated by GGDA officials.

Number of expanding opportunities for GCR companies

In total, 28 companies were assisted with 96 expansion opportunities across the continent and the globe. The opportunities were identified through new and existing strategic partnerships. The objective of this indicator is to assist Gauteng companies to expand their operations to the rest of the continent and globe by either setting up operational facilities in the identified countries or partnering with local agents and selling their products through distributors (retail or private distributors).

The GGDA as an entity is tasked with increasing trade in Gauteng by exploring ways in which the local companies can benefit from existing value chains, either by supplying inputs to investors, collaborating with investors, or directly exporting their products to international markets. The GGDA supports Gauteng based companies to access markets locally and internationally. One of the ways in which the GGDA provides this support is through Export Readiness Training, where local SMMEs are trained to be export-ready. The training covers export basics, market entry considerations, trade agreements, customs and compliance and export finance.

Companies in the following sectors and destination markets were supported to enable them to expand.

Table 8: Expansion opportunities facilitated

Sector	Country of opportunity	Number of Opportunities
Manufacturing	China, Zambia, Mozambique, DRC, Dar Es Salam, Germany, Durban, Saudi Arabia, Canada, Botswana	10
Energy	Botswana, DRC, Zambia	3
Automotive	Botswana, Zimbabwe, Zambia, eSwatini, Namibia	5
Rail	Mozambique, Uganda, Namibia, Botswana, Tanzania Malawi, Zambia, Zimbabwe, Angola, Kenya, DRC, Lesotho, eSwatini,, Ghana, Morocco, Sierra Leone, Mauritius, Indonesia, Philippines, Australia, USA	37
Medical	Romania, Poland, Vietnam, Singapore	4
BPO	Australia, Canada, Europe, UK, USA, China, Japan	7
Food and Beverage	China	30

GIC Pledges converted into investment Projects

The inaugural Gauteng Investment Conference marked a significant milestone in the province's efforts to position itself as a premier investment destination on the African continent.

Of the R312.5 billion pledged at the conference, the TIRE unit focused its facilitation effort on moving pledges from commitment to implementation. This work involved engaging investors on regulatory approvals, land and bulk infrastructure requirements, and tracking each project through the pipeline across manufacturing, infrastructure, energy, ICT, and agro-processing. The conversion performance against this pipeline is disaggregated by country, corridor and sector below.

The unit converted 18 of the 60 projects meeting the target of 30% and bringing the total value of projects converted to R88.94 billion.

Pledges converted by Country

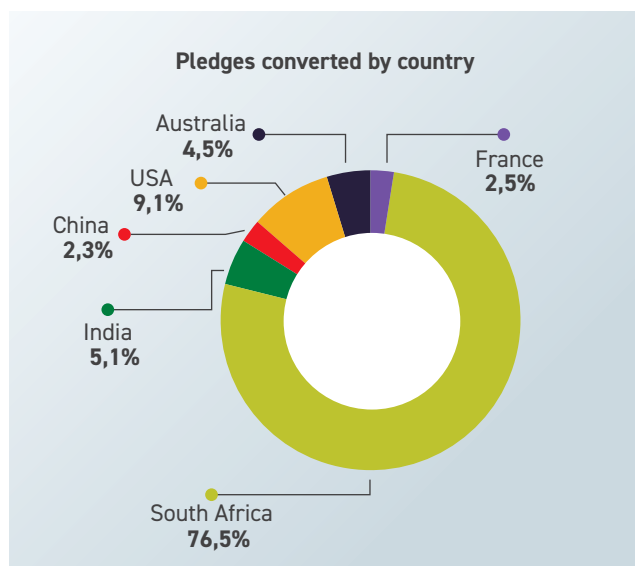


Figure 14: Pledges converted by Country

South Africa accounted for the majority share at 76,5% (R68.02) of the total R88.94 billion. This is followed by investments from the USA at 9,1%, indicating notable foreign contribution. Australia contributed a moderate 4,5%, while China, France, and India each account for smaller shares ranging between 2,3% and 5,1%.

Pledges converted by Corridor

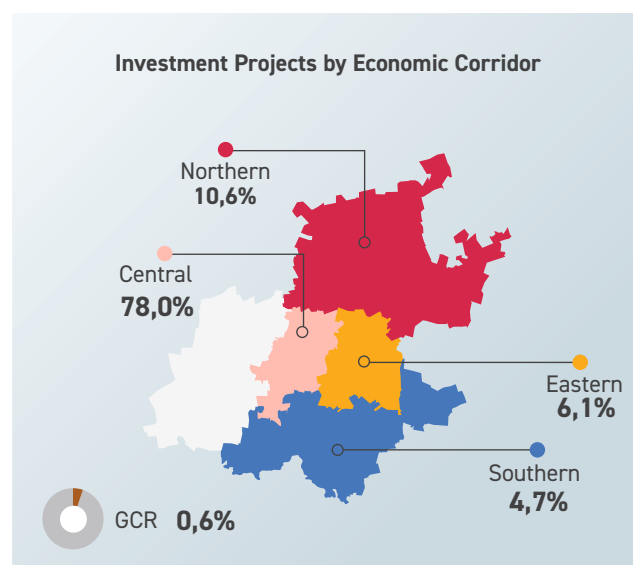


Figure 15: Pledges converted by Corridor

The graph indicates that investment is overwhelmingly concentrated in the Central Corridor, which accounts for 78% (R69.4 billion) of the total R88.94 billion. The Northern Corridor follows at 10.6%, while the Eastern Corridor contributes 6.1%. The Southern Corridor represents a smaller share at 4.7%. Overall, the distribution highlights a strong concentration of investment in the Central Corridor.

Pledges converted by Sector

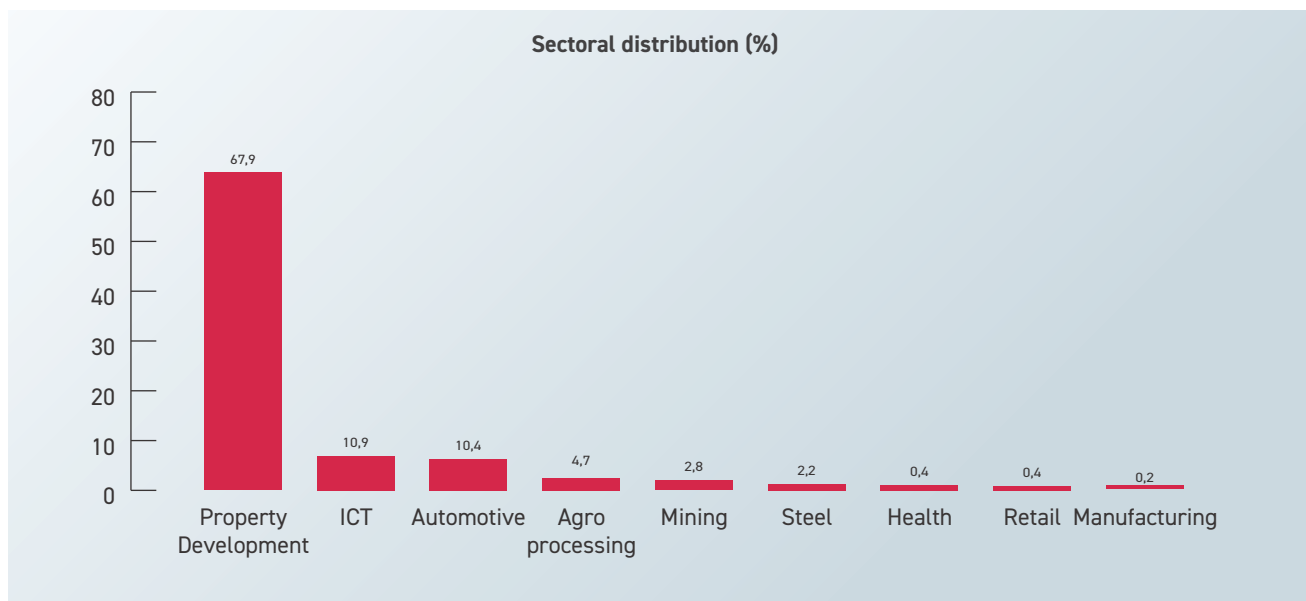


Figure 16: Pledges converted by Sector

A strong concentration of pledges was received in the Property Development sector, which accounts for 67,9% of total pledged investment.

Notable levels of investment were also recorded in the ICT (10,9%) and Automotive (10,4%) sectors, reflecting investor interest in technology and manufacturing related industries. Agro-processing received 4,7% of total pledges, while mining accounted for 2,8%, representing moderate contributions.

The remaining sectors, Steel (2,2%), Health (0,4%), Retail (0,4%), and Manufacturing (0,2%) attracted a relatively small share of total pledges.

Overall, the distribution reflects a significant concentration of investment in Property Development, highlighting an opportunity to drive greater diversification in future investment inflows.

Enterprise Project Management Office (EPMO)

The purpose of the unit is to:

- To accelerate delivery of key Economic Infrastructure Projects through project development and partnerships.
- Provision of Project Management Technical Support for Economic Infrastructure Projects implementation.
- Support the Implementation of Catalytic Economic Infrastructure Projects for the SEZ and Industrial Parks Programmes.
- Facilitate Job Creation through implementation of Catalytic Economic Infrastructure Projects (unskilled and semi-skilled).
- The Custodian and Authority for Building Standards and Regulations within the Group.

Visitors Centre Project

The ConHill Visitors Centre is a multi-storey building set to enhance the site's functionality and cultural significance, enabling year-round conferencing, exhibitions, and civic engagement.

The Johannesburg Development Agency (JDA) was appointed as the implementing agent and subsequently the contractor was appointed in May 2025 and the construction permit secured on 2 July 2025.

The site was formally handed over to the contractor on 7 July 2025, with construction commencing immediately thereafter. The project is based on a 12-month construction period, with an initial targeted practical completion date of 6 July 2026, now revised to the end of the 2026 calendar year for the reasons advanced below.

The project encountered significant challenges impacting progress. These include delays in the appointment of subcontractors on critical path activities, procurement delays related to long-lead items such as lifts and escalators, and performance challenges from certain service providers.

Further delays were experienced due to non-performance by previously appointed subcontractors, including failure to submit required contractual documentation, necessitating termination and re-procurement. These subcontractors were incorporated into the revised procurement process managed by JDA.

To mitigate these delays, a series of corrective measures were implemented. The contractor and service providers were placed on terms, and in January 2026, the responsibility for the appointment of subcontractors was transferred to the implementing agent (JDA) to accelerate the process. The procurement of subcontractors through the JDA process was subsequently finalised in March 2026, with formal instructions to proceed issued to the main contractor on 5 March 2026.

As at March 2026, the project achieved overall physical progress of 16%, with expenditure amounting to R54.1 million against a combined contract value of R234.3 million for both the contractor and PSP. The contractor is currently implementing a recovery programme to address delays and improve progress on site.



We The People's Park

The Peoples Park envisaged as the heartbeat of the Constitution Hill Precinct progressed into the 2025/2026 financial year with construction already underway, following the initial works completed in the prior period.

The initial target for practical completion was 3 June 2025. Owing to challenges including adverse weather conditions and slower-than-anticipated performance, the completion date was revised to 3 July 2025. Practical completion was subsequently achieved on 14 July 2025.

Final close-out activities, including all contractual and administrative processes, were completed on 24 November 2025, marking the successful handover of the project.

The project was completed within the approved budget. The contract was awarded at a value of R9.8 million (Contractor and PSP) with a final expenditure of R9.75 million representing approximately 100% of the allocated budget.

The park is now fully operational, and several community events have already been hosted at the facility.



Refurbishment of Ramparts and surrounding walls

As iconic heritage structures, the ramparts are significant attractions, offering visitors a breathtaking 360-degree view of the city, making them a key highlight for visitors.

This heritage project required approvals from the South African Heritage Resources Agency (SAHRA) and involved the restoration of a collapsing stone retaining wall, waterproofing of the existing Ramparts building, and the restoration of guard houses, including related ancillary works.

Construction works commenced on 25 March 2025 and reached practical completion by the end of the reporting period.





AIDC Automotive Hub (Westonaria)

To develop the automotive manufacturing sector to globally competitive standards of excellence through a world-class value proposition which enables effective and sustainable socio-economic growth. The refurbishment project aims to modernise the AIDC Automotive Hub, enhancing operational functionality, customer experience, and compliance with health and safety standards. The project is currently in the planning stage.

The Professional Service Providers (PSPs) for the project were appointed on 9 December 2025.

Progress to date on the project is as follows:

- Stage 1 has been completed
- Stage 2 (Concept design) will be completed by end of May 2026.

The project is on-going and the anticipated completion of stages 1 – 4 is August 2026. The Total Contract Value of the Project is R5.2 million (incl VAT) and the expenditure to date is R511 574.45.

Vaal SEZ EIA and Township Establishment and Heidelberg Bulk Infrastructure Installations

For ease of reference, this project status is reported under the Vaal SEZ below to provide the reader with a comprehensive view of undertakings in each of the initiatives.

Revitalisation of Industrial Parks Programme

In the reporting period, the GGDA had targeted the refurbishment of 6 Industrial Parks in the following corridors, Emdeni (Soweto in the Central Corridor), Umqantsa (Tembisa in the Eastern Corridor), and Rosslyn (Northern Corridor), Fannie Malepe Hive (Eastern corridor), Atteridgeville 1 and Atteridgeville 2 (Northern corridor).

Following the submission of building plans to the relevant municipalities, significant and long-standing town planning and land use compliance challenges were identified. These challenges included requirements for ERF consolidation, rezoning, approval of as-built drawings, and parking relaxation approvals. Project initiation, progress has been adversely impacted and consequently, refurbishment activities at these sites have been halted pending resolution of the outstanding municipal and planning approvals.

Due to the lengthy lead times for Town planning processes which typically require 6 to 12 months, as well as no budget for 4 industrial parks, it was resolved that the refurbishment of the industrial parks projects be removed from the financial year Annual performance plan as a target.

The GGDA continues to engage with the relevant property owners and municipal authorities while exploring alternative avenues to unblock these bottlenecks and enable the continuation of the industrial parks refurbishment programme.

Redevelopment of The Ga-Rankuwa Hotel School

The GaRankuwa Hotel School (GHS) is a state-owned immovable asset situated in GaRankuwa Unit 2 and functions as a higher education institution specialising in hospitality and tourism training. The school places strong emphasis on practical and experiential learning to support skills development within the sector.

In response to the severely aged and deteriorating condition of the existing infrastructure, the GGDA initiated a redevelopment programme to modernise the facility and ensure its long-term sustainability. During the 2024/25 financial year, Professional Service Providers (PSPs) were appointed to support the implementation of the programme over multiple financial years. Their mandate includes conducting comprehensive condition assessments, developing concept and detailed designs, ensuring compliance with occupational health and safety requirements, and providing construction monitoring services for the planned works. The approved scope of the programme entails the demolition of the existing facilities and the construction of a new, purpose-built hotel school designed to meet contemporary academic, operational, and industry standards.

The PSP commenced the statutory approvals process with the City of Tshwane Building Control Unit in December 2025, beginning with the submission of the Site Development Plan, followed by the submission of demolition and building plans in March 2026. The GGDA is now continuously engaging with the municipality to secure the required statutory approvals in preparation for the commencement of construction. This is taking place in parallel with engagements with other relevant environmental stakeholders to obtain the necessary environmental approvals.

Special Economic Zones (SEZs)

Purpose

The Special Economic Zone programme is a critical policy that is prioritised to drive Gauteng's reindustrialisation and global competitiveness. The goal is to reindustrialise Gauteng for the 21st century by boosting manufacturing, increasing exports and employment, and adding momentum towards turning the Gauteng City Region into a single, multi-tier and integrated Special Economic Zone. Furthermore, SEZs are designed to promote industrial agglomeration in the Gauteng City Region, to build the necessary enabling industrial infrastructure to support SEZs in the region, to anchor new economic clusters guided by economic regional planning, and to foster economic inclusion. SEZs are also earmarked as the drivers to mobilise investment into the Gauteng City Region, in identified high-growth sectors.

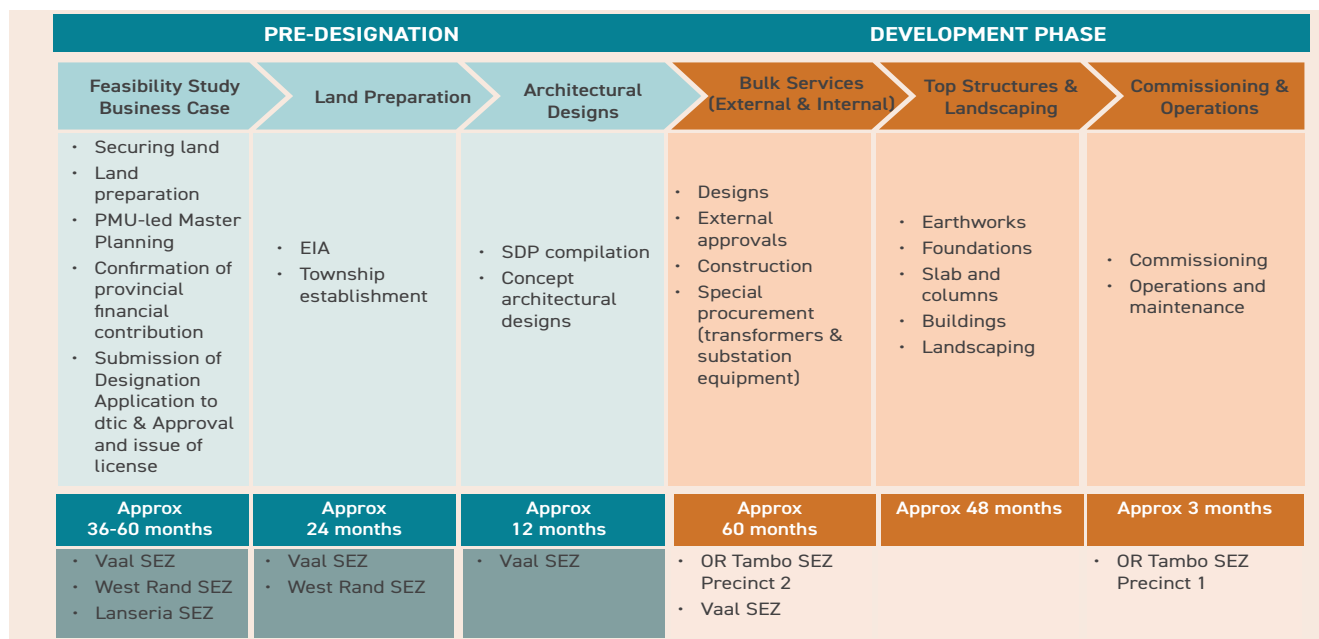


Figure 17: SEZ Development Cycle

The Vaal SEZ

The mandate of the Vaal SEZ is to develop a multi-sector, multi-site, regional Special Economic Zone throughout the Southern Corridor of the Gauteng Province (Sedibeng District). The objective is to create a seamless, integrated, and socially cohesive society with sustained economic growth, that will result in the creation of quality jobs.

The vision of the Vaal SEZ is to "Reignite the birthplace of industrialisation in South Africa". The SEZ's strategic intent is to:

- Contribute to the re-industrialisation and rejuvenation of the Vaal economy,
- Facilitate a stable environment for business to invest, be competitive and profitable to create sustainable jobs,
- Develop and upgrade infrastructure to overcome the current backlogs to stimulate investment that will enable economic growth,
- Promote the export of goods and services from the region,
- Promote investment from both domestic and foreign sources; and
- Support skills development in line with the requirements of business.

In line with the aforementioned, for the 2025/26 financial year, the Vaal SEZ had identified one (1) annual target which was to secure R2 billion worth of investment commitments. Additional to this, the Vaal SEZ intended to commence with bulk development in Heidelberg x24 (Lesedi Local municipality) and finalise land preparation and bulk designs for Reitspruit (Emfuleni Local municipality).

Investment commitments

The SEZ met and surpassed the annual target of R2 billion by securing four investment commitments of over R32 billion (1 600% of the annual target achieved).

The table below provides more information on the investment commitments secured in the 2025/26 financial year:

Table 9: Vaal SEZ Committed Investments

Project Name	Project Value	Vaal SEZ site preference
Manufacturing Facility for Food Packaging Materials	R354 million	Heidelberg x24 (Lesedi Local Municipality)
Bulk Fuel Storage Inland Facility	R1.9 billion	Langlaagte site (Lesedi Local Municipality)
Gauteng Biodiesel Plant Inland Facility	R300 million	Kookfontein (Midvaal Local Municipality)
Vaal Aerotropolis development	R30.3 billion (for phase 1)	Remaining extent of the Farm Klipkop (Emfuleni Local Municipality)

Additional to the above investment commitments, the Vaal SEZ has a strong investment pipeline in various sectors including manufacturing, renewable energy production, and chemicals. These investments will be in the various land parcels where land use rights have been secured. The potential investments are at either the feasibility or bankable feasibility stage; once they mature and reach concrete milestones, they will be converted into investment commitments. Financial years 2026/27 and 27/28 will be devoted to ensuring financial close of these projects.

Heidelberg x24 bulk development

EIA and Township Establishment processes have been completed for this site followed by bulk designs submitted to the Lesedi municipality in April 2025. The procurement process for a contractor for Bulk installation was concluded with an appointment made on the 3 November 2025. Construction permit was approved on the 18 November 2025. The site was handed over in January 2026, and site establishment, together with the appointment of a Community Liaison Officer (CLO), MSMEs and general labourers, was concluded. Construction has commenced, with progress of 8% attained as at the end of the reporting period (civil works, including sewer and water pipe laying, have commenced). The project duration is 18 months.

Reitspruit site land preparations and bulk designs

The Township Establishment application received conditional approval from the Emfuleni Local Municipality on 26 June 2025, subject to requirements from the water and sewer, roads and stormwater, and electrical departments.

The final Environmental Impact Assessment (EIA) application was resubmitted to the Gauteng Department of Agriculture and Rural Development (GDARD) on 4 September 2025. The Record of Decision (ROD)/Environmental Authorisation (EA) was subsequently granted by GDARD on 31 March 2026, thereby enabling the finalisation of the Township Proclamation process. The final approval of Township Establishment is expected before end of quarter 1 of the 26/27 financial year, noting comments from GAUTRANS and South African National Roads Agency Limited (SANRAL) on the Township Establishment application and Section 7 report are still outstanding. Bulk designs and installation have been put on hold pending confirmation of availability of funding.

Vaal Aerotropolis

The Vaal Aerotropolis is envisaged as the freight and logistics hub of the Vaal SEZ and a catalytic development initiative for the broader Vaal region. The Vaal Aerotropolis will be the only airport in Gauteng where integrated air cargo services are designed and planned as a priority. The intention is to incorporate the Vaal Aerotropolis into the Vaal SEZ in a separate Public Private Partnership (PPP) structure, and Shareholder approval to this end was secured on the 29th of January 2026.

The Vaal Aerotropolis has to date concluded its Feasibility Studies, Business Cases, and Master planning. To expedite the land release process and obtain Power of Attorney (POA) from Department of Agriculture, Land Reform and Rural Development (DALRRD), a resettlement confirmation letter with the developers was sent from GDED on the 19th of March. A technical committee [between the Vaal SEZ, Vaal Aerotropolis Management Company (VAMCO), and Office of the Premier (OoP)] was established to manage this process to the point where the project is ready to be submitted for designation as an extension of the Vaal SEZ.

The Vaal SEZ Designation application

The Vaal SEZ Designation application was submitted to the Department of Trade, Industry and Competition (the dtic) in March 2025. Subsequently, a technical evaluation was conducted by the committee on the 15th of August 2025. Recommendations were made to the Minister of Trade, Industry and Competition to designate Vaal SEZ. To comply with the SEZ Act and its regulations, the Minister issued a Government Notice (3 March 2026) calling for public comments on the intention to designate the Vaal SEZ, with inputs to be provided within 30 days of issuance. Public engagement meetings are planned from March 2026 until 20 April 2026 in the Lesedi, Emfuleni and Midvaal Local Municipalities, which host the designated sites in the Sedibeng District Municipality for Vaal SEZ implementation and rollout.





The West Rand SEZ

The West Rand District Municipality is in the western part of Gauteng province. Comprising three local municipalities (i.e. Merafong City, Mogale City and Rand West), it is envisaged that the proposed West Rand SEZ will help to create much-needed jobs in the region. In addition, the SEZ will drive the re-industrialisation of the region by facilitating the establishment of clusters potentially in the following industrial sectors:

- Industrial agro processing & controlled-environment agriculture
- Renewable energy, Solar (inc. Agrivoltaics)
- Light to medium manufacturing

The mandate of the West Rand Project Management Unit (PMU) is to undertake all preparatory work that will lead to SEZ designation; these include, amongst others:

- Overseeing conclusion of land arrangements;
- Developing technical feasibility and a master plan for a multi-site SEZ;
- Profiling strategic infrastructure plans interventions that unlock the SEZ's development;
- Facilitating investment into Western Corridor;
- Packaging and securing a designation for a SEZ;
- Leading land use applications for rezoning, EIAs, etc.;
- Leading real estate negotiations and implementation functions for the SEZ;
- Supporting the development of regional development and an implementation plan, working together with districts and municipalities;
- Working with key stakeholders to bolster the revitalisation of the district – with a focus on the township economy;
- Managing the SEZ infrastructure build programme together with appointed stakeholders;
- Coordinate overall Government support to create an enabling environment, and
- Facilitating linkages between the SEZ and industrial parks in the region.

Confirmed land Parcels

Registration of the lease at the deeds office

Since the project's inception, two (2) municipalities and a private company have availed five (5) land parcels on which the SEZ project will be established, namely:

Table 10: Availed land parcels

Name of Lessor	Hectares Leased
Rand West Municipality Lease agreement	34.27 ha
	433 ha
Mogale City - Land Reservation Agreement (LRA)	359.34 ha
Mining company	89 ha
	1696 ha

The PMU originally anticipated finalising the registration of five (5) Notarial Leases at the Deeds Office in this financial year. The timeline was based on the conclusion of the business case related to the mining company sites as well as the expected availability of budget to appoint a conveyancer. Subsequent discussions with the mining company and their legal team proposed that the 25-year long-term lease should only be registered once the lease period formally commences.

Feasibility studies & Business Case for the additional land (i.e., secondary masterplan)

The outcomes of the original masterplan were based on the Rand West and Mogale City land and only one land parcel from the mining company, as land agreements for the remaining land parcels were yet to be finalised. The supplementary Business Case & Feasibility Study for the additional sites was concluded in Quarter 3.

Accordingly, the annual target of "undertaking and concluding the Business Case and Feasibility Study Report" has been achieved. In Quarter 4, the PMU in consultation with internal stakeholders as well as the IDC's IZP (Industrial Development Corporation's Industrial Zone Programme) technical team - made the strategic decision to re-focus its efforts on Gemspost Portion 47 as Phase 1 due to land preparation status & budget constraints inhibiting land studies on the mining company sites.

The findings of the study reaffirm that the Western Corridor SEZ is strategically positioned as a multi-cluster eco-industrial hub, integrating the following components:

- **Bus Manufacturing Cluster:** Anchored by the production of electric buses and the development of green mobility solutions.
- **Agro-Processing and Food Innovation Hub:** Focused on strengthening the agricultural value chain through greenhouse farming and specialised food processing.
- **Renewable Energy (Solar PV Farm):** A clean energy facility with a planned generation capacity of up to 200MW, supplying both the SEZ and the national grid.

This diversified development model is expected to transform the SEZ into a resilient and globally competitive industrial district, while promoting inclusive economic growth, community empowerment, and environmental sustainability.

Business Development

A successful West Rand & Lanseria GIC pre-activation roundtable was held on 25 March 2026.

Below are some of the outcomes of the roundtable:

- Investment promotion
- Confirmed investor interest & pipeline development
- Regulatory & policy bottlenecks identified
- Skills & local development commitments

Environmental Impact Assessment (EIA)

The Professional Service Provider (PSP) DBI Consulting is currently undertaking Phase 2: Status Quo Analysis and Phase 3: Specialist Studies of the project. Against the annual target of 50%, the overall progress for the project is 40% broken down as follows:

Gemspost (Phase 1) – 50,7%

The following work was completed:

- Land surveys;
- Geotechnical Study;
- Dolomitic Investigation;
- Scoping report;
- Traffic Impact Assessment (TIA);
- Technical studies such as: Agriculture; Aquatic; Avifauna; Ecological; Heritage; Paleontological; Social Impact; Terrestrial; Visual, Wetland Studies and Stormwater channel assessment.
- General Layout has been developed and approved by the PMU but it is not yet final (pending Traffic Impact Assessment and Environmental Impact Assessment approval)

The PSP is currently in the process of completing the Outline Scheme Reports and the EIA application will be submitted mid-May 2026 to GDARD for approval.

Witpoortjie (Phase 2) – 29,5%

The following work was done to date:

- Geotechnical study is 60% complete (pending information from the Department of Mineral Resources and Energy (DMRE) and comments from the National Nuclear Regulator (NNR));
- Surveys have been completed.
- Report has been submitted to NNR for comments/approval;
- Floodline report has been completed, and
- Draft General Layout (finalisation depends on the information requested from DMRE and NNR and the technical studies that are still to be conducted).

Project delays

The project has encountered challenges relating to delayed responses from key authorities, as follows:

Gemspost (Phase 1)

The Traffic Impact Assessment (TIA) was initially submitted to Gautrans Agency by the PSP in July 2025 for review and approval. Due to backlogs faced by Gautrans Agency, a response with further comments was only received in March 2026 following several follow-ups and escalations, and the final approval is awaited by the PSP.

Witpoortjie (Phase 2)

In March 2025, an initial request for undermining information was submitted to the DMRE for the site. Following numerous follow-ups and escalations, the PSP submitted locality plans in February 2026 as per the DMRE request, and follow-up is ongoing.

Radiation information was requested from NNR in March 2025. Numerous follow ups were made by the PSP. In June 2025, the PSP requested radiation information from Mogale City Local Municipality that they may have in their archives. This information was eventually shared with the PSP in September 2025. The PSP wrote a report based on the information received and submitted it to NNR for their comments/approval in October 2025. In February 2026 following several follow ups, NNR informed the PSP that they will review the report, do a site visit and advise on the next steps. The report was reviewed, and the final comment from the NNR was that the PSP needs to undertake a radiation study.

Lanseria SEZ

The Lanseria SEZ Project Management Office (PMO) plays a central role in coordinating, tracking, and facilitating the implementation of the Greater Lanseria Master Plan (GLMP) and related initiatives such as the Lanseria Hi-Tech SEZ, bulk infrastructure development, and integrated urban planning. Its objectives can be grouped into strategic, operational, and governance-focused functions:

Strategic Objectives

- Coordinate Multi-Stakeholder Implementation
Ensure alignment and collaboration across all spheres of government (national, provincial, municipal), state-owned entities, landowners, private developers, and investors.
- Drive the Rollout of the Greater Lanseria Master Plan (GLMP)
Guide the phased implementation of the GLMP, integrating spatial planning, economic development, infrastructure, transport, and environmental sustainability.
- Support Pre-Designation of the Lanseria Hi-Tech SEZ
Oversee feasibility studies, land agreements, business cases, and master plans required for the SEZ designation and subsequent investment attraction.

The 2025/26 financial year marked a critical transition period for the Lanseria Smart City Programme, moving from foundational planning into advanced feasibility and pre-implementation readiness. Over the course of the year, the PMO successfully coordinated multi-stakeholder activities aligned with the Greater Lanseria Master Plan (GLMP), while advancing the pre-designation of the Lanseria Hi-Tech Special Economic Zone (SEZ).

The programme demonstrated consistent progress across all four quarters, culminating in approximately 95% completion of the overall feasibility phase by Quarter 4. Key achievements include the consolidation of technical, financial, and socio-economic studies, strengthening of intergovernmental coordination, expansion of investor pipelines, and significant progress toward securing land and institutional readiness.

Despite notable achievements, the programme continues to face structural constraints, particularly related to SEZ designation status, bulk infrastructure funding, and regulatory alignment. Nonetheless, the programme remains well-positioned to transition into implementation in the 2026/27 financial year.

Programme Overview

The Lanseria Smart City Programme is structured around four interrelated implementation streams:

- The Regional Spatial Development Framework (RSDF)
- The SEZ Pre-Designation Process
- The Infrastructure Implementation Pipeline
- Stakeholder Engagement and Investor Facilitation
- These streams operate concurrently to ensure alignment between spatial planning, economic development, and infrastructure delivery.

Foundation, Institutionalisation and Strategic Alignment

The first quarter focused on laying the institutional and strategic groundwork for the programme. A major milestone was the advancement of the Regional Spatial Development Framework (RSDF), including boundary delineation and integration into the Greater Lanseria Master Plan. The RSDF work was handed over to the Department of Cooperative Governance for finalisation, marking a critical step toward formal spatial alignment.

Simultaneously, the SEZ pre-designation process was formally initiated, with the appointment of a transaction advisor to lead the feasibility study, business case, and master planning processes. Foundational deliverables such as the inception report, market analysis, legal advisory, and site selection studies were completed, establishing a strong technical and strategic base.

Institutional strengthening was a key focus area. The Urban Planning Workstream was formally constituted, with Terms of Reference approved to guide integrated planning across municipalities. In parallel, the Human Settlements Workstream advanced governance arrangements through the establishment of a national steering committee led by the National Department of Human Settlements.

Stakeholder engagement intensified through high-level platforms, including the Lanseria Smart City Stakeholder Summit and sector-specific engagements such as Aero South Africa. These engagements enhanced alignment across government, private sector, and community stakeholders.

Investor interest began to build during this period, with early engagement indicating strong market confidence in the long-term viability of the SEZ.

Feasibility Progress and Technical Consolidation

Quarter 2 marked a shift toward technical consolidation and feasibility development, with overall project progress reaching approximately 65% completion.

Significant outputs were delivered across multiple technical domains, including:

- Commercial framework development
- Bulk infrastructure assessments (water, sanitation, stormwater)
- Transport modelling
- Preliminary technical feasibility
- SEZ value proposition development

The preliminary project report provided an integrated overview of engineering services, geotechnical conditions, and spatial planning considerations. These outputs collectively strengthened the technical credibility of the project.

A key milestone during this quarter was the strategic engagement with the Council for Scientific and Industrial Research (CSIR), aimed at integrating smart technologies into spatial planning, mobility systems, and infrastructure optimisation. This engagement laid the groundwork for a formal Memorandum of Understanding to support innovation-led development.

Stakeholder engagement remained robust, with active participation from municipalities, development finance institutions, and private sector partners. These engagements reinforced collaboration and alignment, while also highlighting the need for improved coordination across planning and regulatory frameworks.

Investor facilitation efforts continued to gain traction, with growing interest from both local and international investors across sectors such as manufacturing, logistics, and infrastructure.

Advanced Feasibility and Stakeholder Integration

By Quarter 3, the programme had reached approximately 70% completion, with significant progress made in consolidating the full feasibility study.

Key technical reports were completed, including:

- Traffic impact assessments
- SEZ modelling reports
- ICT sector analysis
- Risk assessment
- Socio-economic impact assessment

These reports contributed to the integration of financial, economic, legal, and socio-economic components required for SEZ designation.

The SEZ value proposition matured significantly, with marketing materials finalised and aligned with GGDA communication strategies. This strengthened the positioning of Lanseria as a competitive investment destination. Stakeholder engagement intensified further, particularly through the Urban Planning Workstream, where alignment across municipalities (City of Johannesburg, Tshwane, Mogale City, and Madibeng) was prioritised. Discussions highlighted persistent challenges related to fragmented planning systems and the need for streamlined approval processes.

Community engagement also became a focal point, with ward councillors raising concerns around local participation, communication gaps, and equitable benefit-sharing. In response, a more structured and inclusive stakeholder engagement model was adopted.

Investor interest continued to grow, with over 10 active prospective investors engaged during the quarter. The programme maintained strong momentum despite still being in the pre-designation phase.

Pre-Designation Completion and Investment Readiness

Quarter 4 represented a pivotal milestone, with the programme reaching approximately 95% completion of feasibility studies, positioning it at the threshold of SEZ designation.

A major achievement was the completion of the electrical infrastructure assessment, confirming technical feasibility while identifying the need for significant investment in bulk energy infrastructure. This strengthened the overall technical case for the SEZ.

A critical institutional development during this period was the transition from the Land Use Rights Agreement (LURA) to the Land Availability Agreement (LAA). This transition represents a shift from planning to implementation readiness. While the LURA enabled early-stage planning and assessments, the LAA secures land availability, enabling infrastructure rollout and investor allocation. This significantly enhances project bankability and reduces land-related risks.

Stakeholder coordination intensified across technical workstreams and intergovernmental platforms, with active participation from key entities including financial institutions, infrastructure partners, and landowners.

Investor facilitation reached a high point, with:

- 9 signed Letters of Intent (LOIs)
- An expanded pipeline of over 50 potential investors
- Advancement of catalytic projects across logistics, film production, manufacturing, and health sectors

The programme adopted a phased, shovel-ready investment strategy, prioritising anchor tenants and catalytic developments aligned with the aerotropolis vision.

However, several constraints remain:

- Pending SEZ designation
- Uncertainty around incentive frameworks
- Delays in bulk infrastructure rollout
- Regulatory and policy misalignment
- Despite these challenges, the programme remains well-positioned for submission of the SEZ license application in 2026.

The Lanseria Smart City Programme demonstrated strong and consistent performance throughout the financial year. The progression from conceptual planning to near-complete feasibility reflects effective coordination, stakeholder engagement, and strategic leadership.

The programme has successfully:

- Advanced technical and financial feasibility
- Strengthened institutional frameworks
- Built a credible investor pipeline
- Positioned the SEZ as a catalytic economic driver

Key Risks and Constraints

Key risks impacting programme delivery include:

- Delayed SEZ designation affecting investor conversion
- Bulk infrastructure funding gaps
- Policy and regulatory misalignment across spheres of government
- Capacity constraints within a lean project team



Programme 1: GGDA Holdings – Originally tabled Annual Performance Plan

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Programme 1: GGDA Holdings Originally Tabled Annual Performance Plan									
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26 until date of re-tabling (End September 2025)	Deviation from planned target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs/Output indicators/Annual Targets
Levels of economic activities in localities in which economic infrastructure was delivered	Infrastructure projects completed	% Conhill visitor centre infrastructure completed	-	0% construction on Con-Hill New Visitors Centre completed ²	100%	-	-100%	No deviation as the planned target is only due for reporting in quarter 4	The indicator was rephrased to: "% of Visitor Centre infrastructure construction completed." Refining the indicators to clearly reflect construction completion directly addresses these audit findings and strengthens compliance with the Revised Framework for Strategic and Annual Performance Plans. Indicator rephrased and refined to clearly reflect construction completion. Due to delays in the site handover, the annual target was revised downwards to 40%. Progress on site cannot be accelerated beyond certain stages, as critical structural concrete works must comply with prescribed curing periods before subsequent activities can proceed. In addition, seasonal and potential weather-related interruptions further impacted progress.
		% of Bio-park phase 3 infrastructure completed	-	73% completion of Biopark phase 3 ³	100%	-	-100%	No deviation as the planned target is only due for reporting in quarter 4	The output indicator was removed from the APP because of the Project suspension and legal processes underway.
		% of We the Peoples park infrastructure completed	-	38,2% completion of We the People's Park ⁴	100%	-	-100%	No deviation as the planned target is only due for reporting in quarter 4	The indicator was rephrased to: "% of We the People's Park infrastructure construction completed." Refining the indicators to clearly reflect construction completion directly addresses these audit findings and strengthens compliance with the Revised Framework for Strategic and Annual Performance Plans. Indicator rephrased and refined to clearly reflect construction completion.
	Industrial parks infrastructure project completed	Number of township industrial parks infrastructure completed	-	-	6	-	-100%	No deviation as the planned target is only due for reporting in quarter 4	The output indicator was removed from the APP due to protracted town planning approval delays as well as no construction budget for four sites.

² As per the disclosure in the 2024/25 financial year, the output indicator has been rephrased from % of infrastructure projects completed - Con-Hill New Visitors Centre to "% of Visitor Centre infrastructure construction completed in the current financial year"

³ As per the disclosure in the 2024/25 financial year, the output indicator has been rephrased from % of infrastructure projects completed - Biopark Phase 3 to % of Bio-park phase 3 infrastructure completed in the current financial year

⁴ As per the disclosure in the 2024/25 financial year, the output indicator has been rephrased from % of infrastructure projects completed -We the People's Park to "% of We the People's Park infrastructure construction completed in the current financial year"

Programme 1: GGDA Holdings – Re-tabled Annual Performance Plan

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Programme 1: GGDA Holdings Re-Tabled Annual Performance Plan								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	**Actual Achievement 2025/26	Deviation from planned target to Actual Achievement 2025/26	Reasons for deviations
Sub-programme 1.1: Trade, Investment and Regulatory Enablement								
Attractiveness of Gauteng as a preferred investment destination economy	New and existing investment into Gauteng facilitated	Rand value of investments facilitated	R52.3 billion ⁵	R59.2 billion ⁶	R28 billion	R38.46 billion	+R10.46 billion	The overachievement was primarily driven by substantial investments across the property, rail, and manufacturing sectors. These included a major property development project valued at R14 billion, and strong contributions from the manufacturing sector totalling R3 billion
		Percentage of GIC pledges converted into investment projects	-	-	30%	30%	-	-
Exports from Gauteng driven into new strategic markets and expansion of exports in existing markets	Gauteng based firms expand operations into new and existing markets within the continent and targeted countries	Rand value of trade deals facilitated	R11.2 billion	R8.6 billion	R5.3 billion	R11.50 billion	+R6.20 billion	The annual target was exceeded due to significant trade values realised across the rail and manufacturing sectors. Notably, strong contributions from the rail sector, at R1.123 billion, and the manufacturing sector, at R1.8 billion
		Number of expansion opportunities matched with GCR companies	57	68	35	96	+61	A positive response to expansion opportunities was achieved following the facilitation of SMMEs' participating in the China-Africa Expo. Additionally, company participation in the SARA Rail Conference 2025 further contributed to the overachievement
Sub-programme 1.2: Enterprise Project Management Office								
Levels of economic activities in localities in which economic infrastructure was delivered	Infrastructure construction completed	% of Visitor centre infrastructure construction completed	-	0% construction on Con-Hill New Visitors Centre completed ⁷	40%	16%	-24%	Project delays resulted from the late appointment of key subcontractors, which impacted the execution of critical activities and the overall project schedule. These delays are due to underperformance by the Professional Service Provider (PSP) in finalising subcontractor appointments, as well as delays by the main contractor in completing their appointment and onboarding. Additional setbacks arose from the procurement of long-lead items, including lifts and escalators. Although orders were placed, delivery was only expected in April 2026. Progress was also temporarily disrupted due to health and safety concerns raised by the Occupational Health and Safety Agent, which required a stand-down of on-site work to implement corrective measures.

⁵ The 23/24 financial year indicator for investment facilitated separated the measurements for Foreign and domestic investments and herewith combined for comparison of previously audited data on the same indicator

⁶ The 24/25 financial year indicator for investment facilitated separated the measurements for Foreign and domestic investments and herewith combined for comparison of previously audited data on the same indicator

⁷ As per the disclosure in the 2024/25 financial year, the output indicator has been rephrased from "% of infrastructure projects completed - Con-Hill New Visitors Centre" to "% of Visitor Centre infrastructure construction completed in the current financial year"

Programme 1: GGDA Holdings Re-Tabled Annual Performance Plan								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	**Actual Achievement 2025/26	Deviation from planned target to Actual Achievement 2025/26	Reasons for deviations
Levels of economic activities in localities in which economic infrastructure was delivered	Infrastructure construction completed	% of We the Peoples Park infrastructure construction completed	-	38,2% completion of We the People's Park ⁸	100%	100%	-	-
Sub-programme 1.3: Special Economic Zone								
Levels of economic activities in localities in which economic infrastructure was delivered	Investment commitments secured towards the Vaal SEZ	Rand value of investment committed to the Vaal SEZ	R2.8 billion	R2.8 billion	R2 billion	R32.8 billion	+R30.8 billion	The over-achievement resulted from a significant investment commitment received from the Vaal Aerozone project valued at R30.3 billion

Linking performance with budgets

Programme/activity/objective	2024/25			2025/26		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	220 629	222 897	(2 268)	241 701	234 926	6 775
TIRE	16 642	16 901	(258)	20 248	17 488	2 760
EPMO	265 783	53 898	211 885	76 107	79 515	(3 408)
Business Intelligence	8 300	8 417	(117)	8 396	8 280	116
Special Economic Zones	82 080	59 637	22 443	72 536	70 034	2 502
Total	593 434	361 750	231 684	418 988	410 243	8 745

Administration expenditure is below budget, primarily due to key positions remaining vacant. By year-end, recruitment processes had commenced to fill some of the key positions, with others expected to be filled in the new financial year.

The over-expenditure under EPMO was due to the reduced budget as a result of surrender of funds to treasury relating to infrastructure projects.

Strategy to overcome areas of under performance

To improve project delivery and strengthen oversight, the EPMO will implement the following strategies:

- Continue with the revised procurement approach, whereby the appointment of key nominated subcontractors is managed by the Implementing Agent to ensure timely procurement and minimise delays.
- Conduct bi-weekly progress meetings with the project team to monitor progress, track programme performance, and promptly address emerging issues.
- Undertake weekly site inspections to verify progress against the construction programme and identify risks requiring immediate intervention.
- Appoint an independent Quantity Surveyor to strengthen financial oversight, including the review of valuations, variation orders, and overall cost management.
- Enforce the provisions of the construction contract to ensure contractor performance, accountability, and the timely implementation of corrective measures where required.
- Review and repackage the project scope to prioritise works that can proceed without building plan approvals.
- Focus the current phase on maintenance and internal improvement works that can be implemented while the outstanding town planning matters are being resolved.
- Resolve the outstanding town planning matters in parallel to enable implementation of the deferred scope during Phase 2 without delaying the overall project objectives.

⁸ As per the disclosure in the 2024/25 financial year, the output indicator has been rephrased from % of infrastructure projects completed -We the People's Park to "% of We the People's Park infrastructure construction completed in the current financial year

MARKETING AND COMMUNICATION

Media Analysis Report

A year measured in the media

Reporting period: 1 April 2025 – 31 March 2026

Entities covered

Gauteng Growth and Development Agency (GGDA) Group corporate office; InvestSA Gauteng; the Automotive Industry Development Centre (AIDC) Gauteng; The Innovation Hub Management Company (TIHMC); Constitution Hill Development Company; and the Group's special economic zone holdings – OR Tambo SEZ (Gauteng IDZ), Vaal SEZ, West Rand SEZ and the Lanseria SEZ / Smart City precinct.

Executive summary

The GGDA Group established formal media monitoring during the year under review. For the first time, the Agency can account for its public visibility with something approaching the rigour it applies to its financial performance. That is the principal achievement of the year, and it is worth stating plainly before any of the numbers: FY2025/26 is a baseline year, not a comparison year.

Across the monitored period, the Group recorded 1 342 media items with an advertising value equivalent to R57,7 million, reaching a potential audience of 806 million, and published 1 208 posts on its own channels, drawing 79 196 recorded interactions.

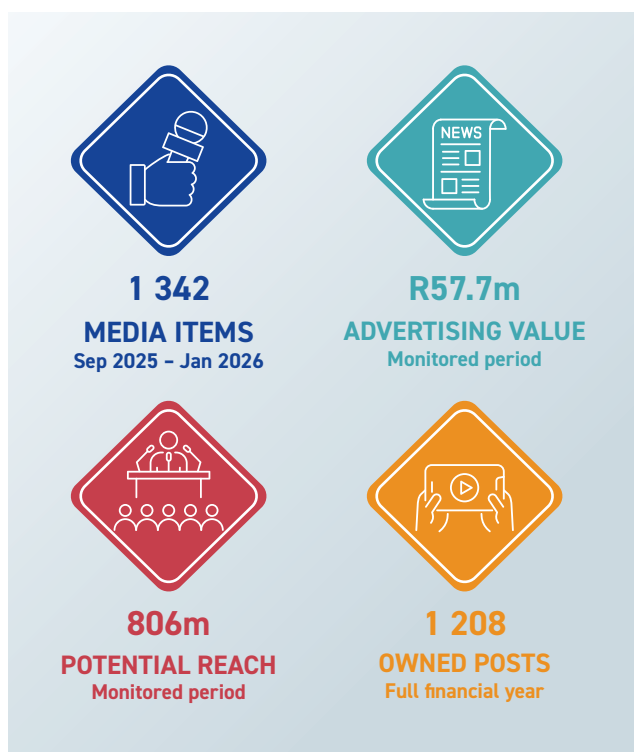


Figure 18: Headline monitoring metrics. Earned-media figures cover September 2025 to January 2026; the owned-channel figure covers the full financial year.

The five findings that matter

1. The reputation curve is the story, not the volume

The Agency entered the monitored period with a difficult audit narrative, weathered the scrutiny, and closed with its strongest sentiment profile of the year – 77 per cent positive in September, 60 per cent in October as coverage turned neutral rather than hostile, 83 per cent in December, and 88 per cent in January. Negative coverage fell from 10 per cent to 1 per cent over the same period. The shape of that curve is a stronger reputational argument than any single volume metric, and it supports transparency as a reputational strategy rather than against it.

2. The audit coverage was provincial, not agency-specific

The R4,2 billion irregular expenditure finding that drove September's negative coverage was a Gauteng Provincial Government-wide figure for FY2024/25, announced by the MEC for Finance on 2 September 2025 alongside the tabling of provincial annual reports. It was not a GGDA finding. In the same announcement, 14 of 19 provincial entities recorded clean audits. The Agency was carried into a provincial story rather than being the subject of its own. This distinction is material to how the year's sentiment record should be characterised in the Integrated Annual Report, and it is not reflected in any of the source documents supplied.

3. Broadcast is where the Agency is least in control and most exposed

Broadcast produced 30 per cent of items but accounted for 40 per cent of reach. The three largest audiences of the year were all SABC television bulletins. It also faced the year's sharpest scrutiny: in September, negative sentiment on broadcast reached 32 per cent, compared with 5 per cent online. The Agency reaches its largest audiences through bulletins it does not control and cannot schedule.

4. Spokesperson concentration is the clearest structural risk

In each of the three months for which spokesperson reach is reported – September, December and January – a single voice accounted for approximately 99 per cent of it. In January, that voice changed; the concentration did not.

5. The monitoring window misses both ends of the financial year

Group-level monitoring runs from September 2025 to January 2026 – five months within a twelve-month reporting period. It therefore excludes the inaugural Gauteng Investment Conference, held on 2 to 3 April 2025, which secured R312,5 billion in investment pledges and falls within financial year 2025/26, and it also excludes February and March 2026, when the 2026 conference was launched and the Human Rights Festival was staged.

Coverage volume and value

Coverage was heavily front-loaded. September 2025 alone accounted for 504 of the 1 342 items recorded and R27,0 million of the R57,7 million in advertising value — 38 per cent of volume and 47 per cent of value in a single month. That concentration reflects the provincial audit cycle, which drew the Agency into a high-volume, high-reach national news story it did not initiate. Coverage volume by month

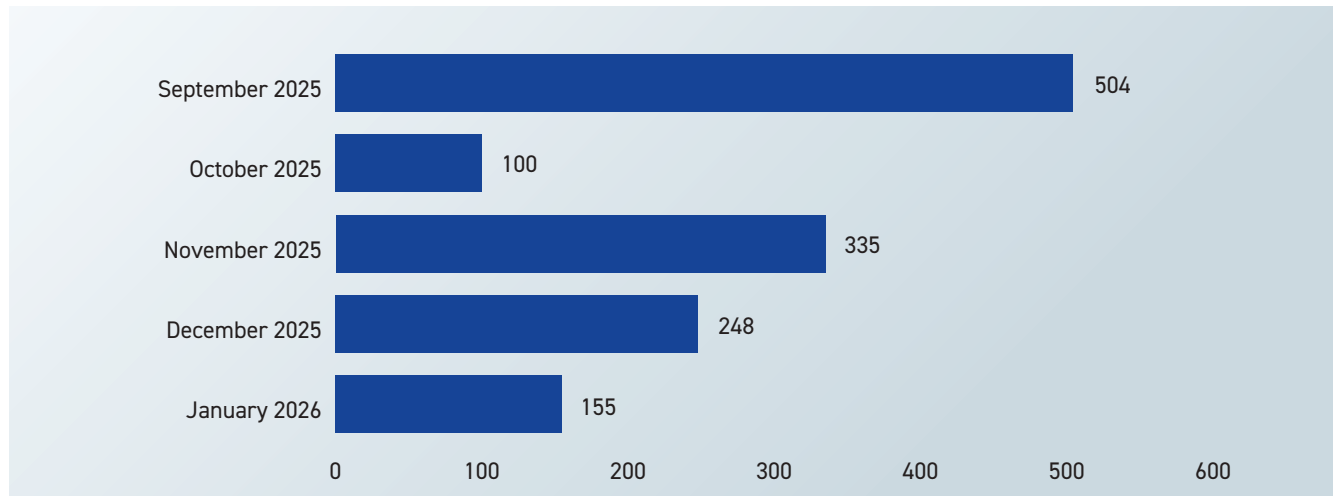


Figure19: Media items recorded per month, September 2025 to January 2026. Total 1 342. Monitoring commenced August 2025; group-level reporting from September.

Advertising value by month

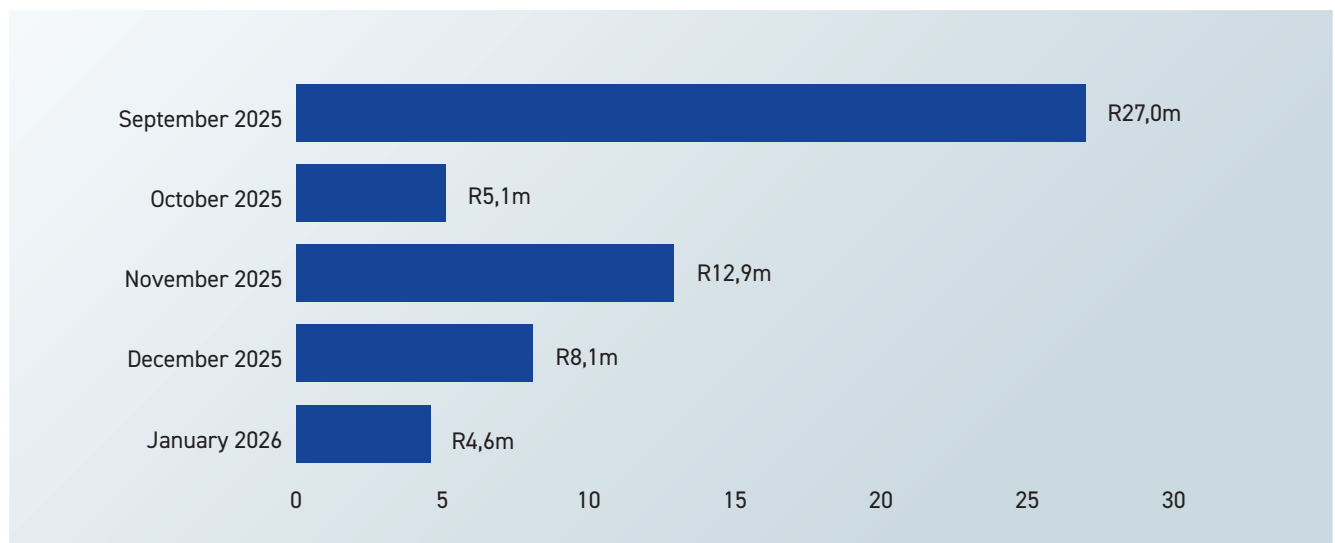


Figure 20: Advertising value equivalent earned per month, in rand millions. Total R57,7 million.

Reading the September spike correctly

September's 504 items and R27,0 million in advertising value are not a communications achievement. They are the measurable footprint of a provincial audit story that reached the Agency through association.

The communications achievement is what followed: October's collapse in negative coverage to 1 per cent, and the recovery to 88 per cent positive by January.

Where the coverage sat

Coverage is divided into five monitored streams. Industry news — reporting on the sectors in which the Group operates rather than on the Group itself — is the largest stream by volume, as expected for a development agency whose mandate is read through the industries it builds. Coverage naming the GGDA directly accounts for 351 items and the largest share of audience reach, at 299 million.

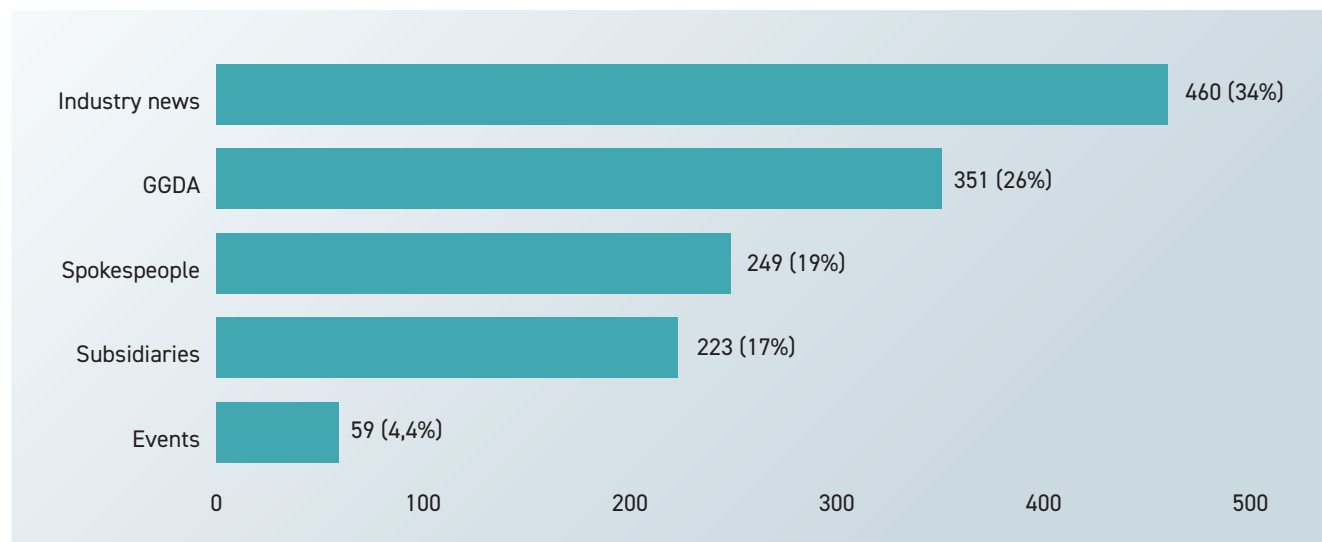


Figure 21: Volume of coverage by monitored stream, September 2025 to January 2026. The December and January returns carry no events row; the category is absent from those sources rather than nil.

Channels, mastheads and moments

The Agency's coverage is carried mainly by online media, which produces most items and accounts for most advertising value. Broadcast, with far fewer placements, reaches audiences at a scale online cannot match: one national television bulletin reaches more people than a month of digital reporting.

Distribution by channel

Channel		Share of items	Share of reach	Share of advertising value
	Online	60%	59%	67%
	Broadcast	30%	40%	26%
	Print	10%	1,0%	7%

December 2025 returns. This is the only month for which a full numeric channel split is published; the print share is the residual of the two stated figures in each case.

Figure 22: Distribution of media items, audience reach and advertising value by channel, December 2025.

Ten per cent of items appear in print, yet print carries a disproportionate share of editorial authority: in December, every print item recorded was positive. Broadcast, at thirty per cent of volume, delivered forty per cent of reach and a quarter of advertising value — a reminder that the Agency's largest audiences are reached through bulletins it neither controls nor schedules.

Mastheads carrying the most coverage

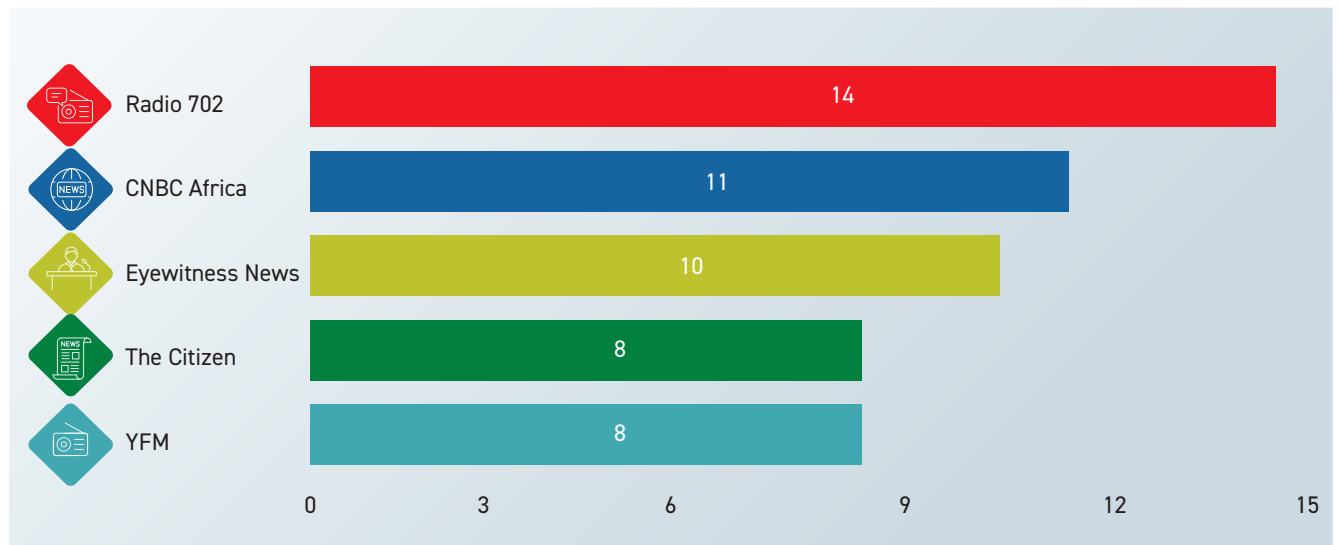


Figure 23: Outlets by volume of GGDA coverage, November 2025 — the month for which a masthead ranking is published. Three of the five leading outlets are broadcast.

The year's largest audiences

Outlet	When	Subject	Reach
SABC 2	Jan 2026	Gauteng at the World Economic Forum	27.3m
SABC 1 News	Sep 2025	Reporting on R4,2 billion in irregular expenditure	26.7m
SABC 3	Jan 2026	Provincial investment positioning	23,1m
News24	Nov 2025	GGDA call for applications	3.85m
IOL	Nov 2025	Empower Her GBV awareness exhibition	3.41m

Highest-reach individual placements recorded across the monitored period. Broadcast bulletins account for the three largest audiences of the year, and together for roughly 77 million of the 806 million potential reach recorded.

A structural observation on reach concentration

The three SABC television placements above account for approximately 77,1 million of potential reach — close to a tenth of the entire period's 806 million — from three items out of 1 342.

Two of those three are positive investment stories from January 2026. One is the September audit story. The Agency's reach profile is therefore extremely sensitive to a small number of national television bulletins, in both directions.

The reputation arc

The most instructive story in the year's media record is not the volume of coverage but its tone. The Agency entered the monitored period with a difficult finding, weathered the scrutiny, and closed with its strongest sentiment profile of the year.

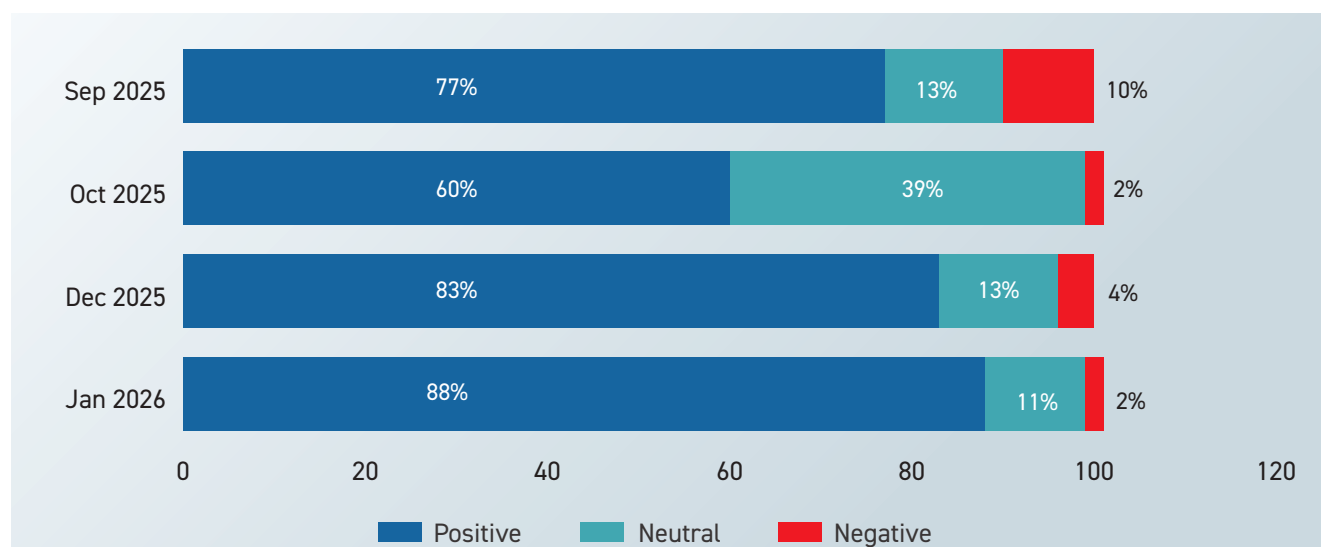


Figure 24: Share of coverage by sentiment classification. November is not rated: no positive or negative split is published for that month. Neutral absorbs items classified as mixed or not rated. January neutral is shown as the residual to 100 per cent; the published figure of 8 per cent leaves the month summing to 97 and should be confirmed against the source return.

Month by month

September 2025 · Scrutiny

Coverage opened at 77 per cent positive, driven by tourism initiatives, investment announcements and audit outcomes. By contrast, 10 per cent of items were negative, almost entirely focused on reporting of R4,2 billion in irregular expenditure – hardest hit was broadcast, where negative sentiment reached 32 per cent, more than six times the online figure.

October 2025 · Routine

Positive coverage fell to 60 per cent, while negative coverage collapsed to 1 per cent. The shift was towards neutral reporting rather than criticism: 39 per cent of items were factual, uninterpreted accounts – the hallmark of a news cycle moving from controversy to routine. A decline in the positive share accompanied by a decline in the negative share is not a reputational decline.

December 2025 · Recovery

Positive sentiment recovered to 83 per cent. Every print item recorded that month was positive. Coverage returned to the Agency's own agenda – budget oversight, digitisation of procurement, and provincial economic positioning.

January 2026 · Endorsement

The period closed at 88 per cent positive, against 1 per cent negative, the strongest profile of the year, with broadcast delivering 75 positive items out of 77. Coverage clustered around Gauteng's presence at the World Economic Forum and the province's investment proposition.

Sentiment by channel in the month of greatest scrutiny

	Channel	Positive	Negative
	Online	80%	5%
	Print	80%	14%
	Broadcast	57%	32%
September 2025 – the only month for which a channel-level sentiment split is published. Balances are neutral or unrated.			

Figure 25: Positive and negative sentiment by channel, September 2025. Broadcast negative sentiment ran at more than six times the online rate.

External verification establishes that the R4,2 billion irregular expenditure figure was a Gauteng Provincial Government-wide total for FY2024/25, announced by the MEC for Finance and Economic Development on 2 September 2025 on the tabling of provincial annual reports.

It was not a GGDA-specific finding, and it was announced in the same briefing that recorded 14 of 19 provincial entities achieving clean audits. Reporting attributed the irregular expenditure largely to procurement and supply chain non-compliance across provincial departments including Health, Human Settlements, Infrastructure Development, Agriculture and Rural Development, and Social Development.

The Agency was drawn into a provincial story by association. This should be stated in the Integrated Annual Report; without it, the September sentiment figures read as an agency-level governance failure that the underlying record does not support.

“Coverage moved from scrutiny to routine to endorsement in four months — an arc that argues for transparency as a reputational strategy.”

Flagship moments

Four moments were monitored separately and accounted for a disproportionate share of the year's earned visibility. Each shows a different route by which the Agency's mandate reaches the public: through culture, through industry, through constitutional life, and through investment.

Basha Uhuru Freedom Festival 2025

25–28 June 2025 · Constitution Hill

Measure	Result
Favourable share of festival coverage	91%
Direct social mentions	546
Positive social sentiment	62%
Leading hashtag	#BashaUhuru2025 — 244 mentions

Youth Month programming anchored by the Amapiano Africa Summit, the Films of Freedom festival and the Business of Fashion workshop. External verification confirms the dates, the venue and the Amapiano Africa Summit as the third annual edition of that summit, staged 26–27 June 2025 in partnership with the festival under the theme “Celebrating the Legacy of Creative Expression”.

NEV Summit 2025

October 2025 · Gallagher Convention Centre

Measure		Result
	Media mentions	90
	Potential reach	5,25m
	Advertising value equivalent	R353 000

Hosted by AIDC and the Tshwane Automotive SEZ on Gauteng's green automotive economy. Coverage carried into Tunisia and Tanzania, placing the province's new energy vehicle ambitions in a continental frame.

Human Rights Festival 2026

26–29 March 2026 · Constitution Hill

Measure	Result
Festival media items	51
Earned media reach	19,4m
Direct social mentions	631
Social sentiment	386 positive against 29 negative
Additional social reach	25,2m
Share of all Constitution Hill coverage in the period	32%

The festival's eighth edition drew the largest social conversation of any event in the Agency's portfolio during the year. External verification confirms the dates, the venue, and the 2026 theme — “Remembering the Past. Engaging the Present. Shaping a Just Future.” The programme ran public dialogues, a human rights film festival, theatre and poetry, a music concert, a children's festival, a book fair and a makers market, with the first three days free to the public. The edition coincided with thirty years since the adoption of the Constitution, fifty years since the Soweto Uprising, and seventy years since the Freedom Charter and the 1956 Women's March.

Note that this event falls in March 2026, outside the September-to-January group monitoring window. It was monitored separately as a flagship moment.

Gauteng Investment Conference build-up

21 February – 7 March 2026

Measure	Result
Media clips in build-up	43
Advertising value equivalent	R1,2m
Positive coverage	60%

The pre-conference campaign closed the financial year with momentum, establishing the Province's investment proposition through February and early March.

Owned channels

Where earned coverage is negotiated, owned channels are prioritised. The Agency published 1 208 posts across four platforms during the year, attracting 79 196 recorded interactions.

Distribution of owned content

	Platform	Posts	Share of output	Interactions per post	Role
	X.com	470	39%	56	The volume engine
	Facebook	298	25%	73	The steady climber
	Instagram	240	20%	74	Visual storytelling
	LinkedIn	203	17%	77	The efficient anchor
	Total	1 211	100%	—	Stated annual total 1 208

Figure 26: Owned content volume and engagement efficiency by platform. Per-platform post counts sum to 1 211 against a stated annual total of 1 208; the variance is carried as published.

Quarterly Owned Content Output per Platform

	Platform	Q1	Q2	Q3	Q4	Total
	X.com	85	112	145	128	470
	Facebook	52	58	81	95	286
	Instagram	42	70	76	64	252
	LinkedIn	34	68	45	56	203
	Total	213	308	347	343	1 211

Figure 27: Quarterly owned-content output by platform, as published. Quarterly bars are reproduced from the source chart; per-platform annual totals are the published figures, and the two do not fully reconcile for Facebook and Instagram. The quarterly grid should be re-exported from the platform analytics before publication.

Facebook grew steadily throughout the year, from 52 posts in the first quarter to 95 in the fourth, with interactions rising in step. It is the Agency's most reliable community channel. Instagram and X.com peaked together in the third quarter and eased in the fourth, while Facebook and LinkedIn followed their own rhythms — a divergence that argues for planning each channel separately rather than using a single content calendar.

Key Strategic Events and Stakeholder Engagements

During the 2025/26 financial year, the GGDA Group leveraged strategic events, investment platforms, and stakeholder engagements to advance Gauteng's economic development agenda, strengthen the province's investment proposition, and position the province across key domestic, continental, and global markets. These engagements provided platforms to mobilise investment, promote priority sectors, build strategic partnerships, showcase opportunities and strengthen Gauteng's profile as a leading economic hub and gateway to Africa.

Gauteng Investment Conference 2025: Establishing a Flagship Investment Platform



The inaugural Gauteng Investment Conference (GIC), held in Johannesburg on 3 April 2025, marked a significant milestone in Gauteng's investment attraction agenda and established a flagship platform for mobilising domestic and international investment into the province. The conference brought together government, business leaders, investors, financial institutions and other strategic stakeholders to showcase Gauteng's investment proposition, priority sectors and pipeline

of opportunities. The GIC was designed to build investor confidence, facilitate collaboration, showcase investment opportunities and address barriers to doing business in the Gauteng City Region.

The conference exceeded its initial R300 billion investment pledge target, securing R312.5 billion across 60 projects in 15 sectors. More than 300 investors participated, with pledges spanning key areas of the Gauteng economy, including ICT, property development, transport and logistics, manufacturing, agro-processing, automotive and energy. The conference also showcased 117 public-sector projects valued at R239 billion, presenting investors with a substantial pipeline of opportunities across Gauteng's economic corridors.

Beyond the headline investment figure, the inaugural GIC established a high-level platform for connecting investors with government, industry and project opportunities. It provided a strong foundation for Gauteng's broader ambition to mobilise R800 billion in investment over five years, while reinforcing the province's proposition as an industrial, commercial and innovation hub with access to markets across the African continent.



The 2025 Basha Uhuru Freedom Festival, hosted at Constitution Hill from 25 to 28 June, celebrated youth, creative expression and entrepreneurship through exhibitions, conferences, workshops, the Amapiano Africa Summit, a makers' market and live entertainment. The festival strengthened Constitution Hill's role as a platform for youth empowerment and the creative economy, while partnerships with tourism, government and industry stakeholders broadened its reach and impact.

The festival achieved strong communications and public relations results, with 91% of festival-related media coverage classified as favourable and more than 546 direct social media mentions, surpassing the previous year's performance. Its integrated programme and partnerships helped position the festival as a significant platform for youth participation, creative enterprise and economic opportunity in Gauteng.



Basha Uhuru Freedom Festival: Advancing Youth, Creativity and the Creative Economy



TPO Leadership Dialogue: Positioning Gauteng in Global Trade Promotion Discourse

In July 2025, the Gauteng Growth and Development Agency (GGDA) participated in the Trade Promotion Organisations (TPO) Leadership Dialogue in Johannesburg, convened as part of the inaugural Global SME Ministerial Meeting. The high-level dialogue brought together senior representatives of trade promotion organisations from across the world to examine how trade promotion agencies can better enable businesses, particularly SMEs, to access international markets, strengthen export capabilities and participate in global value chains.

Mr Saki Zamxaka, Acting Group CEO of the GGDA at the time, participated as a panellist, contributing the Gauteng perspective to discussions on the evolving role of trade promotion organisations and the need for stronger collaboration between government, trade agencies and the private sector. His participation positioned the GGDA as an active contributor to international dialogue on trade and enterprise development, while providing an opportunity to share Gauteng's experience and engage with international approaches to expanding market access, strengthening export competitiveness and connecting businesses to global opportunities.

The engagement reinforced the GGDA's role in advancing Gauteng's international economic positioning and supporting the province's businesses to participate more effectively in regional and global markets. It also strengthened relationships with international trade-promotion stakeholders and created opportunities for knowledge exchange and future collaboration around export development, investment and international market access.

New Energy Vehicle Summit 2025: Positioning Gauteng for the Future of Mobility



New Energy Vehicle (NEV) Summit 2025, hosted by the GGDA, Automotive Industry Development Centre (AIDC) and Tshwane Automotive Special Economic Zone (TASEZ) at Gallagher Convention Centre on 22-23 October 2025, positioned Gauteng at the centre of South Africa's transition towards a greener and more competitive automotive economy. Held under the theme "Driving Gauteng Towards a Green Automotive Economy", the Summit brought together government, automotive manufacturers, component suppliers, investors, policymakers, academia and other industry stakeholders to examine the opportunities and challenges presented by the global shift from internal combustion engines to new energy vehicles.

The Summit recognised that the NEV transition is both an environmental imperative and an industrial opportunity. With South Africa's automotive sector contributing more than 4% to GDP and approximately 12.5% of national exports, adapting to global shifts in vehicle technology is critical to maintaining market access and the domestic automotive industry's competitiveness. Discussions therefore focused on aligning policy, investment and technology, while strengthening local manufacturing capability and positioning Gauteng to capture emerging opportunities across the NEV value chain.

Key areas of discussion included battery manufacturing, charging infrastructure, energy security, localisation, supplier development, skills development, sustainable supply chains and market readiness. The Summit also explored the potential of artificial intelligence and smart-charging technologies, as well as opportunities to develop local capabilities in NEV components and related technologies. These discussions reinforced the importance of building an integrated ecosystem rather than focusing solely on vehicle production.

The Summit further highlighted the opportunity for Gauteng to leverage its established automotive manufacturing base, skilled workforce, infrastructure and industrial ecosystem to become a leading green automotive hub on the continent. It positioned the transition as an opportunity for industrial renewal, investment attraction, job creation and inclusive economic participation, with localisation and the development of local supply chains identified as critical to ensuring that the benefits of the new energy economy are retained within the province and country.

Through the Summit, the GGDA Group demonstrated its role in bringing government, industry and other stakeholders together around emerging economic opportunities and using Gauteng's existing industrial strengths to prepare the province for the next generation of automotive manufacturing and mobility. The event strengthened Gauteng's positioning as a destination for green industrial investment and as a potential regional hub for new energy vehicle manufacturing, technology and supporting infrastructure.



12th CEO Dialogue on Southern Africa: Building Strategic Partnerships for Growth



The GGDA's participation in the 12th CEO Dialogue on Southern Africa provided a platform for engagement with senior business leaders, government representatives and international stakeholders on issues shaping the region's economic future.

Against the backdrop of South Africa's G20 Presidency, the Dialogue strengthened opportunities for collaboration and investor engagement, with discussions emphasising sustainable industrialisation, shared prosperity and Africa's growing strategic importance. Gauteng reinforced its position as South Africa's economic nerve centre and a gateway for investment, innovation, talent and access to African markets.

BPESA Global Business Services and BPO Conference 2025: Positioning Gauteng as Africa's Connected Capital



At the BPESA Global Business Services and BPO Conference, the GGDA showcased Gauteng's value proposition as a competitive destination for global business services and business process outsourcing.

The engagement highlighted the province's combination of digital infrastructure, connectivity, talent and access to Africa's largest consumer and business markets. It supported Gauteng's investment attraction efforts in a sector with significant potential for employment, skills development and export-oriented growth, reinforcing the message that Gauteng Works as a centre for smart business and African market access.

World Economic Forum 2026: Taking Gauteng's Investment Proposition to the World

The GGDA represented Gauteng at the World Economic Forum 2026 in Davos, engaging global investors, business leaders and international stakeholders to promote the province as a leading investment destination.

Gauteng used its participation to strengthen relationships and position the province around opportunities in advanced manufacturing, digital infrastructure, sustainable development and green growth. The engagement reinforced Gauteng's proposition as an integrated economic system offering scale, infrastructure, talent, innovation capability and access to African markets.

The Davos engagements also supported the broader investment mobilisation agenda and helped build momentum towards the 2026 Gauteng Investment Conference, connecting international engagement with opportunities and partnerships in the province.

Mining Indaba 2026: Positioning Gauteng as Africa's Mining Innovation Capital



The GGDA and OR Tambo SEZ hosted an Industry Intel Session during Mining Indaba 2026, using the platform to position Gauteng as Africa's Mining Innovation Capital and to launch the domestic roadshow towards the 2026 Gauteng Investment Conference.

The session highlighted Gauteng's strategic role in the mining value chain beyond extraction, drawing attention to the province's strengths in mining finance, engineering, technology, original equipment manufacturing, beneficiation and advanced services. Discussions focused on green metals and critical minerals, mining technology and advanced manufacturing, beneficiation and localisation, and the development of resilient, high-value mineral-based economies.

The engagement reinforced Gauteng's role in shaping the next phase of Africa's mining economy while creating a platform to showcase investment opportunities and strengthen relationships with industry and investors.

Launch of the Road to Gauteng Investment Conference 2026

In February 2026, the Gauteng Provincial Government officially launched the Road to the Gauteng Investment Conference (GIC) 2026 at the Johannesburg Stock Exchange (JSE), signalling the province's continued commitment to mobilising investment and converting commitments into tangible economic outcomes. The launch brought together provincial and municipal leadership, financial-sector stakeholders and private investors, reinforcing the importance of coordinated action in building a strong pipeline of bankable investment projects.

Building on the inaugural GIC in 2025, which attracted more than 1,800 participants and secured R312.5 billion in investment pledges, the Road to GIC 2026 placed a stronger emphasis on pledge-to-project conversion, investor facilitation and implementation. Importantly, the launch included testimony from investor Jeremy Antier, Managing Director of Soufflet Malt, whose company is investing R2 billion in a state-of-the-art malthouse in Gauteng. His testimony provided tangible evidence of the value of the GGDA's investor facilitation role, demonstrating how effective coordination between government, investors and relevant stakeholders can help move an investment from commitment to implementation.

The investor testimony reinforced the GGDA's role beyond investment promotion: facilitating the conditions, relationships and processes required to unlock and sustain investment in the province. This provided a practical demonstration of the impact of the agency's work and strengthened the narrative underpinning GIC 2026, that Gauteng is not only capable of attracting investment, but is increasingly focused on converting investment commitments into projects, jobs, infrastructure and broader economic value.

Human Rights Festival 2026: Advancing Civic Engagement and Constitutional Values

Constitution Hill hosted the 2026 Human Rights Festival from 26 to 29 March, bringing together activists, artists, thought leaders and communities for dialogue, exhibitions, performances, workshops and other activities focused on democracy, equality and social justice.

The Festival reinforced Constitution Hill's role as a platform for civic engagement, human rights advocacy and constitutional reflection. Its integrated communications campaign generated 158 unique media clips, with an estimated traditional media audience of more than 233.9 million, while social media activity generated 631 direct festival mentions and a potential reach of approximately 25.2 million users. Partnerships with Gautrain, the GGDA, Gauteng Tourism and Johannesburg Tourism further amplified the Festival's visibility and reach.

Overall Strategic Impact

Collectively, these engagements strengthened the GGDA Group's role in promoting Gauteng as a destination for investment, trade, innovation and economic opportunity, while supporting the province's broader economic development priorities. From the inaugural Gauteng Investment Conference and global investor engagements to sector-specific platforms in automotive, mining and global business services, the Group used strategic communications and stakeholder engagement to connect Gauteng's investment proposition with investors, businesses, industry leaders and wider audiences.

The events also demonstrated the breadth of the GGDA Group's mandate, from investment attraction and industrial development to innovation, youth enterprise, creative industries, heritage and human rights, reinforcing its contribution to building a more inclusive, competitive and sustainable Gauteng economy.



Subsidiary and SEZ narrative review

Entity	Media narrative carried in FY2025/26
The Innovation Hub (TIHMC)	Enterprise Building 3 groundbreaking — R83,1m PPP over 45 years, R71m Absa and R12,1m Notre Dame Developments, Water Research Commission as anchor tenant, within a R2,5bn precinct master plan. Incubator and GovTech programming.
AIDC Gauteng	Co-host of the NEV Summit 2025 with TASEZ. Rosslyn Automotive Supplier Park operations and supply-chain adaptation ahead of the EU 2035 combustion-engine transition.
OR Tambo SEZ (Gauteng IDZ)	Precinct 2 expansion on a 29-hectare parcel adjacent to Precinct 1 at Kempton Park, targeting perishables and pharmaceutical cold chain, electronics, fuel cells and mining component equipment. Precinct 1 delivered at 62 000 m², attracting close to R1bn. Jewellery Manufacturing Precinct operating.
Vaal SEZ	Industrial regeneration across Emfuleni, Midvaal and Lesedi in the Sedibeng District; green hydrogen value chain and renewable energy component manufacturing. Gazetted for public comment by the Minister of Trade, Industry and Competition, with a projected contribution in excess of R10bn to the Gauteng economy.
West Rand SEZ	Bus manufacturing, agrivoltaics and pharmaceutical-grade agriculture frameworks. In FY2026/27 the SEZ advances environmental impact assessment approvals, township establishment and bulk infrastructure.
Lanseria SEZ / Smart City	Smart-city master planning and precinct infrastructure. Cradle Film Studios reported at R4bn secured and 15 000 projected jobs. Gautrain expansion announced to connect Lanseria.
Constitution Hill	Basha Uhuru Freedom Festival and the eighth Human Rights Festival. Inner-city regeneration and the creative economy. The Human Rights Festival took 32 per cent of all Constitution Hill coverage in the monitored period.
InvestSA Gauteng	Investor facilitation and pledge-to-project conversion — the operational engine behind the 28 per cent conversion statistic reported at the 2026 conference launch.
GGDA Group office	Provincial investment positioning, World Economic Forum participation at Davos in January 2026 led by the Group's Chief Economist, governance and audit response, and the investment conference cycle.





PROGRAMME 2

AIDC



Andile Africa

Chief Executive Officer: Automotive Industry
Development Centre

Purpose: To strengthen Gauteng's automotive manufacturing sector and enhance its global competitiveness through world-class industry support, investment facilitation, innovation and skills development. As a government support centre, the AIDC promotes Gauteng as an automotive investment destination of choice while contributing to sustainable industrial and socio-economic growth.



Automotive Industry Development Centre
Your partner in becoming globally competitive

89%

ACHIEVED



22 companies

supported on the efficiency programme

629 individuals

upskilled/reskilled



250 candidate

artisans declared competent

50,37% productivity

improvement in companies in the
efficiency improvement programme



R80.03 million revenue

generated by MSMEs operating within the
AIDC incubation programmes

62 township-based

MSMEs upskilled



R4.6 million revenue

generated by MSMEs operating within
the township automotive hubs

R17 million

generated from project income



R191.4 million

generated from property rentals
and service charges

Achievement of Institutional Outcomes

Automotive Industrial And Development Centre (AIDC)					
Outcome	Outcome Indicators	Baseline	5-Year Target 2025-2030	Progress	% of Five-year target
Attractiveness of Gauteng as preferred investment destination economy	New industrial investors attracted to the ASP	16	OEM/Tier 1 Suppliers	0	-
Structurally transformed Economy	Automotive suppliers supported to achieve world class manufacturing standards	171	200	22	11%
	Gauteng based SMMEs supported for growth and sustainability	19	40	7	17%
	Multiyear commercial agreements secured by SMMEs post-incubation	New	5	0	-
Enhanced skills development to support inclusive economic growth	Provision of skilled workforce to support inclusive economy	10 474	2 500	629	25%
	Kaizen Centre of Excellence established to support industry innovation	New	1	0	-
levels of economic activity in localities in which infrastructure was delivered	ASP's phase 3 and 5 developed for occupation by potential investors	ASP phase 1 and 2 developed	Bulk Infrastructure for phase 3 and 5 completed	Business case study completed	25%
	Expansion of Township Automotive Hubs in the Gauteng City Region (GCR)	2 hubs (Winterveldt & Chamdor)	3 additional Township Automotive Hubs established	0	-
	Rooftop solar installed to support green economy	New	Phase 1 = 1 MW Phase 2 = 11	Phase one service provider appointed	25%
Revenue enhancement	Level of Financial Independence Attained (Independence Ratio)	75%	95%	75%	79%
	Percentage of Existing ASP Tenants Retained (Occupancy Rate)	90%	99%	96%	97%

Unemployed township-based youth trained in automotive skills

This is an entry-level skills programme based on core practical modules and introductory training sessions aimed at introducing unemployed youth to a variety of careers in the automotive industry. The introductory courses serve as a foundation for further technical training in automotive occupational trades.

During the period under review, 162 unemployed young people from local townships were trained at the Gauteng Automotive Learning Centre, Winterveldt Hub and Chamdor Hub, exceeding the planned annual goal of training 140 unemployed youth. This group consisted of 74 female and 88 male youth. Unemployed youth received training through a partnership with Tiger Wheel & Tyre and the AIDC Township Hubs.

Table 11: Automotive skills training

Type of Training	Total Trained	Duration of training
Tyre Fitting, Stripping and Balancing and Puncture Repairs	43	5 days
Tyre Fitting, Stripping and Balancing	119	5 days
Total	162	

Number of employed individuals upskilled/reskilled to improve industry innovation and competitiveness

This intervention aims to upskill or reskill individuals who are already employed in acquiring technical and non-technical automotive skills for job sustainability and retention. This target is achieved through support provided to SMMEs in partnership with OEMs, academia and private organisations, as listed in the table below.

The Gauteng Automotive Learning Centre, together with other AIDC projects including the Nissan Incubation Programme, Ford Incubation Programme, and the Supplier and Enterprise Development Programme, successfully trained 629 employed individuals, exceeding the annual target of 500. Of those trained, 227 were women and 402 were men.

This achievement was driven by additional training requests and the timely confirmation of bookings from Rodecon Engineering and Nissan South Africa during Quarters 1 and 2. These early commitments enabled the scheduling and delivery of additional training interventions within the financial year. As a result, employees enhanced their skills and competencies, contributing to improved productivity and strengthening their prospects for sustained employment. The type of training offered is listed in the table below:

Table 12: Training for employed individuals

Training Type	Number of individuals trained	Duration
Supervisor Skills Training	74	1 day
Production Technology	23	
Hand skills Training	76	
Problem Solving – RPIW	33	
Kaizen Practices – QPI kaizen	42	
Kaizen Practices – Digital I kaizen	37	
Kaizen TPN	128	2 days
Entrepreneurship & Management	10	1 day
IYB SME Training	35	3 days
First Aid Training	36	1 day
Employment Equity	9	
Expand Your Business (EYB)	50	2 days
ACMA Training	14	3 days
Pneumatics Training	15	
5S & MUDA Elimination Training	47	
Total	629	

Candidate artisans declared competent at the AIDC Trade Test Centre (TTC)

The TTC was established to facilitate trade certification for trades that result in trade test assessments with accredited training. A gap remains in the formalisation of skills within the automotive and allied industries, which can be addressed through the Artisan Recognition of Prior Learning assessment – a way of recognising the prior learning and experience of individuals who have been working in a particular trade for several years but have not passed a trade test and are, therefore, not formally recognised as qualified artisans.

The Trade Test Centre (TTC) caters to apprentices and learners who have completed their academic qualifications. The Centre prepares and assesses candidates to ensure they are competent and ready to undertake the trade test in accordance with Section 26D of the Skills Development Act and the Trade Test Regulations.

Once an applicant's competence to undertake a trade test has been established, the applicant undergoes a trade test at a Manufacturing, Engineering and Related Services SETA, Quality Council for Trades and Occupations, and National Artisan Moderation Body-accredited TTC.

The following are the AIDC TTC's scope of accreditation:

- Boilermaker;
- Mechanical fitter;
- Fitting and turning; and
- Welding.

During the financial year under review, the total number of assessments reached was 250 (64 women and 186 men), exceeding the annual target of 240 evaluations. This strong performance reflects the effectiveness of corrective measures implemented in response to challenges experienced in the previous quarters, including strengthened collaborations with TVET Colleges and Technical Schools. These interventions successfully stabilised throughput and enabled the programme to exceed its target.

The Trade Test Centre's accreditation with NAMB and QCTO expired at the end of May 2025 and subsequently underwent an official verification process from 4 to 6 June 2025 as part of the re-accreditation requirements. During this period, all scheduled NAMB and QCTO assessments were placed on hold pending the outcome of the verification process. The Centre successfully regained its accreditation during Quarter 3 of the financial year and became fully operational in Quarter 4, allowing assessment activities to resume.

Table 13: Trade Assessments

#	Trades	Total
1	Fitter and Turner	74
2	Welder	66
3	Mechanical Fitter	70
4	Boilermaker	40
	Total	250



Average percentage of productivity improvement in companies participating in the Efficiency Improvement Programme

The Efficiency Improvement Programme aims to increase the productivity levels of participating SMMEs. A baseline productivity percentage is calculated at the start of the programme and is then measured again at the end of the intervention to ascertain the level of improvement. The AIDC intervenes through design, programming and other operational processes to improve current productivity levels. These interventions contribute to financial savings, an increased number of units produced during a set period, improved production volumes, job security and increased income for the companies. The international benchmark for efficiency improvement is 10% for manufacturing companies (per World Economic Forum (WEF) and McKinsey & Company industry insights on operational improvement, and industry-specific case studies). The AIDC has targeted to improve the efficiency of companies participating in the programme by 40%.

These interventions are centred on the implementation of Lean Manufacturing principles and Quality Management Systems, aimed at enhancing operational efficiency and ensuring consistent product quality. At the end of the financial year, overall efficiency improvements are measured as a separate key performance indicator to assess the overall impact of productivity interventions implemented in the financial year. 22 companies supplying various commodities and services were signed up for targeted productivity interventions and received support for supplier and enterprise development interventions. The objective was to recruit and onboard 20 companies for the financial year, which was accomplished, resulting in full achievement of the target (22 out of 20; 110%). Of the companies supported, two companies were recruited on the enterprise development programme which does not require the efficiency %. An average efficiency improvement of 50,37% was achieved for the 20 companies, as listed in Table 14.



Table 14: Productivity improvement intervention outcomes

#	Company	Programme	Project Intervention	Unit of Measure	Before	After	Efficiency Improvement %	Average Efficiency Improvement %	Report Figure
1	Praga Technical (Pty) Ltd	Lean Manufacturing	Improvement of Changeover times	minutes	50,00	36,00	28,00%	30,05%	30,05%
			Reduction of floor space utilisation	square meters	17,82	12,10	32,10%		
2	Safeline Brakes (Pty) Ltd	Lean Manufacturing/ Digital Kaizen	Overall Equipment Effectiveness (OEE)	%	56,95%	71,00%	24,67%	24,67%	24,67%
3	Lazar Material Handling (Pty) Ltd	Lean Manufacturing	Reduction in time taken to load Band saw	minutes	6,35	1,47	76,85%	57,89%	57,89%
			Reduction of floor space utilisation	square meters	438,40	267,75	38,93%		
4	ALP Africa (Pty) Ltd	Lean Manufacturing	Reduction in Downtime due to Breakdowns	minutes	2754,00	1035,00	62,42%	62,42%	62,42%
5	Auto Saloon	Improve Your Business (IYB)	Fixed costs reduction (Rental/Insurance)	Rands	R 23 929,51	R 18 918,62	20,94%	20,94%	20,94%
6	TK Automobile (Pty) Ltd	Improve Your Business (IYB)	Increase in number of Job cards per week	Job Cards	16,00	27,00	68,75%	68,75%	68,75%
7	MM Fleet (Pty) Ltd	Lean Manufacturing	Improve Lead time	days	12,00	4,00	66,67%	66,67%	66,67%
8	Turbo Auto (Pty) Ltd	Improve Your Business (IYB)	Increase in number of Job cards per week	Job Cards	3,00	7,00	133,33%	133,33%	133,33%
9	Fry's Metal (Pty) Ltd	Lean Manufacturing	Equipment Availability	%	75,00%	91,00%	16,00%	16,00%	16,00%
10	TCTS Autobody (Pty) Ltd	Improve Your Business (IYB)	Reduction in Monthly Utilities Costs	Rands	R 24 097,15	R 13 304,03	44,79%	44,79%	44,79%
11	Equal ELM (Pty) Ltd	Lean Manufacturing	Improve Average Set-up Time	minutes	30,30	19,10	36,96%	49,09%	49,09%
			Reduction in Average Waiting Time	minutes	4,90	1,90	61,22%		
12	Fez Simplicity	Quality Management Systems (QMS)	QMS Audit Score	%	22,83%	90,87%	68,04%	68,04%	68,04%
13	The Car Intersection	Improve Your Business (IYB)	Number of signed up members	number	38,00	73,00	92,11%	86,96%	86,96%
			Number of signed up service providers	number	11,00	20,00	81,82%		
14	JMTA Auto Parts	Improve Your Business (IYB)	Reduction in Monthly expenses	Rands	10000,00	2000,00	80,00%	80,00%	80,00%
15	I-Voltage Systems	Lean Manufacturing	Reduction in Downtime due to Changeover	minutes	154,00	91,00	40,91%	40,91%	40,91%
16	Rodecon Engineering	Lean Manufacturing	Increase client-base (number of contracted clients)	number	10,00	12,00	20,00%	35,00%	35,00%
			Improve Invoice payment terms	number	60,00	30,00	50,00%		
17	Riverside Autocity	Improve Your Business (IYB)	Reduction in Monthly Operational Costs (Petrol)	Rands	R 6 855,00	R 4 993,00	27,16%	41,55%	41,55%
			Reduction in Monthly Operational Costs (Printing and Stationery)	Rands	R 2 133,50	R 940,00	55,94%		

Table 14: Productivity improvement intervention outcomes (continued)

#	Company	Programme	Project Intervention	Unit of Measure	Before	After	Efficiency Improvement %	Average Efficiency Improvement %	Report Figure
18	Engine Titans	Improve Your Business (IYB)	Proper costing price for Minor Services	Rands	750,00	1230,00	64,00%	52,00%	52,00%
			Proper costing price for Diagnostics Services	Rands	500,00	700,00	40,00%		
19	Turntech	Quality Management Systems (QMS)	QMS Audit Score	%	62,61%	90,87%	28,26%	28,26%	28,26%
20	Hudson Rubber	Lean Manufacturing	5-S Audit Score	%	66,32%	66,32%	0,00%	0,00%	0,00%
							Average Efficiency	50,37%	50,37%

Revenue generated by MSMEs operating within the AIDC Incubation Programmes

The project aims to empower black-owned enterprises to become Tier 1 and Tier 2 suppliers to OEMs, thereby bringing them into the mainstream economy of the automotive sector and contributing to the transformation of the automotive sector and increased localisation. This indicator tracks the revenue generated by the current cohort of seven MSMEs operating from the Incubation Centres at Ford and Nissan, which are set to graduate after a period of five years.

During the financial period, turnover reached R80 029 556, significantly exceeding the approved year-end target of R45 million. While this reflects a strong financial performance for the period under review, the current revenue levels are not expected to be sustained into the next financial year.

The overachievement is largely attributable to the graduation of Tshetu Automotive Supplier (TAS) and MH Automotive Engineering (MH) from the Ford Incubation Centre, which will result in a material reduction in revenue generated at the Centre going forward. In addition, IVoltage's turnover is projected to decline by approximately 20%, following Ford's decision to discontinue Friday production due to reduced volumes.

Further revenue pressure is anticipated at the Nissan Incubation Centre, as the Nissan plant will cease operations after 31 May 2026, following the sale of the facility to Chery. This development will result in the suspension of operations at the Incubation Centre. At present, there is no certainty regarding the continuation of the incubation programme, and no commitment has been received from Chery regarding future incubation activities at the site. The breakdown of revenue per incubatee company is depicted in Table 15 below:

Table 15: Incubation Programme Turnover Report

	Product / Commodity	Tier Level	R Value
FORD INCUBATION			
Ikukeng Automotive Engineering IAE (Pty) Ltd	logistics	1	R5 566 999
Nomtec Automotive (Pty) Ltd	H-Vech	1	R9 940 157
Tshetu Automotive Supplier (Pty) Ltd	Bumpers	1	R15 279 938
MH Automotive Engineering (Pty) Ltd	Rail box	1	R7 706 237
IVoltage System (Pty) Ltd	H-Vach	1	R10 919 320
TOTAL:			R49 412 651
NISSAN INCUBATION			
Zenande Engineering Solutions (Pty) Ltd	Welding Workshop	1	R17 869 778
Sterra Supply Services (Pty) Ltd	Welding Workshop (Interim Management) Automotive Training	1	R12 747 127
TOTAL:			R30 616 905
Grand Total			R80 029 556

Township-based MSMEs upskilled in the automotive sector

Township-based MSMEs are supported with tailor-made skills programmes to enhance their capacity to serve clients and become more profitable and efficient. The type of skills provided is dependent on a needs assessment at each township hub, and includes technical training and mentorship programmes, financial skills, and marketing, among others. Upon successful completion, attendees are awarded certificates of completion.

Cumulatively, 62 MSMEs have been trained to date, surpassing the annual target of 60. As a result, the programme achieved 103% of its planned target, reflecting strong uptake, effective implementation, and meaningful progress in building sustainable technical capacity within the township automotive sector.

Table 16: MSME beneficiaries of skills training for the financial year

	Company	Township	Training Programme	Duration (days)
1	ZAT Services Pty Ltd	Vosloorus	Business Performance Improvement Workshop	3
2	Pro Utility Projects	Mabopane		
3	Teddys Auto			
4	Terminus Spares & Mechanical Center Pty Ltd			
5	FST Auto Services	Soweto		
6	TMF Static Towing	Winterveldt		
7	Thenthethe Pty Ltd			
8	GFCA Consulting			
9	Smanga Auto Services	Soshanguve		
10	Masase Automotive			
11	Pyramid Stature Solutions Pty Ltd			
12	Zomtho Training & Projects			
13	TSHEKZEEZ Projects	Klipspruit Ext 2		
14	Chabedi Group	Evaton		
15	IN Moremi Pty Ltd	Ga Rankuwa		
16	PKL Electric charging infrastructure	Kagiso	Business Start-up Training	3
17	Leiah's Spares Station			
18	Lerato automotive car maintenance and repair			
19	Philladelphina Automotive	Mohlakeng		
20	Diesel Automotive Repars	Naledi		
21	Precious Air Conditioning	Kagiso		
22	Mgusha Repairs			
23	Dina's automotive car maintenance and repair	Tshepisoong West		
24	Hypep penal beating	Cosmo City		
25	Magubane Investment Pty Ltd			
26	Nokometsi Trading			
27	Business management consulting			
28	Busi's automotive engineering	Tshepisoong West		
29	Mopeileo Auto Services	Nomavoni Ext 6		
30	Effecient Motor Spares	Atteridgeville	Improve Your Business Workshop	3
31	Mafotja Motors	Soshanguve		
32	JMTA Auto Spares			
33	I-Voltage Systems			
34	Riverside Auto City	Riverside View		
35	The Car Intersection	Mabopane		
36	City One Stop Center	South Hills Ext 6		
37	Boy Nyana Pty Ltd	Dobsonville		
38	TL Group Pty Ltd t/a Technic Auto	Soweto		
39	Khethakanye Car Solution	Nellmapius	Automotive Diagnostic Machine Training	3
40	Hlangu Auto Care			
41	MM Panel Beaters	Saulsville		
42	TE Diagnostic Solution	Mamelodi		

Table 16: MSME beneficiaries of skills training for the financial year (continued)

	Company	Township	Training Programme	Duration (days)
43	JJ Motor Works	Nellmapius	Automotive Diagnostic Machine Training	1
44	Auto Worx Repairs	Saulsville		
45	K&E Merc Auto	Kagiso		
46	Baatseba Engineering			
47	RE Shera Group			
48	Kagiso Salvage			
49	Irvin Auto Lock			
50	Luzar,s Auto			
51	I & M Electrical Auto			
52	Mjodi's Auto			
53	Mfazo Locksmith			
54	Bongani Mechanics			
55	Thandos Pane beating			
56	626 Garage Bikes			
57	Pamore Enterprise			
58	Thato & Sons Auto			
59	Motholo Mechanics			
60	Nkuna Panel Beating			
61	Letseka Spray painting			
62	Twax & Transport Penal Beating			

Revenue generated by MSMEs operating within the AIDC Township Automotive Hubs

This indicator tracks the monetary value generated by MSMEs operating from the Winterveld and Chamdor Automotive Hubs. The revenue generated is calculated based on the value of purchase orders and invoices processed at these township hubs.

Cumulatively, annual revenue amounted to R4 599 202 against the target of R4 000 000, representing an achievement rate of 115%. This strong performance was primarily driven by the renewal of the Gfleet contract; 251 government vehicles were fixed during the financial year, which provided revenue stability and growth. In terms of hub performance, the Chamdor Hub outperformed the Winterveldt Hub, demonstrating stronger and more consistent revenue generation during the period. The breakdown per hub is reflected in Table 17 below:

Table 17: Township Automotive Hubs annual revenue generated

Township Hub	Amount (R'000)	Number of vehicles processed
Winterveldt Enterprise Hub	R1 023	72 (10 Government & 62 Private)
Chamdor Automotive Hub	R3 576	408 (211 Government & 197 Private)
Annual Total	R4 599	480 (221 Government & 259 Private)

Revenue generated from projects

To achieve long-term financial sustainability, the AIDC proactively pursues short- to medium-term projects executed on behalf of clients. These projects serve as a key source of additional revenue and are typically one-off initiatives tailored to meet specific client needs. By delivering specialised solutions and services through targeted, client-specific engagements, the AIDC can diversify its income streams while reinforcing its strategic value proposition.

The annual revenue target from project income was set at R32 million, and revenue generated from project income was monitored throughout the financial year. Revenue from projects amounted to R17 183 000. Underachievement was primarily due to delays in the realisation of anticipated project revenues on the following projects: the ASP feasibility study (R6.5 million); the NEV Summit (R4.3 million); the Chamdor Yellow Plant project (R3.8 million); the Supplier and Enterprise Development project (R2.2 million); as well as a Skills Development project implemented in partnership with the German Chamber of Commerce.

Table 18: Revenue generated from projects

Description	Amount R'000
Shared Services Incubatees	R6 490
HUBS Commission on repair SME work	R279
Project Management – TAH	R1 368
GALC project management & Trade testing	R1 374
Project Management – SEDD	R1 230
Other Partners Recoveries	R3 265
Battery pre-feasibility study	R1 200
Other income	R1 977
Total	R17 183

Revenue generated from property rentals and service charges

This refers to income generated from the leasing of property or assets to tenants. It includes regular payments made by tenants to the AIDC in exchange for the right to occupy or utilise the rented space or asset.

During the period, revenue from property leasing amounted to R191.43 million against the target of R180 million. The main contributors to this amount were net rental income at R89.5 million, electricity and water recoveries at R76 million, and operational cost levies at R19.4 million.

It is important to note that the electricity recovery figure is highly variable. Furthermore, it should be emphasised that the electricity recovery figure does not constitute income for the AIDC but rather represents a recovery of expenses paid to the local authority on behalf of tenants.

Table 19: Revenue generated from property rentals and service charges

Revenue from exchange transactions	R Value
Rental/external revenue	R89 499 935
Levy income	R19 431 876
Telephone Services	R45 983
ICT Services Income	R547 056
Water and Electricity	R76 222 377
Rates and Taxes recoveries	R5 553 509
Venue Hire and Facilities Hire Income	R131 932
Catering Income	R3 973
Total revenue	R191 436 641

Programme 2: AIDC – Originally tabled Annual Performance Plan

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Programme 2: AIDC Originally Tabled Annual Performance Plan									
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26 until date of re-tabling (End September 2025)	Deviation from planned target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
Structurally transformed Economy	Companies supported to improve Global Competitiveness	Number of township-based SMMEs upskilled in the automotive sector	62	69	60	33	-27	Only 30 townships based SMMEs were targeted by end of quarter 2 with an actual of 33 achieved. The deviation of 27 was planned for the remaining quarters	Output indicator revised to replace the term SMMEs to MSMEs to align with the revised definition as published by the Department of Small Business Development
	Enterprise development interventions implemented	Revenue generated by SMMEs operating within the AIDC incubation programmes	R122 358 830	R111 362 345	R45 million	R54 210 517,00	+ R9 210 517,00	Larger stock volumes were requested from the Ford SA Incubation Centre necessitated by the planned exit of two suppliers at the end of September, from the incubation centre	Output indicator revised to replace the term SMMEs to MSMEs to align with the revised definition as published by the Department of Small Business Development
		Revenue generated by SMMEs operating within the AIDC township automotive hubs	R2 370 856	R3 539 009	R4 million	R2 093 685.71	-R1 906 314.29	A target of R2 million was planned for the second quarter which was marginally exceeded attributed to the renewal of the RT46 contract with Gfleet, which resulted in an increased volume of vehicle repairs at the Chamdor Hub. The remainder of the target was due in subsequent quarters	Output indicator revised to replace the term SMMEs to MSMEs to align with the revised definition as published by the Department of Small Business Development Quarter 2 and 3 targets have been updated to write "mil" in full as "millions."
Revenue enhancement	Alternative revenue streams optimised	Revenue generated from projects	-	-	R12 million	R7 270 000,00	-R4 730000	This was an annualised target due for reporting in quarter 4, however an actual of R7.2 million was reported from revenue received from the Sasol project	Upward revision of target from R12 million to R32 million due to expanded pipeline
	Revenue generated from rental income	-	-	R200 million	R97 214 000,00	-R102 786 000	This was an annualised target due for reporting in quarter 4, however an actual of R97.2m was reported at end quarter 2 based on revenue from property leasing and electricity recovery	Output indicator rephrased to "Revenue generated from property rentals and service charges" to specify income streams. The annual target was also revised downwards following the exit/loss of a Tier 1 tenant.	

Programme 2: AIDC – Re-tabled Annual Performance Plan

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Programme 2: AIDC Re-Tabled Annual Performance Plan								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement 2025/26	Reasons for deviations
Structurally transformed economy	Companies supported to improve global competitiveness	Number of companies supported with interventions to improve productivity and competitiveness	-	-	20	22	+2	The overachievement was driven by an urgent request from two additional companies which required the intervention to commence in the financial period
		Average % of productivity improvement in companies participating in the efficiency improvement programme	46,4%	55,81% ⁹	40%	50,37%	+10,37%	8 of the 20 companies achieved an efficiency improvement of 50% and above, which increased the overall average.
	Enterprise development interventions Implemented	Revenue generated by MSMEs operating within the AIDC incubation programmes	R122 358 830 ¹⁰	R111 362 345 ¹¹	R45 million	R80 029 556	+R35 029 556	Larger stock volumes were requested from the Ford SA Incubation Centre necessitated by the planned graduation of two incubated suppliers at the end of September.
		Revenue generated by MSMEs operating within the AIDC township automotive hubs	R2 370 856 ¹²	R3 539 009 ¹³	R4 million	R4 599 202	+R599 202	The overachievement is primarily attributed to the renewal of the RT46 contract with Gfleet, which resulted in an increased volume of vehicle repairs at the Chamdor Hub during the financial year
Enhanced skills development to support inclusive economic growth	Skilled workforce that drives innovation and competitiveness	Number of employed individuals upskilled /reskilled to improve industry innovation and competitiveness	1 419 ¹⁴	1 328 ¹⁵	500	629	+129	The overachievement was attributed to training requested and timely booking confirmations with Rodecon Engineering and Nissan SA in Quarter 1 and Quarter 2, which enabled the scheduling of additional training sessions within the financial year.
		Number of candidate artisans declared competent at the AIDC Trade Test Centre	238	255	240	250	+10	A catch-up plan was developed for the 4th quarter to address the shortfalls from preceding quarters (resulting from the TTC closure due to the need for recertification and reaccreditation required from QCTO and NAMB) by assessing extra candidates from TVET colleges and Technical High Schools, including Tshwane South TVET, Orbit TVET (Brits), and Temba TVET

⁹ The indicator phrasing in 24/25 was "Average % of productivity improved..." which has been changed in the current APP to "Average % of productivity improvement..."

¹⁰ Indicator phrasing reference to SMMEs has been changed to MSMEs in the current financial year

¹¹ Indicator phrasing reference to SMMEs has been changed to MSMEs in the current financial year

¹² Indicator phrasing reference to SMMEs has been changed to MSMEs in the current financial year

¹³ Indicator phrasing reference to SMMEs has been changed to MSMEs in the current financial year

¹⁴ The indicator was previously phrased Number of employed individuals upskilled /reskilled to ensure retention of jobs whereas in the current year the indicator is phrased as Number of employed individuals upskilled /reskilled to improve industry innovation and competitiveness

¹⁵ The indicator was previously phrased Number of employed individuals upskilled /reskilled to ensure retention of jobs whereas in the current year the indicator is phrased as Number of employed individuals upskilled /reskilled to improve industry innovation and competitiveness

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements (continued)

Programme 2: AIDC Re-Tabled Annual Performance Plan								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement 2025/26	Reasons for deviations
		Number of township-based MSMEs upskilled in the automotive sector	6 2 ¹⁶	69 ¹⁷	60	62	+2	The overachievement was due to additional training during Quarter 3 requested by SMMEs to improve their business skills.
Revenue enhancement	Alternative revenue streams optimised	Revenue generated from projects	-	-	R32 million	R17 183 000	-R14 817 000	The underperformance resulted from projected revenues not realised during the reporting period, including income from the NEV Summit, Chamdor Yellow Plant, the SEDD project, and Skills Development initiatives in collaboration with the German Chamber of Commerce
		Revenue generated from property rentals and service charges	-	-	R180 million	R191 436 641	+R11 436 641	Overachievement was due to timely collection of rent and Water, Electricity, and recoveries from tenants

Linking performance with budgets

Programme/activity/objective	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Industry Development	69 468	53 642	(15 826)	53 834	55 741	1 857
Operations	159 101	137 132	(21 969)	170 392	147 576	(22 816)
M&E and Risk	3 730	3 737	7	3 501	3 474	27
Business Development	23 533	12 847	(10 686)	30 702	29 761	941
Management	5 741	5 286	(455)	5 860	5 328	532
Finance	34 940	56 359	21 419	38 637	175 770	(127 133)
Human Resource	11 447	9 237	(2 210)	13 270	9 440	3 830
Total	307 995	279 600	(28 395)	316 661	426 796	110 045

The total expenditure budget for the 2025/26 financial year, excluding capital expenditure (Capex), amounts to R316 million, as approved by the Board. This budget is comprised of:

- Operating expenses (personnel, administrative, and other operating costs): R255 million
- Project-related expenses: R31.5 million
- Non-cash items: R30 million

As at 31 March 2026, the AIDC incurred total expenditure of R426 million against an approved budget of R316 million, resulting in expenditure exceeding the budget by R110 million.

The variance was primarily attributable to the write-off of assets amounting to R121 million during the financial year. These write-offs related mainly to the Nissan Incubation building and the Gauteng Learning Centre building. Excluding these non-cash asset write-offs, expenditure would have remained largely in line with the approved budget.

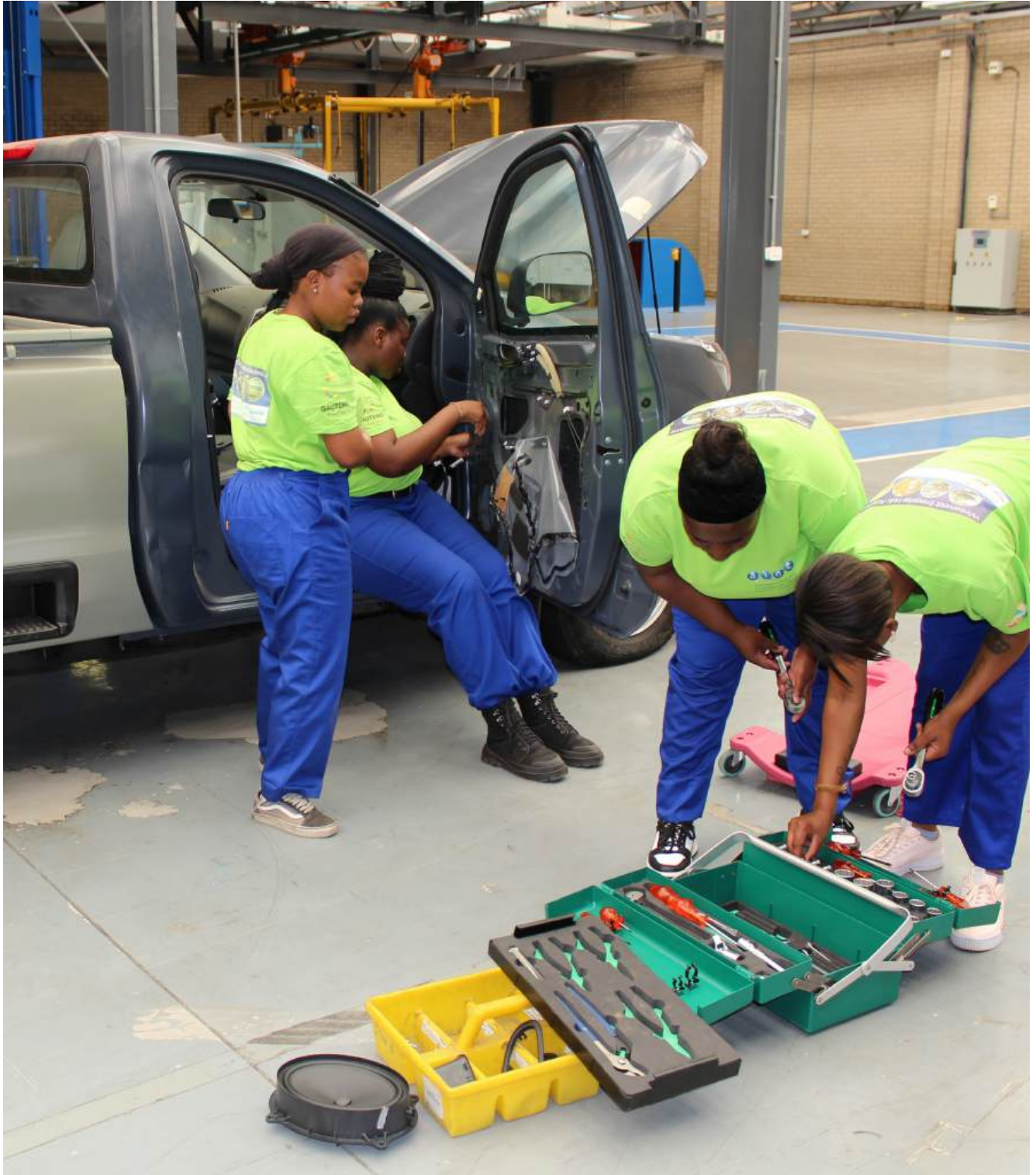
¹⁶ Indicator phrasing reference to SMMEs has been changed to MSMEs in the current financial year

¹⁷ Indicator phrasing reference to SMMEs has been changed to MSMEs in the current financial year

Strategy to overcome areas of under performance

During the financial period, the AIDC achieved eight of its nine planned targets, resulting in an 89% overall performance achievement for the year.

The entity tracks output indicators on a monthly basis. Any indicators that are lagging behind target are discussed in the Monitoring and Evaluation (M&E) Forum as well as in project review meetings. Where underperformance is identified, mitigation plans are developed and immediate implementation strategies are put in place to ensure progress towards achieving the set targets.



PROGRAMME 3

TIHMC



Dr Bangani Mpangalasane
Chief Executive Officer: The Innovation Hub
Management Company

Purpose: The Innovation Hub Management Company (TIHMC) is Gauteng's innovation agency, driving innovation-led economic growth through entrepreneurship, enterprise incubation and support for high-growth sectors, including the digital, bio- and green economies. TIHMC strengthens the province's innovation ecosystem by supporting emerging enterprises, developing talent and fostering collaboration among government, industry and research institutions to create new economic opportunities and advance inclusive, sustainable growth.

100%

ACHIEVED



R195.5m
exports facilitated

15 demand-led
open innovation projects piloted
for government and industry



2 clusters
implemented

4 patents
registered



20 companies
graduated from the incubation
programmes

R219m Revenue
generated by TIHMC programmes
and ecosystem



1062 youths
trained in ICT skills

R22.37m Revenue
Generated by TIHMC



PURPOSE:

The Innovation Hub Management Company (TIHMC), as a Science and Technology Park, is an innovation agency tasked with spearheading innovation initiatives within the Gauteng City Region. As a key innovation agency within the Province, TIHMC plays a pivotal role in both conceptualising and implementing innovative programmes in high-growth sectors aligned to the Growing Gauteng Together, including the digital economy, bio-economy, and green economy.

TIHMC's roles in the provincial innovation ecosystem are anchored on promoting economic development and competitiveness of Gauteng in targeted sectors through advancing innovation for inclusive and sustainable industrialisation by, among other things:

- Stimulating and managing the flow of knowledge and technology between universities and companies
- Facilitating communication between companies, entrepreneurs, and scientists
- Providing environments that enhance a culture of innovation, creativity, and quality.
- Focusing on companies, research institutions, people, entrepreneurs, and knowledge workers.
- Facilitating the creation of new businesses through incubation and spin-off mechanisms and accelerating the growth of small and medium-sized companies.
- Working in global networks that gather thousands of innovative companies and research institutions worldwide, facilitating the internationalisation of their resident companies.

To achieve this, five (5) critical Strategic Focus Areas (SFAs) were identified to anchor the work of the organisation and were implemented under the GDED-wide impact statement: "An inclusive and sustainable economic growth that stimulates jobs within the Gauteng City Region."

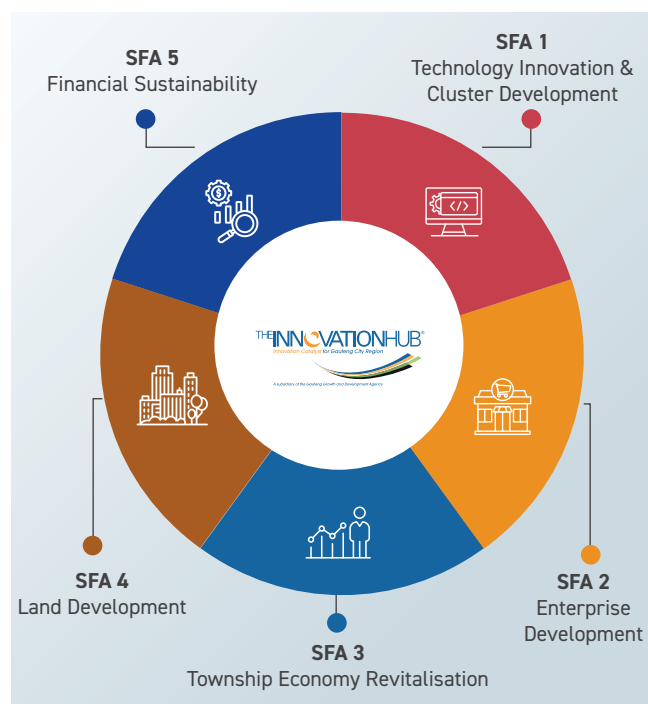


Figure 28: Approved SFA

The above SFAs play a pivotal role in ensuring that TIHMC becomes a leader in the innovation ecosystem. They also aim to create the required infrastructure for innovation and ensure the organisation is financially sound by maximising its existing revenue streams.

TIHMC encompasses a range of sub-programmes aimed at achieving the above. These initiatives serve as incubators for emerging ventures, providing vital business development support and fostering the development of innovations, as outlined below:

- **Maxum Business Incubator:** Maxum provides business development support to start-ups in the smart industries: ICT (e.g. internet of things, cyber security, big data and analytics, artificial intelligence) and advanced manufacturing / industry 4.0 (e.g. industrial IoT, additive manufacturing, foundry 4.0).
- **Climate Innovation Centre Incubator:** The programme provides support to start-ups in the South African green economy. Through targeted business development support, this initiative facilitates the growth of enterprises committed to addressing environmental challenges and driving sustainable innovation.
- **BioPark Incubator:** BioPark Incubator provides business development support to start-ups in the health (biopharmaceuticals, medical devices and diagnostics, indigenous knowledge-based, cosmeceuticals, cosmetics), agriculture (agro-/food-processing, bioprocessing, smart agriculture) and industrial biotechnology sectors.
- **eKasiLabs Incubator:** The eKasiLabs programme is an extension of The Innovation Hub's service offering. It comprises micro innovation hub facilities spread across the five economic corridors in Gauteng, where a culture of innovation and entrepreneurship is fostered and cultivated in townships. The facilities are located in Mohlakeng, Sebokeng, Garankuwa, Soweto, Tembisa, Alexandra, Mamelodi, Kagiso, Kathorus and Mabopane, Tsakane, Diepsloot, and Danie Van Zyl.
- **Demand-Led Open Innovation Programme:** The programme delivers tangible solutions to real challenges posed by solution seekers in government and the private sector and connects leading African researchers and entrepreneurs with new opportunities to commercialise their innovations.

Achievement of Institutional Outcomes

The Innovation Hub Management Company (TIHMC)					
Outcome	Outcome Indicator	Baseline	Five-Year Target	Progress	Percentage Against 5 Years
O1: Exports from Gauteng into new strategic markets and expansion of exports in existing markets	Exports facilitated through TIHMC programmes	R295	R500m	195,5 mil	39%
O2: Levels of economic activities in localities in which economic infrastructure was delivered	% Land uptake on the TIHMC precinct	32% ¹⁸	44%	- ¹⁹	-
O3: Enhanced skills development to support inclusive economic growth	Number of jobs created by SMEs and Park tenants	1841	8500	203	2,4%
	% of youth absorbed by the labour market post skills development training	New indicator	60%	-	-
O4: Structurally Transformed economy	Number of innovations adopted post-demonstration	New indicator	60%	-	-
	% Survival rate of graduated companies from incubation	New indicator	60%	-	-
	Revenue generated by TIHMC programmes and ecosystem	R50 ²⁰ mil	R100m	R219m	219%
O5: Revenue enhancement	Rand value in own revenue generated	New Indicator	R166m	R22.37m	13.4%

Outcome 1: Exports from Gauteng into new strategic markets and expansion of exports in existing markets

Rand value of exports facilitated

For the current financial year, TIHMC's alumni company, which graduated in the 2023/24 financial year, achieved a standout export performance: R195.51 million in export value from Nickel-Metal Hydride (NiMH) battery recycling operations—specifically, 8 082 tons of NiMH batteries (equivalent to 7 331 867 kg). This major transaction was made with a French company, marking the culmination of extensive effort and dedication from the company. Moreover, these exceptional results exceeded the annual target of R40 million by 389% and contributed 39% towards TIHMC's five-year export milestone of R500 million.

Founded in 2014, the company is a proudly BBBEE Level 1 accredited and ISO-certified company specialising in the collection, recycling, and beneficiation of electronic and lighting waste. The company joined the TIHMC Incubation Programme through the Gauteng Accelerator Programme (GAP) in 2017. Since then, TIHMC has played a pivotal role in supporting the company's growth, including assisting the company in securing R8.3 million in funding from the Technology Innovation Agency (TIA) during the 2021/22 financial year.

This funding was instrumental in commercialising a new technology licensed from the University of KwaZulu-Natal (UKZN), as well as enabling the purchase of additional machinery to enhance waste processing capabilities at their KwaZulu-Natal site. Furthermore, TIHMC was at the forefront of helping the company obtain an exclusive license from UKZN to commercialise these university-owned technologies. To safeguard their interests, TIHMC assigned an intellectual property mentor to assist in reviewing the licensing agreement, ensuring the company retains the IP rights to any improvements they develop on the technology.

Following its successful graduation from the Climate Innovation Incubation (CIC) programme in 2023/24, the company has continued to scale rapidly. The company now supports clients in achieving zero-landfill goals through comprehensive services, including waste auditing, on-site storage, logistics, and advanced recycling technologies.

¹⁸ Unaudited data

¹⁹ To be reported from the 2nd year of the term

²⁰ Unaudited data.

Outcome 3: Enhanced skills development to support inclusive economic growth

During the reporting period, the Skills Development programme made good progress in supporting young people to gain important digital skills. A total of 1,062 youths were trained, against an annual target of 1,000. This means that the programme exceeded its target by 62 youths, achieving 106.2% of the annual target.

The training focused on a range of digital and ICT-related areas that are important in today's changing economy. These included 3D Printing, Artificial Intelligence, Cloud Computing, Cybersecurity, and Data Analysis, among others. The training was designed to give young people practical knowledge and skills that can help them take advantage of opportunities in the digital economy, improve their employability, and support them in pursuing further learning or starting their own businesses.

The participation of women was particularly strong. Of the total number trained, 698 were female and 364 were male. This shows that women made up the larger share of participants and highlights the programme's contribution to creating opportunities for young women to develop skills in areas that are increasingly important for employment and entrepreneurship.

In addition to skills development, TIHMC also contributed to employment creation during the 2025/26 financial year. Across its different programmes, TIHMC facilitated the creation of 203 jobs. These jobs were generated through the support provided to entrepreneurs, innovators, businesses, and other programme participants as they developed and grew their ideas and enterprises.

The eKasiLabs programme made the largest contribution, creating 87 jobs during the financial year. This was followed by the Climate Innovation Programme, which contributed 72 jobs, and the Maxum Incubator, which contributed 26 jobs. The BioPark Incubator and the TIHMC Skills Programme each contributed 9 jobs.

The results show that TIHMC's programmes are not only focused on providing training and supporting innovation, but are also helping to create real opportunities for people to earn a living. Through digital skills training, business support, incubation, and innovation programmes, TIHMC is helping young people and entrepreneurs build the knowledge and capacity they need to participate in the economy.

Overall, the achievements during the period demonstrate the value of TIHMC's different programmes in supporting skills development, job creation, entrepreneurship, and inclusive economic growth. The strong number of youths trained, particularly the high participation of women, together with the 203 jobs created, reflects the programme's continued contribution to improving economic opportunities for young people and supporting the growth of innovative businesses.

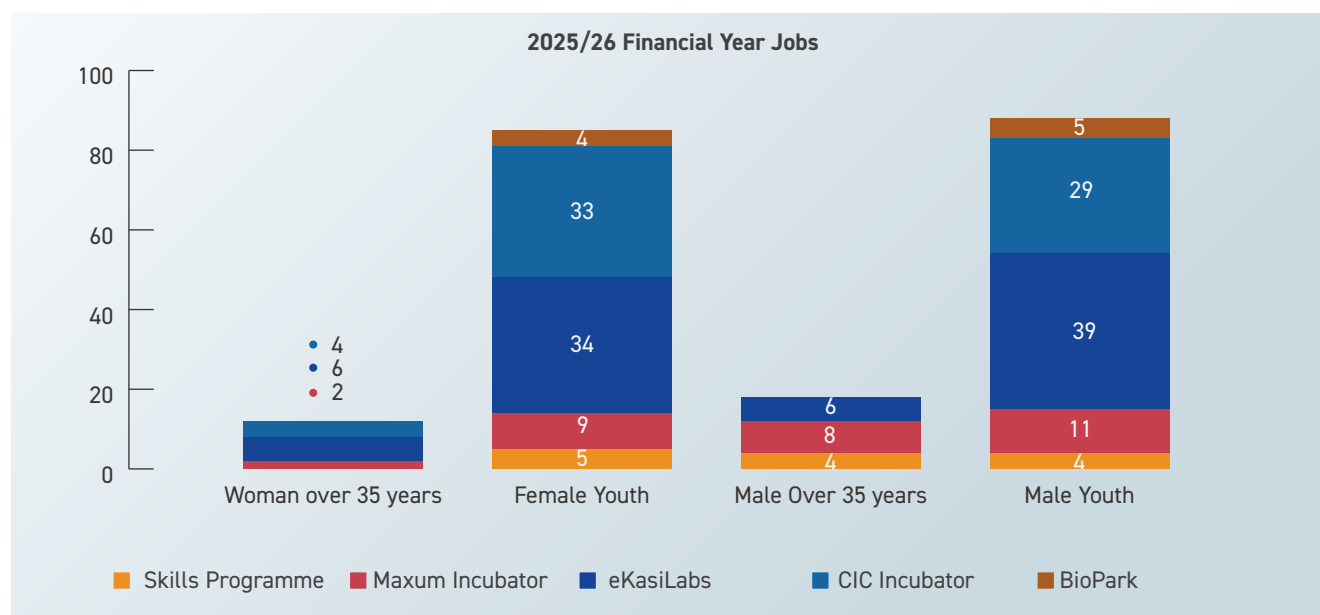


Figure 29: Jobs Facilitated

Gender and age group distribution indicates:

- Women over 35 years: 12
- Female youth (under 35 years): 85
- Men over 35 years: 18
- Male youth (under 35 years): 88

Outcome 4: Structurally transformed economy

Number of demand-led open innovation projects piloted for government and industry

The Demand-Led Open Innovation Challenge Programme, which pilots Open Innovation Solutions, was established by TIHMC to align with and bolster the objectives of the Gauteng Innovation and Knowledge Economy Strategy. Recognised as a valuable forum, OpenIX facilitates meaningful engagement between private companies, provincial departments, municipalities, and state-owned enterprises in Gauteng, connecting them with researchers and entrepreneurs.

Since its establishment in late 2012, OpenIX has successfully orchestrated diverse open innovation challenges, addressing industry and government concerns. Through these initiatives, the platform has identified numerous potential solutions proposed by researchers, entrepreneurs, and corporate entities. By maintaining a steadfast focus on provincial transformation and industrialisation goals, OpenIX plays a pivotal role in fulfilling the mandate of TIHMC. It catalyses collaboration, fostering innovation partnerships among stakeholders. The annual target of piloting 15 innovations from either government or industry was achieved.

Table 20: Open innovation projects piloted

No.	Company Name	Project Description	Pilot Site
1	Khepri innovations	The pilot seeks to assess the facility's energy usage, pinpoint inefficiencies, and implement effective energy-saving solutions in a biotechnology company specialising in sustainable solutions like organic waste recycling, and bioconversion technologies. The focus is on converting waste into high-value products.	Vukani Factory Park, 39c Adcock Street, Chamdor, Krugersdorp
2	Marapyane Farm	The pilot project commissioned a borehole, integrated with a storage facility and an open-surface rainwater harvesting system, reducing reliance exclusively on borehole water. Furthermore, the drip irrigation network was enhanced to improve its ability to deliver water directly to the root zones of plants.	Plot 57, Elandsdrift Road, Lanseria
3	PKL Neo Solutions	Deployment of a renewable energy system for an agricultural enterprise aimed at enhancing food security and creating economic opportunities for community members utilising land at local schools.	Hlophe Avenue, Mamelodi East, Ext 10
4	Hazile Group	Installation of hydroponic systems for the cultivation of culinary herbs and seasonal vegetables. An A-frame hydroponic system on which plants are grown in vertical channels with a continuous circulation of nutrient-rich water that is delivered directly to the roots. This water circulation involves a filtration system, and pH levels are carefully maintained.	218 8th Ave, Pomona, Kempton Park
5	Drill Rod	Installation of 70 solar panels, an inverter and batteries for a company that specialises in the manufacturing and supply of quality drilling tools for underground and surface mines.	23 Chenik St, Chamdor, Johannesburg, 1754
6	Bothlale Ba Rammutla	The pilot consists of a borehole water supply system powered by five solar panels, each with a capacity of 595 watts, and includes a water pump fitted with sensors to enable automated monitoring and regulation.	Plot 266 Lekkerbreek Street, Haartebeesthoek JR303, Akasia
7	Mgiba Technologies	The solution is a paperless, digital healthcare management system that connects patients, healthcare providers, and payment systems through an integrated electronic platform. It aims to modernise healthcare administration by digitising patient records, streamlining processes, and improving data accessibility across public and private healthcare facilities. The solution eliminates manual, paper-based systems and fragmented records by introducing centralised patient data, seamless digital payments, and real-time access to healthcare information. For patients, it ensures transparency and easier management of personal health data. For healthcare providers, it improves efficiency, collaboration, and capacity across clinics. For payments, it enables digital transactions, healthcare savings wallets, and pre-paid healthcare options.	CoJ Claremont Clinic

No.	Company Name	Project Description	Pilot Site
8	E-Pocket	This is a comprehensive cashless payment system targeted at both formal and informal businesses to encourage cashless transactions. The purpose of the ePocket platform is to provide a simple, affordable, and accessible digital payment ecosystem for townships and rural communities. It enables individuals, small businesses, and local agents to participate in a cashless economy without needing a bank account or expensive devices. Through its User App, Agent App, and Merchant Platform, ePocket aims to streamline payments, support financial inclusion, and increase business efficiency by offering safe, digital, and low-cost transaction solutions.	Alexandra Township
9	Mkazi Concepts	The Sensani solution is an IoT-enabled sanitiser dispenser and hygiene-monitoring device that uses real-time monitoring, AI analytics, NFC technology, and automated reporting to digitise hygiene compliance. It provides data-driven insights, alerts, and continuous monitoring at the point of care, helping to optimise sanitiser usage, improve compliance, and support infection prevention and control (IPC) programmes. By integrating electronic user profiles into multiple health information systems via API connections, Sensani enables seamless hygiene tracking across facilities. Its ability to reduce healthcare-associated infections (HAIs) leads to lower treatment costs, shorter patient stays, and improved operational efficiency for healthcare providers. Implementation will be with the City of Johannesburg Department of Health.	Windsor East Clinic, Randburg
10	Love our City Klean	A recycling solution with a drop-off facility where community members can bring their recyclables. In return, they earn points that can be redeemed at our shop for food, clothing, and other essential items each week. The company has developed an APP that can capture and track all data from our activities, including the volume and types of recyclables collected and the number of participants actively recycling.	JHB City centre and Alexandra
11	Connaissance Business Advisory	Piloting a Digital Monitoring System designed to track, analyse, and report on the real-world performance of green technologies deployed in Gauteng. The system consolidates key indicators related to power generation and usage, water usage, and financial performance, enabling TIHMC to assess programme outcomes based on consistent, reliable, and timely data. Through automated data capture and intuitive visualisation tools, the system provides a practical and scalable approach to monitoring innovations in multiple beneficiary sites.	Mogale City
12	Groove Tech	The solution utilises Waste Materials (Plastic) to Manufacture Cost Effective and Durable Polymer Modified Bitumen for Crack Sealing and Pothole Filling Applications to Prevent the Formation of Potholes in the City of Tshwane.	CoT
13	X-Reality	Gamified learning through Virtual, Augmented and Mixed-Realities (VR, AR and MR) offers a unique opportunity to create inclusive, adaptive, and engaging learning environments that cater to diverse needs. These environments promote the simulation of real-world scenarios, and provide safe spaces for skills development. This innovation gives learners the opportunity to engage in practical modules through specialised devices including mobile phones first before interacting with actual equipment in limited workshops. This not only improves their technical competency, it also reduces the likelihood of injuries, the duration of in-person training and the costs thereof.	Pretoria, Soshanguve

No.	Company Name	Project Description	Pilot Site
14	Tech4Africa (Flockify)	Flockify is a digital platform designed to support livestock and poultry farming through: Farm Operations Tracking (feed usage, mortality, production) Livestock Health Monitoring Learning Management System (LMS) for structured agricultural training. The platform enables real-time data capture and analysis, improving decision-making and reducing losses. It is designed to be simple, accessible, and scalable for African farmers and institutions.	Ekurhuleni Agricultural College
15	Loo Afrique	Eradicating bucket toilet systems in early childhood development centres in Gauteng. The V-Cistern: A 3-in-1 hand wash ready toilet, allowing the user to (1) Use, (2) Flush & (3) Wash Hands. The unit is designed to give access to dignified sanitation, improve hygiene, save 3 litres of water per flush and save up to 1,2 square metres of space in a bathroom facility. The Pee Basin Urinal Unit: A 3-in-1 hand wash ready urinal unit, designed to improve male hand washing after toilet usage. The Pee Basin allows the male user to (1) Use, (2) Flush & (3) Wash Hands – all in 1 single usage	Site A: Orchards Extension - Bundu Inn Road Informal Settlement Site B: Bapong Community Center



Number of clusters implemented

For the period under review, the organisation had a target of implementing two (2) clusters, namely the digital transformation cluster and the Indigenous Innovation Cluster. Both clusters were successfully established and implemented in line with the organisation's cluster phased approach. Technology clusters are designed to support start-up companies in scaling their innovation by bringing together diverse skills and expertise from different companies, enabling small companies to collaborate as a team and pursue larger projects that they would not have been able to secure individually.

Depending on the budget size and project complexity, a cluster typically consists of a minimum of two (2) and a maximum of six (6) members. The cluster programme is a long-term initiative that progresses through key stages, including the establishment of the cluster, the commencement of operations, and the pursuit of contracts to support ongoing growth. Proven technologies from the OpenIX platform, together with companies from the incubation programme, are integrated into the technology cluster programme, where they are grouped strategically to strengthen their capabilities and scale up their innovations.

a. Digital Transformation Cluster

The digital transformation cluster involves the development of an Innovation Challenge Platform designed to support TIH's innovation programmes. Through this platform, innovators, researchers, and entrepreneurs will be able to register, apply for challenges and competitions, manage and update their submissions, communicate with programme administrators, and track the status of their applications in real time.

On the administrative side, the platform will provide TIHMC and designated managers with streamlined tools to receive, review and score applications, manage workflow and communications, and process decisions efficiently, thereby improving both the user experience for applicants and the internal efficiency of programme delivery.

Max Attention Services, through its appointed Cluster Lead, has successfully delivered on the contractual obligations for the 2025/26 project phase, including the recruitment of cluster members, and the initial system development.

Below are the links for the demo system the cluster lead had to develop as well as one of the screenshots for the innovation platform.

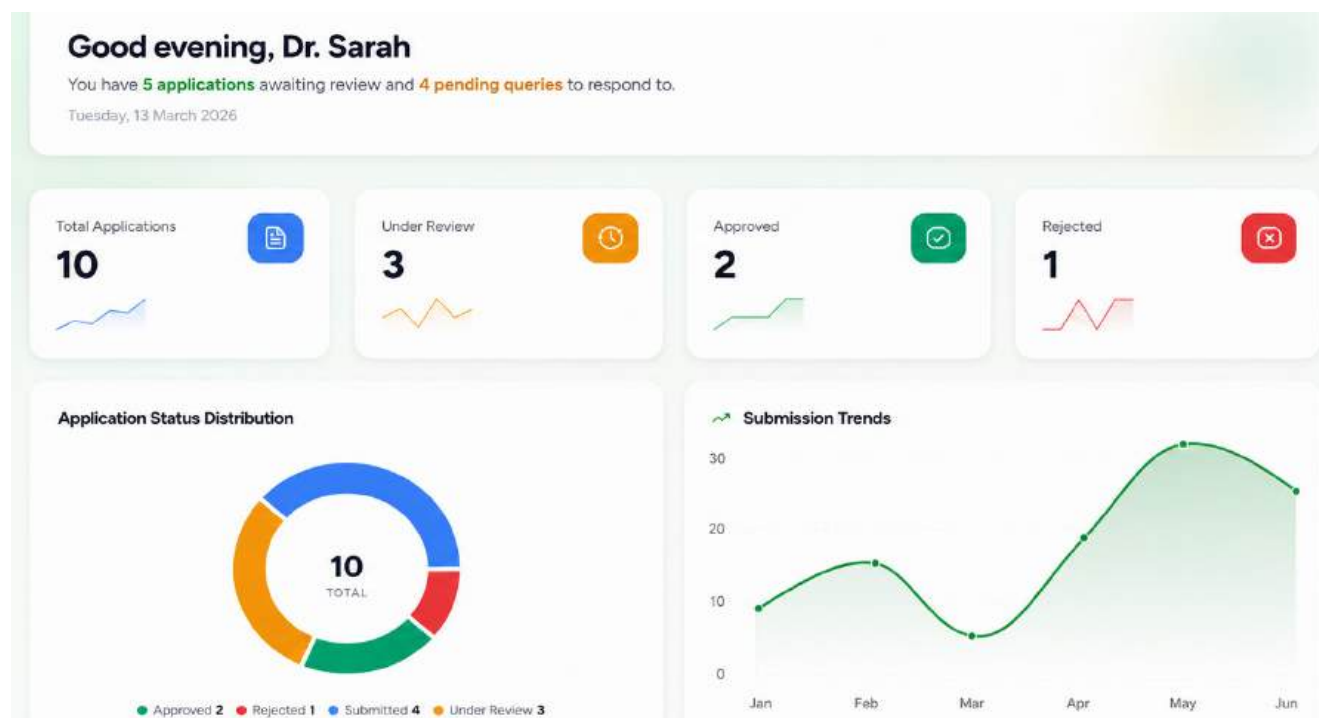


Figure 30: Dashboard innovation platform

b. Indigenous Knowledge System Cluster

The Indigenous Knowledge Systems (IKS) Innovation Cluster is established to support the product development, validation and commercialisation journey of IKS-based innovations, particularly in sectors such as traditional medicine, cosmetics, and nutraceuticals. Innovators in this sector face significant regulatory barriers to commercialisation. The IKS Cluster Programme aims to address these challenges by creating a collaborative cluster that supports IKS innovators in scaling their solutions and accessing markets, supported by a coordinated regulatory approach that helps innovators mitigate this barrier.

To address these systemic regulatory challenges, the TIHMC IKS cluster programme adopts a Regulatory Sprint Model in partnership with Letago Pharmaceuticals, combining a high-impact workshop with post-workshop advisory support, regulatory gap analysis, and roadmap development. Within this framework, the IKS Regulatory Sprint Cluster will focus specifically on helping innovators prepare for regulatory compliance. Phase 1 of the multiyear implementation was concluded during the financial year.

Phase 1 of the IKS cluster covered the following:

- Establish and mobilise the cluster and its governance structures: This process included identification of key industry players. Expert panels from TUT, North-West University, the CSIR and a private company were among the key stakeholders identified and engaged.
- Identify and onboard three suitable cluster members and innovators: At least three cluster members were identified and onboarded.
- Assess regulatory compliance requirements and gaps: The survey captured detailed information on product type, business stage, regulatory familiarity, and commercialisation challenges. This enabled the development of a more accurate and actionable innovator profile. Another observation was that regulatory familiarity remains a significant constraint. A large proportion of innovators demonstrated basic or no understanding of regulatory requirements, confirming a critical capability gap.
- Lay the foundation for targeted technical and regulatory support: These findings informed the design of targeted technical and regulatory support for cluster members.

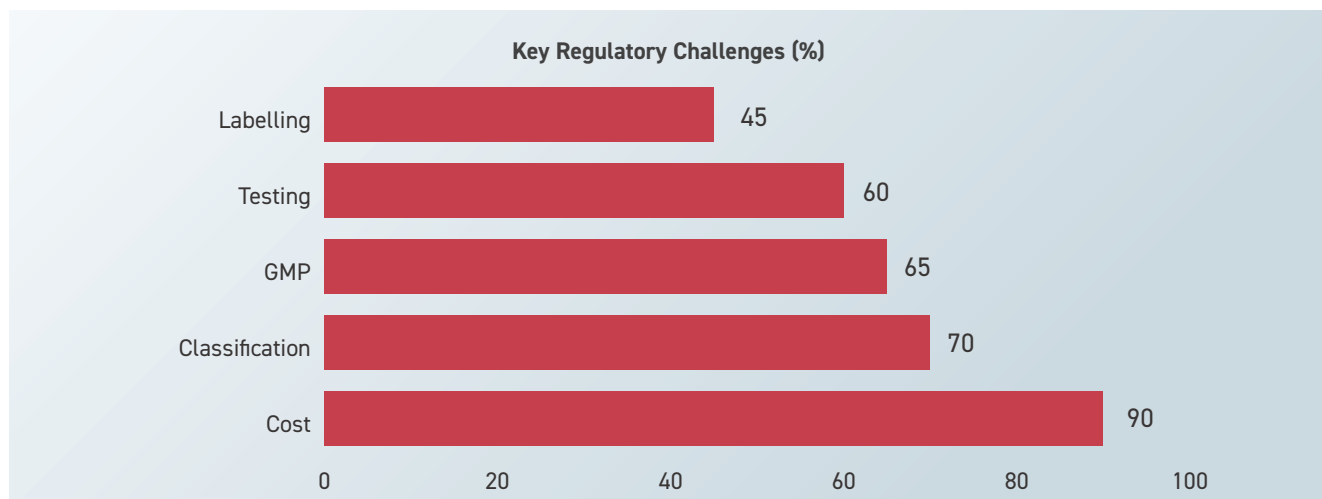


Figure 31: Regulatory challenges

Letago Pharmaceuticals was appointed to lead the cluster and has successfully delivered on the contractual obligations for the initial project phase.

Number of Patents Registered

For the financial year under review, TIHMC set a target of two (2) patents registered (granted) by recognised intellectual property authorities. This target was exceeded, with a total of four (4) patents registered (granted) during the reporting period, representing 200% achievement against the annual target. This performance reflects strengthened innovation outputs within supported enterprises and contributes to advancing technology development, intellectual property commercialisation, and knowledge-based economic participation in line with government priorities on innovation-led growth.

Below are the details of the patents that were registered (granted):

Table 21: Patents registered (granted)

No.	Patent Number	Registration / Granted Date	Company Name	Incubator
1	2023/10630	27-Aug-25	Green Share Energy	eKasiLabs Incubator
2	2023/11627	25-Sep-25	Dynamite Sensational Innovation	eKasiLabs Incubator
3	2024/08621	25-Sep-25	Energy Efficiency	eKasiLabs Incubator
4	2024/08307	26-Nov-25	Zambezi Analytics	Climate Innovation Centre South Africa (CICSA)

Number of companies graduated from the incubation programmes

TIHMC's commitment to fostering entrepreneurial growth is reflected in its enterprise development programmes, which include the Maxum Incubator, Climate Innovation Centre SA Incubator, eKasiLabs Incubator, and BioPark Incubator. These initiatives are strategically designed to provide comprehensive incubation support, enabling entrepreneurs to build and scale their businesses. In the strategic term, the five-year target is to ensure that graduated companies achieve survival post-graduation. For the 2025/26 financial year, the organisation's focus was on graduating 20 companies from the incubation programme into the alumni phase.

A noteworthy cumulative total of 437 companies were in incubation by the end of the 4th quarter of the financial year, reflecting a collective dedication to nurturing businesses. Figure 34 provides a detailed breakdown of incubated companies per programme.

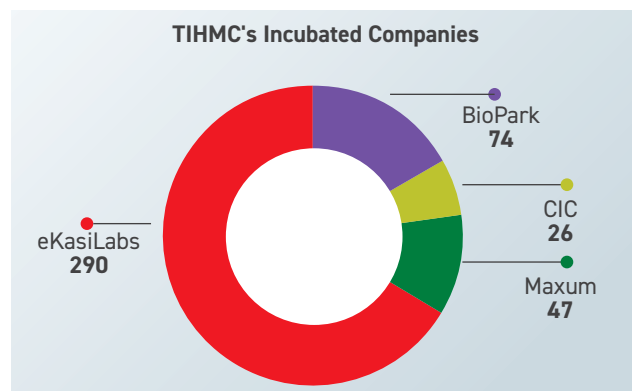


Figure 32: Total number of companies in incubation per programme

TIHMC focuses on providing incubation support to previously disadvantaged members of society, as depicted in the gender and age breakdown noted below:

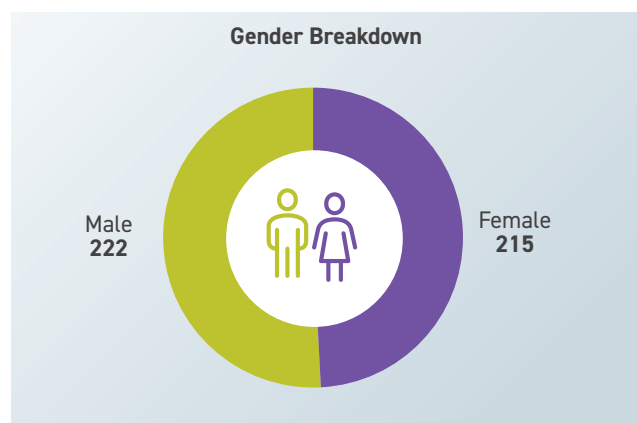


Figure 33: Gender breakdown of incubated companies

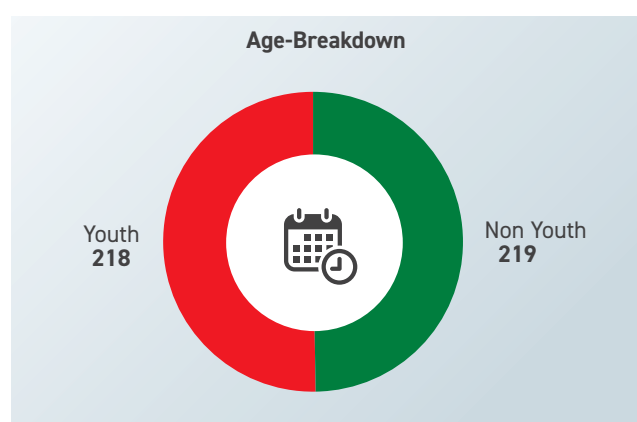


Figure 34: Age breakdown of incubated companies

TIHMC's key priority sectors focus on the green economy, bio-economy, and digital economy. Below are the key priority areas being focused on per incubation programme:

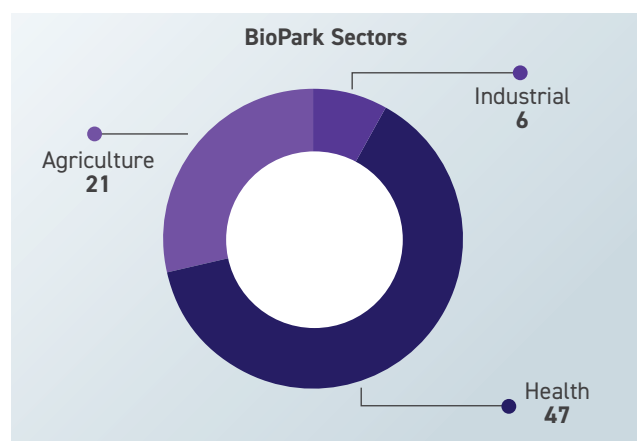


Figure 35: BioPark Sectors

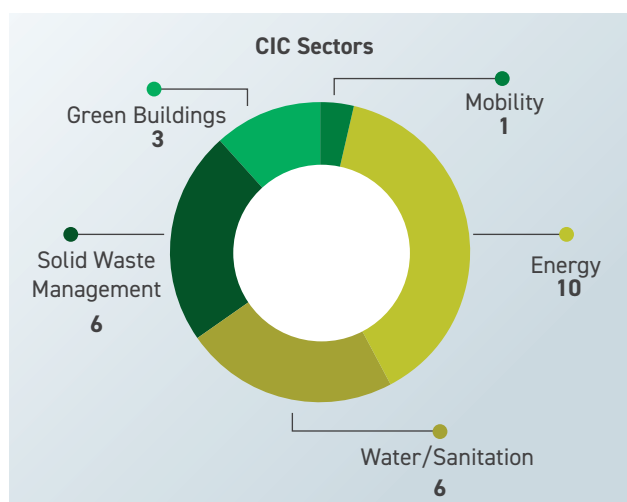


Figure 36: CIC Sectors

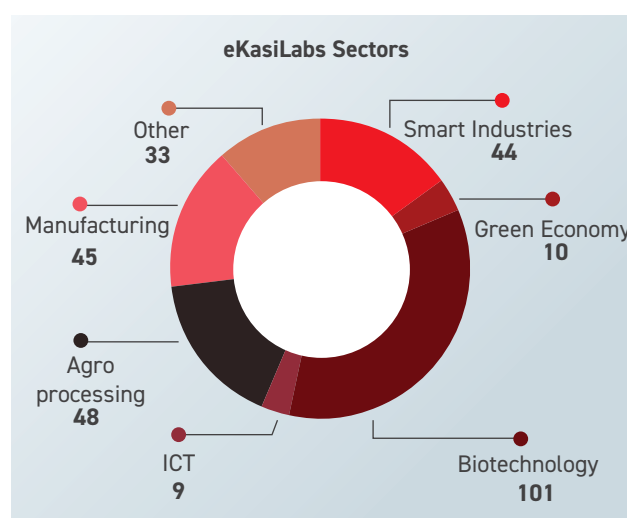


Figure 37: eKasiLabs Sectors

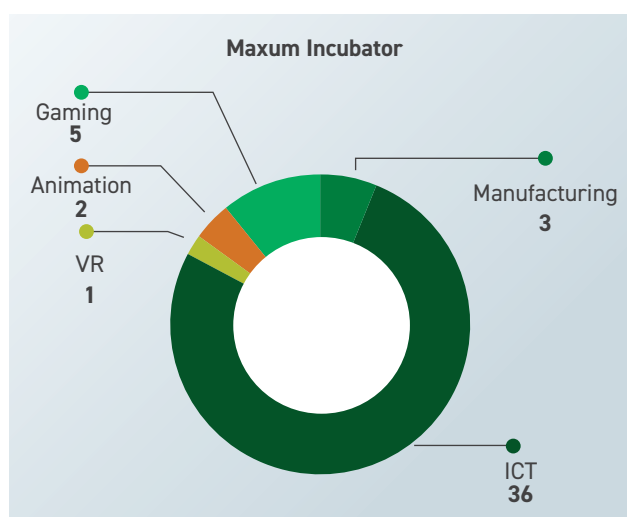


Figure 38: Maxum Sectors

A total of twenty (20) companies graduated from the various incubators during the financial year. Of the graduated companies, 75% are township-based enterprises incubated through the eKasiLabs Incubator, with sites located across all corridors of the Province. In addition, the companies are 100% black-owned, comprising 48% female-owned and 52% male-owned enterprises, while 29% are youth-owned and 71% are non-youth-owned.

The table below provides details of these companies.

Table 22: Companies graduated in 2025/26 financial year

No	Programme	Sector	Description
1	Maxum Business Incubator (Pretoria)	Digital economy	The company majors in 3D Animation, Illustration Design and Concept Development. The company develop and produces content that empowers brands to communicate their messages and stories across multiple channels.
2	Maxum Business Incubator (Pretoria)	ICT	The company develops animation-based digital communication solutions that support organisations in simplifying complex information through visual storytelling. The company produces explainer videos, training content, induction materials, and product visualisation media for corporate, government, and institutional clients. Its services integrate animation, graphic design, and multimedia development technologies to enhance knowledge transfer, stakeholder engagement, and digital communication effectiveness.
3	Maxum Business Incubator (Pretoria)	ICT/Mobile Application	Software subscription service that professional clubs use to find youth talent for their recruitment purposes. It is a web application that clubs and scouts subscribe to so that they can find talent. We do this by combining our video footage with data of players who we have registered so scouts can easily identify players.
4	BioPark Business Incubator (Pretoria)	Bioeconomy	The company manufactures premium organic beauty and skincare products such as creams, facial serums, tissue oil, body oil, massage oils, and perfumes.
5	BioPark Business Incubator (Pretoria)	Bioeconomy	The company has a hydroponics farming business based at the Menlyn rooftop. The farm uses NFT hydroponic system based in shaded netting greenhouses, to produce leafy green crops (basil and lettuce) within reticulating, soilless system within walking distance to the market.
6	eKasiLabs (Alexandra)	Manufacturing	The company develops a specialised range of deodorants formulated for school-aged children (6–13 years). The products are free from harmful substances and are specifically designed to be safe for sensitive and developing skin. The brand has adopted a direct-to-consumer model, with sales channels that include e-commerce platforms, exhibitions, local markets, direct sales, and social media platforms.
7	eKasiLabs (Mamelodi)	Bioeconomy	A manufacturing business that produces and supplies household cleaning products such as dishwashing liquid, cream cleaners, and powdered detergents. The company operates from its own facility and manages all aspects of production in-house, including bottling and labeling. As a licensed SABS supplier and member of Proudly South African, Star Cleaner focuses on delivering quality, affordable cleaning solutions to individual consumers and resellers, while contributing to economic development and job creation in the township.
8	eKasiLabs (Tembisa)	Manufacturing	The company manufactures and supplies a wide range of high-quality paints and related coatings for industrial, commercial, and residential use. The company uses non-toxic, environmentally friendly raw materials and a unique formulation that enables expired paint to be repurposed into new, sustainable products.
9	eKasiLabs (Soweto)	Bioeconomy	The company produces non-alcoholic energy beverages formulated to provide rapid energy support for active consumers such as students, athletes, and working professionals. The company focuses on product development and market-ready beverage manufacturing.
10	eKasiLabs (Soweto)	Bio-economy	The company manufactures home fragrance and ambient lifestyle products, including candles and scented diffusers, using locally sourced fragrance blends. The company supplies residential and hospitality markets, including guesthouses and tourism establishments, through both physical retail outlets and online platforms.

No	Programme	Sector	Description
11	eKasiLabs (Garankuwa)	Bioeconomy	The company develops natural hair and skincare products formulated using macadamia nut oil sourced from independent harvesters. The company produces value-added cosmetic formulations positioned within the natural personal care segment, supporting local agricultural farmers for its production inputs.
12	eKasiLabs (Garankuwa)	Manufacturing	The company designs and manufactures customised corporate gifts and promotional products using additive manufacturing and 3D printing. The company services schools, government departments, and private sector clients through rapid prototyping and small-batch digital manufacturing capabilities.
13	eKasiLabs (Kathorus)	Manufacturing	The company produces customised embroidered and printed textile products, including babywear, apparel, accessories, and branded corporate garments. The business integrates digital embroidery and textile printing technologies to support personalised and light manufacturing.
14	eKasiLabs (Tembisa)	Other (Fashion)	The company designs and manufactures leather accessories and apparel products positioned within the niche handcrafted fashion segment. The company focuses on small-batch production and locally manufactured fashion items supporting identity-driven and inclusive design markets.
15	eKasiLabs (Mabopane)	Digital economy	The company delivers digital skills development programmes aligned to Fourth Industrial Revolution competencies, including robotics, coding, drone piloting, 3D printing, and foundational ICT literacy. The programme supports youth capability development for participation in the digital economy.
16	eKasiLabs (Kagiso)	Bioeconomy	The company produces premium natural haircare formulations developed by a qualified biotechnologist with over 20 years of experience in understanding natural hair. The products are pH-balanced, sulphate-free, COSMOS-compliant, and specifically tested on type 3 and 4 hair to ensure safety and effectiveness.
17	eKasiLabs (Alexandra)	Manufacturing	A manufacturer of high-quality haircare products designed specifically for natural black hair. The company also offers a specialised children's haircare range formulated to nourish and protect young, textured hair.
18	eKasiLabs (Mamelodi)	Manufacturing	A manufacturing company that processes and packages on the go healthy snacks. the company produces, processes, packages the following snacks: Roasted nuts, Mnandi Wendy Caricas nuts, Welcome to South Africa Oyoyo caramelised nuts, cashew nuts, macadamia nuts, breakfast mix and nuts and seeds as well as Peanut Butter. These snacks are high in protein, energy, have nine essential amino acids, they are a healthy alternative convenient snack compared to unhealthy snacks available in the market.
19	eKasiLabs (Soweto)	Bioeconomy	The company produces high-quality, 100% pure fruit juice made from locally sourced fresh produce, with no added preservatives. The company promotes healthy consumption and supports local farmers through its sustainable supply chain model.
20	eKasiLabs (Tembisa)	Digital economy	A company that provides educational robotics and coding training for children and learners. They offer hands-on interactive robotics classes where the children get to assemble the robots themselves, learn about basic electronics and how robots do what they do. Thereafter the children learn how to code (instruct) the robots, to do what they want them to do.

Revenue generated by TIHMC programmes and ecosystem

The organisation set a target of generating R40 million in revenue through the TIHMC ecosystem, comprising incubated and graduated companies supported through its enterprise development programmes. Actual performance reached R219 million, significantly exceeding the annual target. This performance reflects strong commercial activity within the supported enterprise pipeline and demonstrates the growing market participation and revenue-generation capacity of companies within the TIHMC innovation ecosystem.

Importantly, this achievement contributes to government priorities on SMME development by strengthening the economic participation of small companies, thereby supporting broader objectives related to inclusive growth, enterprise competitiveness, and job creation.

Outcome 5: Revenue enhancement

Revenue generated by TIHMC

The organisation generated revenue of R22.37 million for the financial year against a target of R17 million, exceeding the target by over R5 million. This overachievement is attributed to the various revenue streams that the organisation has, which are geared at revenue enhancement to augment the fiscal allocation. Below is an itemised list of the revenue items that contributed to the overachievement of the target:

Table 23: Revenue generated by TIHMC

Revenue Item	Amount (R'm)
Rental Income	R10.335
Rental of facilities and equipment	R2.737
Project income	R1.483
Rendering of services	R7.820
Totals	R22.375

Programme 3: TIHMC – Originally tabled Annual Performance Plan

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Programme 3: TIHMC Originally Tabled Annual Performance Plan									
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26 until date of re-tabling (End September 2025)	Deviation from planned target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs/Output indicators/ Annual Targets
Structurally transformed economy	Clusters implemented	Number of clusters implemented	-	-	6	-	-6	This is an annualised target due for reporting in the 4th quarter	Downward revision of target to enable more focused allocation of resources towards the turnaround strategy and the development of investment cases for key catalytic projects.
	Innovations piloted	Demand-led open innovation piloted for government and industry	-	10 ²¹	15	6	-9	The cumulative annual target was due for reporting at year-end, however, an actual of 6 was reported at the end of quarter 2 exceeding the quarter target	Output indicator phrasing was strengthened to include the word "number" Indicator rephrased to: Number of demand-led open innovation projects piloted for government and industry
Revenue enhancement	Revenue generated	Revenue generated by TIHMC	-	-	R30 mil	R9.1 mil	-R20.9 mil	This is an annualised target due for reporting in quarter 4, however an actual of R9.1m was reported at end quarter 2	Downward revision due to infrastructure constraints, tenant exits, and revised tenant mix with lower blended rental rates.

²¹ The indicator phrasing in the 2024/25 financial year was Number of Open Innovation Solutions piloted for government and industry

Programme 3: TIHMC – Re-tabled Annual Performance Plan

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Programme 3: TIHMC Re-Tabled Annual Performance Plan								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement 2025/26	Reasons for deviations
Exports from Gauteng driven into new strategic markets and expansion of exports in existing markets	Increase knowledge-based exports	Rand value of exports facilitated	-	-	R40 mil	R195.5 mil	+R155.5 mil	This overachievement is attributed to the incubation support provided during incubation
Structurally transformed economy	Innovations piloted	Number of demand-led open innovation projects piloted for government and industry	-	10 ²²	15	15	-	-
	Clusters implemented	Number of clusters implemented	-	-	2	2	-	-
	Improve knowledge-based economy	Number of patents registered	-	-	2	4	+2	This performance is attributed to patents that were filed in the previous financial years.
	Knowledge based companies graduation from incubation	Number of companies graduated from the incubation programmes	9 ²³	20 ²⁴	20	20	-	-
	Revenue generated by park tenants and incubates	Revenue generated by TIHMC programmes and ecosystem	-	-	R40 mil	R212 mil	+R172 mil	This overachievement is attributed to the incubation support provided during incubation.
Enhanced skills development to support inclusive economic growth	Youth trained	Number of youths trained in ICT skills	-	342 ²⁵	1000	1 062	+62	This performance is attributed to improved uptake in Quarter 4
Revenue enhancement	Revenue generated	Revenue Generated by TIHMC	-	-	R17 mil	R22.37 mil	+R5.37 mil	The overachievement is attributed to improved performance across internally generated revenue streams.

²² The indicator phrasing in the 2024/25 financial year was Number of Open Innovation Solutions piloted for government and industry

²³ The indicator was rephrased in the current financial year from "Number of companies graduating from the incubation programme" to "Number of companies graduated from the incubation programmes."

²⁴ The indicator was rephrased in the current financial year from "Number of companies graduating from the incubation programme" to "Number of companies graduated from the incubation programmes."

²⁵ The indicator was previously disaggregated into youths trained in mobile repair (50), youths trained in coding (50), youths trained data annotation (20) and youths trained in digital skills (222) and combined to the current phrasing.

Linking performance with budgets

Programme/activity/objective	2024/25			2025/26		
	Budget	Actual Expenditure	(Over)/ Under Expenditure	Budget	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Maxum Incubator (mentors)	3 144	3 589	(445)	4 475	1 026	3 449
Climate Innovation Centre	1 669	2 488	(819)	3 102	3 147	(45)
Biopark Incubator	2 127	2 072	55	404	4 935	(4 531)
Open Innovation Solutions Exchange (Open IX)	1 800	1 547	253	1 601	1 672	(71)
Start-up Support Programme	1 000	0	1 000	1 000	0	1 000
Ekasi Labs	24 521	18 090	6 431	25 619	22 438	3 181
Maxum Digital Media	1 000	1 056	(56)	1 037	1 174	(137)
Internal projects	0	0	0	8 345	4 133	4 212
Biopark 3	25 342	25 342	0	1 198	1 198	0
GAP	0	0	0	2 257	0	2 257
Total	60 603	54 184	6 419	49 038	39 723	9 315

The expenditure of the programme is below budget for mainly due to mentorship recruitment process for the appointment of appropriate technical mentors was concluded towards end of the financial year for Ekasi Labs and Maxum Incubator Programmes. The under expenditure in relation to Internal projects relates to the system development under progress at year end. The project is expected to be completed in the new financial year.

The GAP awards relate to the seed funding towards the support of local tech entrepreneurs, researchers, and innovators in commercialising their ideas. Seed funding is tied to business milestones achieved by the respective winners and as at year end, the milestones had not been achieved

Strategy to overcome areas of under performance

TIHMC attained a 100% achievement for the financial year and while there are no areas of underperformance, the organisation will continue to implement best practices and uphold the highest standards of performance in the coming year.

PROGRAMME 4

GIDZ



Thandiwe Ngqobe

Chief Executive Officer: Gauteng Industrial
Development Zone

Purpose: The Gauteng Industrial Development Zone (GIDZ), established by the GGDA, manages the development and operation of the designated Special Economic Zone (SEZ) at OR Tambo International Airport. It aims to attract investment, advance manufacturing and beneficiation, and provide world-class infrastructure for export-oriented businesses, positioning Gauteng as a leading economic and export hub. The Zone comprises precincts at OR Tambo International Airport and Springs, strategically focused on high-value, export-oriented industries such as pharmaceuticals, electronics, agro-processing, jewellery and diamonds, platinum group metals beneficiation, fuel cells, and capital and mining equipment.

100%

ACHIEVED



52% of OR Tambo SEZ

Precinct 2 bulk infrastructure development completed

12 interns

participating in the OR Tambo SEZ mentorship programmes



72 MSMEs

who benefitted from the OR Tambo SEZ programmes

R2.5 billion

investment committed to the OR Tambo SEZ



6 investors

secured for Precinct 2

99% Average

occupancy rate per annum for Precinct 1



80% preventative

maintenance implemented

R80 million

Own revenue generated from OR Tambo SEZ properties



Purpose:

The OR Tambo International Airport Special Economic Zone, otherwise known as the OR Tambo SEZ is an SEZ programme developed and operated by the Gauteng IDZ Development Company (a subsidiary of the GGDA) and is located on the eastern corridor of the Gauteng City Region.

Comprised of three distinct SEZ gazetted land parcels located at and in proximity to OR Tambo International Airport, the OR Tambo SEZ's geographic footprint measures 50,4ha i.e. 7,5ha in respect of ORTIA Precinct 1, a land parcel located inside the property boundaries of OR Tambo International Airport, 29ha in respect of ORTIA Precinct 2, a land parcel located outside the Airport (next to ORTIA Precinct 1 and along the arterial Atlas Road in Kempton Park) and a 13,9ha land parcel referred to as the Springs Precinct and located next to a major Platinum refinery some 30kms away from the OR Tambo International Airport.

Given their competitive location next to OR Tambo International Airport, ORTIA Precincts 1 and 2 promote the location of high-value, low-mass industries whose products typically utilise airfreight as a mode of transport. These include, inter alia, fresh food agro-products, medical and pharmaceutical products, electronics, jewellery and diamonds.

The Springs Precinct, due to its competitive location next to a Platinum Group Metals (PGM) refinery, is positioned to produce PGM products such as fuel cells. The Precinct has also been identified for capital, component and mining-equipment production.

Desired impact of the OR Tambo SEZ

In addition to facilitating investment, the delivery of strategic economic infrastructure, the roll out of new technologies as well as the creation of jobs and economic opportunities, the OR Tambo SEZ aims to ensure that as part of its SEZ programme, an enabling environment that fosters and supports the growth of Small Medium Enterprises is established. In support of this, the Zone has developed and is implementing an enterprise development strategy aimed at facilitating opportunity access to emerging enterprises and SMMEs.

Achievement of Institutional Outcomes

Gauteng Industrial Development Zone (GIDZ)					
Outcomes	Outcome Indicators	Baseline	5-Year Target	Progress	% of Five-year target
Levels of economic activity in localities in which infrastructure was delivered	OR Tambo SEZ Precincts operationalised	Southern Precinct (OR Tambo Precinct 1) completed	OR Tambo SEZ Precinct 2 developed	Bulk infrastructure development at 52%	-
			Development of Springs Precinct	There is no confirmed funding for the project. Consequently, the target is being monitored at the operational plan	-
	Total number of construction jobs created	1606	2000	216 new infrastructure jobs were created in the 2025/26 financial year ²⁶	11%
Enhanced skills development to support inclusive economic growth	Provision of skilled workforce to support inclusive economy	43	65	12	18%
Attractiveness of Gauteng as preferred investment destination economy	Total number of active operational jobs	2734	6000	3 066 ²⁷	51%
	Total rand value of private sector investment committed to locations within the SEZ	R1.27bn	R6bn	R2.5bn worth of investments were committed to the OR Tambo SEZ	41%

²⁶ A total of 1899 construction jobs have been created from inception of the Precinct 1 Development and Precinct 2 Bulk infrastructure installation

²⁷ Cumulative operational jobs to date

Gauteng Industrial Development Zone (GIDZ)					
Outcomes	Outcome Indicators	Baseline	5-Year Target	Progress	% of Five-year target
Structurally transformed economy	Number of SMME opportunities linked to the investment opportunities	183	385	72	19%
Revenue enhancement	Total revenue generated from OR Tambo SEZ properties	New	R475m	R80m generated from the OR Tambo SEZ Precinct 1	17%

Precinct 1 - Jewellery and Diamond Manufacturing Cluster

ORTIA Precinct 1 is fully complete, with the cluster component having been operational since the 2024/25 financial year. The precinct is currently occupied, with tenant fit outs finalised and billing commenced, marking a key milestone in the operationalisation of the SEZ

ORTIA SEZ Precinct 2

The annual target was to reach 50% completion of bulk infrastructure development; the bulk infrastructure development is currently at 52%, a positive variance of 2% against the annual target. The variance is a result of the successful implementation of the mitigation strategy following the under-performance in the previous quarter, which included the acceleration of works and the allocation of additional resources at the beginning of Quarter 4.

The following is an update of completed activities and those currently in progress:

- Site establishment: Completed
- Site clearance, surveying, and pegging: Completed
- Dump Rock Pioneer Layer: Completed
- Mass earthworks: in progress
- Roadworks: in progress
- Intersections: in progress
- Excavations for sewers and stormwater drainage and laying of services: in progress
- Construction of boundary wall: in progress
- Drilling operations for electrical works: in progress
- Water reticulation: in progress

Job Creation at the SEZ

GIDZ has created and facilitated a total of 4 965 jobs from inception to date from infrastructure construction and operational jobs by tenants on Precinct 1

Tenant operational jobs

During the 2025/26 financial year, a total of 3 066²⁸ new and retained operational jobs were recorded, exceeding the annual target of 3 000 jobs. These employment opportunities were generated by the existing tenant base, comprising both public and private sector tenants. The private sector accounted for most jobs created (3 037), while public sector tenants contributed 29 jobs. This performance underscores the continued strength of the tenant base and its critical role in driving sustainable job creation.

Construction jobs

The Precinct 2 bulk infrastructure project recorded 216 construction jobs during the year under review. These comprised 77 male youth, 118 male adults, 15 female youth and 6 female adults.

²⁸ Cumulative to date

The table below depicts the GEYODI breakdown for the construction projects jobs:

Table 24: Construction jobs

Job Creation Summary								
Project/Company	Annual Target	Annual Actual	Female Youth	Male Youth	Female Adult	Male Adult	PWD	Unallocated by gender, perm/ temp
Lonerock	200	78	7	23	4	44	0	0
Subcontractors		138	8	54	2	74	0	0
Total		216	15	77	6	118	0	0

A total of 1 683 construction jobs were created in Precinct 1, as reported in the 2024/25 financial year. Since the commencement of the project, Precinct 2 has generated a further 216 construction jobs. This brings the cumulative number of construction jobs created across both Precinct 1 and Precinct 2 to 1 899 by the end of the 2025/26 financial year, reflecting continued progress in project implementation and employment creation.

Skills Development and Mentorship

A cornerstone of the GIDZ strategy is the focus on skills development through its mentorship programmes. During the reporting period, the programme aimed to include ten interns, with a total of 12 interns joining the GIDZ Operations and construction projects.

The table below shows the GEYODI breakdown of interns and the units they are in:

Table 25: Interns by gender

Unit	Male Youth	Female Youth	Total
Infrastructure	1	1	2
Finance	2	1	3
Enterprise Development	1	-	1
Investor attraction	-	1	1
Security	-	1	1
Marketing	-	1	1
Facilities Management	1	2	3
Total	5	7	12

Enterprise Development and MSMEs Support

The ORTIA SEZ has remained proactive in fostering an enabling environment for MSMEs to benefit from the OR Tambo SEZ programmes, with a total of 72 SMMEs benefitting during the 2025/26 financial year surpassing the annual target of 60 with a positive variance of 12 MSMEs. These enterprises were involved in various areas, including providing services or goods related to facility management, security, event coordination, office consumables, and catering. In addition to procurement related opportunities, SMMEs also benefited from non-financial support such as enterprise development workshops, business diagnostic assessments, and access-to-market initiatives. These efforts reflect the GIDZ's continued commitment to empowering local businesses and contributing to broader national development priorities.

Table 26: MSMEs benefitting from OR Tambo SEZ programmes, 2025/26 financial year

Business Unit	Actual	Type of services/goods	R'000
Enterprise Development	56	Master Class for MSMEs and Business Development training (in collaboration with GIBS), and access to market.	R0 (no monetary benefits - training and access to market for MSMEs)
Office of the CEO	3	Safe locker (Digital)	R33
		Purified water and Branded Bottled water	R34
		GIDZ Building 5 Network Connectivity	R34

Business Unit	Actual	Type of services/goods	R'000
Facilities Management	8	Plumbing labour	R8
		GIDZ Handheld metering and reporting	R43
		Leaking pipe on Building 5-Fire Alarm	R1
		Supply and Refilling of gas bottles	R73
		Carpet cleaning, Road Signs Paintings, Dry Wall boards	R142
		Catering	R7
		Water testing of attenuation pond	R10
		Carpets cleaning after water damage	R31
Marketing	5	Graphic design services	R881
		Marketing collateral	R392
		Heritage Day/Reception Project reveal	R70
		2x SA Flags and Poles	R61
		Reception artwork and frames	R79
Total	72		R1 899

Note: Values are rounded to the nearest R'000; line items may not cast exactly to the total due to rounding.

Enterprise development Hub

The following Enterprise Development programmes were implemented at the Enterprise Development Hub in the 2025/26 financial year:

MetCon GoldSmith Programme

MetCon, a gold refinery company and tenant within OR Tambo SEZ Precinct 1, entered into a three-party Memorandum of Agreement (MoA) with GIDZ and the South African Diamond and Precious Metals Regulator to support enterprise development initiatives.

As part of this programme, MetCon recruited five (5) goldsmiths for a 12-month training period aimed at equipping participants with the skills required to produce high-quality gold products for international markets. During the programme, participants produced gold products on behalf of MetCon and were remunerated for their work.

The initial cohort commenced in the 2024/25 financial year, and the programme was subsequently extended to include additional modules. The programme was successfully completed in January 2026.

Access to Markets for MSMEs

A key pillar of the GIDZ Enterprise Development Unit's strategy during the reporting period was to enhance market access opportunities for supported MSMEs. Recognising that sustainable growth for small businesses is largely dependent on their ability to access and penetrate competitive markets, the Unit actively facilitated participation in high-impact industry exhibitions and trade platforms.

During the year under review, GIDZ supported a cohort of MSMEs to showcase their products and capabilities at leading national industry exhibitions. These platforms provided critical exposure to potential buyers, investors, and industry partners, while also enabling enterprises to benchmark their offerings against industry standards.

Notably, Iketleng mo Afrika and Attara Cooperative participated in the Manufacturing Indaba, one of South Africa's premier manufacturing sector events. Their participation created opportunities to engage with key stakeholders across the manufacturing value chain, opening doors for supplier development, strategic partnerships, and potential off-take agreements.

In the jewellery and design sector, House of Lemba Designs and Attara Cooperative were supported to exhibit at Jewellery, a flagship platform for the jewellery industry. This exposure enabled these enterprises to position their brands within a competitive and design-driven market, connect with retailers and distributors, and gain insights into evolving consumer preferences and industry trends.

Furthermore, Iketleng mo Afrika and Thoko's Diamonds participated in the South Africa International Industrial Expo, broadening their market reach within the industrial and manufacturing ecosystem. The Expo provided a platform to showcase innovation, explore new market segments, and establish business linkages that are critical for scaling operations.

Through these targeted interventions, the Enterprise Development Unit not only facilitated market access but also strengthened the competitiveness and visibility of supported MSMEs. Participation in these exhibitions contributed to business development outcomes such as increased networking opportunities, enhanced brand recognition, and the potential for revenue growth through new market channels. Overall, GIDZ's market access initiatives continue to play a pivotal role in integrating MSMEs into mainstream value chains, thereby advancing inclusive industrial development and supporting the long-term sustainability of emerging enterprises.

Business Development Master Class:

On 24 June 2025, the Hub, in collaboration with J29 Digital, Allegro Enterprises and Thuthuka Hub, hosted a Masterclass on growing and scaling a business through technology and capital. The event was attended by fourteen MSMEs.

GIDZ-GIBS Business Master Class:

GIDZ, in partnership with GIBS, implemented a Business Development Training Programme under the theme "Growing and Scaling Your Business Masterclass," in line with an existing Memorandum of Understanding (MoU). The programme aimed to equip MSMEs in Ekurhuleni with critical business and growth skills. A total of thirty-seven (37) MSMEs participated across multiple sessions held in the 2025/26 financial year. The programme concluded with a graduation ceremony held on 25 March 2026.

Rent-a-Bench initiative:

The Rent-a-Bench initiative is designed to provide entrepreneurs with access to affordable jewellery production tools and equipment. During Quarter 3, "House of Lemba Designs" was onboarded as a new tenant. Currently, four (4) MSMEs are operating within the Hub, with ongoing engagements to secure additional tenants for the remaining two (2) available benches.

Investor Attraction

This delivery area underpins the establishment mandate of any SEZ entity, which must, inter alia, enhance domestic and regional demand as well as increase foreign direct investment and export promotion. In this regard, an SEZ entity such as GIDZ is required to attract, facilitate, and conclude investment understandings with private sector partners that set up manufacturing operations at the SEZ. Two investment-related performance targets were identified for the reporting period, namely the Rand value of investment committed to the OR Tambo SEZ and the number of investors secured for Precinct 2.

Rand value of investment committed to the OR Tambo SEZ

The target for the period was to secure investment commitments totaling R2 billion for the OR Tambo SEZ. This target was exceeded, with investment commitments amounting to R2.5 billion recorded, resulting in a positive variance of R500 million. The overachievement can be attributed to GIDZ's compelling value proposition, complemented by a focused investment attraction strategy that continues to position the OR Tambo SEZ as an attractive destination for both existing and prospective investors. The graph below illustrates the investment commitments secured across various sectors.

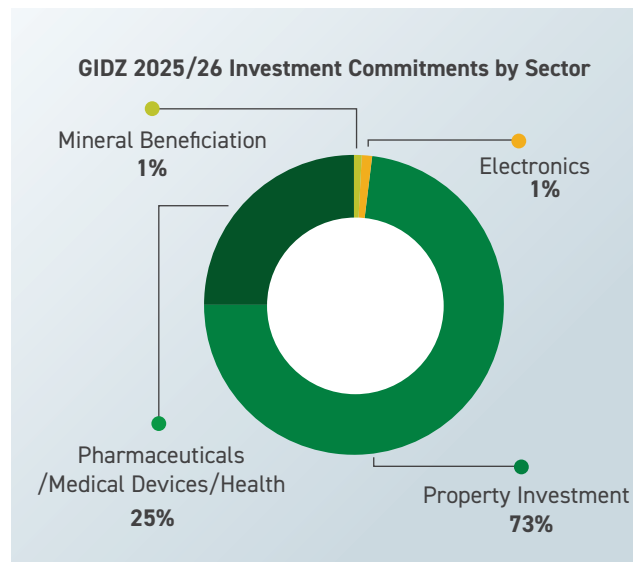


Figure 39: Investments by sector

Number of investors secured for Precinct 2

As part of GIDZ's investment-related targets for the 2025/26 financial year, a target was set to secure two investors for Precinct 2. This target was significantly exceeded, with GIDZ successfully securing a total of six investors during the reporting period, demonstrating strong investor confidence and sustained investment attraction efforts within the Precinct

Operations- Facilities Management and Finance

With OR Tambo SEZ Precinct 1 being fully operational as of the Quarter 4 of the 2024/25 financial year, following the completion of the PGM cluster tenant fit-out, the focus has shifted from construction deliverables to driving operational success. At this stage, working towards achieving financial sustainability for the SEZ is paramount. The strategy revolves around diversifying revenue streams, optimising costs, and ensuring operational efficiency. The Operations, Investor Attraction, and Finance programmes collaborated closely to monitor the precinct's financial health, implement targeted interventions, and continuously refine strategies to maximise cost-efficiency while safeguarding the integrity and growth of the investment portfolio. By prioritising these areas, the precinct will remain financially robust and better poised for long-term success.

% Average occupancy rate per annum for Precinct 1

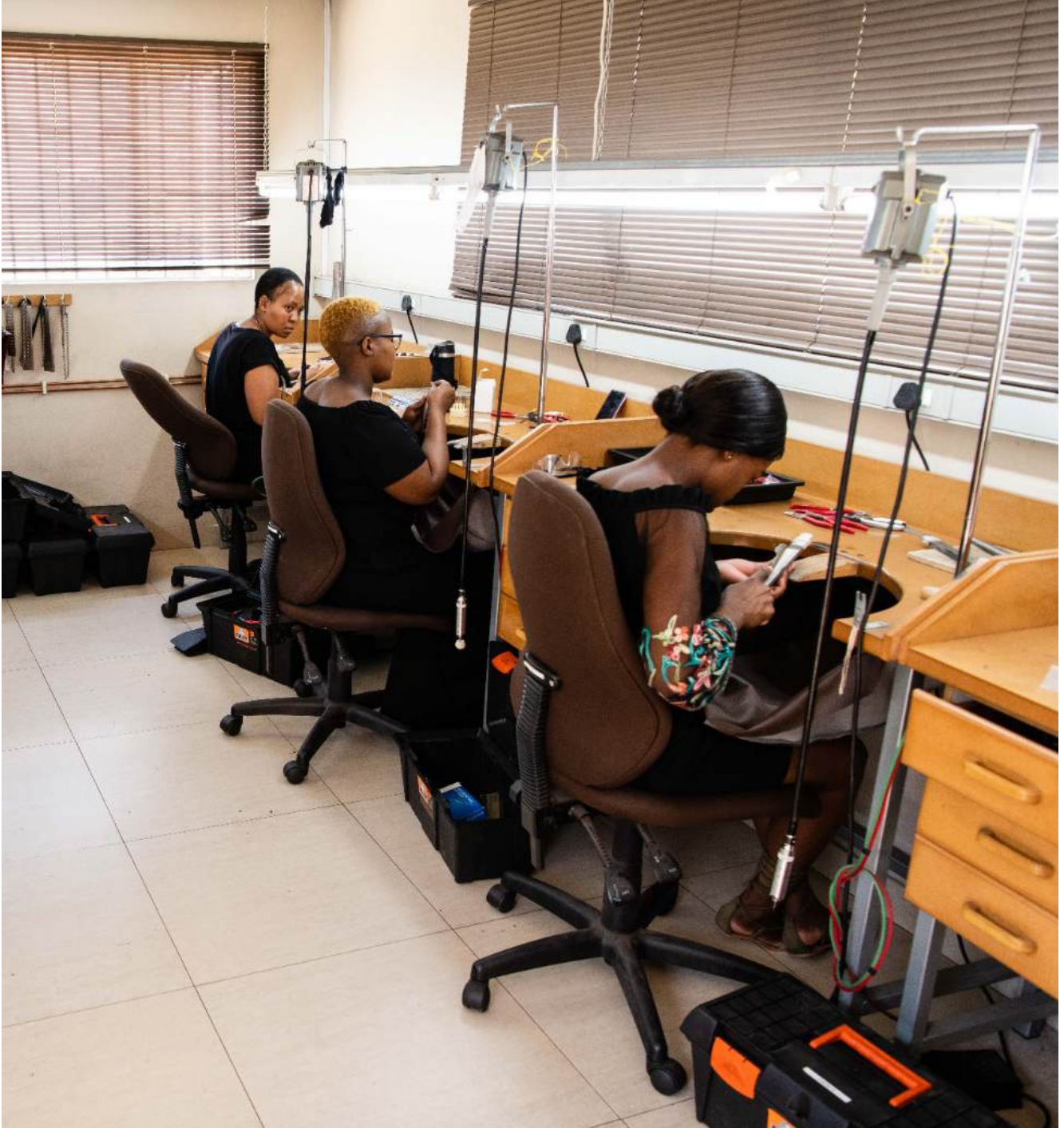
A 99% occupancy rate was achieved in the 2025/26 financial year, exceeding the annual target of 90% by 9 percentage points. This performance is again, attributed to the favourable value proposition of the OR Tambo SEZ Precinct 1. GIDZ aims to achieve full (100%) occupancy of Precinct 1 in the ensuing financial years

% of preventative maintenance implemented

The 80% target for implementing the planned preventative maintenance schedule was fully achieved during the reporting period, with 80% of scheduled activities completed and no variance recorded

Own revenue generated from OR Tambo SEZ properties

The revenue target of R72 million for the period under review was exceeded, with R80 million generated. This performance was primarily driven by the 99% occupancy rate at OR Tambo SEZ Precinct 1, supporting sustained income generation and optimal utilisation of available facilities.



Programme 4: GIDZ – Originally tabled Annual Performance Plan

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Programme 4: GIDZ Originally Tabled Annual Performance Plan									
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	*Actual Achievement 2025/26 until date of re-tabling (End September 2025)	Deviation from planned target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
Structurally transformed economy	Economic opportunities facilitated for SMMEs	Number of SMMEs who benefitted from the OR Tambo SEZ programmes	51 ²⁹	55 ³⁰	60	66	+6	The target was exceeded due to the Business Development training which was initially planned for quarter 4 of the financial year, however, the training partner requested it be hosted in quarter 2 instead	Output and Output indicator revised to replace the term SMMEs to MSMEs to align with the revised definition as published by the Department of Small Business Development
Attractiveness of Gauteng as preferred investment destination economy	Growth of the SEZ investor pipeline	Number of investors secured for Precinct 2	-	-	6	0	-6	This was an annualised target due for reporting in quarter 4	Downward revision of target following the revision of the land parcel development layout (based on the investor proposals) for Precinct 2 which led to a change in number of investors targeted for the land parcel.
Revenue enhancement	Optimise operational efficiency	% of preventative to reactive maintenance	-	-	80%	80%	-	-	Indicator rephrased to clarify target: 80% preventative maintenance each quarter, with reactive maintenance treated as emergencies and always 100% attended to
	Levels of own revenue generated	Own revenue generated from OR Tambo SEZ properties	-	-	R80 million	R38 485 151.35	-R41 514 849,00	The variance is primarily due to the deferral of one tenant lease commencement, due to pending structural defects on the building and the termination of two tenants' leases due to non-compliance with rental obligations and related arrangements	Downward revision of target adjusted to align with 90% occupancy assumption instead of 100%.

²⁹ The output indicator was rephrased from Number of SMMEs who benefit from the ORTIA SEZ to number of MSMEs who benefitted from the OR Tambo SEZ programmes in the current financial year

³⁰ The output indicator was rephrased from Number of SMMEs who benefit from the ORTIA SEZ to number of MSMEs who benefitted from the OR Tambo SEZ programmes in the current financial year

Programme 4: GIDZ – Re-tabled Annual Performance Plan

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Programme 4: GIDZ Re-Tabled Annual Performance Plan								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	**Actual Achievement 2025/26	Deviation from planned target to Actual Achievement 2025/26	Reasons for deviations
Levels of economic activity in localities in which infrastructure was delivered	Infrastructure projects completed	% of OR Tambo SEZ Precinct 2 bulk infrastructure development completed	0% bulk infrastructure development completed ³¹	4% bulk infrastructure development completed ³²	50%	52%	+2%	The variance is because of accelerated works and additional resources that were allocated in the beginning of quarter 4
Enhanced skills development to support inclusive economic growth	Interns mentored in the OR TAMBO SEZ operations and construction mentorship programme	Number of interns participating in the OR Tambo SEZ mentorship programmes	7 ³³	15 ³⁴	10	12	+2	The number of interns recruited was based on opportunities created in various parts of the SEZ, hence the positive variance between the annual target and the actual achieved.
Structurally transformed economy	Economic opportunities facilitated for MSME	Number of MSMEs who benefitted from the OR Tambo SEZ programmes	51 ³⁵	55 ³⁶	60	72	+12	The target has been exceeded due to a Business Development training conducted in collaboration with GIBS
Attractiveness of Gauteng as preferred investment destination economy	Value of domestic and foreign investment committed into the SEZ	Rand value of investment committed to the OR Tambo SEZ	-	-	R2 billion	R2.5 billion	+R500 million	This over achievement is due to the favourable value proposition offered by the GIDZ, supported by a clear investment attraction strategy.
	Growth of the SEZ investor pipeline	Number of investors secured for Precinct 2	-	-	2	6	+4	This over achievement is due to the favourable value proposition offered by the GIDZ, supported by a clear investment attraction strategy.
	OR Tambo SEZ Precinct 1 investment portfolio retained	% Average occupancy rate per annum for Precinct 1	-	-	90%	99%	+9%	This over- achievement is due to the favourable value proposition offered by the OR Tambo SEZ's Precinct 1
Revenue enhancement	Optimise operational efficiency	% of preventative maintenance implemented	-	-	80%	80%	-	-
	Levels of own revenue generated	Own revenue generated from OR Tambo SEZ properties	-	-	R72m	R80m	+R8m	This performance is directly related to the achieved occupancy rate of 99%.

³¹ In the 23/24 financial year the output indicator was phrased as % of ORTIA SEZ Precinct 2 bulk infrastructure development completed

³² In the 2024/25 financial year the output indicator was phrased as % of ORTIA SEZ Precinct 2 bulk infrastructure development completed

³³ In the 23/24 financial year the output indicator was phrased as number of interns participating in the ORTIA SEZ operation and construction mentorship programme

³⁴ In the 2024/25 financial year the output indicator was phrased as number of interns participating in the ORTIA SEZ operation and construction mentorship programme

³⁵ The output indicator was rephrased from Number of SMMEs who benefit from the ORTIA SEZ to number of MSMEs who benefitted from the OR Tambo SEZ programmes in the current financial year

³⁶ The output indicator was rephrased from Number of SMMEs who benefit from the ORTIA SEZ to number of MSMEs who benefitted from the OR Tambo SEZ programmes in the current financial year

Linking performance with budgets

Programme/activity/objective	2024/2025			2025/2026		
	Budget	Actual Expenditure	(Over)/ Under Expenditure	Budget	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Infrastructure development – Southern precinct B7 Electrical Upgrades	60 195	60 235	(40)	282	324	(42)
Infrastructure development – Precinct 2	180 000	87 186	92 814	160 000	173 469	(13 469)
Skills Development	0	0	0	0	0	0
Investor Attraction	5 403	5 498	(95)	0	0	0
Expansion Phase	4 031	3 515	516	0	0	0
Finance (Internal & External Audits)	1 241	1 116	125	1 585	1 674	(89)
Total	250 870	157 550	93 320	161 867	175 467	(13 600)

Southern Precinct – B7 Electrical Upgrades

The variance is due to the service provider sending two invoices before year end (31 March 2026) instead of one invoice which is what was anticipated. The variance of R4sk will smooth itself out in the 2026/27 financial year. The costs pertain to Building 7 electrical upgrades.

Precinct 2

The variance is attributed to accelerated works and the mobilisation of additional resources at the beginning of Q4, implemented to recover from the under achievement experienced in Q3.

Internal Audit Fees

The variance of R89k is due to prior year audits which were completed late, resulting in delayed invoicing e.g. Payroll and Assets management Audits.

Strategy to overcome areas of under performance

GIDZ attained a 100% achievement for the financial year and while there are no areas of underperformance, the organisation will continue to implement best practices and uphold the highest standards of performance in the coming year.



PROGRAMME 5

ConHill



Leah Mabusela
Acting Chief Executive Officer
Constitution Hill

Purpose: Constitution Hill (ConHill) is a mixed-use heritage precinct that contributes to the regeneration of Johannesburg's inner city and the broader Greater Johannesburg Region by bringing South Africa's constitutional values to life through its heritage, programmes and public engagement. Grounded in the principles of justice, dignity, freedom and human rights, ConHill serves as a hub for human rights knowledge, fosters partnerships and collaboration, and delivers experiences that educate, inform and empower audiences on-site, online and across other platforms, while promoting a sustainable, accountable and values-driven organisation for future generations.

100%

ACHIEVED



92 542 ticketed
leisure visitors

1 693 creatives

benefitted from Creative Uprising
programme



461 market

access opportunities facilitated for
creatives

R21,63 million

own revenue generated



68% METT

score attained

Achievement of institutional impacts and outcomes

Table 27: ConHill achievement of outcomes

Constitution Hill Human Rights Precinct (ConHill)					
Outcome	Outcome Indicators	Baseline	5-Year Target	Progress	% of Five-year target
Attractiveness of Gauteng as preferred tourist destination	Number of people visiting the museum	180 040 Visitors on site	650 000	92 542	14%
Structurally transformed economy	SMME's supported for growth and sustainability through targeted programmes	6 500	5 500	2 154	39%
	Number of tour operators securing new or expanded business agreements with Constitution Hill	370 Tourism SMEs hosted	90	Indicator only due for implementation in 2026/27	-
Levels of economic activities in localities in which economic infrastructure was delivered	Conservation and World Heritage Value maintained	New	100% Outstanding Universal Value (OUV) maintained	68%	68%
Revenue enhancement	Levels of own revenue generated	R19,20 million	R100,73 million	R21,63 million	21%

Constitution Hill is more than a museum. It is a living civic institution where South Africa's history of struggle is held alongside its ongoing promise of constitutional democracy.



Number of ticketed leisure visitors to Constitution Hill

In 2025/26, Constitution Hill welcomed 92 542 visitors, exceeding the annual target of 91 000 and sustaining the precinct's strongest visitor performance since opening.

This represents a further 14,2% growth on the 81 036 visitors recorded in 2024/25. The site has firmly sustained its post-pandemic recovery and surpassed pre-pandemic visitor levels (62 379 in 2018/19) for two consecutive financial years. The positive deviation was driven by stronger-than-anticipated public demand anchored by the Human Rights Festival, with Quarter 4 footfall increasing 7,7% year-on-year.

The site's recognition as a UNESCO World Heritage Site has elevated its profile as a hub for educational and cultural engagement, attracting unsolicited collaborative partnerships from District Education Officials, NGOs, and international cultural institutions. Customer satisfaction rates remained consistently above 90% throughout the year.

- The Bill of Rights workshops have now reached over 100 000 learners from in and around Gauteng Province since inception — a milestone reflecting the site's sustained commitment to constitutional education.
- 5 000 visitors took advantage of open days, which included tours of gallery spaces and temporary exhibitions, made accessible regardless of ability to pay in direct expression of the Constitutional values the site upholds.
- Commemoration of days of significance — the site activated days of national significance through a sustained programme anchored by two flagship festivals and a series of thematic public engagements. The Basha Uhuru Freedom Festival in June 2025, themed Celebrating the Legacy of Creative Expression, offered a free four-day Youth Month programme. The Sounds of Freedom Music Festival was hosted in September 2025 to celebrate Heritage Month and launch the People's Park, ConHill's new public venue. Women's Month in August was anchored by the Reframe: Stories in Pursuit of Freedom from Gender-based Violence exhibition, while October and November brought the Jozi Food and Music Festival: Empowerment Edition, the Drama for Life Conference, and the EmpowerHer: 8 849 Bras for Humanity exhibition accompanied by the From Silence to Solidarity panel discussion. The 8th Human Rights Festival (March 2026), themed Remembering the Past. Engaging the Present. Shaping a Just Future, marked a year of significant national milestones — 30 years of the Constitution, 50 years since the Soweto Uprising, and 70 years since the Freedom Charter and the 1956 Women's March. Its free four-day programme included the Visions of Freedom Film Festival, a Children's Festival, a Technology, Power, and Democracy workshop, a panel on LGBTIQ+ representation, 1000 Drums for Solidarity, and the WeThePeople Walk — affirming ConHill's commitment to making constitutional values publicly accessible to domestic audiences.

The public programme positioned ConHill as Gauteng's foremost civic cultural space, consistently drawing diverse domestic audiences into meaningful engagement with constitutional values across every major national day of significance.



Gross economic impact of events hosted by ConHill

- Constitution Hill's flagship festivals delivered R12,32 million in economic impact in 2025/26. This indicator measures the additional economic activity generated in the region from festivals, including spending on accommodation, food, souvenirs, and other purchases — calculated using the South African Festival Economic Impact Calculator (SAFEIC). The Human Rights Festival attracted 11 870 patrons and Basha Uhuru had 3 267 participants, with both festivals implemented over four days of dialogue, film screenings, music, poetry, and workshops on topical subjects.

Funders for the festivals include the Joburg Tourism Company, Gauteng Tourism Authority, the Gauteng Film Commission, National Heritage Council, Gender-Based Violence and Femicide Response Fund, and the Gautrain Management Agency.

- Participants responding to an impact survey indicated having spent an average of R300 while on-site.
- 178 SMMEs and creatives directly benefitted from Basha Uhuru (June 2025), while 102 benefitted from the Human Rights Festival (March 2026).
- 80% of SMMEs (224 out of 280) that participated across the two festivals reported making a profit. 12% of festival goers were from outside the Gauteng Province.

From powerful music concerts to thought-provoking dialogues, from traditional drumming ceremonies to the proud hoisting of the South African flag, Constitution Hill resonated with the spirit of unity and activism.

- Socio-Economic Impact Analysis: Flagship Festivals 2025/26

Constitution Hill's two signature annual events — the Basha Uhuru Freedom Festival (June 2025) and the Human Rights Festival (March 2026) are the primary engines of the precinct's cultural economy and community development mandate. Both festivals are free to attend, reflecting ConHill's commitment to accessible, inclusive public engagement while stimulating direct economic activity through the Curated Makers Market, food vendors, creative enterprise activations, and venue hire. The socio-economic impact of each festival is calculated using the South African Festivals Economic Impact Calculator (SAFEIC), developed by the South African Cultural Observatory (SACO).

Basha Uhuru Freedom Festival: 13th Edition (June 2025)

The 13th edition of the Basha Uhuru Freedom Festival was held at Constitution Hill during Youth Month, June 2025, under the theme Celebrating the Legacy of Creative Expression. The festival honours the enduring role of youth in shaping South Africa's creative and social economies, commemorating the spirit of the 1976 Soweto Uprising and affirming the freedom to explore creative identities. Entry is free, and the festival is designed explicitly as a market-enabling platform for creative MSMEs, with the Curated Makers Market as its primary economic activation mechanism.

The 2025 edition expanded significantly in scope and reach. Key programme elements included:

- The Creative Conference (25–28 June): a multi-day programme of workshops, panel discussions, and skills-sharing sessions for creative entrepreneurs covering business development, intellectual property, digital marketing, and creative economy policy.
- Films of Freedom Festival: curated by Monday Pictures, screening seven films including four student entries exploring themes of protest, memory, and student activism, hosted at the iconic Women's Jail.
- Curated Makers Market: the primary economic activation engine of Basha Uhuru, providing a platform for creative MSMEs to sell directly to festival audiences across clothing, jewellery, food, books, and handcrafted goods.
- Youth Dialogue Sessions: Structured engagements on constitutional values, youth rights, economic freedom, and the role of creativity in social transformation.

Economic and Social Impact — Basha Uhuru 2025

Basha Uhuru attracted 3 267 participants across three days. Financial expenditure on the festival was R4 000 000. The collective economic impact of the Basha Uhuru Festival, calculated using the SAFEIC model, was R6,22 million. 178 SMMEs and creatives directly benefitted from market access opportunities, with 80% reporting a profit from their involvement — confirming the festival's effectiveness as a direct economic development tool for township-rooted enterprises.

Metric	2025/26 (13th Edition)
Festival duration	3 days, June 2025
Total participants	3 267
Organiser expenditure	R4 000 000
Average visitor spend on-site	R300 per person
Estimated direct visitor spend	R980 100
SAFEIC economic impact (with multiplier)	R6,22 million
SMMEs / creatives with market access	178
% SMMEs reporting profit	80%
Amapiano Africa Summit (3rd edition)	Two-day conference and live showcase
Films screened — Films of Freedom Festival	7 films (including 4 student entries)



Human Rights Festival — 8th Edition (26–29 March 2026)

The 8th edition of the Human Rights Festival was held from 26 to 29 March 2026 at Constitution Hill, under the theme Remembering the Past. Engaging the Present. Shaping a Just Future. The festival is Constitution Hill's most identity-defining public programme, anchored to Human Rights Day (21 March) and honouring the legacy of the 1960 Sharpeville Massacre.

The 2026 edition was one of the most expansive in the festival's history, spanning four days across multiple venues within the Constitutional Court precinct including the Old Fort, Women's Jail, Great African Steps, and outdoor public spaces.

Economic Impact — Human Rights Festival 2026 (SAFEIC Report)

The economic impact of the Human Rights Festival was independently calculated using the South African Festival Economic Impact Calculator (SAFEIC), produced by the South African Cultural Observatory (SACO). The SAFEIC measures the additional expenditure that the host economy — Johannesburg — would have lost had the festival not taken place. It does not include spending by residents (who would have spent money in the city regardless), focusing instead on new money injected from outside the impact area and spending captured through the multiplier effect. The local output multiplier applied is 1,82, reflecting Johannesburg's large urban economy. The total economic impact of the Human Rights Festival 2026 was R6,10 million.

SAFEIC Metric	Value
Festival — main event days	3
Supplemental days (pre and post in impact area)	5
Total event days combined	8
Total attendees	11 870
Non-local visitors (15%)	1 285
Visitors staying in paid accommodation (60%)	771
Total visitor nights (paid accommodation)	771
Day trippers primarily for the event (15%)	173
Total visitor days attributed to the event	2 230
Non-local artists and producers	60
Average stay of artists / producers (days)	5
Non-local media personnel	22
Average stay of media (days)	4

Community Economic Benefit Breakdown: Human Rights Festival 2026

Economic Benefit Stream	Value	Comments
Non-local sponsorship funding	R3 600 000	Primary external revenue injection
Organiser amount spent locally (85% of non-local revenue)	R3 060 000	Festival production, services and procurement within Johannesburg
Paid accommodation visitor — non-accommodation spending	R115 682	Food, transport and shopping by hotel/B&B guests
Non-paid accommodation visitor spending	R192 803	Spending by visitors staying with friends/family
Day tripper total spending	R26 021	Spending by same-day visitors from outside Johannesburg
Non-local artists and producers — non-accommodation spending	R21 600	60 non-local performers; R90/person/day spend
Non-local media personnel spending	R0	Media accommodation covered separately; R0 captured
Total visitor, artist and media non-ticket spending	R330 085	
Local capture rate	88%	Applied to visitor, artist and media spend only
Net visitor, artist and media spending after capture	R290 475	$R330\ 085 \times 0,88$
Total direct spend captured in impact area	R3 350 475	$R3\ 060\ 000 + R290\ 475$
Local output multiplier (Johannesburg category 6)	1,82x	Re-spending of injected money through the local economy
TOTAL ECONOMIC IMPACT	R6,10 million	$R3\ 350\ 475 \times 1,82$

The SAFEIC report disaggregates the community economic benefit across four streams: organiser spending in the local economy, visitor non-ticket spending, artist and producer spending, and the multiplier effect on the host economy. The table below provides the full breakdown as derived from the official SAFEIC calculation.

The R6,10 million economic impact figure represents the additional expenditure that the Johannesburg economy would have lost if the Human Rights Festival had not taken place. The largest single contributor is organiser spending of R3 060 000 injected from non-local (external) sponsorship sources into the local economy through festival production, procurement, and service payments. Visitor, artist and media non-ticket spending contributes R330 085, distributed across accommodation, food and beverage, retail, and transport. Applied at a multiplier of 1.82, reflecting Johannesburg's large metropolitan economy, the total impact reaches R6,10 million.

This calculation is conservative by design: the SAFEIC methodology excludes spending by local Johannesburg residents (as this represents money already circulating in the city) and applies a capture rate adjustment of 88% to account for leakage outside the impact area. Cultural, social, and educational value generated by the festival – including the constitutional literacy, civic engagement, and community solidarity outcomes described below – is explicitly outside the scope of the SAFEIC and represent additional non-monetised impact.

Combined Festival Socio-Economic Impact: 2025/26

Together, the Basha Uhuru Freedom Festival (June 2025) and the Human Rights Festival (March 2026) generated a combined economic impact of R12 317 128 in the 2025/26 reporting period – exceeding the re-tabled SAFEIC target of R9 720 000 by R2 597 128. A total of 280 SMMEs and creatives participated across both festivals, with 224 (80%) reporting profit. The Human Rights Festival SAFEIC impact figure of R6,10 million is sourced from the verified SAFEIC report; the Basha Uhuru figure of R6,22 million is from the same methodology applied to the June 2025 festival. Both festivals were free to attend throughout, demonstrating that economic activation and access equity are not competing objectives but mutually reinforcing ones when programming is intentionally designed around community participation.

Indicator	Basha Uhuru (June 2025)	Human Rights Festival (March 2026)	Combined 2025/26
Duration	3 days	4 days	7 days total
Patrons / participants	3 267	11 870	15 137
Organiser expenditure	R4 000 000	R3 250 000	R7 250 000
SAFEIC economic impact	R6,22 million	R6,10 million	R12 317 128
SMMEs / creatives benefitted	178	102	280
% SMMEs reporting profit	80%	80%	80%
Visitors from outside Gauteng	—	12%	12% (HRF)

Together the Basha Uhuru Freedom Festival and Human Rights Festival delivered R12.3 million in economic impact to Johannesburg – while remaining completely free to attend. This is what heritage-led economic inclusion looks like in practice.

Three-Year Festival Impact Trend: 2025/26

The table below tracks festival performance across the three prior financial years as context for the 2025/26 results, demonstrating the sustained growth trajectory in both audience reach and economic impact.

Indicator	2023/24	2024/25	2025/26
Total festival patrons (both festivals)	10 500	13 200	15 137
Gross economic impact (SAFEIC)	R6 300 000	R9 400 000	R12 317 128
SMMEs / creatives with market access	150	220	280
Basha Uhuru edition	11th	12th	13th
Human Rights Festival edition	6th	7th	8th
% SMMEs reporting profit	—	75%	80%

MSME participation reached its strongest recorded level since the festivals commenced in their current format, driven by the expansion of Basha Uhuru's programme scope.

Social Impact Outcomes — 2025/26

Beyond the measurable economic indicators, the two festivals generate significant social impact. Key social outcomes in 2025/26 include:

- **Constitutional literacy and civic engagement** — over 15 137 patrons across both festivals were exposed to human rights themes, constitutional values, and civic dialogue through curated programming, exhibitions, and activist engagements.
- **Youth creative empowerment:** Basha Uhuru's focus on youth creative entrepreneurship, anchored by the Creative Conference and Amapiano Africa Summit, provided a platform for young people aged 18–35 to access markets, develop business skills, and connect with creative industry support organisations.
- **Community solidarity and public memory:** the Human Rights Festival's Activism Row and 1000 Drums for Solidarity reinforced ConHill's role as a lekgotla — a place of gathering, questioning, and collective wisdom — for communities experiencing marginalisation locally and globally.
- **Film and creative sector development:** the Films of Freedom and Visions of Freedom Film Festivals screened 14+ films across both events, providing platform and exposure to emerging South African filmmakers from historically underrepresented communities.
- **MSME commercial sustainability:** 80% profitability among participating MSMEs confirms that both festivals function as genuine market access mechanisms rather than symbolic participation exercises, building commercial resilience among township-based creative enterprises in the Johannesburg, Soweto, and East Rand corridor.

Funding Architecture: 2025/26 Festivals

The festivals are supported through a multi-funder model combining public sector grants and institutional partnerships. Key funders include the Joburg Tourism Company (JTC), the Gauteng Tourism Authority (GTA), the National Heritage Council (NHC), the Gauteng Film Commission (GFC), the Gender-Based Violence and Femicide Response Fund (GBVF Fund), and the Gautrain Management Agency. This public-public funding model ensures both festivals remain free to attend while generating economic impact that flows primarily back into the township creative economy surrounding the precinct.



Number of market access opportunities facilitated for creatives across the value chain

461 market access opportunities were facilitated for creatives in 2025/26, exceeding the re-tabled target of 450 by 11.

This is a new indicator introduced in the 2025/26 APP cycle, reflecting the precinct's deepening focus on economic linkages for creative MSMEs beyond skills development. The positive deviation reflects sustained performance throughout the financial year, driven by a growing demand for creative and cultural opportunities and a consistently high intake of on-site traders across programmes, festivals, pop-up markets, and corporate gifting platforms.

% of METT score attained for Constitution Hill

Constitution Hill achieved a METT score of 68% in 2025/26, significantly exceeding the re-tabled target of 50% by 18 percentage points.

This is the inaugural year of METT reporting as a formal performance indicator, following the site's UNESCO World Heritage inscription in July 2024. The METT provides a structured assessment of management effectiveness across inputs, processes, outputs, and outcomes. Strong performance was recorded across Outputs/Outcomes (66,7%), Processes (64,1%), and Inputs (61,1%), demonstrating that day-to-day management systems, resource allocations, and institutional processes are highly functional.

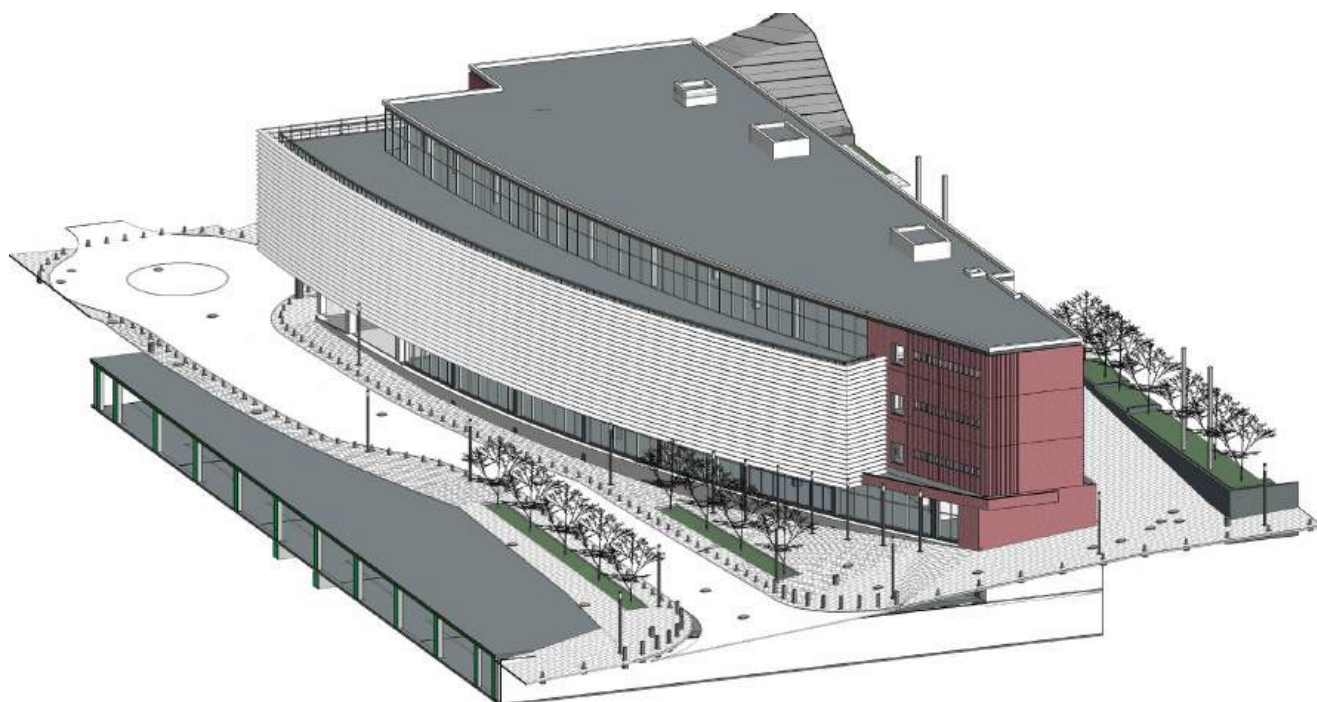
The assessment highlighted specific areas for focused improvement, particularly in strengthening the planning for infrastructure projects and the transition from reactive to preventative maintenance. These findings have been incorporated into the management effectiveness roadmap for 2026/27 in line with the phased implementation of the Conservation Plan.

Sales and earned revenue generated

Constitution Hill generated R21,63 million in own revenue in 2025/26, exceeding the re-tabled target of R16,50 million by R5,13 million — a positive deviation of 31%.

This represents a significant improvement on the R14 787 096 generated in 2024/25, which had been constrained by ongoing infrastructure construction reducing the site's capacity to host large events. Revenue growth was driven by two high-profile venue hire events in October and November 2025 and improved rental collections from Hub tenants, with more consistent payments and arrears recovery strengthening the overall cash position.

The upcoming Visitor Centre will further enhance Constitution Hill's capacity as a premier educational and cultural destination. The We The People's Park, completed in 2025/26, has already begun to expand the site's event-hosting footprint, adding a significant public civic space for gatherings, cultural events, and heritage programming.



Programme 5: ConHill – Originally tabled Annual Performance Plan

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Programme 5: ConHill Originally Tabled Annual Performance Plan									
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26 until date of re-tabling (End September 2025)	Deviation from planned target to Actual Achievement 2025/26	Reasons for deviations	Reasons for revisions to the Outputs/ Output indicators/ Annual Targets
Attractiveness of Gauteng as preferred tourist destination	ConHill ticketed leisure visitors increased	Number of ticketed Leisure Visitors to Constitution Hill	63 685	81 036 ³⁷	91 000	47 756	-43 244	The cumulative annual target was due for reporting in quarter 4. However, an actual of 47 756 was reported, meeting and exceeding the 2nd quarter planned target	Output rephrased to ConHill visitors increased to track all visitors to the site
Structurally transformed economy	Local creatives receiving targeted support through various programs and initiatives	Number of market access opportunities facilitated for creatives across the value chain	-	-	300	251	-49	The cumulative annual target was due for reporting in quarter 4. However, an actual of 251 was reported at the end of quarter 2	Upward revision of target due to overperformance and strong partnerships.
		Number of creatives benefitted from creative uprising programme	1 197	1 498	800	718	-82	The cumulative annual target was due for reporting in quarter 4. By end quarter 2 and actual of 718, was reported	Upward revision of target as a result of strong stakeholder interest and collaboration.
Levels of economic activities in localities in which economic infrastructure was delivered	Improved score in the METT for Constitution Hill, reflecting enhanced management effectiveness and the maintenance of its World Heritage universal value	% of METT score attained for Constitution Hill	-	-	METT score for Constitution Hill at 100%	-	METT score for Constitution Hill at 0%	This is an annualised target due for reporting at the end of the financial year	Downward revision of target for alignment as the 100% METT score has been allocated across the five-year period and will be incrementally achieved in line with the phased implementation of the Conservation Plan.
Revenue Enhancement	Alternative revenue streams optimised	Own revenue generated	-	R14 787 096 ³⁸	R16 500 000	R8 240 727	- R8 259 273	The cumulative annual target was due for reporting in quarter 4. However, an actual of R8 240 727 was reported at the end of quarter 2	The quarter 4 target was corrected to reflect non-cumulative target for quarter.

³⁷ In the 2024/25 financial year the indicator was phrased number of ticketed leisure visitors to ConHill

³⁸ The indicator was previously phrased as sales and earned revenue generated

Programme 5: ConHill – Re-tabled Annual Performance Plan

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

Programme 5: ConHill Re-Tabled Annual Performance Plan								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement 2025/26	Reasons for deviations
Attractiveness of Gauteng as preferred tourist destination	Conhill visitors increased	Number of ticketed Leisure Visitors to Constitution Hill	63 685	81 036 ³⁹	91 000	92 542	+1 542	The positive deviation was driven by stronger-than-anticipated public demand for Constitution Hill's broader programming, anchored by the established reputation of the Human Rights Festival. This momentum culminated in a strong fourth-quarter performance, where total footfall increased by 7,7% compared to the same period last year, pushing the annual achievement beyond the target.
Structurally transformed economy	Local creatives receiving targeted support through various programs and initiatives	Number of market access opportunities facilitated for creatives across the value chain	-	-	450	461	+11	The positive deviation reflects sustained performance throughout the financial year, driven by a growing demand for creative and cultural opportunities among enterprises. This demand reinforced the precinct's strategic focus on MSME beneficiation, resulting in a consistently high intake of on-site traders across various programmes.
		Number of creatives benefitted from creative uprising programme	1 197	1 498	1 200	1 693	+493	The positive deviation was driven by the precinct's deliberate creation of targeted upskilling opportunities and strategic collaborations with support organisations. By proactively fostering a vibrant cultural and creative ecosystem that bolsters heritage tourism and the broader cultural economy, the precinct generated higher-than-expected demand among creatives. This engagement was particularly fuelled by programmes utilising various mediums to elevate constitutionalism, justice, and art.
Levels of economic activities in localities in which economic Infrastructure was delivered	Improved score in the METT for Constitution Hill, reflecting enhanced management effectiveness and the maintenance of its World Heritage universal value	% of METT score attained for Constitution Hill	-	-	50%	68%	+18%	The site exceeded its planned METT score target of 50% to achieve 68%, primarily driven by strong performance across crucial operational pillars. Specifically, the site secured mid- to high-Basic scores in Outputs/Outcomes (66,7%), Processes (64,1%), and Inputs (61,1%). This foundational performance demonstrates that day-to-day management systems, resource allocations, and institutional processes are highly functional, actively advancing strategic goals and reinforcing the site's Clear Institutional Vision and Relevance. However, the assessment also highlighted specific areas for improvement to focus on moving forward, particularly in strengthening the planning for infrastructure projects and addressing reactive maintenance.

³⁹ In the 2024/25 financial year the indicator was phrased number of ticketed leisure visitors to ConHill

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements (continued)

Programme 5: ConHill Re-Tabled Annual Performance Plan								
Outcome	Output	Output Indicator	Audited Actual Performance 2023/24	Audited Actual Performance 2024/25	Planned Annual Target 2025/26	Actual Achievement 2025/26	Deviation from planned target to Actual Achievement 2025/26	Reasons for deviations
Revenue enhancement	Alternative revenue streams optimised	Own revenue generated	-	R14 787 096 ⁴⁰	R16 500 000	R21 626 000	+R5 126 000	Revenue generation performance for the period improved on the back of two key drivers. The successful securing of two high-profile venue hire events in October and November 2025 contributed significantly to income beyond routine operational receipts, with ancillary site services further supporting the upturn. This was complemented by an improvement in rental collections, with more consistent tenant payments and arrears recovery strengthening the overall cash position.

Linking performance with budgets

Programme/activity/objective	2024/2025			2025/2026		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Education and public programmes	7,335	11,762	(4,427)	730	735	(5)
Exhibitions	300	300	0	270	270	0
Facilities management	30,042	39,093	(7,051)	43,717	41,655	2,061
Venue Hire	2,530	3,154	(624)	883	843	40
Tourism (Visitors)	301	303	(2)	150	214	(64)
Total	40,208	52,612	(12,404)	45,749	43,717	2,032

The operating results for the financial year and the situation of the company are consolidated in this Annual Report and are available in the company's separate set of Annual Financial Statements. The company's operating surplus was R55.1 million with a net asset value of the company to R405.9 million (2024/25 financial year surplus was R5.6 million and Net Asset was R350.5 million). During the 2024/25 financial year, ConHill received a total grant of R117.9 million (2024/25 financial year: R61.5 million) from GGDA.

Spend analysis

The overall spend was R12.4 million more than revised budget, mainly impacted by spend to signature event (i.e. BASHA UHURU; Sounds of freedom; and Human Rights Festival) of which are general fund-raised separate from original budget. These signature events delivers amongst others, thousands of Job Opportunities, supports the young Creatives and women within Creative-Up rising projects. There was significant spend on Repairs and Maintenance especially fixing of Heritage Asset (Ramparts) as part of preservation and conservation of Heritage Asset. This also improved tourist visitation experience, which will increase revenue generation in the near future. It is worth noting that ConHill has achieve 100% of its planned targets with limited financial resources.

ConHill had overspend on its budget, however it was covered by separate fund-raising for three signature events delivered with a big success. ConHill will continue to implement revenue strategies that are intended to ensure that ConHill reduces reliance on Government Grants and begin to self-sustain its operations. There were success attained during the 2025/26 financial year as the revenue collection increased by 43% compared to the previous year performance. ConHill continues to review its revenue strategies including the introduction of Revenue Enhancement Strategies looking at maximising use of its properties (i.e. Asset Audits and current use) to ensure more efficiency of properties in the revenue generation.

Strategy to overcome areas of under performance

ConHill attained a 100% achievement for the financial year and while there are no areas of underperformance, the organisation will continue to implement best practices and uphold the highest standards of performance in the coming year.

⁴⁰ The indicator was previously phrased as Sales and earned revenue generated

GROUP REVENUE COLLECTION

Sources of revenue	2024/25			2025/26		
	Estimate	Actual	(Over)/Under Collection	Estimate	Actual	(Over)/Under Collection
		Amount Collected			Amount Collected	
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods	400	13	387	1 200	223	977
Rental Income	152 432	143 006	9 426	139 814	155 190	(15 376)
Rental of facilities and Equipment	2 944	2 542	402	4 796	3 791	1 005
Project Income	38 314	22 699	15 615	31 467	23 120	8 347
Rendering of services	116 815	139 030	(22 215)	150 098	152 789	(2 691)
Admission Fee and sale of goods	4 973	4 472	501	6 017	4 493	1 524
Total	315 878	311 762	4 116	333 392	339 606	(6 214)

The over collection was driven by existing tenants taking additional factory space at AIDC. The high revenue was also impacted by lease smoothing accounting adjustment which is a non-cash adjustment.

The project income relates to non-governmental grants aimed at supporting specific projects. The under collection was due to partners not able to provide funding due to difficult economic environment

GROUP CAPITAL INVESTMENT

The following infrastructure project was completed in the period under review.

- We the People's Park – Project was completed in July 2025. The project was completed within the approved budget of R8.5 million.
- Infrastructure projects that are currently in progress and when are they expected to be completed:
 - ConHill Visitors Centre – Project achieved an overall physical progress of 16%,
 - Biopark Phase 3 – Project is 73% complete and currently on hold.
 - GIDZ Bulk infrastructure – Precinct 2 – Project achieved an overall physical progress of 52%
- There are no plans to close down or downgrade any current facilities.
- Maintenance of infrastructure assets is based on the annual maintenance plans in place for infrastructure.
- Disposal, scrapping and loss of assets due to theft are written off through Board approvals, and stolen items were reimbursed from insurance or the amount recovered from the employee if it was through negligence.
- The Group's assets are managed through an asset management policy that stipulates procedures for ensuring that processes are uniform throughout the Group as prescribed by the PFMA, Treasury Regulations and requirements of GRAP. The GGDA Group maintains a fixed asset register and monitors the existence and condition of assets during biannual asset verification processes. The assets' state is "good or fair" condition, as they are maintained through a maintenance plan.
- Asset verification was conducted during the period under review across the group to ensure the asset register remained up to date.

The following repairs and maintenance projects have been undertaken during the period under review:

- Repair, remedial and restoration work to the existing Rampart Building and surrounding walls at the Old Fort, Constitution Hill.

Infrastructure projects	2024/2025			2025/2026		
	Budget	Actual Expenditure	(Over)/Under Expenditure	Budget	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
ConHill Visitor Centre	189 839	13 217	176 622	60 452	54 090	6 362
BioPark Phase 3	40 622	40 622	0	0	0	0
Township hub refurbishment*	35 321	9 196	26 125	5 125	2 549	2 576
Garankuwa Hotel School	0	0	0	10 500	7 138	3 362
We The People's Park	9 606	3 646	5 960	5 960	5 960	0
GIDZ Southern Precinct	60 195	60 235	(40)	282	324	42
Bulk Infrastructure – Precinct 2	180 000	87 276	92 724	160 000	173 468	(13 468)
ASP ICT Infrastructure	5 970	5 035	935	2 500	865	1 635
AIDC Infrastructure Maintenance	37 430	21 399	16 031	13 438	13 207	231
IDC - Yellow Plant	4 547	289	4 258	4 547	0	4 547
Total	528 209	240 915	322 615	262 804	257 601	5 287

⁴¹ *The expenditure relates to the Professional Resource Team (PRT) for the Refurbishment of Atteridgeville 1 Industrial Parks, Atteridgeville 2 Industrial Parks, Emdeni Industrial Park, Rosslyn Industrial Hub and Umqantsa Industrial Hub. As at year end, no actual repairs were done on the parks.

03

GOVERNANCE

PART C



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INTRODUCTION

Corporate governance embodies processes and systems by which public entities are directed, controlled and held to account. In addition to legislative requirements based on a public entity's enabling legislation, and the Companies Act, corporate governance with regard to public entities is applied through the precepts of the Public Finance Management Act (PFMA) and runs in tandem with the principles contained in the King IV Report on Corporate Governance.

The Board of the GGDA is ultimately responsible for ensuring compliance with corporate governance standards. The GGDA Group remains fully committed to business integrity, fairness, transparency, and accountability in all its activities.

EXECUTIVE AUTHORITY

The GGDA was established by the Gauteng Provincial Government in terms of the 2012 amendment to the Blue IQ Investment Holdings Act and reports to the GDED. The GGDA provides monthly progress reports to its shareholder, in addition to attending meetings of GDED's senior management team and executive management team. Board-approved reports are submitted to the GDED every quarter. Ad hoc data and information are provided when requested. The Board attends briefing sessions at the request of the Executive Authority.

THE ACCOUNTING AUTHORITY/BOARD

Introduction

The role of the Board is described by the following activities:

- Provide strategic direction and leadership;
- Determine the goals and objectives of the company;
- Approve key policies, including investment and risk management;
- Review the company's goals and strategies for achieving its objectives;
- Approve and monitor compliance with corporate plans, financial plans, and budgets;
- Review and approve the company's financial objectives, plans and expenditure;
- Consider and approve the Annual Financial Statements, interim statements, and notices to the shareholder;
- Ensure good corporate governance and ethics;
- Monitor and review the performance and effectiveness of controls;
- Ensure effective communication with relevant stakeholders;

- Liaise with and report to the shareholder;
- Guide key initiatives;
- Approve transactions beyond the authority of management;
- Consider and adopt, if appropriate, operating budgets and business plans proposed by management for the achievement of its strategic direction;
- Delegate authority for capital expenditure;
- Ensure ethical behaviour and compliance with relevant laws and regulations, audit, and accounting principles, and the GGDA's internal governing documents and codes of conduct; and
- Act responsibly towards the GGDA's relevant stakeholders.

The Board regularly reviews its annual plan to ensure that sufficient time is allocated for reviewing its strategy, which involves analysing the choices articulated in the strategy and the ongoing review of progress against approved plans.

Board Charter

The Board Charter sets out the roles, duties and responsibilities of the Board, as well as salient corporate governance principles. The Board and committee charters are revised annually to ensure effectiveness and relevance. In line with the Charter, the Board met a minimum of four times during the 2025/26 financial year to discharge its duties as set out in the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA) and the King IV Report on Corporate Governance. Proceedings at meetings are directed by a formal agenda. The proposed agenda is circulated prior to the meeting to allow Board members sufficient opportunity to request additional agenda items. In addition, a comprehensive Board pack is distributed to all members in advance of meetings, to ensure that they are properly informed and to enable them to undertake meaningful discussions and effectively discharge their duties.

Board packs typically include:

- An agenda;
- The previous meeting's minutes;
- Copies of any resolutions passed since the last Board meeting; and
- A governance update to assist Board members in keeping abreast of relevant legislation.

All Board members have unrestricted access to the Company Secretary and all Board records, as well as to independent professional advice in appropriate circumstances.

Composition of the Board

Name	Designation	Date appointed	Date resigned	Qualifications	Area of expertise	Board directorships	Other committees or task teams	Number of meetings attended
Mr Craig Cornish	Chairperson	1 February 2025	N/A	- Postgraduate Certificate in Forensic and Investigative Auditing, UNISA (2009) - Senior Management Development Programme, Stellenbosch Business School (2006) - National Diploma in Accounting, University of Johannesburg / Wits Technikon (1999)	- Strategic leadership - Financial accounting and taxation - Governance and risk management - Forensic auditing and investigations - Business advisory and corporate law - B-BBEE strategy and enterprise development - Socio-economic development and transformation	- Chairperson: GGDA Board of Directors - Chairperson: Gauteng Partnership Fund (GPF) - Chairperson: ALMAC Development Centre - CEO: East2West Holdings - CEO: Mining Civil Construction and Services	- Member: GITIC GGDA Group Infrastructure, Trade, and Investment Committee (GITIC) - Former Trustee and Member: GPF Governance, Risk, and Investment subcommittees	17 of 17
Ms Refilwe Letwaba	Deputy Chairperson	1 October 2021	N/A	- LLB - B JURIS	- Legislative governance and oversight - Public policy and local government - Legal and regulatory scrutiny - Senior government management - Investment and credit risk oversight - Public representation and stakeholder engagement	- Deputy Chairperson: GGDA Board of Directors - Director: Gauteng IDZ Board of Directors - Chairperson: Board of Gauteng Enterprise Propeller (GEP) - Former Board Member: Cancer Association of South Africa - Former Board Member: Land Development Objectives Board (North West) - Former Board Member: Tembisa Technical College	- Member: Group Social and Ethics Committee (SEC), GGDA - Member: GITIC, GGDA - Member: Credit and Investment Committee, GEP - Member: Advisory Panel, Department of Human Settlements - Former Chair: Various Portfolio Committees, Gauteng Legislature - Former Chair: Committee of Local Government and Scrutiny of Subordinate Legislation	17 of 17
Adv Kgotso Maja	Non-executive director	1 October 2021	N/A	- Bachelor of Laws (LLB), University of the Witwatersrand - Master of Business Administration (MBA), Johannesburg Business School - Member: Institute of Directors in Southern Africa (IoDSA) - Member: Legal Practice Council	- Legal and compliance - Corporate governance, audit, and risk - Human capital and labour relations - B-BBEE and transformation - Socio-economic development and sustainability - Strategic partnerships and public-private partnerships - Social facilitation, marketing, and branding	- Director: GGDA Board of Directors - Chairperson: The Innovation Hub Management Company (TIHMC) Board - Chairperson: NHREMC	- Deputy Chairperson: Legal Aid Board of South Africa - Member: Gauteng Liquor Board	17 of 17
Mr Krishen Sukdev	Non-executive director	1 October 2021	N/A	- Bachelor of Business Science (Hons), University of Cape Town - Master of Business Administration (MBA), Heriot-Watt University - Fellow: Faculty of Actuaries (UK) - Fellow: Actuarial Society of South Africa - Member: Financial Planning Institute	- Financial services and retirement industry - Governance, risk management, and internal controls - Actuarial consulting and pension fund administration - GRAP accounting and public sector compliance - Supply chain management and organisational performance - Board and executive leadership in both public and private sectors	- Director: GGDA Board of Directors - Chairperson: GGDA Audit and Risk Committee - Director: AIDC Board of Directors - Director: Constitution Hill Development Company Board (ConHill) - Former CEO: Government Pensions Administration Agency (GPAA) - Former Director: Association of South African Black Actuarial Professionals	- Trustee: Mineworkers Provident Fund (Chair) - Trustee: Liberty Life Lifestyle Retirement Annuity and Preservation Funds (Chair) - Trustee: Liberty Corporate Selection Umbrella Funds (Chair) - Independent Trustee: NEHAWU National Provident Fund - Trustee: Independent Development Trust - Principal Officer: Impala Platinum Beneficiary Fund	17 of 17

Name	Designation	Date appointed	Date resigned	Qualifications	Area of expertise	Board directorships	Other committees or task teams	Number of meetings attended
Ms Dikeledi Tsotetsi	Non-executive director	18 October 2023	N/A	- BA - BA Honours - Master's degree	- Community development - Human resources management - Small business management - Public governance and management - Project management		- Deputy Chairperson: Social and Ethics Committee - Member: GGDA Group Trade, Investment and Regulatory Enablement Committee.	17 of 17
Dr Ezra Ndwandwe	Non-executive director	18 October 2023	N/A	- Bachelor of Science (B.Sc. Life Science), University of the Witwatersrand (Chemistry & Microbiology) - Master of Business Leadership (MBL), UNISA - PhD (awaiting results)	- Business strategy and turnaround - Change management and transformation - Organisational design and development - Business process re-engineering - Leadership development and performance culture - Employment equity and diversity management - Corporate strategy and project management	- Director: GGDA Board of Directors - Chairperson: Gauteng IDZ Board of Directors - Director: FoodBev SETA - Director: Downtown Music Hub (DTMH) - Director: DaVinci Institute of Business Leadership - Board Member: UNISA School of Business Leadership (SBL) - Director: South African Retailers' Association	- Deputy Chairperson: GGDA Group Trade, Investment, and Regulatory Enablement Committee (GITIC) - Guest lecturer: various business schools - Columnist: Business Day, The CEO Magazine, and other publications	16 of 17
Ms Meloney van Eck	Non-executive director	18 October 2023	N/A	- Bachelor of Business Administration, Southern Business School (STADIO) - Purchasing Management Diploma, Damelin - Postgraduate Diploma in Business Management, Regenesys - Advanced Management Development Programme, University of Pretoria - Currently pursuing MBA, UNISA	- Public sector strategy and operations - Strategic partnerships with private sector - Programme and project management - Institutional development and governance - Strategic support in human settlements and water sectors	- Director: GGDA Board of Directors - Chairperson: AIDC Board of Directors - Board Member: Gauteng Liquor Board	- Member: GGDA Group Audit and Risk Committee - Member: Advisory Committee – Programme Management Support, National Department of Water and Sanitation - Former: Head of Strategic Support, Housing Development Agency	16 of 17
Mr Masilo Tampe	Non-executive director	1 February 2025	N/A	- Diploma in Local Government Management, Balgravia Institute of Management - Currently studying: Bachelor of Laws (LLB), Regenesys	- Public sector leadership and administration - Social activism and economic inclusion - Communication and stakeholder engagement - Project management and advisory in local government - Legal compliance and enforcement	- Director: GGDA Board of Directors - Director: Constitution Hill Board of Directors - Board Member: Gauteng Liquor Board	- Member: GGDA Audit and Risk Committee - Member: Legal Sub-Committee, Gauteng Liquor Board - Member: Law Enforcement and Compliance Committee, Gauteng Liquor Board - Strategic Advisor on Finance: Merafong City Local Municipality - President: Albinism Renaissance Forum of Southern Africa - Member: Gauteng Disability Business Chamber	16 of 17

Name	Designation	Date appointed	Date resigned	Qualifications	Area of expertise	Board directorships	Other committees or task teams	Number of meetings attended
Ms Phindile Mbanjwa	Non-executive director	1 February 2025	N/A	- Master of Philosophy in Urban Infrastructure Design and Management, University of Cape Town - Postgraduate Diploma in Business Administration, Wits Business School - Postgraduate Diploma in Public Policy & Development Administration, University of the Witwatersrand - Bachelor of Social Science in Public Affairs and Administration	- Public sector leadership and transformation - Human settlements and infrastructure development - Economic development and institutional reform - Governance, oversight, and strategic programme execution - Policy implementation and intergovernmental relations	- Chairperson: Constitution Hill Board of Directors - Director: Gauteng Growth and Development Agency (GGDA) Board - Non-Executive Director: Rand Water - Non-Executive Director: Rand Water Foundation - Former Head of Department: Gauteng Human Settlements - Former Head of Department: Gauteng Economic Development	- Member: Social and Ethics Committee, Rand Water - Member: Treasury and Capital Investment Committee, Rand Water - Committee involvement in governance, audit, risk, and institutional development across various boards	12 of 17
Ms Priscilla Monama	Non-executive director	1 February 2025	N/A	- Master of Management in Entrepreneurship and New Venture Creation, Wits Business School (2025) - BA in Politics and International Relations, University of the Witwatersrand (2016) - Diploma in Marketing Management (Distinction), Varsity College (2012) - Certificate in Economics and Public Finance, UNISA (2006)	- Governance and development strategy - Change management and institutional reform - Strategic communications and crisis management - High-level stakeholder engagement - Innovation, entrepreneurship, and inclusive economic development	- Director: GGDA Board of Directors - Director: GIDZ Board of Directors	Deputy Chairperson: GGDA NHREMO (Nomination, Human Resources, Ethics and Remuneration Committee)	17 of 17
Mr Monwabisi Leon Stuurman	Non-executive director	1 February 2025	N/A	- MBA (Executive Management), University of Cape Town (NQF 9) - Honours in Business Administration, University of Cape Town (NQF 8) - Postgraduate Diploma, University of Cape Town (NQF 7) - Diploma in Welding and Fabrication Inspector, SAIW Certification (SCERT)	- Executive leadership and business operations management - Development and oversight of multi-disciplinary teams - Financial and regulatory compliance - Strategic planning, budgeting, and cost management - Organisational culture and customer service optimisation - Risk analysis and investment evaluation - Integrated logistics and operational strategy - Employee development and stakeholder relations	- Director: Gauteng Growth and Development Agency (GGDA) - Deputy Chairperson: Gauteng Industrial Development Zone (GIDZ) Board	None	16 of 17
Ms Jane Mosebi-Koka	Non-executive director	1 February 2025	N/A	- Bachelor of Commerce (B.Com), University of Zululand - Postgraduate Certificate in Business Management, Wirtschaft Akademie, Kiel, Germany	- ICT research, enterprise development, and digital transformation - Strategic consulting and business growth - Economic development support for Black SMMEs - Business coaching, ICT audits, and policy advisory - Public sector strategy alignment and stakeholder engagement - Marketing and advocacy, including trade union and informal trader support	- Director: Gauteng Growth and Development Agency (GGDA) Board - Managing Director: InnerCircle Consulting & Technologies - Director: Adamantium Africa - Director: Mosenako Holdings - Director: FICTDA	- Member: NW Premier's Advisory Council on ICT - Member: DTI ICT Advisory Council - Strategic Implementation Partner: Zimbabwe Ministry of ICT - Member: Black IT Forum (BITF), Women in ICT, NAMEC, Chartered CIO Council - Mentor and coach for women and youth-led businesses - Active presenter and advocate in ICT and community economic development forums	16 of 17

Committees

The Board has the authority to form committees to aid in carrying out its responsibilities, powers and authorities. The committees established by the Board include the Audit and Risk Committee; the Social and Ethics Committee; the Nomination, Human Resources and Remuneration Committee; and the Trade, Investment and Regulatory Enablement Committee. The functions of these committees are detailed in their respective charters. Additional members were appointed to the committees after the financial year had started.

Committee	Name	Designation	Date appointed	End of term	Number of meetings attended
GGDA Group Audit and Risk Committee*	Mr K Sukdev	Chairperson	1 January 2022	N/A	23 of 23
	Ms M van Eck	Member	8 December 2023	N/A	23 of 23
	Ms P Mbanjwa	Member	1 February 2025	N/A	20 of 23
	Ms F Serutha	Member	1 February 2025	N/A	23 of 23
	Mr M Tampe	Member	1 February 2025	N/A	23 of 23
	Mr L Mbokotho	Member	1 February 2025	19 May 2025	3 of 5
					3 of 3
					3 of 3
					3 of 3
GGDA Group Nomination, Human Resources and Remuneration Committee	Adv K Maja	Chairperson	1 February 2025	N/A	7 of 7
	Ms P Monama	Member	1 February 2025	N/A	7 of 7
	Ms P Mbhali-Maphanga	Member	1 February 2025	N/A	7 of 7
	Ms L Mvelase	Member	1 February 2025	N/A	7 of 7
	Mr M Stuurman	Member	1 February 2025	N/A	7 of 7
GGDA Group Social and Ethics Committee	Ms J Mosebi-Koka	Chairperson	1 February 2025	N/A	4 of 4
	Ms D Tsotetsi	Member	1 February 2025	N/A	4 of 4
	Ms R Letwaba	Member	1 February 2025	N/A	4 of 4
	Mr M Stuurman	Member	1 February 2025	N/A	4 of 4
	Mr C Cornish	Member	1 February 2025	N/A	
GGDA Group Infrastructure, Trade, Investment and Regulatory Enablement Committee	Dr E Ndwandwe	Chairperson	10 January 2024	N/A	6 of 6
	Dr E Ndwandwe	Member	1 February 2025	N/A	6 of 6
	Mr C Cornish	Member	1 February 2025	N/A	6 of 6
	Ms D Tsotetsi	Member	1 February 2025	N/A	6 of 6
	Ms R Letwaba	Member	1 February 2025	N/A	6 of 6
	Mr L Mbokotho	Member	1 February 2025	N/A	6 of 6

Dr E Ndwandwe appointed as Chairperson on 1 February 2025

Remuneration of Board members

Non-executive directors receive fees for their contribution to the Board and the committees on which they serve. The shareholder determines these fees in terms of a policy. Non-executive directors are also reimbursed for out-of-pocket expenses incurred on the Company's behalf. Further information on directors' remuneration appears on pages 143.

Table 28: GGDA Board remuneration

Name	Remuneration	Other re-imbursement	Total
Adv Kgotso Maja	349 295.50	3 651.87	352 947.37
Dr Ezra Ndwandwe	327 731.00	1 769.77	329 500.77
Dr Deenadayalen Konar	124 020.50	1 633.64	125 654.14
Miss Ntshakga Priscilla Monama	348 325.50	3 628.07	351 953.57
Mr Busani Nkuna	149 958.00	3 823.92	153 781.92
Mr Craig Cornish	321 608.50	31 547.52	353 156.02
Mr Leon Marincowitz	287 629.00	9 343.52	296 972.52
Mr Lita Mbokotho	145 057.50	1 636.49	146 693.99
Mr Masilo Tampe	377 573.00	11 529.67	389 102.67
Mr Monwabisi Leon Stuurman	362 924.00	82 532.87	445 456.87
Mr. Krishen Sukdev	574 773.50	4 810.46	579 583.96
Mr Tshagofatso Ditshwane	186 307.50	4 279.59	190 587.09
Ms Busi Mhaga	109 958.00	298.93	110 256.93
Ms Dikeledi Tsotetsi	209 697.25	3 189.20	212 886.45
Ms Floran Serutha	316 677.50	4 665.20	321 342.70
Ms Jane Mosebi-Koka	447 642.25	8 113.50	455 755.75
Ms Lerato Mvelase	282 714.50	3 741.32	286 455.82
Ms Meloney Van Eck	460 278.00	6 010.81	466 288.81
Ms Phindile Mbanjwa	541 124.50	1 205.04	542 329.54
Ms Phindile Mbhali Maphanga	170 043.50	736.37	170 779.87
Ms Joyce Phiri	125 508.00	288.46	125 796.46

ETHICS AND RISK MANAGEMENT

Risk management framework

The Gauteng Growth and Development Agency (GGDA) maintains a responsive risk management framework that underpins strategic planning, performance delivery and governance compliance in alignment with the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA), the National Treasury Risk Management Framework and the King IV Report on Corporate Governance. The framework enables the organisation to anticipate, evaluate, prioritise and manage risks that may affect the achievement of its mandate while sustaining value over time. It further supports the application of ethical and effective leadership to reinforce sound governance and a proactive approach to risk.

As a public entity entrusted with promoting inclusive economic development, the GGDA remains committed to upholding the highest standards of governance, integrity, accountability and sound strategic leadership. The GGDA implemented governance instruments to support its risk management practices, including a Risk Management Policy, Strategy and Implementation Plan, as well as a Risk Appetite and Tolerance Statement. These governance structures continued to support effective risk oversight.

The GGDA conducted annual enterprise-wide risk assessments to identify strategic, operational, financial and compliance risks, and implemented measures to address them. Management reported regularly to the Audit and Risk Committee to ensure continuous oversight and independent assurance on the adequacy and effectiveness of risk management processes. Ongoing monitoring of key risks and mitigation actions further strengthened the organisation's ability to respond proactively to risk exposures.

Ethics framework

The GGDA maintains a comprehensive Ethics Policy Framework that governs conduct across all levels of the organisation. The framework is guided by the principles of King IV and aligns with public-sector values of transparency, fairness and responsible leadership. The GGDA has adopted a Fraud Prevention and Whistleblowing Policy, which emphasises its commitment to ensuring that its exposure to corrupt activity is constrained, mitigated, regularly monitored and subjected to periodic risk assessments.

During the reporting period, the GGDA reinforced its ethical culture through the roll-out of mandatory ethics training for all employees. The training covered key areas such as ethics and compliance, and fraud prevention and detection, whistleblower rights and protection mechanisms, as well as the application of the Code of Conduct. The initiative supported the institutionalisation of an ethical organisational culture and enhanced awareness of governance responsibilities across all levels.

To further strengthen accountability and transparency, the GGDA maintains a confidential, independently managed whistleblowing hotline that enables the safe reporting of unethical or unlawful conduct. All allegations are assessed and investigated in accordance with established procedures and anti-fraud protocols, with appropriate disciplinary and corrective actions implemented. This mechanism promotes a culture of openness and reinforces trust within the organisation.

Conclusion

The GGDA Board, the Audit and Risk Committee, management and employees remain committed to maintaining an effective system of risk management and internal control as required by the PFMA and guided by King IV principles. Through the integration of risk management and ethical governance into its operations, the organisation continues to enhance stakeholder confidence, strengthen resilience and support sustainable value creation. These efforts are critical in safeguarding the agency's reputation and advancing its mandate to drive inclusive economic growth and development in Gauteng.

INTERNAL AUDIT

Purpose and mandate

The Internal Audit Function (IAF) is established as an independent, objective assurance and consulting activity designed to add value and improve the GGDA's operations. Its legal mandate is derived from section 51(1)(a)(ii) of the Public Finance Management Act, 1999 (Act 1 of 1999) (PFMA) and Treasury Regulation 27.2.

Strategy of the Internal Audit Function

The strategy focuses on risk-based auditing to evaluate the effectiveness of risk management, control and governance processes. It aligns its focus areas directly with the GGDA's strategic goals, including economic infrastructure development and trade promotion.

Charter, methodology and internal audit plans

The IAF operates according to a formally approved Internal Audit Charter. It follows a risk-based methodology aligned with the International Standards for the Professional Practice of Internal Auditing (IIA Standards). A three-year rolling strategic plan and an annual risk-based audit plan are developed and approved by the Audit and Risk Committee.

Independence and objectivity

The IAF maintains strict independence by reporting functionally to the Audit and Risk Committee and administratively to the Group Chief Executive Officer. Auditors declare conflicts of interest annually and do not hold operational responsibilities over the areas they audit.

Internal audit modality

The IAF utilises a hybrid delivery modality combining an internal core team with co-sourced specialised audit partners to execute complex reviews such as information technology and engineering infrastructure performance.

Staffing

The unit is adequately resourced with professional internal auditors who hold specialised certifications, such as Certified Internal Auditor (CIA) and Certified Information Systems Auditor (CISA), to ensure competence across all areas of the GGDA Group.

Quality assurance and improvement programme

The IAF maintains a Quality Assurance and Improvement Programme (QAIP) that encompasses ongoing internal supervision, periodic self-assessments and mandatory external quality assessments every five years.

During the year under review, the IAF concluded an External Quality Assessment, with the overall opinion rated as "Partially Conforms". This outcome indicates that while the function generally aligns with the IIA Standards, there are opportunities for improvement, which management is committed to addressing.

Stakeholder relationships

The IAF manages proactive communications and reports transparently to management, executive leadership, the Audit and Risk Committee and external oversight bodies.

Limitations to the activities and objectives

- **Capacity constraints:** limited headcount relative to the expanding scope of work across the Group's operations.
- **Data access delays:** occasional delays in receiving operational documentation from audited line departments, affecting timelines.

Summary of audit work done

Planned and completed audits

The IAF executed 85% of its approved annual risk-based internal audit plan, focusing on supply chain management, performance information, human resources and information and communication technology (ICT) audits across the Group.

Audits rolled over

Four planned audits (Sage 300 People Applications Audit; Facilities Management and Occupational Health and Safety Audits; Marketing and Brand Promotion; and Enterprise Risk Management Review) were rolled over into the next financial year due to delays in sourcing specialised resources.

Ad hoc projects

The IAF conducted three ad hoc investigations during the year, including an Irregular, Fruitless and Wasteful Expenditure Determination Test (IFWE) across the holding company and its subsidiaries.

Status of audit findings addressed

Audit Category	Number of findings	Total Addressed	Not Yet Due	Total Not Addressed	No. of recurring findings (Last 3 FYs)
IAF Findings	161	117	0	44	0
AGSA Findings	68	59	0	9	0

Audit and Risk Committee report

Legislative requirements

The Audit and Risk Committee presents its report for the financial year ended 31 March 2026, as required by section 77 of the PFMA, read with Treasury Regulation 27.1.10. The Committee was established in accordance with sections 51(1)(a)(ii) and 77 of the PFMA.

Audit and Risk Committee responsibility

During the period under review, the Committee fulfilled its statutory duties as required by the PFMA (section 51(1)(a)(iii)) and Treasury Regulations (regulation 27.1.8), as well as various additional responsibilities assigned to it by the Board. The Committee's activities are also guided by its Terms of Reference, which are approved by the Board.

Audit and Risk Committee members and attendance

The Audit and Risk Committee Charter requires that the Committee comprises a minimum of three members. The Committee consists of six independent non-executive members and is chaired by Mr Krishen Sukdev. The Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, as well as the internal and external auditors, have a standing invitation to all meetings of the Committee. A brief profile of each of the Committee members, as well as their qualifications, can be viewed in the Governance section of the Group Annual Report, under Members of the Board.

The Chairperson of the Audit and Risk Committee reports to the Board quarterly on the Committee's deliberations, decisions and recommendations.

In terms of section 77(b) of the PFMA, the Audit and Risk Committee must meet at least twice a year. During the financial year ended 31 March 2026, the Committee met on 23 occasions, five of which were scheduled. The remaining 18 were special meetings convened to review tenders and to hold a risk workshop.

The Audit and Risk Committee is a shared resource across the Group's subsidiaries. The table below shows the attendance of these meetings:

Audit and Risk Committee members and meeting attendance

Name of member	Total meetings	Meetings attended
Mr K Sukdev (Chairperson)	23	23
Ms P Mbanjwa	23	20
Ms F Serutha	23	23
Ms M Van Eck	23	23
Mr M Tampe	23	23
Mr L Mbokotho	5	3

Risk management and internal audit function

The Audit and Risk Committee was responsible for overseeing the risk management function. The Board had oversight of the risk management process carried out by GGDA Group management during the period under review. The Governance section of the GGDA Group Annual Report provides an overview of the risks managed for the 2025/26 financial year.

The Audit and Risk Committee has reviewed the risk register and management reports and is generally satisfied with the maturity of the risk management process.

The Audit and Risk Committee was responsible for ensuring that the Group's Internal Audit Function was independent and had the necessary resources, skills, standing and authority within the organisation to effectively discharge its responsibilities.

The Audit and Risk Committee reviewed and approved the Internal Audit Plan. Internal audit activities are measured against the approved plan, and the Head of Internal Audit tables progress reports to the Audit and Risk Committee.

The Internal Audit Function was responsible for reviewing and providing assurance on the adequacy and effectiveness of the internal control environment across all significant areas of the Group's operations. The Internal Audit Function is currently capacitated through a co-sourced model.

During the reporting period, the Committee reviewed and/or approved the following matters:

- The Internal Audit Charter;
- The three-year strategic rolling plan for the period ending 31 March 2028;

- The Annual Internal Audit Plan for the year ended 31 March 2026;
- Capacity within the Internal Audit Function;
- Internal Audit's quarterly reports in line with the approved Internal Audit Plan;
- Whistle-blowing reports.

The Audit and Risk Committee formed an opinion that adequate, objective internal audit policies and procedures exist within the Group and that the Group's Internal Audit Function complied with the internal audit standards and the required legal, regulatory and other responsibilities as stipulated in its Charter during the period under review.

The Audit and Risk Committee is satisfied that the Internal Audit Function is operating effectively and that it has addressed the risks pertinent to the Group.

Effectiveness of internal control and risk management

Section 51(1)(a)(i) of the PFMA states that the Board must ensure that a public entity has and maintains effective, efficient and transparent systems of financial and risk management and internal control.

The Audit and Risk Committee was responsible for overseeing risk management and reviewing internal controls. The Internal Audit Function conducted independent reviews of the effectiveness of the internal controls, covering financial, operational, compliance and risk management areas.

Based on the results of internal audit reviews for the 2025/26 financial year, the overall control environment across the GGDA Group is regarded as 'satisfactorily effective' in offering reasonable assurance that the inherent risks are appropriately managed and that the business objectives will be achieved. It maintained its effectiveness throughout the 2025/26 financial year.

Evaluation of the Group Annual Financial Statements

During the reporting period, the Audit and Risk Committee reviewed the Group financial statements and is satisfied that they have been prepared in terms of Generally Recognised Accounting Practice (GRAP) and the PFMA. The Group financial statements were reviewed with the following focus:

- Significant financial reporting judgments and estimates contained in the Group financial statements;
- Clarity and completeness of disclosure and whether disclosures made have been set properly in context, including matters relating to any unauthorised, irregular, fruitless and wasteful expenditure;
- Changes in accounting policies and practices;
- Significant adjustments resulting from the audit;
- Compliance with accounting standards and legal requirements;
- Explanation for the accounting treatment adopted;
- Reasons for year-on-year fluctuations;
- Asset valuations; and
- The basis for the going concern assumption.

The review of the Group financial statements and the draft Annual Report for the 2025/26 financial year was conducted at the Audit and Risk Committee's meeting held on 19 May 2026, and the Committee recommended them to the Board for approval on 27 May 2026.

Programme performance information management

The Audit and Risk Committee is satisfied with the content and quality of the quarterly performance reports prepared and issued during the year under review in compliance with the statutory framework. During the period under review, management presented quarterly reports to enable the Committee to:

- Review and comment on compliance with statutory requirements and programme performance information best practices and standards;
- Review and comment on the alignment of the annual performance plan, budget, strategic plan and corporate plan;
- Review and comment on the relevance of indicators to ensure that they are measurable and relate to services performed by the public entity;
- Review reported non-compliance with legislation;
- Review compliance with the in-year reporting requirements;
- Assess internal audit reports on reviews carried out on quarterly performance reports.

The Audit and Risk Committee reviewed the quarterly and annual reports on the Company and Group's performance against predetermined objectives.

The Audit and Risk Committee is satisfied that the performance report has been prepared in accordance with the PFMA, the Treasury Regulations and any other related regulatory requirements for reporting programme performance information.

The quality of monthly and quarterly reports submitted in terms of the PFMA

The Audit and Risk Committee is satisfied with the content and quality of the monthly and quarterly reports prepared and issued during the year under review in compliance with the statutory framework. During the period under review, management presented these reports to enable the Committee to:

- Monitor the integrity, accuracy and reliability of the financial position of the Company and Group;
- Review the management accounts of the Group and provide the Accounting Authority with an authoritative and credible view of the financial position of the Group;
- Review the Group's internal financial and operational controls, as well as the risk management systems;
- Review the disclosure in the financial reports of the Group and the context in which statements on the financial health of the Group are made, including matters relating to any unauthorised, irregular, fruitless and wasteful expenditure; and
- Review all material information presented together with the management accounts, including the monitoring of compliance with applicable laws and regulations.

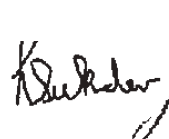
External auditor's report

The Audit and Risk Committee concurs with and accepts the external auditors' conclusion and audit opinion on the Annual Financial Statements. The Committee is of the view that the audited financial statements should be accepted and read together with the external auditors' report. The Audit and Risk Committee confirms that it has been actively involved throughout the audit process and has been thoroughly apprised of the issues giving rise to the audit opinion.

The external audit function, performed by the Auditor-General of South Africa, is independent of the Group. The Audit and Risk Committee has met with the external auditors to ensure that there are no unresolved issues, and acknowledges the diligence and cooperation of the external audit team.

Conclusion

The Audit and Risk Committee has fulfilled its roles and responsibilities in accordance with its Board-approved Charter.

 Digitally signed
by Krishen
Sukdev

Mr K Sukdev
Chairperson of the Audit and Risk Committee
Date: 31 July 2026

COMPLIANCE WITH LAWS AND REGULATIONS

Legislative and other mandates

The GGDA is a holding company that is registered as a PFMA Schedule 3C public entity whose sole shareholder is the MEC responsible for the GDED.

Four sector implementing entities are wholly-owned by the GGDA: AIDC, TIHMC, GIDZ and ConHill. These entities, by virtue of their ownership by GGDA, also conduct themselves as Schedule 3C public entities. In terms of its governance arrangements, the GGDA is accountable to both GDED and an independent Board that has been established in terms of the Companies Act. Similarly, boards have also been established for each of the implementing entities.

The GGDA is positioned to ensure the delivery of economic growth and economic development, encompassing the full spectrum of economic development priorities. In terms of this model, the GDED is responsible for strategy, policy, and oversight, and the GGDA is responsible for the implementation of approved initiatives. This is managed via a framework of control and governance that provides Gauteng with a mechanism to encourage the development of existing economic activity in addition to the creation of new opportunities. This approach aids in the base growth of sustainable employers and employment opportunities and the overall economy of Gauteng.

The GGDA and the implementation entity boards are responsible for monitoring and reviewing the corporate strategy of the company and the Group. The Group Executive Committee (EXCO) comprises the CEOs of the Group and its subsidiaries, as well as the Group executives. The Group EXCO is established to assist the Group in fulfilling its oversight responsibilities. It provides an open platform for communication between financial management, operations management, risk management, human resources, and Board matters.

Fraud and corruption

The GGDA Group acknowledges that incidents of fraud and corruption have the potential to derail the work of the Group and to affect the organisation's reputation adversely. This section of the report aims to communicate the annual review of the GGDA Group's counter-fraud and corruption arrangements and provides an overview of fraud and whistleblowing activity for the relevant period.

The GGDA Group implemented the Fraud Prevention and Whistle Blowing Policy through the Ethics Implementation Plan, together with a fraud and risk register. The Fraud Prevention and Whistle Blowing Policy enables whistleblowers to report any misconduct or unethical behaviour anonymously, and independent investigations are conducted and reported to the Audit and Risk Committee where required.

Those who report to the hotline remain anonymous. Reference numbers are issued so that they can follow up on reported matters should they wish to do so. Awareness sessions on the prevention of fraud and corruption were conducted with employees throughout the financial year.

Minimising conflict of interest

Below is a description of the processes implemented to minimise conflict of interest in supply chain management:

- Supply chain management has a Declaration of Interest form that is completed during each procurement process;
- Each member party to the procurement process is required to sign and declare their interest; and
- All declarations are subject to the audit process. Where interest is declared, the conflict is assessed to determine if his/her interest will prejudice the GGDA. Thus, if the person has the deciding vote or power to influence or to direct the course and decisions of the enterprise, then the person will be requested to recuse him/herself.

Code of conduct

The Employee Code of Conduct is a vital component of the GGDA's governance model, which encompasses standard steering documents and processes, including our policies and procedures. The GGDA maintained a Board-approved Employee Code of Conduct that was reviewed and discussed with all employees. The Code of Conduct intends to promote exemplary conduct.

The GGDA is committed to conducting all its activities to the highest standard of competence, integrity and ethical behaviour, to ensure its conduct is beyond reproach. The Company is committed to providing a work environment that values diversity among its employees. HR policies, procedures and activities create a respectful workplace in which every employee can reach their highest potential. Any GGDA employee who violates the Code of Conduct may face sanctions following an investigation process that takes account of all relevant factors. The Code of Conduct also outlines the process for employees to report any breaches of the code and identifies protected circumstances as required by legislation. The GGDA Code of Conduct places the following requirements on all employees, directors and stakeholders:

- Carry out their responsibilities honestly, in good faith and with integrity, due care, competence and diligence;
- Never misrepresent or withhold material facts or allow their independent judgment to be compromised;
- Avoid actual or apparent conflicts of interest in personal and professional relationships;
- Comply with applicable government laws, rules and regulations;
- Assist in the production of complete, accurate, timely and understandable External Financial Reporting and in other public communications made by the organisation; and
- Take all reasonable measures to protect the confidentiality of non-public information relating to the GGDA and its stakeholders.

Health, safety and environmental issues

The GGDA prioritises the provision of a safe and healthy workplace for all its employees, visitors and invited guests, in compliance with the Occupational Health and Safety Act.

To this end, OHS Committees have been established across the Group. Their mandate includes promoting employee health and safety, monitoring workplace risks, managing reported incidents and enhancing awareness and responsibility about safety issues.

Company/Board Secretary

The Company Secretary is appointed by, and is accountable to, the Board. This person is the corporate governance knowledge manager and information officer of the GGDA and its subsidiaries and is responsible for the execution of all statutory requirements applicable to the GGDA and its subsidiaries.

In relation to their fiduciary duties and how to discharge such duties, the directors have unrestricted access to the advice and guidance of the Company Secretary. The directors are entitled to obtain independent professional advice at the GGDA's expense, should they deem this necessary. In addition to the performance of other assurance functions, the Company

Secretary monitors the GGDA's compliance with the requirements of good corporate governance, the amendments to the Blue IQ Act, adherence to the PFMA, the Companies Act and other relevant legislation.

In terms of section 88(2)(e) of the Companies Act, as amended, the Company has lodged with the Companies and Intellectual Property Commissioner all such returns as are required of a public company in terms of the Companies Act and all such returns are true, correct and up to date.

B-BBEE compliance performance information

The following table should be completed in accordance with the compliance to the BBEE requirements as required by the BBEE Act and as determined by the Department of Trade, Industry and Competition. Where there has been no or only partial compliance with the criteria, the entity should provide a discussion and indicate the measures taken to comply.

Has the Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	The GGDA does not perform any licensing, concession-granting, or authorisation functions in relation to economic activities governed by legislation. Responsibility for issuing trade licences, mining exploration rights, and comparable regulatory approvals rests with the duly mandated statutory and regulatory bodies.
Developing and implementing a preferential procurement policy?	Yes	A developed Procurement Policy is continuously being implemented in accordance with applicable legislative and regulatory requirements, incorporating preferential procurement principles. Its implementation is supported by standardised templates, evaluation criteria, and procurement frameworks, with compliance and effectiveness monitored on a quarterly basis.
Determining qualification criteria for the sale of state-owned enterprises?	No	Should a strategic decision be made to dispose of any such property, the appropriate governance processes will be undertaken to ensure that all required approvals are secured and that the disposal is conducted in full compliance with the Public Finance Management Act (PFMA) and applicable Treasury Regulations.
Developing criteria for entering into partnerships with the private sector?	No	The GGDA utilised the criteria of the Public Finance Management Act (PFMA) and National Treasury Regulations governing PPPs to implement one Public-Private Partnership (PPP) project, namely Enterprise Building 3 (EB3) at The Innovation Hub. The project is being implemented in accordance with the applicable to ensure compliance with legislative requirements, sound governance practices and effective oversight throughout the project lifecycle.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	The awarding of grants, incentives, and investments does not form part of the GGDA's core mandate, and the entity does not undertake material investments of this nature. The only exceptions are bursary programmes and Corporate Social Investment (CSI) initiatives, which are aimed at supporting previously disadvantaged individuals and institutions, including schools, higher education institutions, and other qualifying beneficiaries.

04

HUMAN RESOURCE MANAGEMENT



PART D





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INTRODUCTION

The human capital function plays a pivotal role in driving both strategic and operational outcomes across the GGDA Group. At a strategic level, human capital collaborates closely with business units to shape and align the Group's overarching strategy, ensuring that human resource initiatives directly support the organisation's long-term vision and objectives.

Towards this end, the human capital function delivers human capital solutions that enhance the Group's organisational capability and performance. This is achieved by translating strategic imperatives into targeted, impactful programmes, including the formulation and execution of policies and frameworks that promote consistency, compliance, and operational efficiency across the Group.

From an operational perspective, human capital focuses on the effective implementation of these strategies via effective workforce planning, talent acquisition and retention, and employee engagement practices. Emphasis is placed on developing clear communication channels and ensuring that talent acquisition and retention strategies attract, develop, and retain high-calibre talent for as long as possible.

A key focus area is talent retention, aimed at sustaining organisational knowledge and enhancing performance through structured development, recognition, and reward mechanisms. These initiatives are designed to unlock individual potential and align employee growth with organisational goals, in a nurturing and supportive environment.

Aligned with best practice principles, the GGDA is committed to cultivating a progressive and inclusive work environment that empowers employees to thrive. Therefore, the GGDA human capital function plays a critical and enabling role by ensuring that the organisation is appropriately resourced and capacitated to fulfil its mandate.

Employee well-being and performance is of paramount importance, and the human capital function also manages the implementation of integrated performance management systems and holistic health and wellness programmes, promoting a positive and productive employer-employee relationship.

HUMAN RESOURCE OVERSIGHT STATISTICS

Personnel related expenditure

Personnel cost by programme/activity/objective

Programme/activity/objective	Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel exp. as a % of total exp. (R'000)	No. of employees	Average personnel cost per employee (R'000)
GGDA	346 109	134 732	39%	136	991
AIDC	289 558	99 982	35%	129	775
TIHMC	147 579	52 209	35%	77	678
GIDZ	173 784	28 336	16%	30	945
CONHILL	82 990	19 496	23%	34	573
TOTAL	1 040 020	334 755	32%	406	825

Personnel cost by salary band

Level	Personnel Expenditure (R'000)	% of personnel exp. to total personnel cost (R'000)	No. of employees	Average personnel cost per employee (R'000)
Top Management	31 703	9%	12	2 642
Senior Management	60 661	18%	23	2 637
Professional qualified	133 752	40%	141	949
Skilled	88 978	27%	163	546
Semi-skilled	17 755	5%	60	296
Unskilled	1 906	1%	7	272
TOTAL	334 755	100%	406	825

Performance rewards

Programme/activity/objective	Performance rewards	Personnel Expenditure (R'000)	% of performance rewards to total personnel cost (R'000)
Top Management	-	31 703	0%
Senior Management	2 542	60 661	4%
Professional qualified	10 881	133 752	8%
Skilled	8 513	88 978	10%
Semi-skilled	1 535	17 755	9%
Unskilled	-	1 906	0%
TOTAL	23 471	334 755	7%

Training costs

Programme/activity/objective	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost.	No. of employees trained	Avg training cost per employee
GGDA	134 732	3 720	3%	112	33
AIDC	99 982	1 525	2%	126	12
TIHMC	52 209	419	1%	13	32
GIDZ	28 336	140	0.5%	41	3
CONHILL	19 496	83	0.4%	31	3
TOTAL	334 755	5 887	2%	308	19

Employment and vacancies

Programme/activity/objective	2024/2025 No. of Employees	2025/2026 Approved Posts	2025/2026 No. of Employees	2025/2026 Vacancies	% of vacancies
GGDA	108	146	106	40	27%
AIDC	122	148	126	22	14.86%
TIHMC	65	106	61	45	42%
GIDZ	31	32	27	5	16%
CONHILL	35	42	34	7	16%
TOTAL	361	474	354	119	25%

Programme/activity/objective	2024/2025 No. of Employees	2025/2026 Approved Posts	2025/2026 No. of Employees	2025/2026 Vacancies	% of vacancies
Top Management	3	6	5	1	17%
Senior Management	14	27	16	11	41%
Professional qualified	134	185	135	49	26%
Skilled	132	179	133	46	26%
Semi-skilled	69	73	61	12	16%
Unskilled	9	4	4	0	0%
TOTAL	361	474	354	119	25%

Explanations: During the past year, priority was placed on recruitment to focus on PwD and females at Senior and Executive level. Positive strides were made, and all positions at the top level have been filled. To address the reason for vacancies and implement these measures, the organisation is in the process of introducing the Integrated Talent Management System (ITMS) and reviewing job profiles to ensure that we retain current talent and attract key suitable staff.

Employment changes

Employee turnover rate across GGDA is high, with most positions on fixed-term contracts expiring and some employees leaving voluntarily due to pressing economic conditions for stable and permanent career positions elsewhere.

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	4	2	1	5
Senior Management	16	0	1	15
Professional qualified	143	5	20	129
Skilled	136	3	5	133
Semi-skilled	64	3	4	63
Unskilled	4	0	0	4
Total	367	13	31	349

Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	0	0%
Resignation	12	39%
Dismissal	0	0%
Retirement	1	3%
Ill health	0	0%
Expiry of contract	12	39%
Other (Mutual Termination)	6	19%
Total	31	100%

Explanations: Recruitment to fill vacancies has been prioritised whilst some of the staff are given opportunities to act on equivalent/senior positions to further develop themselves.

Labour Relations: Misconduct and disciplinary action

Nature of disciplinary Action	Number
Verbal Warning	0
Written Warning	1
Final Written warning	0
Dismissal	0

Equity target and employment equity status

Explanations: The variances are because of delayed recruitment processes, and the attrition rate is high, which impacts flexibility to bridge the gap. Senior management remains male-dominated compared to females, reflecting a gap in female progression into leadership roles. Top management shows improvement in terms of gender parity, although the numbers are not statistically significant. The distribution suggests a strong female presence at entry and middle levels, but a weakening representation at senior leadership level. This highlights the need to strengthen targeted development initiatives to support female advancement into senior and executive positions.

Levels	Male							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	1	0	0	0	0	0	0
Senior Management	7	12	1	1	1	2	1	1
Professional qualified	60	70	1	2	3	3	4	5
Skilled	54	60	1	2	0	1	3	4
Semi-skilled	25	30	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
TOTAL	147	173	3	5	4	6	8	10

Levels	Female							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	3	4	0	1	0	0	0	0
Senior Management	4	6	0	1	1	2	0	0
Professional qualified	66	80	1	2	3	4	3	5
Skilled	66	100	2	2	0	1	3	2
Semi-skilled	38	40	0	0	1	0	0	0
Unskilled	4	4	0	0	0	0	0	0
TOTAL	181	234	3	6	5	7	6	7

Levels	Disabled Staff			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	1	0	1
Professional qualified	1	3	2	2
Skilled	2	2	2	2
Semi-skilled	0	0	3	2
Unskilled	0	0	0	0
TOTAL	3	6	7	7

05

PMFA COMPLIANCE



PART E





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IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

Irregular Expenditure

(a). Reconciliation of irregular expenditure

Description	2025/26	2024/25
	R'000	R'000
Opening balance	47 458	57 958
Adjustment to opening balance	-	(10 500)
Opening balance as restated	-	47 458
Add: Irregular expenditure confirmed	1 414	-
Less: Irregular expenditure condoned	-	-
Less: Irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
Closing balance	48 872	47 458

The irregular expenditure for the current year is made up of the following transactions:

SPDC

During the financial year under review the AIDC procured services using limited bidding process. The auditors brought to AIDC management's attention that the procurement process was not fully compliant with criteria set out in Section 2 of PFMA instruction note no.3. The irregular expenditure amounts to R1.4 million during the current period. Disciplinary steps, if any, are pending the outcome of a formal determination test, which will be conducted in line with the Irregular Expenditure Framework.

Reconciling Notes

Description	2025/26	2024/25
	R'000	R'000
Irregular expenditure that was under assessment in the prior year	-	-
Irregular expenditure that relates to the prior year and identified in the current year	-	-
Irregular expenditure for the current year	1 414	-
Total	1 414	-

(b). Details of current and previous year irregular expenditure (under assessment, determination, and investigation)

Description	2025/26	2024/25
	R'000	R'000
Irregular expenditure under assessment	-	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	1 414	-
Total	1 414	-

(c). Details of irregular expenditure condoned

Description	2025/26	2024/25
	R'000	R'000
Irregular expenditure condoned	-	-
Total	-	-

(d). Irregular expenditure (continued)

Description	2025/26	2024/25
	R'000	R'000
Irregular expenditure NOT condoned and removed	-	-
Total	-	-

(e). Details of irregular expenditure recoverable

Description	2025/26	2024/25
	R'000	R'000
Irregular expenditure recoverable	-	-
Total	-	-

(f). Details of irregular expenditure written off (irrecoverable)

Description	2025/26	2024/25
	R'000	R'000
Irregular expenditure written off	-	-
Total	-	-

Fruitless and Wasteful Expenditure

(a). Reconciliation of fruitless and wasteful expenditure

Description	2025/26	2024/25
	R'000	R'000
Opening balance	1 108	1 196
Adjustment to opening balance		(75)
Opening balance as restated		1 121
Add: Fruitless and wasteful expenditure confirmed	3 050	39
Less: Fruitless and wasteful expenditure written off		(13)
Less: Fruitless and wasteful expenditure recoverable	(20)	(39)
Closing balance	4 138	1 108

Fruitless and wasteful expenditure for the current year is made up of the following transactions:

GGDA

During the 2025/2026 financial year, GGDA incurred fruitless and wasteful expenditure amounting to R3m arising from adjudication proceedings conducted in terms of a construction contract for the BioPark Phase 3 project.

The adjudication process resulted from delays in the certification and payment of contractor invoices following the departure of the principal agent from the site. The contractor subsequently vacated the site and initiated adjudication proceedings in accordance with the contractual dispute resolution mechanisms.

The adjudicator issued an award in favour of the contractor, ordering the entity to pay interest on the delayed amounts as well as the adjudicator's costs. In terms of South African construction law, adjudication awards are binding and enforceable unless overturned by subsequent proceedings. The award was issued and became enforceable during the 2026 financial year, resulting in the recognition of the expenditure.

The fruitless and wasteful expenditure arose from circumstances related to delays in contract administration and the subsequent adjudication process. Based on the information currently available, management has not identified conduct warranting disciplinary action. The accounting authority has been informed and will consider further action should new information arise.

Reconciling notes

Description	2025/2026	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	-	-
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	-	-
Fruitless and wasteful expenditure for the current year	3 050	39
Total	3 050	39

(b).Details of current and previous year fruitless and wasteful expenditure (under assessment, determination, and investigation)

Description	2025/2026	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	39
Fruitless and wasteful expenditure under investigation	-	-
Total	-	39

(c).Details of fruitless and wasteful expenditure recoverable

Description	2025/2026	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure recoverable	20	39
Total	20	39

(d).Details of fruitless and wasteful expenditure not recovered and written off

Description	2025/2026	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure written off	-	13
Total	-	13

LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	3 866	829 764
Invoices paid within 30 days or agreed period	3 863	829 635
Invoices paid after 30 days or agreed period	3	129
Invoices older than 30 days or agreed period (unpaid and without dispute)	0	0
Invoices older than 30 days or agreed period (unpaid and in dispute)	0	0

SUPPLY CHAIN MANAGEMENT

Procurement by other means

Entity	Project description	Type of procurement by other means	Contract number	Value of contract R'000
GGDA	Mobile Application for Gauteng Investment Conference	Single Source	P002143	230
GGDA	Participation at the Forbes Woman Africa Leading Women Summit	Single Source	P002167	200
GGDA	Request for SIDSSA 2025 sponsorship	Single Source	P002174	460
GGDA	Participation at JCI Africa and Middle East Conference	Sole Source	P002217	150
GGDA	CEO Community 2025	Single Source	P002178	431
GGDA	CNBCA Infrastructure Roundtable	Single Source	P002197	450
GGDA	Procurement of Teammate	Single Source	P002202	1 345
GGDA	Aero 2025 Sponsorship	Sole Source	P002201	255
GGDA	Support Services on Ams360 Asset Register to the Group	Single Source	P002222	500
GGDA	Caseware License Renewal	Sole Source	P002212	337
GGDA	Mimecast services. Archiving	Single Source	P002211	794
GGDA	Green Building Council South Africa (GBCSA) Membership	Sole Source	P002238	31
GGDA	Procurement of venue and catering (MERO)	Single Source	P002207	120
GGDA	Renewal of Accounting Software Licenses	Sole Source	P002216	611
GGDA	Bulk Electricity Biopark	Sole Source	P002285	3 498
GGDA	JSE Limited	Single Source	P002207	120
GGDA	Business Intelligence (Data Management)	Single Source	P002261	530
GGDA	Participation In Manufacturing Indaba	Single Source	P002252	358
GGDA	TV BRICS	Single Source	P002276	1 020
GGDA	Participating & Co-Hosting CEO Forum (Thought Leadership)	Single Source	P002274	50
GGDA	Continental Energy Infrastructure Investment Forum	Single Source	P002300	259
GGDA	Sara Rail Stand	Single Source	P002312	90
GGDA	Participate in Ingovtech 2025 ICT	Single Source	P002319	36
GGDA	FLY SA girls	Single Source	P002359	40
GGDA	Creative Futures Africa Summit	Single Source	P002361	250
GGDA	Continuation Labour Court matter Attorneys	Single Source	P002380	2 000
GGDA	Participation at Africa Renewables Investment Summit	Single Source	P002387	36
GGDA	Participation in iLGM annual golf day	Single Source	P002397	60
GGDA	PSP for Vaal Hiedelburg Bulk Infrastructure	Single Source	P002398	19 882
GGDA	Appointment of Attorneys for Labour dispute	Single Source	P002416	1 495
GGDA	Participation At Mining Indaba	Single Source	P002441	2 157
GGDA	Aabla CNBC 2025	Single Source	P002423	1 035
GGDA	Facilitator for AIDC Board Strat Session	Single Source	P002439	122
GGDA	Biopark project (Adjudicator & Interest)	Single Source	P002425	3 050
GGDA	WEF Payment	Single Source	P002467	2 886
GGDA	SAICA Membership Fees for 2026	Single Source	P002471	18
GGDA	CIPC Payment	Single Source	P002475	20
GGDA	Security Bond for Labour Court Review	Single Source	P002481	2 600
GGDA	CIPS Membership Fee 2026	Single Source	P002502	1
GGDA	Renewal of IODSA Board Committee & Executive Membership 26	Single Source	P002516	79
GGDA	IT Support Services Sage 300	Single Source	P002467	994

Procurement by other means (continued)

Entity	Project description	Type of procurement by other means	Contract number	Value of contract R'000
SPDC	Design, manufacture, ship, assemble, and install ODIN workstations at SPDC COE	Sole Supplier	P001488	3 754
SPDC	NAACAM Show	Sole Supplier	P001445	2 300
SPDC	Manufacturing Indaba conference	Sole Supplier	P001447	23
SPDC	Automechanika JHB show 2025	Sole Source	P001444	452
SPDC	IPM annual conferences	Sole Source	P001473	75
SPDC	Total Productivity Maintenance Training for SEDD	Sole Source	P000000	140
SPDC	Flying Jurist Aviation Indaba 2025	Sole Source	P001462	178
SPDC	Annual convention conference 2025	Sole Source	P001472	52
SPDC	Accommodation to attend SAPOA	Single Source	P001471	21
SPDC	EV Summit	Sole Source	P001481	1 120
SPDC	Annual membership fee for WEH and CAH for 2025/2026 Financial year.	Sole Source	P001450	43
SPDC	Training Leadership Consulting	Single Source	P001483	735
SPDC	NAAMSA SA Auto Week	Single Source	P001477	3 048
SPDC	Relocating, Maintain, Repair, Install and Training on Festo Mechatronics equipment to the Centre of Excellence	Sole Source	P001489	395
SPDC	MDA Property Management Annual licence and support fees	Sole Source	P001504	131
SPDC	Dismounting, transportation, installation, commissioning, servicing, repair and maintenance of technical equipment to be relocated from GALC to Centre of Excellence including annual maintenance for 3 years	Limited Bidding	P001508	352
SPDC	Annual Service and Maintenance of CAH Lifting equipment's & air compressor	Sole Source	P001501	40
SPDC	Automx Annual Industry Conference	Sole Source	P001547	101
SPDC	Solar Power Africa Conference	Sole Source	P001534	23
SPDC	Proudly South African buy local summit & expo	Sole Source	P001541	650
SPDC	Internationally accredited Electric Vehicle (EV) training services	Sole Source	P001543	211
SPDC	Circuit Short Training programme for Unemployed youth and Mechanics	Single Source	P001542	300
SPDC	Battery manufacturing prefeasibility study	Single Source	P001544	150
SPDC	Retaining membership for 5 SPDC employees	Single Source	P001518	8
SPDC	"Renewal of Rode publications and media for 2026."	Sole Source	P001525	18
SPDC	Major Maintenance Service of Spray Booths at Winterveld Enterprise Hub and Chamdor Automotive Hub for 2025/2026	Single Source	P001524	59
SPDC	Retention Of 2026 membership with South Africa Board for People Practice fees for 7 (Seven)X Hr Practitioners	Sole Source	P0001551	44
SPDC	SAACI membership renewal	Sole Source	P001392	9
TIHMC	Accounting and financial support	Single Source	P026148	431
TIHMC	Design & Implementation of The System	Single Source	P026154	4 782
TIHMC	GEP project for the customer portal	Single Source	P026181	2 702
TIHMC	GEP project for the customer portal	Single Source	P026181	349
TIHMC	Emergency cleaning for Staff Kitchen	Single Source	P026236	23
TIHMC	Strategy Development and presentation	Single Source	P026260	768
TIHMC	Acoustic doors repair and soundproofing upgrade	Single Source	P026296	179
GIDZ	Security Systems Warranty validation and onsite troubleshooting of system failures and breakdowns and associated maintenance	Single Source	P00516	2 509
GIDZ	Water Supply services	Single Source	P00523	521
GIDZ	Participation in a B20 / G20 campaign	Single Source	P00524	627

Procurement by other means (continued)

Entity	Project description	Type of procurement by other means	Contract number	Value of contract R'000
GIDZ	Media company that publishes the South African Business Publication and the Journal of African Business.	Sole Source	P00525	97
GIDZ	Water and sewer capacity analysis at the OR TAMBO SEZ Precinct 2	Sole Source	P00533	24
GIDZ	Renewal of the SACPCMP membership	Single Source	P00539	7
GIDZ	Promotion of the OR Tambo SEZ in the 2026 annual on-line and printed Jewellers Network Directory	Sole Source	P00524	77
GIDZ	Participation at Jewellex 2025 trade fair and exhibition event for the promotion of the OR Tambo SEZ	Sole Source	P00525	23
GIDZ	JMP building 7 Planning and Monitoring Electrical upgrades	Single Source	P00552	1 622
GIDZ	Promotion of the OR Tambo SEZ's opportunities in the Journal of African Business and the South African Business and Investment Guide	Sole Source	P00554	133
GIDZ	Water and Sewer demand values Assessment	Single Source	P00561	24
GIDZ	SAICA Annual Membership Fees	Sole Source	P00565	9
GIDZ	Water and Sewer demand values Assessment	Single Source	P00566	27
GIDZ	Annual subscription and operating licenses renewal for eight (8) access control scanners	Sole Source	P00568	95
GIDZ	Technical accounting opinion and substantiation	Single Source	P00572	939
SPDC	Annual Membership 2025	Single Source	P001407	3
SPDC	SPDC Best Practice Tour to India 2025	Single Source	P000000	150
SPDC	Centre of Excellence Equipment	Sole Source	P001419	4 903
SPDC	4th Annual HR Champions Summit 2025	Sole Source	P001417	3
SPDC	SAACI membership renewal	Sole Source	P001426	7
SPDC	Membership renewal for TGCSA	Sole Source	P001433	10
SPDC	Sage 300 training	Sole Source	P000000	118

Contract variations and expansions

Entity	Project description	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
GGDA	Vaal SEZ Office security	Variation	P002144	623	-	103
GGDA	Employee Wellness	Variation	P002161	493	-	74
GGDA	Apple MacBook software (Adobe CC and accessories)	Variation	P002148	852	-	108
GGDA	PA System and Audio visual for Protea fire and Ice	Variation	P002149	492	-	51
GGDA	Provision of a legal opinion on the legality and transition	Variation	P002151	1 000	-	150
GGDA	LSC SUMMIT	Variation	P002170	356	-	53
GGDA	Reitspruit Security	Variation	P002189	635	-	106
GGDA	Heidelberg security	Variation	P002186	431	-	72
GGDA	Attorneys	Variation	P002184	1 000	-	150
GGDA	InvestSA Additional Space and Tenant Installations	Variation	P002209	13 013	-	3 868
GGDA	ECONOGISTICS ELECTRICAL	Variation	P002240	5 449	-	345

Contract variations and expansions (continued)

Entity	Project description	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
GGDA	iPads for Board	Variation	P002239	849	-	127
GGDA	Probity Audit AIDC Security Tender	Variation	P002234	324	-	48
GGDA	PSP stage 5 people's park	Variation	P002292	755	-	110
GGDA	High Court Process	Variation	P002251	1 000	-	100
GGDA	SAGE 300 ERP Support Services	Variation	P002278	702	-	105
GGDA	People's Park EPWP	Variation	P002315	8 588	-	500
GGDA	SARA Conference Technical Tour	Variation	P002301	600	-	64
GGDA	Conferencing	Variation	P002324	154	-	16
GGDA	Annual Report	Variation	P002338	504	-	76
GGDA	VO for Heritage Architects for Ramparts	Variation	P002368	654	-	101
GGDA	VO for PSP Ramparts Project	Variation	P002378	946	-	211
GGDA	Remuneration Benchmark	Variation	P002371	884	-	65
GGDA	Car Hire	Variation	P002406	32	-	3
GGDA	Extension of Office Space Lease Rental for the Vaal SEZ Program	Variation	P002422	1 510	-	227
GGDA	Provisioning of Security Services at Heidelberg	Variation	P002444	743	-	124
GGDA	Supply of Network Infrastructure at Invest SA	Variation	P002431	839	-	70
GGDA	Shredding of obsolete materials	Variation	P002450	880	-	23
GGDA	Security for Rietspruit	Variation	P002458	983	-	164
GGDA	Billboard Installation at Vaal	Variation	P002485	831	-	101
SPDC	Provision of security services for the period of 5 months	Variation	P001404	41 266	-	5 925
SPDC	Provision of security services for the period of 2 months	Variation	P000803	41 266	5 925	2 370
SPDC	Provision of security services	Variation	P001499	41 266	8 295	1 185
TIHMC	Security Contract Extension	Variation	P026146	3 933	-	318
TIHMC	Security Contract Extension	Variation	P026174	3 933	318	159
TIHMC	Extension of the provision of security services	Variation	P026146	3 933	477	318

Contract variations and expansions (continued)

Entity	Project description	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
TIHMC	Continuation of telephony Services	Variation	P026219	3 976	-	340
TIHMC	Catering for pre booked events	Variation	P026173	600	-	90
TIHMC	Extension of the provision of security services	Variation	P026227	3 933	159	954
TIHMC	Extension of voice telecommunication contract	Variation	P026255	3 976	561	221
TIHMC	Provision of accounting support	Variation	P026241	431	-	21
TIHMC	Publication of an erratum on the newspaper	Variation	P026249	26	-	5
TIHMC	Publication of an erratum on the newspaper	Variation	P026141	12	-	5
GIDZ	Plumbing upgrades to improve the water pressure challenges at ORTIA SEZ Precinct 1	Variation	P00526	236	-	28
GIDZ	Provision of property and facilities management services for its OR Tambo SEZ Precinct 1.	Variation	P00528	24 318	-	3 648
GIDZ	Physical Security Guarding Services for ORTIA SEZ Precinct 1 and 2	Variation	P00538	15 370	6 409	2 061
GIDZ	Supply and Installation of furniture at Superblock building	Variation	P00540	634	-	61
GIDZ	Provision of Graphic Design Services	Variation	P00540	300	-	69
GIDZ	Tank modification installation and Sprinkler installation at GIDZ	Variation	P00548	347	-	29
GIDZ	Physical Security Guarding Services for ORTIA SEZ Precinct 1 and 2	Variation	P00550 & P00553	15 370	8 470	2 748
GIDZ	Provision of IP telephony and internet connectivity	Variation	P00556	763	107	75
GIDZ	Construction management and site supervision for the refurbishment of fire infrastructure for the precinct 1	Variation	P00562	43	-	9
GIDZ	Physical Security Guarding Services for ORTIA SEZ Precinct 1 and 2	Variation	P00567	15 370	11 218	3 582

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FINANCIAL STATEMENTS

PART F



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Directors' Responsibilities and Approval

The directors are required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and are responsible for the content and integrity of the group financial statements and related financial information included in this report. It is the responsibility of the directors to ensure that the group financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the group financial statements and was given unrestricted access to all financial records and related data.

The group financial statements have been prepared in accordance with Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board in accordance with the Public Finance Management Act of 1999 as prescribed by National Treasury and the Companies Act 71 of 2008.

The group financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

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

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

The directors have reviewed the group's ability to continue as a going concern for the year to 31 March 2027 and, in the light of this review and the current financial position, they are satisfied that the group has access to adequate resources to continue in operational existence for the foreseeable future. The group is dependent on the receipt of grant funding from the Gauteng Provincial Government of R777 million for continued funding of operations for the 2026/2027 financial year. This funding has been approved as per the Medium Term Expenditure Framework of the Gauteng Provincial Government.

The group financial statements of the group as presented, were prepared on a going concern basis. The directors have reviewed current and future plans of the group and are satisfied with the appropriateness of the basis.

The external auditors are responsible for independently reviewing and reporting on the Company and group financial statements. The group financial statements have been examined by the group's external auditors and their report is presented on page 172 to 176.

Approval of group annual financial statements

The group financial statements of Gauteng Growth and Development Agency SOC Limited, set out on page 185 to 252, were approved by the board of directors on 31 July 2026 and were signed on its behalf by:



Mr C Cornish
Chairperson

Audit and Risk Committee Report

1. Legislative requirements

The audit and risk committee herewith presents its report for the financial year ended 31 March 2026, as required by section 77 of the Public Finance Management Act, 1999 (Act No. 1 of 1999, as amended by Act No. 29 of 1999) (PFMA) read with Treasury Regulation 27.1.10. The audit and risk committee was established in accordance with sections 51(1)(a)(ii)] and 77 of the PFMA.

2. Audit and risk committee responsibility

During the period under review, the Committee fulfilled its statutory duties as required by the PFMA (section 51(1)(a)(ii)) and Treasury Regulations (regulation 27.1.8), as well as various additional responsibilities assigned to it by the Board. The Committee's activities are also guided by its Terms of Reference which are approved by the Board.

3. Audit and risk committee members and attendance

The audit committee charter requires that the audit committee comprises a minimum of three members. The committee consists of 6 Independent Non-Executive Members and is chaired by Mr Krishen Sukdev. The Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Internal and External Auditors have a standing invitation to all meetings of the Committee. A brief profile of each of the Committee Members, as well as their qualifications can be viewed in the Governance section of the Group Annual Report, under Members of the Board.

The Chairperson of the audit and risk committee reports to the Board quarterly on the Committee's deliberations, decisions, and recommendations.

In terms of section 77(b) of the PFMA, the audit and risk committee must meet at least twice a year. During the financial year ended 31 March 2026, the audit and risk committee met on 23 occasions, 5 of which were scheduled. The other 18 meetings were special meetings to review tenders and for a risk workshop that was held.

The audit and risk committee is a shared resource across the group subsidiaries. The table below shows the attendance of these meetings:

3.1 Audit and risk committee members and meeting attendance

Name of member	Total meetings	Meetings attended
Mr Sukdev (Chairperson)	23	23
Ms P Mbanjwa	23	20
Ms F Serutha	23	23
Ms M Van Eck	23	23
Mr M Tampe	23	23
L Mbokotho	5	3

4. Risk management and internal audit function

The audit and risk committee was responsible for overseeing the risk management function. The Board has had oversight for the risk management process carried out by GGDA Group management during the period under review. The Governance section of the GGDA group annual report discusses an overview of risks managed for the 2025/2026 financial year.

The audit and risk committee has reviewed the risk register and the reports from management and is generally satisfied with the maturity of the risk management process.

The audit and risk committee was responsible for ensuring that the group's internal audit function is independent and has the necessary resources, skills, standing and authority within the organisation to effectively discharge its responsibilities.

The audit and risk committee reviewed and approved the Internal Audit Plan. Internal audit activities are measured against the approved plan, and the Head of internal Audit tables progress reports for the Audit and Risk committee.

The Internal Audit Unit was responsible for reviewing and providing assurance on the adequacy and effectiveness of the internal control environment across all of the significant areas of the group's operations. The internal audit function is currently capacitated through a co-sourced model.

Audit and Risk Committee Report (continued)

4. Risk management and internal audit function (continued)

During the reporting period the Committee conducted the following activities:

Reviewed and/or approved the following matters:

- Reviewed and Approved the Internal Audit Charter;
- Three-year Strategic Rolling Internal Audit Plan for year ending 31 March 2026 (Approved);
- Annual Internal Audit Plan for the year ending 31 March 2026 (Approved);
- Capacity within the Internal Audit Unit;
- Internal Audit's quarterly reports in line with the approved Internal Audit Plan;
- Whistle-blowing reports

The audit and risk committee formed an opinion that adequate, objective internal audit policies and procedures exist within the group and that the group's Internal Audit Unit had complied with the internal audit standards, the required legal, regulatory and other responsibilities as stipulated in its charter during the period under review.

The audit and risk committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the group.

5. Effectiveness of the internal control and risk management

Section 51(1) (a) (i) of the PFMA states that the Board must ensure that a public entity has and maintains effective, efficient and transparent systems of financial, risk management and internal control.

The audit and risk committee was responsible for overseeing risk management and reviewing internal controls. The internal audit function conducted independent reviews on the effectiveness of the internal controls, covering areas of financial, operational, compliance, and risk management.

Based on the results of Internal Audit reviews for the 2025/2026 financial year, the overall control environment across the GGDA Group is considered to be "satisfactorily effective" in providing reasonable assurance that the inherent risks are appropriately managed and that the business objectives will be attained. It remained effective throughout the 2025/2026 financial year.

6. Evaluation of the group annual financial statements

During the reporting period, the audit and risk committee reviewed the group financial statements is satisfied that the group financial statements have been prepared in terms of GRAP and the PFMA. The group financial statements were reviewed with the following focus:

- Significant financial reporting judgments and estimates contained in the group annual financial statements;
- Clarity and completeness of disclosure and whether disclosures made have been set properly in context including matters relating to any unauthorised, irregular, fruitless and wasteful expenditure;
- Changes in Accounting Policies and Practices;
- Significant adjustments resulting from the Audit;
- Compliance with accounting standards and legal requirements;
- Explanation for the accounting treatment adopted;
- Reasons for year-on-year fluctuations;
- Asset valuations; and
- The basis for the going concern assumption.

The review of the group financial statements for the 2025/2026 financial year was done at the audit and risk committee's meeting held on 19 May 2026 and recommended them to the Board for approval on 27 May 2026.

7. Programme performance information management

The audit and risk committee is satisfied with the content and quality of management and quarterly reports prepared and issued during the year under review in compliance with the statutory framework. During the period under review, quarterly reports were presented by management to enable the audit and risk committee to:

- Review and comment on compliance with statutory requirements and programme performance information best practices and standards.
- Review and comment on the alignment of the annual performance plan, budget, strategic plan, corporate plan and annual performance plans.
- Review and comment on the relevance of indicators to ensure that they are measurable and relate to services performed by the public entity.
- Review of reported non-compliance with legislation
- Review of compliance with the in-year reporting requirements

Audit and Risk Committee Report (continued)

7. Programme performance information management (continued)

- Assess internal audit reports on reviews carried out on quarterly performance reports

The audit and risk committee reviewed the quarterly and annual reports on company and group's performance against predetermined objectives.

The audit and risk committee is satisfied that the performance report has been prepared in accordance with the PFMA, the Treasury Regulations, and any other related regulatory requirements for reporting programme performance information.

8. The quality of monthly and quarterly reports submitted in terms of the PFMA

The audit and risk committee is satisfied with the content and quality of management and quarterly reports prepared and issued during the year under review in compliance with the statutory framework. During the period under review, quarterly reports were presented by management to enable the audit and risk Committee to:

- Monitor the integrity, accuracy and reliability of the financial position of the company and group;
- Review the management accounts of the group and provide the Accounting Authority with an authoritative and credible view of the financial position of the group;
- Review the group's internal financial and operational controls, as well as the risk management systems,
- Review the disclosure in the financial reports of the group and the context in which statements on the financial health of the group are made including matters relating to any unauthorised, irregular, fruitless and wasteful expenditure; and
- Review all material information presented together with the management accounts including, the monitoring of compliance with applicable laws and regulations.

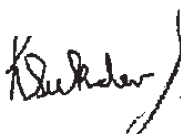
9. External Auditor and risk committee report

The audit and risk committee concurs with and accepts the external auditors' conclusion and audit opinion on the annual financial statements. The Committee is of the view that the audited financial statements should be accepted and read together with the external auditors' report. The audit and risk committee confirms that it has been actively involved throughout the audit process and has been thoroughly appraised of the issues giving rise to the audit opinion.

The external audit function, performed by the Auditor General, is independent of the group. The audit and risk committee has met with the external auditors to ensure that there are no unresolved issues, and acknowledges the diligence and cooperation of the external audit team.

10. Conclusion

The audit and risk Committee has executed on its roles and responsibilities in terms of its Board-approved charter.

 Digitally signed
by Krishen
Sukdev

Mr K Sukdev
Chairperson of the Audit and Risk Committee

Report of the auditor-general to Gauteng Provincial Legislature on Gauteng Growth and Development Agency SOC Limited

Report on the audit of the consolidated and separate financial statements

Opinion

1. I have audited the consolidated and separate financial statements of the Gauteng Growth and Development Agency SOC Limited and its subsidiaries (the group) set out on pages 185 to 252, which comprise the consolidated and separate statement of financial position as at 31 March 2026, consolidated and separate statement of financial performance, consolidated and separate statement of changes in net assets and consolidated and separate cash flow statement for the year then ended, as well as notes to the consolidated and separate financial statements, including a summary of significant accounting policies.
2. In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Gauteng Growth and Development Agency SOC Limited and its subsidiaries as at 31 March 2026 and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with the Standards of General Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Companies Act 71 of 2008 (Companies Act).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the consolidated and separate financial statements section of my report.
4. I am independent of the group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

An uncertainty relating to the future outcome of exceptional litigation

7. With reference to note 36 to the financial statements, the group is the defendant in lawsuits pertaining to suspended contracts. The ultimate outcome of these matters could not be determined and no provision for any liability that may result were made in the financial statements.

Restatement of corresponding figures

8. As disclosed in note 42 to the financial statements, the corresponding figures for 31 March 2025 were restated as a result of an error in the financial statements of the group at, and for the year ended, 31 March 2026.

Responsibilities of the accounting authority for the consolidated and separate financial statements

9. The accounting authority is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the GRAP and the requirements of the PFMA and the Companies Act; and for such internal control as the accounting authority determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.
10. In preparing the consolidated and separate financial statements, the accounting authority is responsible for assessing the group's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the Auditor-General for the audit of the consolidated and separate financial statements

11. My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.
12. A further description of my responsibilities for the audit of the consolidated and separate financial statements is included in the annexure to this auditor's report. This description, which is located on page 175 to 176, forms part of my auditor's report.

Report on the annual performance report

13. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.
14. I selected the following material performance indicators related to Enterprise Project Management Office presented in the annual performance report for the year ended 31 March 2026. I selected those indicators that measure the entity's performance on its primary mandated functions and that are of significant national, community or public interest.
 - Percentage of visitor centre infrastructure construction completed
 - Percentage of the People's Park infrastructure construction completed
15. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the entity's planning and delivery on its mandate and objectives.
16. I performed procedures to test whether:
 - the indicators used for planning and reporting on performance can be linked directly to the entity's mandate and the achievement of its planned objectives.
 - all the indicators relevant for measuring the entity's performance against its primary mandated and prioritised functions and planned objectives are included.
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements.
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated.
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents.
 - the reported performance information is presented in the annual performance report in the prescribed manner.
 - there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.
17. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.
18. I did not identify any material findings on the reported performance information for the selected indicators.

Achievement of planned targets

19. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- under-achievements.
20. The table that follows provides information on the achievement of planned targets and lists the key indicator that was not achieved as reported in the annual performance report. The reason for any underachievement of target is included in the annual performance report on pages 63 to 65.

Enterprise Project Management Office

Targets achieved: 50% Budget spent: 35%		
Key indicator not achieved	Planned target	Reported achievement
Percentage of visitor centre infrastructure construction completed	40%	16%

Report on compliance with legislation

21. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the entity's compliance with legislation.
22. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
23. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
24. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

25. The accounting authority is responsible for the other information included in the annual report, which includes the directors' report, the audit committee's report and the company secretary's certificate, as required by the Companies Act. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators in the scoped-in programme presented in the annual performance report that have been specifically reported on in this auditor's report.
26. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
27. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators in the scoped-in sub-programme presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
28. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

Internal control deficiencies

29. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
30. I did not identify any significant deficiencies in internal control.

Auditor General

Johannesburg
31 July 2026



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the Auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-General's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the consolidated and separate financial statements and the procedures performed on reported performance information for selected material performance indicators and on the group's compliance with selected requirements in key legislation.

Consolidated and separate financial statements

In addition to my responsibility for the audit of the consolidated and separate financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my 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 group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the consolidated and separate financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the group to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the consolidated and separate financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a group to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and determine whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

Compliance with legislation – selected legislative requirements

Annexure to the Auditor's report (continued)

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA)	Sections 51(1)(b)(i), 51(1)(b)(ii), 51(1)(e)(iii), 52(b) Sections 53(4), 54(2)(c), 54(2)(d) Sections 55(1)(a), 55(1)(b), 55(1)(c)(i), Sections 57(b), 66(4) SCM Instruction Note 02 of 2021-22 par 3.2.1 (bids advertised on or after 1 April 2022) SCM instruction note 2 of 2021/22 par. 3.2.4 PFMA SCM instruction note 03 of 2021/22 par 4.1. PFMA instruction note no.3 of 2021/22 definition PFMA instruction note no.3 of 2021/22 par. 4.2 (b)
Treasury regulations	TR31.1.2(c), TR 16A.7.1, TR 16A.7.3, TR 16A.7.6, TR16A.7.7, TR 31.2.1, TR 31.3.3, TR 30.1.1, TR 30.1.3(a), TR 29.1.1, TR 29.1.1(a), TR 29.1.1(c), TR 30.1.3(b), TR30.1.3(d), TR 29.2.1, TR 29.2.2, TR 30.2.1, TR 33.1.3, TR33.1.1, TR 16A9.1(b)(ii), TR 16A9.1(e), TR 16A9.1(f), TR16A6.3(b), TR 16A3.2, 16A6.3(a) (i), TR8.2.1 and 8.2.2, TR16A8.4 National Treasury Instruction 4A of 2016/17 NT Instruction note 4 of 2015/16 par. 3.4 SBD 6.2 issued in 2015/16 Treasury Instruction note 11 of 2020/21 par. 3.1 Treasury Instruction note 11 of 2020/21 par. 3.4 (b) and 3.9 NT Instruction No 5 of 2020/21 par 5.3 NT Instruction No 5 of 2020/21 par 4.8 NT Instruction No 5 of 2020/21 par 4.9 NT Instruction 07 of 2017/18 par 4.3 3). NT Instruction 4A of 2016/17 par 6
Preferential Procurement Regulations of 2022 (PPR)	PPPFA 2(1)(a); PPPFA (definition of acceptable tender) Regulation 4(4),
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
CIDB Act	Section 18(1), CIDB reg. 17; 2). CIDB reg. 25(7A)
Public Service Regulations	Regulation 18(1),(2)
Companies Act 71 of 2008	

Director's Report

The members submit their report for the year ended 31 March 2026.

1. Incorporation

The Gauteng Growth and Development Agency SOC Limited (GGDA) is legally constituted by the Blue IQ Act 5 of 2003 (as amended). The entity is classified as a Schedule 3C entity in terms of the Public Finance Management Act 1 of 1999 as amended.

2. Review of activities

Main business and operations

GGDA Group

The overarching aim of the GGDA is to provide specialised and focused competence for the Gauteng Province to implement its economic development goals. According to its establishment Act, the GGDA works towards the achievement of the following objectives:

- Enable economic development focused on sustainable jobs
- Drive growth in provincial Growth Domestic Products and employment rates
- Strategically position Province as globally competitive city region
- Facilitate partnerships and create linkages across province in order to maximise service delivery outcomes
- Support the development of key sectors in the economy in line with established economic and industrial policies of the province.

The GGDA Group comprises:

- Gauteng Growth & Development Agency (GGDA) Holdings Company whose core mandate is Trade and Investment Facilitation and infrastructure development and deployment. Some corporate services functions are shared within the group
- Automotive Industry Development Centre (AIDC) – provide support services to the automotive industry in Gauteng
- The Innovation Hub Management Company (TIHMC) – mandated to act as a direct contributor to economic growth and to enhance the global competitiveness of Gauteng through innovation and knowledge economy
- Gauteng Industrial Development Zone (GIDZ) – established to develop and operate the Industrial Development Zone (IDZ) designated in the Eastern Corridor, specifically around the OR Tambo International Airport (ORTIA).
- Constitution Hill (ConHill) – purpose is to preserve historically significant buildings in a manner which makes them publicly and commercially useful and catalyse the regeneration of the Braamfontein and Hillbrow Precincts.

The GGDA's group performance is represented by the following core focus areas to which subsidiaries and business units at the Holdings Company all contribute:

- i. Identify and facilitate strategic economic infrastructure;
- ii. Skills Development;
- iii. Sector Development;
- iv. Enterprise Development (Pre-incubation, Incubation and Mentorship);
- v. Direct job creation in Gauteng; and
- vi. Facilitation of Investments and Trade.

The group achieved 35 (95%) of the 37 planned targets and facilitated the creation of 19 837 job opportunities (as depicted in the annual report).

A. GGDA Holdings

To contribute to the attainment of the above outcomes, the GGDA Holdings Company focuses on the optimisation of efficiency as a 'single strategically coherent and integrated institution' and has established sector subsidiary companies and business units to deliver on same. The Holding company is structured so that it provides shared services to the group in respect of legal services, human resources management, internal audit, risk management and to some extent financial management and IT support functions amongst others.

The Holding Company provides support to the group in respect of the following core functions

- i. Trade and Investment Facilitation;
- ii. Enterprise Project Management Office;
- iii. Special Economic Zones (Vaal SEZ, West Rand SEZ, Lanseria Smart City and SEZ);
- iv. Business Intelligence provision; and
- v. Marketing and Communication.

Director's Report (continued)

2. Review of activities (continued)

i. Trade, Investment and Regulatory Enablement Business Unit (TIRE)

TIRE functions of the organisation contributes towards the achievement of economic development outcomes and imperatives. The attraction of investments in targeted sectors contributes to the development of the province's priority sectors. Both direct investments and exports are facilitated to increase the GDP contribution leading to growth of the Gauteng economy.

These efforts are critical for the creation of jobs which are vital for turning the tide on poverty and inequality within the province and nationally. TIRE focuses on the implementation of the Trade and Investment Strategy, the GGT 2030 as well as improving its approach to African markets. These interventions seek to improve and position Gauteng as a strategic trade partner within the continent. Strategic partners such as foreign missions, business chambers are a vital part of this approach. GGDA aims to intensify its programme and proactively partner with the private sector and other state-owned entities to support its initiatives.

The TIRE business unit achieved and exceeded the four planned targets and facilitated a total of 13 446 jobs. 4 611 (34%) were new jobs and 8 835 (66%) were retained jobs. Of these jobs, 8 338 (62%) are permanent, 1 112 (8%) are temporary jobs and 3 996 (30%) were unallocated jobs. The business unit service offerings and performance are detailed in the annual report.

ii. Enterprise Project Management Office Business Unit (EPMO)

The EPMO provides holistic programme management services over multiple projects located within the Holding company and subsidiaries. The programme provides transversal services in respect of centralised and co-ordinated management of the group's capital infrastructure projects.

The business unit also maintains oversight and quality assurance over multiple programmes and projects in an effort to enhance the GGDA capability to align and oversee programmes so that projects can be executed as part of the organisational strategy.

The delivery of catalytic economic infrastructure is intended to change the economic face of the province in addition to unlocking potential in the key growth and development areas.

The business unit achieved one of the two planned targets and contributed 87 jobs from the Visitor Centre, Ramparts, Land Parcel and the Vaal bulk infrastructure installation projects, details of which are provided in the annual report.

iii. SEZ Programme

GGT 2030 puts Special Economic Zone at the centre of industrialisation, spatial structuring, job creation, competitiveness, and overall economic development. Through the SEZ Programme, the GGDA is developing special economic zones in the Gauteng City-Region as a tool to:

- Reindustrialise Gauteng for the 21st century by boosting manufacturing, increasing exports and employment, and add momentum towards turning Gauteng City Region into a single, multi-tier and integrated Special Economic Zone,
- Promote industrial agglomeration in the Gauteng City-Region,
- Build the required enabling industrial infrastructure to support SEZs in the Gauteng City region,
- Anchor new economic clusters guided by economic regional planning, & economic inclusion, and;
- Mobilise investment in the Gauteng City Region in identified high growth sectors

The SEZ programme (comprises Vaal SEZ and West Rand SEZ and the Lanseria SEZ PMUs) PMUs) achieved and far exceeded the one planned target, details of which are detailed on in the annual report.

B. SPDC T/A Automotive Industry Development Corporation (AIDC)

The SPDC T/A AIDC was established to provide support services to the automotive industry in Gauteng and contributes to all the core focus areas of the group:

Its purpose is to develop the automotive manufacturing sector to globally competitive standards of excellence, through a world-class value proposition which enables effective and sustainable socio-economic growth. The organisation was established as a government support centre, to increase the local automotive industry's global competitiveness and to promote Gauteng as the automotive industry investment destination of choice.

The entity attained 89% of the planned nine targets. The entity facilitated the creation and cumulative retention (Automotive Supplier Park tenants) of 2 048 jobs during the reporting period. Detailed performance is provided in the annual report.

Director's Report (continued)

2. Review of activities (continued)

C. The Innovation Hub Management Company (TIHMC):

The Innovation Hub Management Company (TIHMC) was established through a partnership between the Gauteng Provincial Government (as represented by Blue IQ) and the Southern Education and Research Alliance (SERA), i.e. a partnership between the Council for Scientific and Industrial Research (CSIR) and University of Pretoria (UP) with a view to spur the development of smart industries (high technology sectors) in Gauteng.

Its mission is to promote the economic development and competitiveness of Gauteng in targeted sectors through innovation by:

- Creating new business opportunities and adding value to mature companies in technology and knowledge-based sectors;
- Support of economic development, competitiveness, and sustainability;
- Cluster formation in the green economy, bioeconomy, and digital economy;
- Promoting the culture of innovation and the competitiveness;
- Fostering entrepreneurship and incubating new innovative companies;
- Sourcing and implementing relevant innovations to support radical economic transformation and modernisation of the economy;
- Providing attractive spaces for emerging knowledge companies;
- Enhancing the synergy between industry, government, academic and research institutions

TIHMC achieved 100% of the 8 planned targets and created 203 jobs. Detailed performance is provided in the annual report.

D. Gauteng Industrial Development Zone Development Company (GIDZ)

The Gauteng IDZ Development Company SOC Ltd ('GIDZ' or Gauteng IDZ') is a Special Purpose Vehicle established by the GGDA to manage the establishment and operationalisation of defined infrastructure programmes at the designated Industrial Development Zone ('IDZ') at the OR Tambo International Airport. The mandate of the Gauteng IDZ is to create an enabling platform for investment opportunities through public/private partnerships and direct development investment.

The intention is for the Gauteng IDZ to drive focused manufacturing and beneficiation programmes whilst helping to position Gauteng as a global city region. Key to delivering this mandate is that these programmes will use international best practices and will increase industrialisation and manufacturing capability in Gauteng. The Gauteng IDZ will support the GGDA in its aim that key Provincial Strategies are supported in a manner that ensures success of those strategies.

The GIDZ achieved all eight of the planned targets. 216 construction jobs have been recorded for the Precinct 2 bulk infrastructure project. A total of 3 066 cumulative new and retained operational jobs generated by the current tenant base. 3 066 (93%) of the total 3 282 jobs at the GIDZ are categorised as permanent jobs. Detailed performance is provided in the annual report.

E. Constitution Hill

The purpose of the Constitution Hill (ConHill) Project is to preserve historically significant buildings in a manner which makes them publicly and commercially useful and catalyse the regeneration of the Braamfontein and Hillbrow Precincts. Historic buildings continue to be upgraded and ConHill has extended its education programmes and exhibitions to increase public participation and attendance to the precinct. The ConHill focus is on:

Urban regeneration: As a multi-media, mixed-use heritage precinct, one of Constitution Hill's fundamental mission is to engage with its environment and contribute to the Gauteng City Region and the Johannesburg inner city regeneration.

Civic growth through historical perspective: By physically animating the values of the Constitution within the heritage precinct, it is expected that Constitution Hill can allow visitors to draw on and engage with lessons learnt from the past to fulfil the dreams for the future.

The entity achieved all five planned targets and facilitated 771 short-term, gig-based, or temporary employment opportunities created directly and indirectly through programming, operations, and associated economic activity. Detailed performance is provided in the annual report.

3. Financial results

Net surplus of the group is R98 million (2025: surplus R236 million).

Director's Report (continued)

4. Going concern

The group financial statements as set out from pages 185 - 252, were prepared on a going concern basis. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors have reviewed the group's ability to continue as a going concern for the 31 March 2026 and, in the light of this review and the current financial position, they are satisfied that the group has or has access to adequate resources to continue in operational existence for the foreseeable future. The group is dependent on the receipt of grant funding from the Gauteng Provincial Government of R777 million for continued funding of operations for the 2026/2027 financial year. This funding has been approved as per the Medium Term Expenditure Framework of the Gauteng Provincial Government.

5. Post reporting date events

AIDC

On 22 May 2026 the board of directors approved and finalised the termination of the lease agreement between the company and Nissan South Africa. The termination was primarily driven by the sale of Nissan South Africa's plant and operating assets to Cherry Automobile.

Included in the termination approval are movable assets with a carrying value of R6.5 million which were disposed of. This event represents a non-adjusting post-balance sheet event, and the financial statements for the year ended 31 March 2026 have not been adjusted. The financial impact of this disposal, including any associated termination costs or adjustments to residual values, will be recognised in the subsequent financial year.

6. Directors' interest in contracts

None of the directors at the date of this report has an interests in contracts entered into by the Holding group.

7. Accounting policies

The group financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board in accordance with the Public Finance Management Act of 1999 as prescribed by the National Treasury and the Companies Act 71 of 2008.

8. Share capital

Authorised share capital

The authorised share capital of the company is 4 000 shares.

There were no changes in the authorised share capital of the company during the 2025/2026 financial year.

Issued share capital

As at 31 March 2026 the issued share capital comprised of 100 ordinary shares issued at R1 each to Gauteng Department of Economic Development.

There were no shares issued during the financial year.

9. Distributions to owners

In terms of Section 53(3) of the PFMA, the Holding group is not allowed to retain surpluses without Treasury approval.

10. Borrowing limitations

In terms of the PFMA, the Holding group is prohibited from borrowing. During the year under review, the group did not enter into any borrowing activities.

Director's Report (continued)

11. Board

The board of directors of the company during the year and to the date of this report are as follows:

Name	Appointed
Mr C Cornish (Chairperson)	01 February 2025
Ms R Letwaba (Deputy Chairperson)	01 October 2021
Ms J Mosebi-Koka	01 February 2025
Mr L Stuurman	01 February 2025
Mr M Tampe	01 February 2025
Ms D Tsotetsi	18 October 2023
Ms P Monama	01 February 2025
Adv K Maja	08 October 2021
Dr E Ndwandwe	18 October 2023
Ms M Van Eck	18 October 2023
Ms P Mbanjwa	01 February 2025
Mr K Sukdev	01 October 2021

12. Secretary

Adv Pieter Holl is the company secretary as of 31 March 2026 and up to the date of this report.

Physical address	11 Kotze Street Braamfontein Johannesburg 2001
Postal address	2001 Private Bag 10420 Johannesburg 2000

13. Corporate governance

General

Gauteng Growth and Development Agency SOC Ltd confirms and acknowledges its responsibility to comply with the Public Finance Management Act (PFMA), Act 1 of 1999, Treasury Regulations and where applicable and practical, with the Code of Corporate Practices and Conduct ("the Code") laid out in the King IV report on Corporate Governance for South Africa, 2016. The Board discusses the responsibilities of management in this respect at Board meetings and monitors the company's compliance with the Code on a quarterly basis.

The salient features of the company's adoption of the Code is outlined below:

Board of directors

The Board:

- retains complete control over the entity, its plans and strategy;
- acknowledges its responsibilities as to strategy, compliance with internal policies, external laws and regulations, effective risk management and performance measurement, transparency and effective communication both internally and externally by the entity;
- is of a unitary structure comprising:
 - non-executive directors, all of whom are independent directors as defined in the Code; and
 - executive directors.

Chairperson and Chief Executive Officer

The roles of Chairperson and CEO are held by separate individuals, ensuring a clear separation of responsibilities and an appropriate balance of power, authority and oversight in accordance with good corporate governance principles. The Chairperson is a non-executive and independent director (as defined by the King IV Report on Corporate Governance).

Director's Report (continued)

13. Corporate governance (continued)

The roles of the Chairperson and Chief Executive Officer are separate.

Board meetings

The directors have met in line with the requirements of the King IV Report on Corporate Governance.

During the current year 17 meetings were held.

Name of director	Total meetings	Meetings attended
Mr C Cornish (Chairperson)	17	17
Ms R Letwaba (Deputy Chairperson)	17	17
Ms J Mosebi-Koka	17	16
Adv K Maja	17	17
Ms D Tsotetsi	17	17
Mr K Sukdev	17	17
Dr E Ndwandwe	17	16
Ms M van Eck	17	16
Mr Leon Stuurman	17	16
Mr M Tampe	17	16
Ms P Monama	17	17
Ms P Mbanjwa	17	12

Audit and risk committee

The audit and risk committee is responsible for monitoring compliance, internal control and risk, as well as the internal and external audit functions and the Annual Financial Statements.

The committee consists of Independent Non-Executive Members and is chaired by Mr K Sukdev.

Name of member	Total meetings	Meetings attended
Mr K Sukdev (Chairperson)	23	23
Ms P Mbanjwa	23	20
Ms F Serutha	23	23
Mr M Tampe	23	23
Ms M Van Eck	23	23
Mr L Mbokotho	5	3

Nomination, human resource and remuneration committee

The committee consists of five Independent Non-Executive Members and is chaired by Adv K Maja. The committee met to review matters necessary to fulfil its role in accordance with the requirements of the King IV Report of Corporate Governance.

Name of member	Total meetings	Meetings attended
Adv K Maja (Chairperson)	7	7
Ms P Monama	7	7
Ms PM Maphanga	7	7
Ms L Mvelase	7	7
Mr L Stuurman	7	7

Director's Report (continued)

13. Corporate governance (continued)

Social and Ethics committee

The committee consists of five Independent Non-Executive Members and is chaired by Ms J Mosebi-Koka. It met to review matters necessary to fulfil its role in accordance with the requirements of the King IV Report on Corporate Governance.

Name of member	Total meetings	Meetings attended
Ms J Mosebi-Koka (Chairperson)	4	4
Ms D Tsotetsi	4	4
Ms R Letwaba	4	4
Mr L Stuurman	4	4
Mr C Cornish	4	4

Group infrastructure, trade and investment committee

The committee consists of six Independent Non-Executive Members and is chaired by Ms P Mbanjwa. During the current financial year 6 meetings were held.

Name of member	Total meetings	Meetings attended
Ms P Mbanjwa (Chairperson)	6	6
Dr E Ndwandwe	6	6
Mr C Cornish	6	6
Ms D Tsotetsi	6	6
Ms R Letwaba	6	6
Mr L Mbokotho	6	5

14. Internal audit

Gauteng Growth and Development Agency SOC Ltd has co-sourced its internal audit function and complies with the Public Finance Management Act 1, 1999 (PFMA).

15. Auditors

The Auditor General of South Africa will continue in office in accordance with Public Audit Act No.25 of 2004 and Section 90 of the Companies Act 71 of 2008.

Company Secretary's Certification

Declaration by the company secretary in respect of Section 88(2)(e) of the Companies Act

In terms of Section 88(2)(e) of the Companies Act 71 of 2008, as amended, I certify that the company has lodged with the Commissioner all such returns as are required of a public company in terms of the Companies Act and that all such returns are true, correct and up to date.



Adv Pieter Holl
Company Secretary

Statement of Financial Position as at 31 March 2026

	Note(s)	Group		Controlling entity	
		2026 R'000	2025 Restated* R'000	2026 R'000	2025 Restated* R'000
Assets					
Current Assets					
Cash and cash equivalents	3	683 427	994 630	158 491	439 133
Receivables from exchange transactions	4	83 492	38 493	4 578	3 418
Inventories	5	34	96	–	–
Other financial assets	6	–	5 335	–	5 335
Prepayments	7	15 503	12 457	5 598	4 094
Deposits paid	8	4 402	4 209	796	616
Current tax receivable	9	6 001	8 816	3 225	2 527
VAT receivable	10	12 725	2 513	–	–
Operating lease asset	11	1 069	5 492	–	–
		806 653	1 072 041	172 688	455 123
Non-Current Assets					
Investment property	12	1 371 280	1 361 157	–	–
Property, plant and equipment	13	1 038 453	968 682	66 094	30 326
Intangible assets	14	4 874	5 852	4 165	4 166
Heritage assets	15	188 670	188 685	–	–
Investments in controlled entities	16	–	–	259 084	259 084
Other financial assets	6	26 155	17 466	5 709	–
Deferred tax	17	72 757	55 917	434	40
Prepayments	7	72	206	–	–
Operating lease asset	11	120 825	101 955	29	5
		2 823 086	2 699 920	335 515	293 621
Total Assets		3 629 739	3 771 961	508 203	748 744
Liabilities					
Current Liabilities					
Current tax payable	9	10 731	–	–	–
Finance lease obligation	18	130	2 890	29	552
Operating lease liability	11	–	946	–	946
Payables from exchange transactions	19	63 031	76 766	39 609	60 589
Provisions	20	47 159	38 919	16 873	12 656
Unutilised conditional government	21	318 600	580 880	46 725	273 535
Deposits received	22	17 904	19 637	–	–
		457 555	720 038	103 236	348 278

* See Note 42

Statement of Financial Position as at 31 March 2026

	Note(s)	Group		Controlling entity	
		2026 R'000	2025 Restated* R'000	2026 R'000	2025 Restated* R'000
Non-Current Liabilities					
Finance lease obligation	18	–	239	–	29
Operating lease liability	11	257 935	236 251	327	50
Deferred tax	17	18 516	18 212	–	–
Provisions	20	11 763	11 604	–	–
		288 214	266 306	327	79
Total Liabilities		745 769	986 344	103 563	348 357
Net Assets		2 883 970	2 785 617	404 640	400 387
Share capital	23	–	–	–	–
Accumulated surplus		2 845 917	2 754 967	404 640	400 387
		2 845 917	2 754 967	404 640	400 387
Non-controlling interest		38 053	30 650	–	–
Total Net Assets		2 883 970	2 785 617	404 640	400 387

* See Note 42

Statement of Financial Performance for the year ended 31 March 2026

	Note(s)	Group		Controlling entity	
		2026 R'000	2025 Restated* R'000	2026 R'000	2025 Restated* R'000
Revenue from exchange transactions	24	337 621	308 566	–	–
Revenue from non-exchange transactions	25	782 784	768 629	788 362	716 175
Other income	26	11 194	18 370	3 573	3 964
Employee costs	28	(372 410)	(354 426)	(146 381)	(139 121)
Grants transferred	27	–	–	(502 356)	(430 526)
Depreciation, amortisation and impairments		(90 509)	(89 599)	(2 390)	(2 607)
Gain or loss on disposal of assets and liabilities		(78 632)	(99)	(1 439)	(1 279)
Repairs and maintenance		(31 644)	(26 459)	(85)	(3 569)
Lease rentals on operating lease		(52 024)	(54 088)	(23 550)	(25 605)
General expenditure	29	(449 631)	(382 865)	(129 669)	(124 632)
Operating surplus (deficit)		56 749	188 029	(13 935)	(7 200)
Finance income	30	52 347	68 268	24 544	36 712
Finance costs	31	(4 353)	(1 926)	(3 000)	(96)
Surplus before taxation		104 743	254 371	7 609	29 416
Taxation	32	(6 392)	(17 902)	(3 356)	(8 685)
Surplus for the year		98 351	236 469	4 253	20 731
Attributable to:					
Net asset holders of the company		90 949	235 705	4 253	20 731
Non-controlling interest		7 402	764	–	–
		98 351	236 469	4 253	20 731

* See Note 42

Statement of Changes in Net Assets for the year ended 31 March 2026

	Share capital R'000	Accumulated surplus R'000	Total attributable to owners of the group/ controlling entity R'000	Non-controlling interest R'000	Total net assets R'000
Group					
Opening balance as previously reported	-	2 520 059	2 520 059	29 886	2 549 945
Adjustments					
Correction of errors 42	-	592	592	-	592
Change in accounting policy	-	(1 389)	(1 389)	-	(1 389)
Restated Balance at 01 April 2024	-	2 519 262	2 519 262	29 886	2 549 148
Restated Surplus for the year	-	235 705	235 705	764	236 469
Total changes	-	235 705	235 705	764	236 469
Restated* Balance at 01 April 2025	-	2 754 968	2 754 968	30 650	2 785 618
Surplus for the year	-	90 949	90 949	7 402	98 351
Total changes	-	90 949	90 949	7 402	98 351
Balance at 31 March 2026	-	2 845 917	2 845 917	38 053	2 883 970
Note(s)	23				
Controlling entity					
Opening balance as previously reported	-	379 677	379 677	-	379 677
Adjustments					
Change in accounting policy	-	(21)	(21)	-	(21)
Balance at 01 April 2024 as restated*	-	379 656	379 656	-	379 656
Restated Surplus for the year	-	20 731	20 731	-	20 731
Total changes	-	20 731	20 731	-	20 731
Balance at 01 April 2025 as restated*	-	400 387	400 387	-	400 387
Surplus for the year	-	4 253	4 253	-	4 253
Total changes	-	4 253	4 253	-	4 253
Balance at 31 March 2026	-	404 640	404 640	-	404 640
Note(s)	23				

* See Note 42

Cash Flow Statement for the year ended 31 March 2026

	Note(s)	Group		Controlling entity	
		2026 R'000	2025 Restated* R'000	2026 R'000	2025 Restated* R'000
Cash flows from operating activities					
Receipts					
SARS – VAT refund		7 023	45 641	–	–
Receipts from customers		362 703	308 054	–	–
Government grants – MTEF		686 661	631 588	686 661	631 588
Interest income		48 985	65 462	24 171	36 778
Finance income earned on the dtic Funding		1 063	1 513	1 063	1 513
Conditional grants – non-MTEF		21 599	12 921	–	–
Other income		6 110	6 500	4 667	4 793
Receipts from subsidiaries		–	–	27 344	32 722
SARS – income tax refund		3 033	3 672	36	3 622
Surrender of funds by subsidiaries		–	–	42 000	–
		1 137 177	1 075 351	785 942	711 016
Payments					
Employee costs		(364 680)	(355 205)	(142 164)	(140 659)
Payments to suppliers		(652 132)	(523 772)	(283 708)	(245 748)
Finance costs		(3 080)	(302)	(3 000)	(96)
SARS VAT payments		(23 056)	(26 605)	–	–
Taxation	34	(12 042)	(29 239)	(4 484)	(10 695)
Government grants transferred to subsidiaries		–	–	(423 303)	(357 696)
Surrender of funds		(171 671)	–	(171 671)	–
		(1 226 661)	(935 123)	(1 028 330)	(754 894)
Net cash flows from operating activities	33	(89 484)	140 228	(242 388)	(43 878)
Cash flows from investing activities					
Acquisition of property, plant and equipment	13	(213 469)	(131 178)	(37 702)	(22 539)
Proceeds from sale of property, plant and equipment	13	22	–	–	–
Acquisition of investment property	12	(5 192)	(67 899)	–	–
Proceeds from sale of investment property	12	–	4 112	–	–
Acquisition of intangible assets	14	–	(1 137)	–	(801)
Net cash flows from investing activities		(218 639)	(196 102)	(37 702)	(23 340)
Cash flows from financing activities					
Finance lease payments		(3 080)	(2 897)	(552)	(493)
Net increase/(decrease) in cash and cash equivalents		(311 203)	(58 771)	(280 642)	(67 711)
Cash and cash equivalents at the beginning of the year		994 630	1 053 401	439 133	506 844
Cash and cash equivalents at the end of the year	3	683 427	994 630	158 491	439 133

* See Note 42

Accounting Policies

1. Presentation of Group Financial Statements

The group financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999) and Companies Act of 2008.

Basis of preparation

These group financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

The significant accounting policies, which have been consistently applied in the preparation of these group financial statements, are disclosed below.

Basis of measurement

These group annual financial Statements are presented in South African Rands which is the group's functional currency. All financial information presented has been rounded to the nearest thousand.

1.1 Going concern assumption

These group financial statements have been prepared based on the expectation that the group will continue to operate as a going concern for at least the next 12 months.

1.2 Materiality

Information is material if its omission or misstatement could influence the discharge of accountability by the group, or the decisions that users make on the basis of the group financial statements prepared for that reporting period. Materiality depends on both the nature and amount of the item judged in the particular circumstances of the group.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.3 Consolidation

Basis of consolidation

The group financial statements of subsidiaries are included in the consolidated group financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the group.

The group financial statements of the group and its subsidiaries are prepared at the same reporting date.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated group financial statements.

1.4 Significant judgements and sources of estimation uncertainty

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

Accounting Policies (continued)

1.4 Significant judgements and sources of estimation uncertainty (continued)

Recoverability of receivables from exchange and non-exchange, loans and/or other receivables`

The group assesses its receivables for impairment at each reporting date individually. In determining whether an impairment loss should be recorded in the Statement of Financial Performance, the group makes judgments as to whether there is observable data, for example the assessment of debtor collectability indicating a measurable decrease in the estimated future cash flows from the receivables. An impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the receivables carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

Useful lives and residual values of property, plant, equipment and intangible assets

The group's management determines the estimated useful lives and residual values of property, plant, equipment and intangible assets. These assessments are made when there are indicators that the useful lives may have changed from the previous period.

This estimate involves a matter of judgment based on the experience of the Group with similar assets. The group considers all facts and circumstances in estimating the useful lives of assets, which include the consideration of financial, technical and other factors. Management will increase the depreciation charge where useful lives are less than previously estimated useful lives and decrease the depreciation charge where useful lives are more than previously estimated useful lives.

Impairment testing of non-financial assets

Value in use of cash-generating assets

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets.

Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors, including supply and demand, together with economic factors such as interest.

Value in use of non-cash generating assets

The group reviews and tests the carrying value of non-cash-generating assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. The recoverable service amounts of non-cash-generating assets have been determined based on the higher of value in use calculations and fair values less costs to sell.

If there are indications that impairment may have occurred, the remaining service potential of the asset is determined for each group of assets. The group selects the most appropriate approach to determine the remaining service potential. This is dependent on the availability of data and the nature of the impairment.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in the provisions note.

Effective interest rate

The group used the prime interest rate to discount future cash flows unless stated otherwise.

Classification of sub-lease asset as Land

The group entered into a contract where part of the land leased by the group is sub-let to a tenant. This sub-lease qualifies for recognition as investment property with measurement on the fair-value model basis. However, as the group's accounting policy for investment property is for measurement on the cost-model, the group did not classify the asset as investment property, but as property, plant and equipment, in order to comply with GRAP 16 investment property.

Accounting Policies (continued)

1.5 Investment property

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement. Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Investment property is carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write down the cost, less estimated residual value over the useful life of the property, which is as follows:

Item	Useful life range
Property – land	Indefinite
Property – buildings	20-50 years

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

The Group derecognises investment property on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

The group separately discloses expenditure to repair and maintain investment property in the notes to the group financial statements.

The group discloses relevant information relating to assets under construction or development, in the notes to the group financial statements: the cumulative expenditure recognised in the carrying value of investment property, the carrying value of investment property that is taking a significantly longer period of time to complete than expected, and the carrying value of investment property where construction or development has been halted.

1.6 Property, plant and equipment

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

Accounting Policies (continued)

1.6 Property, plant and equipment (continued)

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life
Land	Indefinite
Buildings	20 – 50 years
Facilities equipment	3 – 20 years
Furniture and fixtures	3 – 25 years
Motor vehicles	5 – 15 years
Office equipment	3 – 15 years
IT equipment	3 – 15 years
Leasehold improvements	Per lease contract
Training equipment	3 – 20 years
Communication equipment	5 – 20 years
Infrastructure	3 – 25 years

The residual value, and the useful life and depreciation method of each asset are reviewed when at reporting date there is an indicator that a change is required. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Construction work in progress is not depreciated until it is completed and in the condition and location for use as intended by management. The group discloses relevant information relating to assets under construction or development, in the notes to the group financial statements:

- the cumulative expenditure recognised in the carrying value of property, plant and equipment,
- the carrying value of property, plant and equipment that is taking a significantly longer period of time to complete than expected,
- and the carrying value of property, plant and equipment where construction or development has been halted.

The group separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 13)

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Land under operating lease, which is sub-leased, is recognised as an asset of the group and subject to depreciation as Right of Land.

1.7 Intangible assets

Intangible assets are initially recognised at cost.

Should an intangible asset be acquired at no or nominal cost, the cost shall be its fair value as at the date of acquisition. Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Accounting Policies (continued)

1.7 Intangible assets (continued)

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life to its estimated residual value.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Average useful life
Computer software	3 – 10 years
Financial and risk management software	Indefinite

The gain or loss is the difference between the net disposal proceeds, if any, and the carrying amount. It is recognised in surplus or deficit when the asset is derecognised.

The group derecognise intangible assets:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

1.8 Heritage assets

Heritage assets are measured at cost.

The cost of an item of heritage assets are the purchase price and other costs attributable bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the group.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

The group does not recognise in the carrying amount of heritage assets the costs of the day-to-day servicing of such assets. Rather, these costs are recognised in surplus or deficit when incurred.

Costs of day-to-day servicing are primarily the cost of inspecting the heritage assets, cost of labour and consumables, and may include the cost of parts or repairs.

The group separately discloses expenditure to repair and maintain heritage assets in the notes to the group financial statements.

The group assess at each reporting date whether there is an indication that a heritage asset may be impaired. If any such indication exists, the group estimates the recoverable amount or the recoverable service amount of the heritage asset.

The group derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the heritage asset. Such difference is recognised in surplus or deficit when the heritage asset is derecognised.

1.9 Investments in controlled entities

In the Company's separate Annual Financial Statements, investments in controlled entities are carried at cost less accumulated impairment.

Accounting Policies (continued)

1.10 Financial instruments

The group has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Financial assets:	Category
Cash and cash equivalents	Financial asset measured at amortised cost
Receivables from exchange transactions	Financial asset measured at amortised cost
Other financial assets	Financial asset measured at amortised cost
Deposits paid	Financial asset measured at amortised cost

The group has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

Financial liabilities:	Category
Payables from exchange transactions	Financial liability measured at amortised cost
Deposits received	Financial liability measured at amortised cost
Finance lease obligation	Financial liability measured at amortised cost

Initial and Subsequent Measurement

Financial Assets

Financial assets at amortised cost are initially measured at fair value plus directly attributable transaction costs. The fair value of short-term receivables is the transaction price where the initial credit period granted is no longer than 30 days. Subsequently, these assets are measured at amortised cost using the Effective Interest Method less any impairment, with interest recognised on an effective yield basis. All gains and losses, interest and impairment losses are recognised in surplus or deficit.

Financial Liabilities

Financial liabilities at amortised cost are initially measured at fair value less directly attributable transaction costs. The fair value of short-term payables is the transaction price where the initial credit period granted is no longer than 30 days. Subsequently, these liabilities are measured at amortised cost using the Effective Interest Method, with interest recognised on an effective yield basis. All gains and losses and interest are recognised in surplus or deficit.

Impairment of Financial Assets

The entity recognises a loss allowance for expected credit losses on all financial assets measured at amortised cost.

In compliance with the GRAP 104 simplified approach, the entity recognises a loss allowance for expected credit losses (ECL) on all financial assets measured at amortised cost, requiring recognition of the loss allowance for all trade receivables at lifetime expected credit losses from initial recognition until derecognition. The entity considers a financial asset to be in default when it is more than 30 days past due on its contractual payments, or when there is evidence that the debtor is unlikely to pay their credit obligations in full without the entity's recourse, such as legal action or a credit-enhancing guarantee.

The provision matrix approach is used, which involves applying historical loss rates to ageing buckets of receivables. The methodology for calculating impairment values on outstanding receivable balances is as follows:

- **Grouping of Receivables:** Receivables are grouped by similar credit risk characteristics. This involves distinguishing by receivable type: Business, Residential, and Other (including government, councillors, and employees).
- **Historical Period of Sales:** The model uses monthly exposure (gross balance due) at the yearend.
- **Historical Loss Rate:** The probability of non-payment (impairment probability) for each ageing bucket is estimated using a conditional probability approach, assessing the likelihood that a debtor will ultimately fail to settle their balance. These probabilities are derived from historical payment patterns and applied to each exposure group.
- **Adjustment for Current and Forward-Looking Information:** While GRAP 104 requires considering current conditions and reasonable, supportable forward-looking information, it was concluded that there is no significant evidence to suggest that current or forward-looking economic conditions materially impact debtor payment behavior beyond what is reflected in the historical data, particularly given the short-tailed nature of outstanding balances. The discounting of impairment values is not considered necessary as the impact is immaterial.
- **Calculation of Expected Credit Loss:** The expected loss rates are applied to the ageing profile of receivables at the reporting date to determine the total expected credit loss (ECL) amount.

Accounting Policies (continued)

1.10 Financial instruments (continued)

The carrying amount of the receivables is reduced through the use of an allowance account with the movement (impairment loss or gain) being recognised in surplus or deficit.

The entity considers financial assets to be in default when the balance is more than 30 days past due or the debtor is unlikely to pay their credit obligations in full, without recourse by the entity.

ECLs are a probability-weighted estimate of credit losses. These probabilities of non-payment are derived from historical payment patterns and where necessary, these are adjusted for current conditions and reasonable, supportable forward-looking information. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity per the contract and the cash flows that the entity expects to receive).

Write offs

The gross carrying amount of a financial asset is written off when the entity has no reasonable expectation of recovering the outstanding balance and the Board has approved the write-off. When financial assets are considered uncollectible, it is written off directly through the Statement of Financial Performance. The amounts written off are not subject to enforcement activities. Subsequent recoveries of amounts previously written off are recognised in the Statement of Financial Performance. However, the entity does not expect a significant recovery of the amounts written off.

Derecognition

Financial Assets

The entity derecognises financial assets only when the contractual rights to the cash flows from the asset expire, are cancelled or waived, or it transfers the financial assets and substantially all the risks and rewards of ownership of the asset to another entity. Any resulting gain or loss is recognised in surplus or deficit.

Financial Liabilities

The entity derecognises financial liabilities when, and only when, the entity's obligations are discharged, cancelled or they expire. Any resulting gain or loss is recognised in surplus or deficit.

1.11 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for;

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the group.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Accounting Policies (continued)

1.12 Tax

Current tax assets and liabilities

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

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

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting surplus nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable surplus will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting surplus nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable surplus will be available against which the unused tax losses can be utilised.

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting surplus nor taxable surplus or deficit. In respect of taxable temporary differences associated with investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable surplus will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable surplus will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable company and the same taxation authority.

Value added tax

The group has companies that are VAT Vendors in accordance with the VAT Act. Revenue, expenditure and the cost of assets is recorded net of VAT and the amount due to SARS is included as a asset or liability. The group entities are registered on the accrual basis.

1.13 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the group assesses the classification of each element separately.

Finance leases – lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease. If this is practicable to determine; if not, the group's incremental borrowing rate shall be used. Any initial direct costs of the group are added to the amount recognised as an asset.

Accounting Policies (continued)

1.13 Leases (continued)

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

Operating leases – lessor

Operating lease revenue is recognised as revenue on a straight-line basis in the Statement of Financial Performance over the lease term. The difference between the amounts recognised as revenue and the contractual receipts are recognised as an operating lease asset or liability. This operating lease asset or liability is not discounted.

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

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term (the negotiated period in the contract) on a straight-line basis.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability. This operating lease asset or liability is not discounted.

1.14 Budget information

The group does not present a comparison of their budget and actual amounts as required by GRAP 24.12 as the group is specifically excluded from the scope of GRAP 24 due to the group budgets not being made publicly available.

1.15 Commitments

Commitments are not recognised in the statement of financial position as a liability, but are included in the disclosure notes in the following cases:

- approved and contracted commitments;
- where the expenditure has been approved and the contract has been awarded at the reporting date; and
- where disclosure is required by a specific standard of GRAP.

1.16 Impairment of cash-generating assets

Designation

At initial recognition, the group designates an asset as non-cash-generating, or an asset or cash-generating unit as cash-generating. The designation is made on the basis of group's objective of using the asset.

The group designates an asset or a cash-generating unit as cash-generating when:

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

An asset used with the objective of generating a commercial return and service delivery, is designated either as a cash-generating asset or non-cash-generating asset based on whether the group expects to use that asset to generate a commercial return. When it is not clear whether the objective is to use the asset to generate commercial return, the group designates the asset as a non-cash-generating asset and applies the accounting policy on Impairment of Non-cash-generating assets, rather than this accounting policy.

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The group assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the group also tests a cash-generating intangible asset with an indefinite useful life or a cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Accounting Policies (continued)

1.16 Impairment of cash-generating assets (continued)

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the group estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the group applies the appropriate discount rate to those future cash flows.

Basis for estimates of future cash flows

In measuring value in use the group:

- base cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Greater weight is given to external evidence;
- base cash flow projections on the most recent approved financial budgets/forecasts, but excludes any estimated future cash inflows or outflows expected to arise from future restructuring's or from improving or enhancing the asset's performance. Projections based on these budgets/forecasts covers a maximum period of five years, unless a longer period can be justified; and
- estimate cash flow projections beyond the period covered by the most recent budgets/forecasts by extrapolating the projections based on the budgets/forecasts using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. This growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used, unless a higher rate can be justified.

Composition of estimates of future cash flows

Estimates of future cash flows include:

- projections of cash inflows from the continuing use of the asset;
- projections of cash outflows that are necessarily incurred to generate the cash inflows from continuing use of the asset (including cash outflows to prepare the asset for use) and can be directly attributed, or allocated on a reasonable and consistent basis, to the asset; and
- net cash flows, if any, to be received (or paid) for the disposal of the asset at the end of its useful life.

Estimates of future cash flows exclude:

- cash inflows or outflows from financing activities; and
- income tax receipts or payments.

The estimate of net cash flows to be received (or paid) for the disposal of an asset at the end of its useful life is the amount that the group expects to obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the group recognises a liability only to the extent that is a requirement in the Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the group determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

Accounting Policies (continued)

1.16 Impairment of cash-generating assets (continued)

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the group use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

1.17 Impairment of non-cash-generating assets

Designation

At initial recognition, the group designates an asset as non-cash-generating, or an asset or cash-generating unit as cash-generating.

The designation is made on the basis of an group's objective of using the asset. The group designates an asset or a cash-generating unit as cash-generating when:

- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

An asset used with the objective of generating a commercial return and service delivery, is designated either as a cash-generating asset or non-cash-generating asset based on whether the group expects to use that asset to generate a commercial return. When it is not clear whether the objective is to use the asset to generate commercial return, the group designates the asset as a non-cash-generating asset and applies the accounting policy on Impairment of Non-cash-generating assets, rather than this accounting policy.

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The group assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the group estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

Accounting Policies (continued)

1.17 Impairment of non-cash-generating assets (continued)

Value in use

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach::

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost of an asset is determined on an "optimised" basis. The rationale is that the Group would not replace the asset with a like asset if the asset to be replaced is an oversized or overcapacity asset. Oversized assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the group recognises a liability only to the extent that is a requirement in the Standards of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.18 Share capital

Ordinary shares

Ordinary shares are classified as net assets in the separate group financial statements. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from net assets, net of any tax effects.

1.19 Employee benefits

Short-term employee benefits

Short-term employee benefits include items such as:

- salaries;
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and
- non-monetary benefits (for example cellphones and group life cover) for current employees.

When an employee has rendered service to the group during a reporting period, the company recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the group recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The group recognise the expected cost of bonus related payments when the group has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the group has no realistic alternative but to make the payments.

Accounting Policies (continued)

1.20 Provisions and contingencies

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the group settles the obligation.

The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating deficits.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 36.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

1.21 Revenue from exchange transactions

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts.

Rental revenue

Rental income from investment property, rental of facilities and equipment is recognised in the Statement of Financial Performance on a straight-line basis over the term of the lease.

Rendering of services

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by reference to reviews of work performed

Admission fees

Admission fees and sales have been classified as revenue from the sale of goods. Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- a) the entity has transferred to the buyer the significant risks and rewards of ownership of the goods;
- b) the entity does not retain
 - effective control over the goods sold; or
 - continuing managerial involvement to the degree usually associated with ownership;
- c) the amount of revenue can be measured reliably; and
- d) the costs incurred or to be incurred in respect of the transaction can be measured reliably..

Project income

Project income relates to project management fees charged at arm's length on site development.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied

- The company has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits or service potential associated with the transaction will flow to the company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably

Accounting Policies (continued)

1.22 Revenue from non-exchange transactions

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the Group.

Government grants, sponsorships and donations

The group recognises grants, sponsorships and donations as revenue from non-exchange transactions.

Services in-kind

Where services in-kind are not significant to the entity's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the group disclose the nature and type of services in-kind received during the reporting period.

1.23 Finance income

Finance income comprises interest income on funds invested, receivables from exchange transactions and interest earned from SARS. Interest income is recognised as it accrues in the Statement of Financial Performance.

1.24 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year. year.

1.25 Irregular, fruitless and wasteful expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation. In terms of section 53(4) of the PFMA, where the company overspends on its respective budget, such overspending is recognised as irregular expenditure.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the Statement of Financial Performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, the corresponding revenue and debtor is also recognised when the expense is incurred.

Any irregular, fruitless and wasteful expenditure is recognised in the period in which it is incurred and details thereof disclosed in the note. Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

1.26 Segment information

Reportable segments are the actual segments which are reported on in the segment report.

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the group financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

1.27 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Management are those persons responsible for planning, directing and controlling the activities of the group, including those charged with the governance of the group in accordance with legislation, in instances where they are required to perform such functions.

The group is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the group to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Accounting Policies (continued)

1.27 Related parties (continued)

Where the group is exempt from the disclosures in accordance with the above, the group discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its group financial statements.

1.28 Events after reporting date

The group will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The group will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.29 Finance costs

The finance costs relates to interest on finance lease and discounting of receivable. The finance charge on finance lease is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

1.30 Accounting by principals and agents

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent.

When the group is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether an group is a principal or an agent requires the company to assess whether the transactions it undertakes with third parties are for the benefit of another company or for its own benefit.

Recognition

The group, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The group, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The group recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.31 Accumulated surplus (deficit)

The accumulated surplus/(deficit) represents the net difference between the total assets and the total liabilities of the group. Any surpluses and deficits realised during a specific reporting period are credited/debited against accumulated surplus/ (deficit). Prior year adjustments, relating to income and expenditure, are credited/debited against accumulated surplus/(deficit) when retrospective adjustments are made.

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

The entity has adopted GRAP 104 (Revised): Financial Instruments, effective 1 April 2025, in accordance with the transitional provisions of the standard as issued by the Accounting Standards Board (ASB).

GRAP 104 (Revised) introduces updated principles for the recognition, measurement, presentation, and disclosure of financial instruments, aligning more closely with international standards and improving the relevance and reliability of financial information related to financial assets and liabilities.

The adoption of GRAP 104 (Revised) has been applied retrospectively except where transitional provisions have been applied. The impact on the financial statements is as follows:

The most significant impact was the remeasurement of the impairment on trade and other receivables from exchange transactions (that are financial assets), on date of adoption (1 April 2025), in accordance with the Standard and the Transitional Provisions.

Other than the item listed above, there was no material impact on the financial position, financial performance, or cash flows. Full disclosures as required by GRAP 104 (Revised) have been included in these financial statements.

2.2 Standards and interpretations issued, but not yet effective

There are no standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2026 or later periods.

2.3 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2026 or later periods but are not yet effective or relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• GRAP 107 (amended): Mergers	01 April 2027	Unlikely there will be a material impact
• GRAP 1 (amended): Presentation of Financial Statements (Going concern)	01 April 2027	Unlikely there will be a material impact
• GRAP 105 (amended): Transfers of functions (under common control)	01 April 2027	Unlikely there will be a material impact
• GRAP 106 (amended): Transfers of functions (not under common control)	01 April 2027	Unlikely there will be a material impact
• GRAP 103 (as revised): Heritage Assets	01 April 2027	Unlikely there will be a material impact

3. Cash and cash equivalents

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Cash and cash equivalents consist of:				
Cash on hand	39	40	5	6
Current accounts	325 165	378 108	47 599	41 564
Call accounts	358 223	616 482	110 887	397 563
	683 427	994 630	158 491	439 133

Cash and cash equivalents earn interest at variable rates based on daily bank deposits. The group does not have any restriction on realisation or utilisation on cash balances. The group does not have access to overdraft facilities.

The Cash and cash equivalents balance includes amounts that are not available for use by the group pending treasury's approval for retentions.

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

4. Receivables from exchange transactions

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Trade receivables	52 338	48 889	–	–
Property trust account	–	13	–	–
Accrued Income	3 910	919	–	–
Other receivables	48 927	12 196	4 590	3 482
Less: Impairment of trade and other receivables	(21 683)	(23 524)	(12)	(64)
	83 492	38 493	4 578	3 418

5. Inventories

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Inventories	34	96	–	–
Inventory per category				
Inventory held for sale	34	96	–	–
Inventory Reconciliation				
Opening balance	96	93	–	–
Purchases	50	36	–	–
Sold during the year	(112)	(33)	–	–
	34	96	–	–

The inventory consists of stock items kept for the purpose of selling to the public and the selling price less cost to sell (Net Realisable Value) is anticipated to exceed the carrying value. ConHill has not pledged any of its inventory at hand as security or guarantee on any debts at year end.

6. Other financial assets

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
At amortised cost				
Security bond	26 155	22 801	5 709	5 335
Non-current assets				
At amortised cost	26 155	17 466	5 709	–
Current assets				
At amortised cost	–	5 335	–	5 335

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

6. Other financial assets (continued)

Other financial assets –

Guaranteed Trust fund

The effective interest rate on the fund is 5.03% p.a (2025:5.48%) p.a. The funds are held in the trust as an interim temporary guarantee towards the upgrade of the Innovation Hub external bulk services as required by the City of Tshwane. Funds are withdrawn as and when payments for external bulk services are incurred in line with the City of Tshwane service level agreement. Refer note 20 for expenditure provision details.

Security bond

Included in other financial assets is a security bond of R7.6m for the Labour Court review application on the outcome of an arbitration matter at the CCMA in relation to employees of the GGDA and AIDC.

The payment of the security bond is a requirement in terms of the provisions of the Labour Relations Act as amended, Section

145(8) “unless the Labour Court directs otherwise, the security furnished as contemplated in subsection (7) must” –

a) “in the case of an order of reinstatement or re-employment, be equivalent to 24 months’ remuneration or;

b) “in the case of an order of compensation, be equivalent to the amount of compensation awarded”.

The amount was transferred to the trust account of the attorneys to be held in trust for the purposes of serving and filling the bond payment for the review application at the labour Court. The trust account payment shall only be used for the permitted purpose. The attorneys shall reimburse GGDA of the trust account payment should the matter be concluded at the Labour Court or any subsequent relevant platform and as directed by GGDA and AIDC.

7. Prepayments

GGDA prepayments consist mainly of licenses, insurance and Business Intelligence subscriptions.

AIDC prepayment consists mainly of insurance, software licenses and electricity.

TIHMC share the electricity bill with its tenant in terms of which TIHMC buys bulk prepaid electricity from City of Tshwane and internally bills its tenant as per their consumption.

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Prepayments	15 503	12 457	5 598	4 094
Prepayments – Non-current Portion	72	206	–	–
	15 575	12 663	5 598	4 094
GGDA Holdings	5 598	4 094	5 598	4 094
AIDC	4 642	4 482	–	–
CONHILL	583	580	–	–
GIDZ	1 882	1 650	–	–
TIHMC	2 870	1 857	–	–
	15 575	12 663	5 598	4 094

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

8. Deposits paid

Deposits paid are mainly rental deposits held by leasing agent and deposits paid for electricity.

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Deposits paid	4 402	4 209	796	616
GGDA Holdings	796	616	796	616
AIDC	1 039	1 026	–	–
GIDZ	2 534	2 534	–	–
TIHMC	33	33	–	–
	4 402	4 209	796	616

9. Current tax receivable/(payable)

Current tax receivable/(payable) represents amounts receivable/payable from/to the South African Revenue Services.

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Current tax receivable	6 001	8 816	3 225	2 527
Current tax payable	(10 731)	–	–	–
	(4 730)	8 816	3 225	2 527
GGDA Holdings	3 225	2 527	3 225	2 527
AIDC	(10 731)	1 139	–	–
CONHILL	500	1 564	–	–
GIDZ	2 039	2 613	–	–
TIHMC	237	973	–	–
	(4 730)	8 816	3 225	2 527

10. VAT receivable

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
South African Revenue services	12 725	2 513	–	–
AIDC	361	689	–	–
CONHILL	384	219	–	–
GIDZ	11 980	1 605	–	–
	12 725	2 513	–	–

The Group has considered the VAT treatment applicable to government grant funding following engagement with the South African Revenue Service (SARS). The agreed VAT treatment has been implemented prospectively, and management will continue to assess any future developments as additional guidance or correspondence becomes available.

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

11. Operating lease asset/(liability)

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Non-current assets	120 825	101 955	29	5
Current assets	1 069	5 492	–	–
Non-current liabilities	(257 935)	(236 251)	(327)	(50)
Current liabilities	–	(946)	–	(946)
Minimum lease commitments – as lessee:				
– within one year	9 643	17 771	1 892	10 594
– in second to fifth year	43 932	36 818	6 212	1 892
– later than five years	1 184 009	1 194 553	–	–
	1 237 584	1 249 142	8 104	12 486

The above represents the lease rentals for operating leases of InvestSA offices, Vanderbijlpark, 124 Main street and the GIDZ ACSA lease which is amortised on a straight line basis over the period of the lease.

Minimum lease payments due – as lessor:

– within one year	(113 706)	(111 884)	(381)	(353)
– in second to fifth year	(350 806)	(323 954)	(339)	(382)
– later than five years	(307 881)	(370 316)	–	–
	(772 393)	(806 154)	(720)	(735)

The above future minimum lease rentals represent rental payable under non-cancelable operating leases in the aggregate and for each period..

12. Investment property

Group	2026			2025		
	Cost R'000	Accumulated depreciation and accumulated impairment R'000	Carrying value R'000	Cost R'000	Accumulated depreciation and accumulated impairment R'000	Carrying value R'000
Investment property	1 907 671	(536 391)	1 371 280	1 850 844	(489 687)	1 361 157

Reconciliation of investment property – Group – 2026

	Opening balance	Additions	Depreciation	Total
Investment property	1 361 157	56 829	(46 706)	1 371 280

Reconciliation of investment property – Group – 2025

	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Investment property	1 335 808	82 742	(7 475)	(3 809)	(46 109)	1 361 157

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

12. Investment property (continued)

Investment property in the process of being constructed or developed

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Cumulative expenditure recognised in the carrying value of Investment property				
Opening balance	79 451	146 609	–	–
Additions	54 373	68 330	–	–
Transfers to completed investment property	–	(135 488)	–	–
	133 824	79 451	–	–
Carrying value of Investment property that is taking a significantly longer period of time to complete than expected				
Visitor Centre Building – ConHill	133 542	79 451	–	–
	133 542	79 451	–	–

Visitors' Centre Building – Conhill

Construction of the Visitors' Centre Building commenced in April 2022 and project was planned to be completed in August 2023. Unfortunately the appointed contractor did not perform as required per construction contract, which left the company with no choice but to terminate the contract. All management interventions governed by construction contract management were unsuccessful. Further delays caused by legal litigations by the service provider prevented the company to start the new procurement process to replace this service provider and resume the construction. The PRT team was appointed in March 2025 and contractor was appointed in June 2025. It was anticipated that the construction of Visitors' Centre Building will be completed by December 2026.

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Details of Group entity carrying values				
AIDC	347 645	358 606	–	–
CONHILL	199 420	148 856	–	–
GIDZ	653 304	680 590	–	–
TIHMC	170 911	173 105	–	–
	1 371 280	1 361 157	–	–

Investment property comprises a number of commercial properties that are leased to third parties. Each of the leases contains an initial non-cancelable period which varies between three and 12 years. Subsequent renewals are negotiated with the lessee. No contingent rent is charged.

The entity subsequently accounts for investment property on the cost model. The carrying amount of the investment property is the cost less the accumulated depreciation and any impairment losses.

None of the above investment properties have been pledged as security.

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

12. Investment property (continued)

In terms of the PFMA, investment properties can only be sold with the approval of the Executive Authority.

Amounts recognised in surplus or deficit

Rental revenue from Investment property	148 278	140 496	–	–
From Investment property that generated rental revenue				
Direct operating expenses (excluding repairs and maintenance)	(109 468)	(111 987)	–	–
Direct operating expenses from non-rental generating property	(4 901)	(5 079)	–	–
	(114 369)	(117 066)	–	–
The prior year figures were restated to be consistent by including ACSA lease smoothing adjustments.				
Expenditure incurred to repair and maintain Investment property				
Repairs and maintenance expenditure	14 067	16 108	–	–

13. Property, plant and equipment

Group	2026			2025		
	Cost R'000	Accumulated depreciation and accumulated impairment R'000	Carrying value R'000	Cost R'000	Accumulated depreciation and accumulated impairment R'000	Carrying value R'000
Land	9 996	–	9 996	9 996	–	9 996
Buildings	467 803	(72 093)	395 710	593 738	(92 311)	501 427
Furniture and fixtures	43 680	(21 471)	22 209	42 406	(22 107)	20 299
Motor vehicles	3 800	(2 693)	1 107	3 801	(2 504)	1 297
Office equipment	22 035	(15 988)	6 047	22 334	(16 171)	6 163
IT equipment	66 083	(32 772)	33 311	65 036	(33 883)	31 153
Leasehold improvements	2 188	(169)	2 019	–	–	–
Infrastructure	660 022	(141 922)	518 100	467 881	(127 090)	340 791
Facilities equipment	23 795	(8 699)	15 096	22 538	(6 666)	15 872
Training equipment	51 511	(20 383)	31 128	79 883	(41 437)	38 446
Communication equipment	4 987	(1 257)	3 730	4 797	(1 559)	3 238
Total	1 355 900	(317 447)	1 038 453	1 312 410	(343 728)	968 682

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

13. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment – Group – 2026

	Opening balance R'000	Additions R'000	Disposals R'000	Depreciation R'000	Impairment reversal R'000	Total R'000
Land	9 996	–	–	–	–	9 996
Buildings	501 427	1 198	(99 794)	(7 121)	–	395 710
Furniture and fixtures	20 299	4 740	(227)	(2 603)	–	22 209
Motor vehicles	1 297	–	–	(190)	–	1 107
Office equipment	6 163	1 671	(327)	(1 460)	–	6 047
IT equipment	31 153	11 204	(1 647)	(7 399)	–	33 311
Leasehold improvements	–	2 188	–	(169)	–	2 019
Infrastructure	340 791	194 127	(270)	(16 916)	368	518 100
Facilities equipment	15 872	1 306	(20)	(2 062)	–	15 096
Training equipment	38 446	10 732	(12 543)	(5 507)	–	31 128
Communication equipment	3 238	753	–	(261)	–	3 730
	968 682	227 919	(114 828)	(43 688)	368	1 038 453

Reconciliation of property, plant and equipment – Group – 2025

	Opening balance R'000	Additions R'000	Disposals R'000	Transfers R'000	Depreciation R'000	Impairment loss R'000	Total R'000
Land	9 996	–	–	–	–	–	9 996
Buildings	453 177	59 247	–	(4 164)	(6 833)	–	501 427
Furniture and fixtures	15 969	6 900	(232)	–	(2 338)	–	20 299
Motor vehicles	1 396	150	–	–	(249)	–	1 297
Office equipment	7 186	598	(32)	–	(1 589)	–	6 163
IT equipment	32 524	8 421	(1 651)	–	(8 141)	–	31 153
Leasehold improvements	189	–	–	–	(189)	–	–
Infrastructure	245 783	111 167	–	–	(15 770)	(389)	340 791
Facilities equipment	10 911	3 020	(28)	3 809	(1 840)	–	15 872
Training equipment	43 628	316	(153)	–	(5 345)	–	38 446
Communication equipment	1 081	2 444	(83)	–	(204)	–	3 238
	821 840	192 263	(2 179)	(355)	(42 498)	(389)	968 682

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

13. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment – Controlling entity – 2026

	Opening balance R'000	Additions R'000	Disposals R'000	Depreciation R'000	Impairment reversal R'000	Total R'000
Furniture and fixtures	4 239	1 197	(166)	(388)	–	4 882
Motor vehicles	274	–	–	(42)	–	232
IT equipment	8 241	3 426	(1 273)	(1 255)	–	9 139
Leasehold improvements	–	2 188	–	(169)	–	2 019
Infrastructure	17 572	32 784	–	(902)	368	49 822
	30 326	39 595	(1 439)	(2 756)	368	66 094

Reconciliation of property, plant and equipment – Controlling entity – 2025

	Opening balance R'000	Additions R'000	Disposals R'000	Depreciation R'000	Impairment loss R'000	Total R'000
Furniture and fixtures	3 746	927	(82)	(352)	–	4 239
Motor vehicles	316	–	–	(42)	–	274
IT equipment	7 383	3 232	(1 197)	(1 177)	–	8 241
Leasehold improvements	189	–	–	(189)	–	–
Infrastructure	–	18 417	–	(456)	(389)	17 572
	11 634	22 576	(1 279)	(2 216)	(389)	30 326

Restated refer to note 42

Effects of the developmental lease termination between Nissan SA and AIDC

The following Non – Cash Generating Assets were fully impaired at year-end :

- Industrial Building, known as Gauteng Automotive Learning Centre (GALC)
- Industrial Building, known as Nissan Incubation Centre.
- Moveable assets, being operating assets in the two sites.

During the financial year, Nissan South Africa sold its assembly plant to Chery Automobile Co Ltd. The industrial buildings were built within the Nissan Assembly plant via an economic developmental type of lease agreement. The sale transaction thus triggered a full review of the lease agreement. SPDC SOC Ltd opted not to follow the option to purchase the buildings via the contractually available right of first refusal. The end result was a mutually agreeable lease termination and settlement of R36.7 million, as calculated according to the provisions of the lease agreement. The R75 million 'loss on disposal' on the face of the Statement of Financial Performance gross represents the entire net book value of disposed assets.

Summary of the impairment transaction

Carrying Amount of assets under the Nissan Transaction.

Less : Termination settlement, per lease agreement

2026 R'000
111 651
(36 683)
74 968

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

13. Property, plant and equipment (continued)

Change in estimate

In terms of the requirements of GRAP 17 the useful lives of all asset items were reviewed by management at year end. The remaining useful lives expectations of some asset items increased from previous estimates. This resulted in a revision of some of the previous estimates which was accounted for as a change in accounting estimate.

Assets subject to finance lease (carrying amount)

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
IT equipment	972	3 429	25	522

Reconciliation of Work-in-Progress – Group – 2026

	Included within Infrastructure & Other Assets R'000	Included within Buildings R'000	Total R'000
Opening balance	100 244	280 291	380 535
Additions/capital expenditure	193 555	1 198	194 753
Transferred/Impairment	(22 980)	–	(22 980)
	270 819	281 489	552 308

Reconciliation of Work-in-Progress – Group – 2025

	Included within Infrastructure & Other Assets R'000	Included within Buildings R'000	Total R'000
Opening balance	16 043	230 974	247 017
Additions/capital expenditure	85 719	53 481	139 200
Transferred to completed items	(1 518)	(4 164)	(5 682)
	100 244	280 291	380 535

Carrying value of Property, plant and equipment that is taking a significantly longer period of time to complete than expected

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
BioPark building – TIHMC	248 025	251 926	–	–
We are the People Park – ConHill	–	13 546	–	–
	248 025	265 472	–	–

Biopark building – TIHMC

The construction delays were due to the following factors:

- Procurement of selected sub-contractors for the provisional sum items.
- Late issuing of construction drawings by the PRT.
- Depletion of professional fees for the PRT.
- The revised practical completion date is September 2026.

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

13. Property, plant and equipment (continued)

Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Buildings	2 504	1 705	–	–
Furniture and fixtures	10	–	10	–
Motor vehicles	84	151	72	36
Office equipment	370	263	–	–
IT equipment	498	227	3	2
Infrastructure	–	3 531	–	3 531
	3 466	5 877	85	3 569

The group does not have any restrictions or commitments on property, plant and equipment.

14. Intangible assets

Group	2026			2025		
	Cost R'000	Accumulated amortisation and accumulated impairment R'000	Carrying value R'000	Cost R'000	Accumulated amortisation and accumulated impairment R'000	Carrying value R'000
Computer software	7 208	(2 334)	4 874	9 174	(3 322)	5 852

Controlling entity	2026			2025		
	Cost R'000	Accumulated amortisation and accumulated impairment R'000	Carrying value R'000	Cost R'000	Accumulated amortisation and accumulated impairment R'000	Carrying value R'000
Computer software	4 183	(18)	4 165	4 182	(16)	4 166

Reconciliation of intangible assets – Group – 2026

	Opening balance	Disposals	Amortisation	Total
Computer software	5 852	(496)	(482)	4 874

Reconciliation of intangible assets – Group – 2025

	Opening balance	Additions	Disposals	Amortisation	Total
Computer software	5 457	1 137	(139)	(603)	5 852

Reconciliation of intangible assets – Controlling entity – 2026

	Opening balance	Amortisation	Total
Computer software	4 166	(1)	4 165

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

14. Intangible assets (continued)

Reconciliation of intangible assets – Controlling entity – 2025

	Opening balance	Additions	Amortisation	Total
Computer software	3 367	801	(2)	4 166

The group does not have any restrictions or commitments on intangible assets.

Intangible assets with indefinite useful lives

The following classes of intangible assets are not amortised as they are regarded as having indefinite useful lives:

	Group		Controlling entity	
	2025 R'000	2024 R'000	2025 R'000	2024 R'000
Cost and carrying value of software:				
Financial and risk management system	4 465	4 465	4 147	4 147

The financial and risk management system is expected to be available for use over an indefinite period. The company expects to derive economic benefits from the system beyond the current reporting period. The useful lives of the intangible assets remain unchanged from the previous year.

15. Heritage assets

Group		2026			2025	
	Cost R'000	Accumulated impairment losses R'000	Carrying value R'000	Cost R'000	Accumulated impairment losses R'000	Carrying value R'000
Art Collections, antiquities and exhibits	11 083	–	11 083	11 098	–	11 098
Historical buildings	177 587	–	177 587	177 587	–	177 587
Total	188 670		188 670	188 685		188 685

Reconciliation of heritage assets Group – 2026

	Opening balance	Disposals	Total
Art Collections, antiquities and exhibits	11 098	(15)	11 083
Historical buildings	177 587	–	177 587
	188 685	(15)	188 670

Reconciliation of heritage assets Group – 2025

	Opening balance	Total
Art Collections, antiquities and exhibits	11 098	11 098
Historical buildings	177 587	177 587
	188 685	188 685

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

15. Heritage assets (continued)

Ancillary use of Heritage Asset

The financial statements shall disclose information about the alternative use and value of heritage assets that are used by the entity for more than one purpose.

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Revenue from venue hire	6 240	3 527	–	–
Rental for offices	5 778	3 923	–	–
Admission fees	4 492	4 472	–	–
Other	3 902	2 172	–	–

Heritage assets in the process of being constructed or developed

Cumulative expenditure recognised in the carrying value of Heritage assets

Opening balance	6 381	6 381	–	–
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The heritage asset wip consists of exhibition procured for new visitors centre building still under construction by the service provider. The delay in completing the manufacturing and installation of these exhibitions is due to delays on construction of Visitors Centre Building.

Expenditure incurred to repair and maintain heritage assets

Expenditure incurred to repair and maintain heritage assets included in Statement of Financial Performance

Artefacts	–	21	–	–
Historic buildings	14 111	4 453	–	–
	14 111	4 474	–	–

16. Investments in controlled entities

Name of company	% holding 2026	% holding 2025	Carrying amount 2026	Carrying amount 2025
Supplier Park Development Company	100%	100%	27	27
The Innovation Hub Management Company*	100%	100%	–	–
Gauteng IDZ Development Company*	100%	100%	–	–
Constitution Hill Development Company	87%	87%	384 380	384 380
Total cost amount			384 407	384 407
Accumulated impairment of investment in controlled entities	–	–	(125 323)	(125 323)
Total carrying amount			259 084	259 084

The net asset values of investments in subsidiaries is shown below:

- The Innovation Hub Management Company – R561m (2025: R567m)
- Supplier Park Development Company – R727m (2025: R796m)
- Constitution Hill Development Company – R406m (2025: R351m)
- Gauteng IDZ Development Company – R1 055m (2025: R936m)

The investment in Constitution Hill Development Company (ConHill) is made up of equity loans which have no repayment terms and are interest free. The primary factor that was considered when impairing the loan account to Conhill was the accumulated loss posted by Conhill. The only impaired investment is the Conhill loan. The minority interest in Conhill relates to the Johannesburg Development Agency who own 13% shares in Conhill.

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

16. Investments in controlled entities (continued)

* The investment in TIHMC and the GIDZ is made up of 100 shares valued at R1, thus the amount is rounded to zero as the financials are rounded to R'000.

Reconciliation of provision for impairment of investments in controlled entities

	Controlling entity	
	2026 R'000	2025 R'000
Balance at the beginning of the year	(125 323)	(125 323)
Adjustments	-	-
Balance at the end of the year	(125 323)	(125 323)

Refer to note 38 for related-party transactions and balances.

17. Deferred tax

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Deferred tax asset				
Provisions	17 743	14 682	4 559	3 417
Amounts received in advance	12 616	73 854	12 616	73 854
Assessed loss	81 008	77 517	-	-
Straight lining of leases	88	269	88	269
Doubtful debt allowances	885	672	-	-
Finance lease	12	203	8	157
Lease liability	69 554	63 774	-	-
Total gross deferred tax asset	181 906	230 971	17 271	77 697
Deferred tax liability				
Property, plant and equipment	(46 112)	(43 377)	(2 952)	(2 743)
Investment property	(12 895)	(10 291)	-	-
Intangible assets	(1 145)	(884)	(1 023)	(884)
Prepayments	(1 965)	(2 045)	(246)	(176)
Lease asset	(27 279)	(25 259)	-	-
Straight lining of leases	(5 804)	(4 155)	-	-
Doubtful debt allowances	(1 924)	(1 577)	-	-
Finance lease	14	291	-	-
Section 24 C allowance	(30 555)	(105 969)	(12 616)	(73 854)
Total gross deferred tax liability	(127 665)	(193 266)	(16 837)	(77 657)

Entity	2026 Deferred tax asset	2026 Deferred tax Liability	2026 Net Deferred Tax asset/ (liability)	2025 Deferred tax asset	2025 Deferred tax Liability	2025 Net Deferred Tax asset/ (liability)
GGDA Holding	17 271	(16 837)	434	77 697	(77 657)	40
AIDC	8 541	(27 057)	(18 516)	7 095	(25 307)	(18 212)
GIDZ	145 343	(82 498)	62 845	137 974	(89 444)	48 530
TIHMC	10 751	(1 273)	9 478	8 205	(858)	7 347
	181 906	(127 665)	54 241	230 971	(193 266)	37 705

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

17. Deferred tax (continued)

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Net deferred tax asset	72 757	55 917	434	40
Net deferred tax liability	(18 516)	(18 212)	–	–
Reconciliation of deferred tax asset/(liability)				
At beginning of year	37 705	31 541	40	557
Increases (decrease) in tax loss available for set-off	1 260	15 669	–	–
Taxable / (deductible) temporary difference movements	13 449	(9 270)	394	(785)
Other movements -originating temporary differences	1 827	(503)	–	–
Prior year over/(under) provision	–	268	–	268
Balance at the end of year	54 241	37 705	434	40

18. Finance lease obligation

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Minimum lease payments due				
– within one year	131	3 199	29	590
– in second to fifth year	–	131	–	29
	131	3 330	29	619
less: future finance charges	(1)	(201)	–	(38)
Present value of minimum lease payments	130	3 129	29	581
Present value of minimum lease payments due				
– within one year	130	2 999	29	552
– in second to fifth year	–	130	–	29
	130	3 129	29	581
Non-current liabilities	–	239	–	29
Current liabilities	130	2 890	29	552
	130	3 129	29	581

The group holds certain IT equipment under finance lease obligations.

19. Payables from exchange transactions

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Trade payables	15 148	7 486	1 341	3 102
Payments received in advanced – contract in process	956	2 325	–	1 240
Other payables	2 133	1 727	–	–
Accrued expenses	44 794	65 228	38 268	56 247
	63 031	76 766	39 609	60 589

The ageing of all trade and other payables is current (within 30 days).

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

20. Provisions

Reconciliation of provisions – Group – 2026

	Opening balance R'000	Additions R'000	Utilised during the year R'000	Reversed during the year R'000	Change in discount factor R'000	Total R'000
Bonus	29 927	34 666	(23 423)	(4 133)	–	37 037
Leave pay	8 992	5 372	(876)	(3 366)	–	10 122
External bulk infrastructure – road	11 604	–	–	–	159	11 763
	50 523	40 038	(24 299)	(7 499)	159	58 922

Reconciliation of provisions – Group – 2025

	Opening balance R'000	Additions R'000	Utilised during the year R'000	Reversed during the year R'000	Change in discount factor R'000	Total R'000
Bonus	26 450	30 252	(25 828)	(947)	–	29 927
Leave pay	8 679	4 888	(4 175)	(400)	–	8 992
External bulk infrastructure – road	12 794	–	–	–	(1 190)	11 604
	47 923	35 140	(30 003)	(1 347)	(1 190)	50 523

Reconciliation of provisions – Controlling entity – 2026

	Opening Balance R'000	Additions R'000	Utilised during the year R'000	Reversed during the year R'000	Total R'000
Bonus	9 193	12 933	(6 706)	(2 488)	12 932
Leave pay	3 463	3 941	(515)	(2 948)	3 941
	12 656	16 874	(7 221)	(5 436)	16 873

Reconciliation of provisions – Controlling entity – 2025

	Opening Balance R'000	Additions R'000	Utilised during the year R'000	Total R'000
Bonus	6 569	11 183	(8 559)	9 193
Leave pay	3 653	3 463	(3 653)	3 463
	10 222	14 646	(12 212)	12 656
Non-current liabilities	11 763	11 604	–	–
Current liabilities	47 159	38 919	16 873	12 656
	58 922	50 523	16 873	12 656

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

20. Provisions (continued)

The bonus and leave provision represent management's best estimate of the company liability.

For the performance bonuses, the provision raised estimates the amount of the provision based on the anticipated performance of employees. This anticipated performance is based on experience with the employees of the company, taking into account performance trends in the prior periods. The amount of the performance bonus is determined with reference to the salary scales as at the end of the financial year.

For the provision for leave pay, the amount is based on accumulated leave day balances at the end of the financial year after taking into account the forfeited leave days as per the approved GGDA Group policies.

External bulk infrastructure – road (TIHMC)

Provision for external bulk infrastructure cost is for the residual obligation in terms of site development for road works as required by the City of Tshwane. TIHMC was granted 121 000sqm of development rights (bulk gross floor area) however, the current Service Level Agreement has placed a cap or limitation on the TIHMC bulk uptake to 50 000 sqm. TIHMC may not exercise its total development rights (allowable bulk) of 121 000sqm until it has discharged its residual obligations in terms of such agreement. It is therefore required from the entity to construct the agreed upon external road infrastructure in line with the Service Level Agreement to be able to utilise the full development rights. Provision has been made for this cost based on the estimated present value of future cash flows arising from the road construction cost expected as at 01 April 2027 and 31 March 2028. The discount rate used for the present value calculation was based on prime rate 10.25%.

21. Unutilised conditional government grant

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Reconciliation of unutilised government grant				
Balance at the beginning of the year	580 880	709 866	273 535	356 608
Surrender of funds to Treasury	(171 671)	–	(171 671)	–
Receipts – Grant	689 163	637 794	686 661	631 588
Surrender of funds by subsidiaries	–	–	42 000	–
Conditional grants received	13 983	4 782	–	–
Grant receivable	3 500	–	3 500	–
Transfers to subsidiaries	–	–	(502 356)	(430 526)
Operating and capital expenditures	(777 886)	(755 740)	(286 007)	(285 648)
Capitalisation of the dtic interest	6 178	8 902	1 063	1 513
Strategic project expenses	(23 760)	(23 403)	–	–
Surrender of funds	–	(1 321)	–	–
SEDA	(1 298)	–	–	–
Other	(489)	–	–	–
	318 600	580 880	46 725	273 535
Current liabilities	318 600	580 880	46 725	273 535

Unutilised government grants represent the amount of grant funding that was received for specific GGDA projects and/or operational expenditure in relation to projects, which had not been utilised (i.e. transferred/ deferred/ expensed/ committed) at year end.

At group level unutilised grants comprise MTEF grants of R143 million (2025: R398 million), and Non-MTEF grants of R176 million (2025: R183 million).

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

21. Unutilised conditional government grant (continued)

Controlling entity

Included in unutilised grants are third-party funds relating to the Special Economic Zone (SEZ) and the Department of Trade, Industry and Competition (dtic) for conditional grants:

	Controlling entity	
	2026 R'000	2025 R'000
Unutilised grants MTEF		
Balance at the beginning of the year	245 053	324 060
Receipts – Grant	686 661	631 588
Surrender of funds to Treasury	(171 671)	–
Grant receivable	3 500	–
Transfers to subsidiaries	(502 356)	(430 526)
Surrender of funds by subsidiaries	42 000	–
Operating and capital expenditures	(279 492)	(280 069)
	23 695	245 053
Unutilised grant Non-MTEF		
Balance at the beginning of the year	28 482	32 548
Capitalisation of interest	1 063	1 513
Operating and capital expenditures	(6 515)	(5 579)
	23 030	28 482
Total unutilised government grant	46 725	273 535

22. Deposits received

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Deposits received	17 904	19 637	–	–

Deposit received as at 31 March 2026 relates to the deposit charged on all tenants accounts' upon signature of the lease. The deposit is required as a security to cover amongst others, possible damages to rental property, non payment of rental, earlier termination of lease, etc. The deposit is refundable on expiry of the lease term and vacation of occupied space by tenant.

AIDC	10 792	12 420	–	–
CONHILL	374	364	–	–
GIDZ	2 382	2 162	–	–
TIHMC	4 356	4 691	–	–
	17 904	19 637	–	–

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

23. Share capital

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Authorised				
4 000 Ordinary shares of R1 each				
Issued				
100 Ordinary shares issued at R1 each*	-	-	-	-

* The 100 ordinary shares issued relate to shares issued to the Gauteng Department of Economic Development.

24. Revenue from exchange transactions

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Rental income	155 190	143 006	-	-
Rental of facilities and equipment	7 141	5 750	-	-
Project income	17 785	15 857	-	-
Rendering of services	152 789	139 468	-	-
Admission fees	4 493	4 472	-	-
Sale of goods	223	13	-	-
	337 621	308 566	-	-

25. Revenue from non-exchange transactions

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Grants for operating expenditure	431 103	446 937	246 410	262 269
Grants for capital expenditure	283 763	255 698	39 596	23 380
Transfers to subsidiaries	-	-	502 356	430 526
Grants for projects	67 918	65 994	-	-
	782 784	768 629	788 362	716 175

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

26. Other income

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Debt impairment recovered	3 664	–	–	–
Sundry income	7 530	18 370	3 573	3 964
	11 194	18 370	3 573	3 964
GGDA Holdings	3 573	3 964	3 573	3 964
AIDC	2 946	12 043	–	–
CONHILL	4 123	1 479	–	–
GIDZ	–	19	–	–
TIHMC	552	865	–	–
	11 194	18 370	3 573	3 964

27. Grants transferred

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Supplier Park Development Company SOC Ltd	–	–	82 267	75 411
The Innovation Hub Management Company SOC Ltd	–	–	116 411	153 664
Constitution Hill Development Company SOC Ltd	–	–	114 724	57 634
Gauteng IDZ Development Company SOC Ltd	–	–	188 954	143 817
	–	–	502 356	430 526

28. Employee related costs

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Salaries	288 861	276 265	111 005	106 194
Bonus	30 584	29 279	10 485	11 157
Medical aid – company contributions	286	378	–	–
Pension	29 581	28 519	12 807	11 986
UIF	825	810	235	227
WCA	465	304	–	–
SDL	3 083	3 001	1 161	1 144
Salaries – Leave Accrual	1 522	916	479	(190)
Staff travel claims	1 888	2 238	699	783
Staff Uniforms	144	–	–	–
Staff Welfare	2 367	1 414	1 769	995
Staff Recruitment	2 423	1 386	1 460	922
Staff training	5 887	5 510	3 720	3 474
Life Insurance	4 494	4 406	2 561	2 429
	372 410	354 426	146 381	139 121

Pension contributions are included in the total Cost To Company of employees. An amount of 11.4% of the total package is allocated to a defined contribution plan managed by Alexander Forbes.

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

29. General expenditure

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Advertising	262	419	231	377
Auditors remuneration – External audit	10 047	8 989	4 051	3 362
Auditors remuneration – Internal audit	7 361	7 375	5 770	6 189
Bank charges	375	393	47	43
Bad debts written off	110	8 953	–	–
Debt impairment	1 823	5 026	(52)	43
Cleaning	13 043	12 909	931	565
Commission paid	630	164	–	–
Legal expenses	10 364	17 611	10 364	17 311
Consulting and professional fees	67 325	42 413	25 792	27 082
Stationery and Consumables	4 699	4 665	1 018	1 453
Donations	–	326	–	–
Catering and Venue hire	8 631	8 450	4 039	4 772
Rental of equipment	697	183	–	–
Insurance	6 695	6 055	1 388	1 126
Conferences and seminars	7 910	10 533	4 753	9 438
IT expenses	29 364	21 838	15 160	9 512
Marketing	43 862	32 760	27 279	18 582
Municipal Rates & Levies	145 502	110 513	12	10
Fuel and oil	829	877	27	28
Security	35 577	34 801	3 577	1 511
Subscriptions and membership fees	2 720	3 595	1 608	2 590
Telephones	1 591	1 538	634	617
Travel – local	3 498	2 500	1 092	787
Travel – International	6 103	2 215	5 403	2 001
Sewerage and waste disposal	1 932	1 530	–	–
Uniforms	315	1 104	–	–
Management fees	2 764	2 697	–	–
Heritage and Support	13 547	10 655	–	–
Project expense*	–	2 500	–	2 500
Township Industrial Hubs Maintenance	13 223	11 416	13 223	11 416
Directors Fees – Board	6 846	6 830	3 322	3 317
Other expenses	203	33	–	–
Garden	1 783	999	–	–
	449 631	382 865	129 669	124 632

* Project expense consist of Conhill Visitors Centre Project R0m (2025: R2.5m).

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

30. Finance income

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Cash and Cash equivalents	48 847	64 264	24 170	36 586
Interest charged on trade and other receivables	1 637	2 872	–	–
Interest received – other	1 863	1 132	374	126
	52 347	68 268	24 544	36 712

31. Finance costs

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Finance leases	201	519	38	96
Other interest paid*	4 152	1 407	2 962	–
	4 353	1 926	3 000	96

* Included in the other interest paid is the amount of R3m relating to the late payment of adjudicator award. Refer to the fruitless and wasteful expenditure note.

32. Taxation

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Major components of the tax expense				
Current				
Local income tax – current period	22 926	24 084	3 750	8 168
Deferred				
Originating and reversing temporary differences	(16 535)	(6 182)	(394)	517
	6 391	17 902	3 356	8 685
Reconciliation of the tax expense				
Reconciliation between accounting surplus and tax expense.				
Accounting surplus	104 898	254 527	7 609	29 416
Tax at the applicable tax rate of 27% (2025: 27%)	28 322	68 359	2 055	7 942
Tax effect of adjustments on taxable income				
Deferred tax effect on temporary differences	(43 022)	(36 142)	–	–
Non-deductible expenses	2 721	1 377	478	1 010
Non-taxable income	(21 400)	(14 397)	–	–
Prior year over/(under)provision	–	(267)	–	(267)
Utilisation of assessed loss	–	(120)	–	–
Permanent differences	38 947	(908)	–	–
Fruitless and wasteful expenditure	823	–	823	–
	6 391	17 902	3 356	8 685

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

33. Cash (used in) generated from operations

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Surplus	98 352	236 469	4 253	20 731
Adjustments for:				
Depreciation and amortisation	90 877	89 210	2 758	2 218
Loss on disposal of assets	78 632	99	1 439	1 279
Finance costs	1 270	1 624	–	–
Asset Impairment (reversal)/loss	(368)	389	(368)	389
Debt impairment (reversal)/loss	1 823	5 027	(52)	43
Bad debts written off	(3 554)	8 953	–	–
Movements in operating lease assets and accruals	6 291	7 207	(693)	(1 011)
Movements in provisions	8 240	2 600	4 217	2 434
Movement in tax receivable and payable	13 545	(1 969)	(698)	1 095
Annual charge for deferred tax	(16 536)	(8 260)	(394)	516
Other non-cash items – asset accrual and deemed grant	(68 555)	(73 467)	(1 894)	(37)
Changes in working capital:				
Receivables from exchange transactions	(10 012)	(13 135)	(1 108)	2 359
Receivables from non-exchange transactions	–	480	–	–
Prepayments	(2 912)	(3 237)	(1 504)	(1 960)
Other financial assets	(1 472)	(10 433)	(374)	(5 335)
Payables from exchange transactions	(12 623)	5 669	(20 980)	16 474
VAT	(10 212)	17 073	–	–
Unspent conditional grants and receipts	(262 280)	(128 988)	(226 810)	(83 073)
Deposits paid	(193)	(17)	(180)	–
Deposits received	141	4 937	–	–
Inventories	62	(3)	–	–
	(89 484)	140 228	(242 388)	(43 878)

34. Tax paid

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Balance at beginning of the year	8 815	7 327	2 527	3 622
Current tax for the year recognised in surplus or deficit	(22 926)	(24 083)	(3 749)	(8 168)
Refund from SARS	(3 033)	(3 780)	(37)	(3 730)
SARS interest & penalties	372	112	1	108
Balance at end of the year	4 730	(8 815)	(3 226)	(2 527)
	(12 042)	(29 239)	(4 484)	(10 695)

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

35. Commitments

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Authorised capital expenditure				
Already contracted for but not provided for				
Property, plant and equipment	262 627	430 117	–	–
Investment property	70 700	80 342	–	–
Heritage assets	5 981	5 981	–	–
	339 308	516 440	–	–
Total capital commitments				
Already contracted for but not provided for	339 308	516 440	–	–
Authorised operational expenditure				
Already contracted for but not provided for				
Operational and other commitments	269 531	214 322	80 172	102 654
Contracts	547 175	138 569	521 846	111 929
	816 706	352 891	602 018	214 583
Total operational commitments				
Already contracted for but not provided for	816 706	352 891	602 018	214 583
Total commitments				
Total commitments				
Authorised capital expenditure	339 308	516 440	–	–
Authorised operational expenditure	816 706	352 891	602 018	214 583
	1 156 014	869 331	602 018	214 583

36. Contingencies

Contingent liabilities

GGDA

GGDA is involved in two matters related to a construction project:

- 1) A claim of R2 million has been lodged by the professional team for supervision costs incurred beyond the practical completion date. The professional team suspended works and initiated a claim against the GGDA. The matter is pending arbitration, with resolution expected in the 2027 financial year.
- 2) The construction contractor has submitted a claim for suspension costs amounting to R49 million (excluding interest) together with estimated interest of R4.9 million. The claim relates to the period from October 2024 to March 2026 and is currently under legal review

No provision has been recognised in respect of these claims as the outcome cannot be reliably estimated at this stage.

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

36. Contingencies (continued)

GIDZ

The contractor that has terminated their construction early, has put in a counter claim against GIDZ, of R52,6 million, which GIDZ disputes as invalid. This will be adjudicated during a dispute resolution and legal process, which the parties are engaged in.

AIDC

Construction contractor

AIDC has a contractual dispute with a construction contractor. The dispute is with regards to construction works for alleged additional work rendered and not paid by AIDC. The claim against AIDC is R1.5 million.

Consulting services

AIDC has contractual dispute emanating from the SLA for the investment transaction advisory services. The transaction advisory services related to the ASP phase 3 and 5 expansion project. State institution funders terminated the processing, after it had been provisionally confirmed for processing. AIDC informed the Service Provider of the unsuccessful transaction and terminated the SLA. The parties subsequently engaged in discussions to settle the matter amicably to no avail. The claim against AIDC amounts to R7 million.

Labour matters

AIDC has two (2) labour matters at labour court. As per legal expert's assessment the estimated amount of potential liability will be salary of the plaintiff amounting to R2.9 million that CCMA awarded for the first case. The company is currently appealing the matter and the outcome is uncertain. The second matter the estimated potential liability is unpaid remuneration amounting to R346 thousand, parties are waiting for trial date.

TIHMC

The TIHMC is engaged in litigation regarding remuneration matters with former employees. The TIHMC has assessed the probability of success in these matters as high.

Contingent assets

TIHMC

TIHMC is engaged in a litigation processes to recover the funds paid to the beneficiary with regard to the Start Support grant due breach of contract. As of the reporting date it is probable that TIHMC will win the case and recover the grant amounting to R480k.

GIDZ

GIDZ has a contingent asset of R37 million with regards to an amount that is owed to them by a construction company, who terminated their construction early, and who has also simultaneously returned security material which was on site, to their own supplier. In addition, GIDZ has damage claims against the same contractor, of a further R13,1 million. GIDZ is following a legal process to recover the money.

37. Irregular expenditure and fruitless and wasteful expenditure

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Irregular expenditure	1 414	–	–	–
Fruitless and wasteful expenditure	3 050	39	3 050	–
Closing balance	4 464	39	3 050	–

Details of irregular expenditure – 2026

AIDC

During the financial year under review the AIDC procured services using limited bidding process. The auditors brought to AIDC management's attention that the procurement process was not fully compliant with criteria set out in Section 2 of PFMA instruction note no.3. The irregular expenditure amounts to R1.4 million during the current period. Disciplinary steps, if any, are pending the outcome of a formal determination test, which will be conducted in line with the Irregular Expenditure Framework.

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

37. Irregular expenditure and fruitless and wasteful expenditure (continued)

Details of irregular expenditure – 2025

There is no irregular expenditure in the prior year.

Details of fruitless and wasteful expenditure 2026

GGDA

During the 2026 financial year, GGDA incurred fruitless and wasteful expenditure amounting to R3 million arising from adjudication proceedings conducted in terms of a construction contract for the BioPark Phase 3 project.

The adjudication process resulted from delays in the certification and payment of contractor invoices following the departure of the principal agent from the site. The contractor subsequently vacated the site and initiated adjudication proceedings in accordance with the contractual dispute resolution mechanisms.

The adjudicator issued an award in favour of the contractor, ordering the entity to pay interest on the delayed amounts as well as the adjudicator's costs. In terms of South African construction law, adjudication awards are binding and enforceable unless overturned by subsequent proceedings. The award was issued and became enforceable during the 2026 financial year, resulting in the recognition of the expenditure.

The fruitless and wasteful expenditure arose from circumstances related to delays in contract administration and the subsequent adjudication process. Based on the information currently available, management has not identified conduct warranting disciplinary action. The accounting authority has been informed and will consider further action should new information arise.

GIDZ

During April 2025, the South African Revenue Service (SARS) levied penalties and interest totalling R5 1947.99 arising from a one-day delay in the payment of Pay-As-You-Earn (PAYE) for the month of March 2025. The amount comprised penalties of R51 788.37 and interest of R159.62.

The entity paid and lodged a formal objection with SARS requesting full remission of both the penalties and interest. The objection was partially successful – SARS granted remission of the full penalty amount of R51 788.37. The interest portion of R159.62 was not remitted.

Accordingly, fruitless and wasteful expenditure of R159.62 has been recognised, being the interest charge that was not recoverable and which could have been avoided had the PAYE payment been effected on time.

Consequence Management

The matter has been investigated to determine whether any official bears personal liability for the one-day payment delay.

No official was found to be personally liable as the delay arose from a banking system error beyond the control of the responsible official. Controls have been strengthened to prevent recurrence.

Details of fruitless and wasteful expenditure – 2025:

TIHMC

The fruitless and wasteful expenditure amounting to R39 thousand is a result of late payment of compensation fund.

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

38. Related parties

Relationships

Provincial Government	Gauteng Provincial Government
Ultimate controlling entity	Gauteng Department of Economic Development
Subsidiaries of Gauteng Growth & Development Agency	The Innovation Hub Management Company Supplier Park Development Company Constitution Hill Development Company Gauteng IDZ Development Company
Gauteng Department of Economic Development Agencies	Gauteng Growth & Development Agency Gauteng Gambling Board Gauteng Tourism Authority Gauteng Enterprise Propeller Gauteng Liquor Board Cradle of Human Kind Dinokeng Tshwane Automotive Special Economic Zone (TASEZ)
Shared management team	AIDC Development Centre ESDA Non Profit Com
Executive management and non-executive directors	Refer to note 39

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Related party balances				
Amounts included in Payables from exchange transactions regarding related parties				
Supplier Park Development Company SOC Limited	-	-	28	-
The Innovation Hub Management Company SOC Limited	-	-	-	62
Amounts included in receivables from exchange transactions regarding related parties				
G-Fleet Management	101	88	-	-
Supplier Park Development Company SOC Limited	-	-	-	485
Constitution Hill Development Company SOC Limited	-	-	-	185
Gauteng IDZ Development Company SOC Limited	-	-	589	259
The Innovation Hub Management Company SOC Limited	-	-	-	205
Gauteng Department of Economic Development	822	823	462	823
Tshwane Automotive Special Economic Zone (TASEZ)	559	-	-	-
Gauteng Tourism Authority	3 500	162	3 500	162

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

38. Related parties (continued)

Investments in controlled entities

Refer to note 16 which details investments in controlled entities which are held at cost less any impairments

	Group		Controlling entity	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Related party transactions				
Grants received/returned from related parties				
Gauteng Department of Economic Development	686 661	631 588	686 661	631 588
Grants paid to related parties*				
Supplier Park Development Company SOC Limited	–	–	82 267	75 411
Constitution Hill Development Company SOC Limited	–	–	114 724	57 633
Gauteng IDZ Development Company SOC Limited	–	–	188 954	143 817
The Innovation Hub Management Company SOC Limited	–	–	116 411	153 664
Rent and other expenses paid to related parties				
Tshwane Automotive Special Economic Zone (TASEZ)	3 573	–	–	–
Gauteng Provincial Government	7 138	–	7 138	–
Supplier Park Development Company SOC Limited	–	–	28	–
Constitution Hill Development Company SOC Limited	–	–	579	136
Gauteng Gambling Board	480	–	480	–
The Innovation Hub Management Company SOC Limited	–	–	399	183
Gauteng Department of Economic Development	28 589	29 825	27 712	29 825
Gauteng Tourism Authority	170	–	–	–
G-Fleet Management	1 368	1 056	–	–

* Included in the related party transactions for these entities is a transaction relating to services-in-kind in terms of GRAP 23 for infrastructure projects carried out on their behalf. This is not significant in relation to the entities operations and the services fail to satisfy the criteria recognition of revenue from non-exchange transactions as they cannot be measured reliably and thus no value has been attached to the transactions.

The GGDA Holdings in addition makes payments on behalf of its subsidiaries and related entities for the following expenses namely insurance, board fees, salaries, internal audit fees and ICT expenses, these costs are then invoiced to the subsidiaries and related entities to recoup the payment made on their behalf.

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

39. Executive management and directors emoluments

Executive

2026

	Remuneration R'000	Other benefits R'000	Total R'000
Mr S Zamxaka (Acting Group CEO until 31 July 2025)	309	8	317
Ms S Dlamini (Acting Group CEO – appointed 01 August 2025)	619	14	633
Ms L Mabusela (Group COO – appointed 10 June 2025)	2 312	321	2 633
Mr M Baatjies (Group CFO)	3 204	447	3 651
Mr S Marala	2 562	438	3 000
Mr M Mathema	2 727	375	3 102
Mr I Mogorosi	1 910	290	2 200
Mr A Motlhale	1 337	58	1 395
Ms F Kubheka	2 233	384	2 617
Ms ZA Fakude (Acting)	157	–	157
Mr L Lengs (Acting)	379	10	389
	17 749	2 345	20 094

2025

Mr S Zamxaka (Acting Group CEO)	892	139	1 031
Mr M Baatjies (Group CFO)	2 966	397	3 363
Mr S Marala	2 672	452	3 124
Mr M Mathema	2 569	305	2 874
Mr I Mogorosi	1 992	66	2 058
Mr S Molalabangwe – contract ended	687	19	706
Mr A Motlhale	2 525	91	2 616
Ms F Kubheka	2 329	328	2 657
Ms ZA Fakude (Acting)	89	–	89
Ms M Tshabalala*	3 392	34	3 426
	20 113	1 831	21 944

* GGDA entered into a separation agreement with former Group CEO, Ms Mosa Tshabalala. The separation agreement was finalised on the 23rd of April 2024.

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

39. Executive management and directors emoluments (continued)

Non-executive

2026

	Fees R'000	Total R'000
Board of Directors		
Mr C Cornish (Chairperson)	353	353
Ms R Letwaba (Deputy Chairperson)	235	235
Ms J Mosebi-Koka	187	187
Mr L Stuurman	289	289
Mr M Tampe	140	140
Ms D Tsotetsi	218	218
Ms P Monama	210	210
Adv K Maja	183	183
Ms P Mbanjwa	165	165
Mr K Sukdev	172	172
Ms Van Eck	109	109
Dr E Ndwandwe	161	161
Board Subcommittee Members*		
Ms L Mvelase	52	52
Mr L Mbokotho	44	44
Ms P Maphanga	52	52
	2 570	2 570

* These subcommittee members do not form part of the Board of Directors.

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

39. Executive management and directors emoluments (continued)

2025

	Fees R'000	Total R'000
Board of Directors		
Mr C Cornish (Chairperson)	106	106
Ms R Letwaba (Deputy Chairperson)	249	249
Ms J Mosebi-Koka	44	44
Mr L Stuurman	65	65
Mr M Tampe	44	44
Ms D Tsotetsi	194	194
Ms P Monama	46	46
Adv Kgotso Maja	251	251
Ms P Mbanjwa	37	37
Mr K Sukdev	176	176
Ms Van Eck	134	134
Dr E Ndwandwe	171	171
Outgoing members		
Mr K Matabane	98	98
Ms T Godongwana	21	21
Mr D Maimela	73	73
Dr S Vilakazi	74	74
Mr T Fakude	62	62
Adv L Mokgatlhe	47	47
Board Subcommittee Members*		
Dr B Mabizela	29	29
Dr N Skeepers	89	89
Mr B Gantile	52	52
Mr S Mbele	29	29
Ms C Maluleka	55	55
Ms J Phiri	52	52
Ms N Mashologu	45	45
Mr A Latchu	37	37
Mr L Mbokotho	5	5
	2 285	2 285

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

39. Executive management and directors emoluments (continued)

Members of audit and risk committee

2026

	Fees R'000	Total R'000
Mr K Sukdev (Chairperson)	176	176
Ms P Mbanjwa	132	132
Ms F Serutha	152	152
Ms Van Eck	147	147
Mr M Tampe	147	147
	754	754

Members of audit and risk committee

2025

	Fees R'000	Total R'000
Mr K Sukdev (Chairperson)	186	186
Ms P Mbanjwa	20	20
Ms F Serutha	21	21
Ms Van Eck	157	157
Ms Mangoma	21	21
Outgoing committee members	–	–
Dr L Konar	121	121
Mr K Matabane	111	111
Mr T Ditshwane	137	137
Ms Mangoma	121	121
Ms N Thanjekwayo	137	137
	1 032	1 032

40. Financial instruments and risk management

Categories of financial instruments

Total Financial Assets – Group

	At amortised cost 2026 R'000	Total 2026 R'000	At amortised cost 2025 R'000	Total 2025 R'000
Cash and cash equivalents	683 427	683 427	994 630	994 630
Receivables from exchange transactions	83 492	83 492	38 493	38 493
Other financial assets	26 155	26 155	22 801	22 801
Deposits paid	4 402	4 402	4 166	4 166
	797 476	797 476	1 060 090	1 060 090

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

40. Financial instruments and risk management (continued)

Total Financial Liabilities – Group

	At amortised cost 2026 R'000	Total 2026 R'000	At amortised cost 2025 R'000	Total 2025 R'000
Payables from exchange transactions	63 031	63 031	76 766	76 766
Deposits received	17 904	17 904	19 637	19 637
Finance lease obligation	130	130	3 129	3 129
	81 065	81 065	99 532	99 532

Total Financial Assets – Company

	At amortised cost 2026 R'000	Total 2026 R'000	At amortised cost 2025 R'000	Total 2025 R'000
Cash and cash equivalents	158 491	158 491	439 133	439 133
Receivables from exchange transactions	4 578	4 578	3 418	3 418
Other financial assets	5 709	5 709	5 335	5 335
Deposits paid	796	796	616	616
	169 574	169 574	448 502	448 502

Total Financial Liabilities – Company

	At amortised cost 2026 R'000	Total 2026 R'000	At amortised cost 2025 R'000	Total 2025 R'000
Payables from exchange transactions	39 609	39 609	60 589	60 589
Finance lease obligation	29	29	581	581
	39 638	39 638	61 170	61 170

Capital risk management

The Board's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business.

The group manages its capital to ensure that the company will be able to continue as a going concern while delivering sustainable services to consumers through the optimisation of the debt and equity balance. The group's overall strategy remains unchanged from the prior year.

The capital structure of the group consists of debt, cash and cash equivalents and equity. Equity includes all Funds and Reserves of the company, presented in the Statement of Net Assets.

Financial risk management

The Board has overall responsibility for the establishment and oversight of the group's risk management framework. The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

Due to the largely trading nature of activities and the way in which they are financed, the group is exposed to various financial risks noted below. However, Financial Assets and Liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the group in undertaking its activities.

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

40. Financial instruments and risk management (continued)

The group manages the financial risks relating to the operations through internal policies and procedures. Compliance with policies and procedures is reviewed by the internal auditors on a continuous basis, and annually by the external auditors. The group does not enter into or trade financial instruments for speculative purposes. Further quantitative disclosures are included throughout these Annual Financial Statements.

Significant risks

The company has exposure to the following risks from its operations:

- Market risk;
- Interest rate risk;
- Credit risk;
- Liquidity risk.

Risks and exposures are disclosed as follows:

Market risk

The group ensures that it reviews its cash management strategies to ensure interest income is maximised.

There has been no change to the group's exposure to market risks or the manner in which it manages and measures the risk.

Interest rate risk

Potential concentrations of interest rate risk consist mainly of variable rate deposit investments, other receivables, bank and cash balances.

In the case of deposits received and paid, no interest is accrued on such deposits, which limits the group's exposure. The net effect of deposits received and paid is insignificant to the group's operations

Credit risk

The group has a sound credit control and debt collection policy and obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The group uses its own trading records to assess its major customers. The group's exposure of its counterparties are monitored regularly.

Potential concentrations of credit rate risk consist mainly of variable rate deposit investments, rental and lease debtors, other debtors, bank and cash balances.

Trade and Other Receivables are amounts owed by tenants and other organs of state are presented net of impairment losses. The group has a credit risk policy in place, but the exposure to credit risk is monitored on an ongoing basis. The group is compelled in terms of its constitutional mandate to collect all revenue due.

In the case of debtors whose accounts become in arrears, necessary actions are instituted against these debtors including a "restriction of services" However, as a last resort, accounts are "handed over for collection" as applicable in terms of Debt Management Policy.

There were no material changes in the exposure to credit risk and its objectives, policies and processes for managing and measuring the risk during the year under review. The group's maximum exposure to credit risk is represented by the carrying value of each financial asset in the Statement of Financial Position, without taking into account the value of any collateral obtained. The group has no significant concentration of credit risk, with exposure spread over a large number of entities, and is not concentrated in any particular sector or geographical area.

In compliance with the GRAP 104 simplified approach, the entity recognises a loss allowance for expected credit losses (ECL) on all financial assets measured at amortised cost, requiring recognition of the loss allowance for all trade receivables at lifetime expected credit losses from initial recognition until derecognition.

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

40. Financial instruments and risk management (continued)

The methodology for calculating impairment values on outstanding receivable balances is as follows:

- **Grouping of Receivables:** Receivables are grouped by similar credit risk characteristics. This involves distinguishing by receivable type: Business, Residential, and Other (including government, councillors, and employees).
- **Historical Period of Sales:** The model uses monthly exposure (gross balance due) at the year end
- **Historical Loss Rate:** The probability of non-payment (impairment probability) for each ageing bucket is estimated using a conditional probability approach, assessing the likelihood that a debtor will ultimately fail to settle their balance. These probabilities are derived from historical payment patterns and applied to each exposure group.
- **Adjustment for Current and Forward-Looking Information:** While GRAP 104 requires considering current conditions and reasonable, supportable forward-looking information, it was concluded that there is no significant evidence to suggest that current or forward-looking economic conditions materially impact debtor payment behavior beyond what is reflected in the historical data, particularly given the short-tailed nature of outstanding balances. The discounting of impairment values is not considered necessary as the impact is immaterial.
- **Calculation of Expected Credit Loss:** The expected loss rates are applied to the ageing profile of receivables at the reporting date to determine the total expected credit loss (ECL) amount.

The carrying amount of the receivables is reduced through the use of an allowance account with the movement (impairment loss or gain) being recognised in surplus or deficit.

a) Trade and Other receivables.

Trade and Other Receivables are amounts owed by subsidiaries, other organs of state and other receivables are presented net of ECL. The age analysis of these amounts are reviewed on a monthly basis and creditworthiness assessed. If the credit risk of any individual receivable is deemed to be material, the credit history of the relevant client will be verified. No security is held for these balances.

The table below reflects the maximum exposure to credit risk on trade and other receivables at the reporting date.

Group

2026

	Trade & other receivables – days past due				
	Current R '000	31 – 60 days past due R'000	61 – 90 days past due R'000	More than 90 days past due R'000	Total R'000
Gross carrying amount	70 773	3 149	2 921	28 915	105 758
Lifetime ECL	(2 961)	(533)	(458)	(17 731)	(21 683)
Net carrying amount	67 812	2 616	2 463	11 184	84 075
Expected credit loss rate	4.18%	16.93%	15.68%	61.32%	20.50%

2025

	Trade & other receivables – days past due				
	Current R'000	31 – 60 days past due R'000	61 – 90 days past due R'000	More than 90 days past due R'000	Total R'000
Gross carrying amount	25 508	3 752	2 673	31 259	63 192
Lifetime ECL	(2 977)	(655)	(660)	(19 231)	(23 523)
Net carrying amount	22 531	3 097	2 013	12 028	39 669
Expected credit loss rate	11.67%	17.46%	24.69%	61.52%	37.22%

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

40. Financial instruments and risk management (continued)

Controlling entity

2026

	Trade & other receivables – days past due				
	Current R '000	31 – 60 days past due R'000	61 – 90 days past due R'000	More than 90 days past due R'000	Total R'000
Gross carrying amount	4 438	152	–	–	4 590
Lifetime ECL	–	(12)	–	–	(12)
Net carrying amount	4 438	140	–	–	4 578
Expected credit loss rate	–%	7.89%	–%	–%	0.26%

2025

	Trade & other receivables – days past due				
	Current R'000	31 – 60 days past due R'000	61 – 90 days past due R'000	More than 90 days past due R'000	Total R'000
Gross carrying amount	2 625	714	143	–	3 482
Lifetime ECL	–	–	(64)	–	(64)
Net carrying amount	2 625	714	79	–	3 418
Expected credit loss rate	–%	–%	44.76%	–%	1.84%

Group

Reconciliation of loss allowance for trade receivables

	2026	2026	2025	2025
	Accounts not credit impaired R '000	Credit- impaired accounts R '000	Accounts not credit impaired R '000	Credit- impaired accounts R '000
Balance at the beginning of the year	313	23 210	1 661	21 781
New financial assets originated or purchased	74	861	93	2 201
Changes in risk parameters	225	2 265	27	10 032
Amounts written off	–	(127)	–	(8 085)
Unused amounts reversed	(455)	(4 683)	(1 468)	(2 719)
Balance at the end of the year	157	21 526	313	23 210

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

40. Financial instruments and risk management (continued)

Controlling entity

Reconciliation of loss allowance for trade receivables

	2026	2026	2025	2025
	Accounts not credit impaired R '000	Credit- impaired accounts R '000	Accounts not credit impaired R '000	Credit- impaired accounts R '000
Balance at the beginning of the year	-	64	-	21
Changes in risk parameters	-	(52)	-	60
Unused amounts reversed	-	-	-	(17)
Balance at the end of the year	-	12	-	64

Assumptions and judgements applied in the calculation of ECL of trade receivables in terms of the simplified approach for measuring impairment are detailed below:

To measure ECL, Trade and other receivables have been grouped by shared credit risk characteristics and days past due. Trade and other receivables include significant amounts of rentals debtors, services rendered, grants, subsidiaries and other organs of state debtors. The remaining balance comprises of other receivables which are insignificant.

Due to the relative short-term nature of trade and other receivables and constantly evolving credit criteria being applied, the impact of extrapolating the forward-looking information against credit variables was not material. It will, however, continue to be monitored and will be reassessed at each reporting date.

b) Cash and Cash Equivalents

The following table provides information about the exposure to credit risk and ECLs for cash and cash equivalents as at 31 March 2026

Group

2026 – GGDA Holdings

Institution	Account number	Account type	External credit rating	Gross carrying amount R'000	Loss allowance R'000
First National Bank	62217487265	Primary Account	BB-	23 234	-
First National Bank	62842007925	Primary Account	BB-	24 369	-
South African Reserve Bank	95281177	Call deposit	BB-	110 887	-
				158 490	-

2026 – AIDC

Institution	Account number	Account type	External credit rating	Gross carrying amount R'000	Loss allowance R'000
First National Bank	62220435079	Primary Account	BB-	630	-
South African Reserve Bank	95281606	Call deposit	BB-	239 017	-
				239 647	-

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

40. Financial instruments and risk management (continued)

2026 – CONHILL

Institution	Account number	Account type	External credit rating	Gross carrying amount R'000	Loss allowance R'000
First National Bank	62207353228	Primary Account	BB-	491	–
South African Reserve Bank	95281614	Call deposit	BB-	1 576	–
				2 067	–

2026 – GIDZ

Institution	Account number	Account type	External credit rating	Gross carrying amount R'000	Loss allowance R'000
First National Bank	62470832984	Public sector business account	BB-	252 646	–

2026 – TIHMC

Institution	Account number	Account type	External credit rating	Gross carrying amount R'000	Loss allowance R'000
First National Bank	62218078170	Cheque – Operations	BB-	5 593	–
First National Bank	62529826648	Cheque – GreenFund	BB-	5 615	–
First National Bank	62460640678	Cheque – Biopark Project	BB-	4 648	–
First National Bank	63164607724	Cheque – External Project	BB-	3 147	–
First National Bank	63164606958	Cheque – EkasiLabs	BB-	4 251	–
South African Reserve Bank	95281665	Call Deposit	BB-	6 743	–
ABSA	4070052217	Cheque – Operations		579	–
				30 576	–

2025 – GGDA Holdings

Institution	Account number	Account type	External credit rating	Gross carrying amount R'000	Loss allowance R'000
First National Bank	62217487265	Primary Account	BB-	12 826	–
First National Bank	62842007925	Primary Account	BB-	28 744	–
South African Reserve Bank	95281177	Call deposit	BB-	397 563	–
				439 133	–

2025 – AIDC

Institution	Account number	Account type	External credit rating	Gross carrying amount R'000	Loss allowance R'000
First National Bank	62220435079	Primary Account	BB-	5 067	–
South African Reserve Bank	95281606	Call deposit	BB-	209 253	–
				214 320	–

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

40. Financial instruments and risk management (continued)

2025 – CONHILL

Institution	Account number	Account type	External credit rating	Gross carrying amount R'000	Loss allowance R'000
First National Bank	62207353228	Primary Account	BB-	449	–
South African Reserve Bank	95281614	Call deposit	BB-	2 023	–
				2 472	–

2025 – GIDZ

Institution	Account number	Account type	External credit rating	Gross carrying amount R'000	Loss allowance R'000
First National Bank	62470832984	Public sector business account	BB-	318 910	–
				318 910	–

2025 – TIHMC

Institution	Account number	Account type	External credit rating	Gross carrying amount R'000	Loss allowance R'000
First National Bank	62218078170	Cheque – Operations	BB-	4 616	–
First National Bank	62529826648	Cheque – Green Fund Project	BB-	4 869	–
First National Bank	63164607724	Cheque – Biopark Project	BB-	2 098	–
First National Bank	4070052217	Cheque – Smart City	BB-	569	–
South African Reserve Bank	95201665	Call Deposit	BB-	7 642	–
				19 794	–

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board, which has built an appropriate liquidity risk management framework for the management of the group's short, medium and long-term funding and liquidity management requirements. The group manages liquidity risk by maintaining adequate reserves, banking facilities and negotiating access to additional funding with its shareholder. The group continuously monitors forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Group

	Less than 1 year R'000	Between 1 and 2 years R'000	Between 2 and 5 years R'000	Over 5 years R'000
At 31 March 2026				
Payables from exchange transactions	62 261	–	–	–
Deposits received	17 903	–	–	–
Finance lease obligation	130	–	–	–
At 31 March 2025				
Payables from exchange transactions	74 875	–	–	–
Deposits received	19 637	–	–	–
Finance lease obligation	2 890	239	–	–

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

41. Segment information

Controlling entity

	Less than 1 year R'000	Between 1 and 2 years R'000	Between 2 and 5 years R'000	Over 5 years R'000
At 31 March 2026				
Payables from exchange transactions	39 609	–	–	–
Finance lease obligation	29	–	–	–

	Less than 1 year R'000	Between 1 and 2 years R'000	Between 2 and 5 years R'000	Over 5 years R'000
At 31 March 2025				
Payables from exchange transactions	59 349	–	–	–
Finance lease obligation	552	29	–	–

The group has access to funding to be provided by the Gauteng Provincial Government for the 2026/2027 financial year in the amount of R777 million. The company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets. The company expects to maintain current debt to equity ratio.

General information

Identification of segments

The group is organised and reports to management on the basis of six major functional areas (Programmes): Gauteng Growth and Development Agency Holdings (GGDA), Supplier Park Development Company t/a Automotive Industry Development Centre (AIDC), The Innovation Hub Management company (TIHMC), Gauteng IDZ Development Company (IDZ), Constitution Hill (Conhill). Management uses these same programmes for determining strategic objectives.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

Types of goods and/or services by segment

Automotive Sector

The Automotive Industry Development Centre (AIDC) is a project-driven organisation which focuses on excellence in technical project implementation and service delivery. The AIDC manages the Automotive Supplier Park, an automotive supplier logistics node in Rosslyn, Pretoria which provides a unique value proposition to suppliers of original equipment manufacturers (OEMs) in Gauteng.

The purpose of the AIDC is to develop the automotive manufacturing sector to globally competitive standards of excellence through a world-class value proposition which enables effective and sustainable socio-economic growth.

Innovation Sector

The Innovation Hub Management Company (TIHMC) manages The Innovation Hub, which is southern Africa's first Science and Technology Park. TIHMC serves as a catalyst for innovation and entrepreneurship. It is an important driver of the knowledge and green economies in Gauteng.

The purpose of TIH is to establish and manage an enabling environment and initiatives that support innovation, enterprise development and skills development in targeted sectors, in order to contribute towards the growth of Gauteng's economy, creation of decent jobs and poverty alleviation.

Industrial Development Zone

The Gauteng IDZ (GIDZ) Development Company was formed to develop and operate the Industrial Development Zone (IDZ) at OR Tambo International Airport (ORTIA).

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

41. Segment information (continued)

Heritage Tourism Sector

Constitution Hill (Conhill) is a multi-million rand inner city regeneration project that has rejuvenated the site and uplifted the adjoining localities. The intention is to develop the available portions as iconic infrastructure in such a way that it is sensitive to the context, the architecture as well as the overall ambition of the stakeholders.

Segment surplus or deficit, assets and liabilities

Group – 2026

	Automotive Sector R'000	Innovation Sector R'000	Industrial Development Zone R'000	Heritage Tourism Sector R'000	Total R'000
Revenue					
Revenue from exchange transactions	82 420	113 412	183 032	117 914	496 778
Revenue from non-exchange transactions	206 851	22 375	88 754	21 626	339 606
Other income	2 946	552	–	4 123	7 621
Finance income	17 047	3 659	6 834	263	27 803
Total segment revenue	309 264	139 998	278 620	143 926	871 808
Expenditure					
Employee costs	111 741	63 554	30 126	20 608	226 029
Depreciation, amortisation and impairments	30 716	10 277	41 525	5 446	87 964
Gain or loss on disposal of assets and liabilities	74 968	2 118	20	87	77 193
Repairs and maintenance	11 306	2 552	3 208	14 493	31 559
Lease rentals on operating lease	–	–	28 474	–	28 474
General expenditure	135 795	67 844	70 419	47 889	321 947
Finance costs	69	1 234	11	38	1 352
Taxation	19 480	(2 130)	(14 315)	–	3 035
Total segment expenditure	384 075	145 449	159 468	88 561	777 553
Total segmental surplus/(deficit)	(74 811)	(5 451)	119 152	55 365	94 255
Assets					
Current Assets					
Receivables from exchange transactions	64 547	3 473	9 224	2 287	79 531
Cash and cash equivalents	239 647	30 576	252 646	2 067	524 936
Current tax receivable	–	237	2 039	500	2 776
VAT	361	–	11 980	384	12 725
Prepayments	4 442	2 870	1 882	583	9 777
Deposits paid	1 039	33	2 534	–	3 606
Operating lease asset	176	891	–	2	1 069
Inventories	–	–	–	34	34
	310 212	38 080	280 305	5 857	634 454

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

41. Segment information (continued)

Group – 2026

	Automotive Sector R'000	Innovation Sector R'000	Industrial Development Zone R'000	Heritage Tourism Sector R'000	Total R'000
Non-Current Assets					
Investment property	352 967	170 911	653 303	199 420	1 376 601
Property, plant and equipment	116 927	397 105	432 958	25 369	972 359
Intangible assets	453	207	–	318	978
Heritage assets	–	–	–	188 670	188 670
Other financial assets	1 882	18 564	–	–	20 446
Deferred tax	–	9 478	62 845	–	72 323
Operating lease asset	19 477	127	100 953	239	120 796
Prepayments	72	–	–	–	72
	491 778	596 392	1 250 059	414 016	2 752 245
Total segment assets	801 990	634 472	1 530 364	419 873	3 386 699
Equity and liabilities					
Current liabilities					
Finance lease obligation	51	7	14	29	101
Payables from exchange transactions	6 824	6 629	5 248	5 324	24 025
Provisions	16 907	6 539	4 211	2 629	30 286
Unutilised government grants	16 773	43 786	205 722	5 594	271 875
VAT payable	–	–	–	–	–
Deposits received	10 792	4 356	2 382	374	17 904
Current tax payable	5 624	–	–	–	5 624
	56 971	61 317	217 577	13 950	349 815
Non-Current Liabilities					
Operating lease liability	–	–	257 608	–	257 608
Deferred tax	18 516	–	–	–	18 516
Provisions	–	11 763	–	–	11 763
	18 516	11 763	257 608	–	287 887
Equity					
Contribution from owners	27	–	–	424 980	425 007
Accumulated surplus	726 476	561 392	1 055 179	(19 057)	2 323 990
	801 990	634 472	1 530 364	419 873	3 386 699

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

41. Segment information (continued)

Group – 2025

	Automotive Sector R'000	Innovation Sector R'000	Industrial Development Zone R'000	Heritage Tourism Sector R'000	Total R'000
Revenue					
Revenue from exchange transactions	104 654	154 081	162 678	61 567	482 980
Revenue from non-exchange transactions	195 703	21 480	76 915	14 787	308 885
Other income	12 043	865	19	1 479	14 406
Finance income	19 438	3 285	8 203	630	31 556
Total segment revenue	331 838	179 711	247 815	78 463	837 827
Expenditure					
Employee costs	105 182	61 154	28 937	20 032	215 305
Depreciation, amortisation and impairments	29 590	11 004	40 719	5 524	86 837
Gain or loss on disposal of assets and liabilities	516	(1 781)	10	75	(1 180)
Repairs and maintenance	12 463	1 602	3 973	4 852	22 890
Lease rentals on operating lease	–	–	28 483	–	28 483
General expenditure	127 250	50 721	38 413	42 167	258 551
Finance costs	178	1 528	28	96	1 830
Taxation	15 571	830	(7 184)	–	9 217
Total segment expenditure	290 750	125 058	133 379	72 746	621 933
Total segmental surplus/(deficit)	41 088	54 653	114 436	5 717	215 894
Assets					
Current Assets					
Receivables from non-exchange transactions	29 138	3 914	1 685	1 535	36 272
Cash and cash equivalents	214 320	19 794	318 911	2 472	555 497
Vat receivable	689	–	1 605	219	2 513
Current tax receivable	1 139	973	2 613	1 564	6 289
Other financial assets	–	–	–	–	–
Prepayments	4 148	1 857	1 650	580	8 235
Deposits paid	1 026	33	2 534	–	3 593
Inventory	–	–	–	96	96
Operating lease asset	5 002	485	–	5	5 492
	255 462	27 056	328 998	6 471	617 987

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

41. Segment information (continued)

Group – 2025

	Automotive Sector R'000	Innovation Sector R'000	Industrial Development Zone R'000	Heritage Tourism Sector R'000	Total R'000
Non-Current Assets					
Investment property	363 773	173 105	680 590	148 856	1 366 324
Property, plant and equipment	232 369	396 109	290 130	19 748	938 356
Intangible assets	563	1 074	–	318	1 955
Heritage assets	–	–	–	188 685	188 685
Other financial assets	–	17 466	–	–	17 466
Deferred tax	–	7 347	48 530	–	55 877
Operating lease asset	9 050	352	92 548	–	101 950
Prepayments	206	–	–	–	206
	605 961	595 453	1 111 798	357 607	2 670 819
Total segment assets	861 423	622 509	1 440 796	364 078	3 288 806
Equity and liabilities					
Current liabilities					
Finance lease obligation	917	713	156	552	2 338
Payables from exchange transactions	4 573	4 753	6 761	1 272	17 359
Provisions	14 511	5 611	3 622	2 519	26 263
Unutilised government grants	14 422	28 286	255 853	8 784	307 345
VAT payable	–	–	–	–	–
Deposits received	12 420	4 691	2 162	364	19 637
	46 843	44 054	268 554	13 491	372 942
Non-Current Liabilities					
Finance lease obligation	160	7	14	29	210
Operating lease liability	–	–	236 201	–	236 201
Deferred tax	18 212	–	–	–	18 212
Provisions	–	11 604	–	–	11 604
	18 372	11 611	236 215	29	266 227
Equity					
Contribution from owners	27	–	–	424 980	425 007
Accumulated surplus	796 181	566 844	936 027	(74 422)	2 224 630
	796 208	566 844	936 027	350 558	2 649 637
Total segment equity and liabilities	861 423	622 509	1 440 796	364 078	3 288 806

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

42. Prior-year adjustments

Presented below are those items contained in the statement of financial position, statement of financial performance and cash flow statement that have been affected by prior-year adjustments:

Statement of financial position

2024

	As previously reported	Correction of error	Change in accounting policy	Restated
Accumulated surplus	(2 520 059)	(592)	1 389	(2 519 262)

2025

	As previously reported	Correction of error	Change in accounting policy	Re-classification	Restated
Receivables from exchange transactions	40 785	(1 281)	(2 008)	(1 564)	(38 494)
Deposits paid	4 299	(90)	–	–	4 209
Deferred tax	55 549	376	(8)	–	55 917
Property, plant and equipment	943 624	25 057	–	–	968 682
Current tax receivable	4 761	2 491	–	1 564	8 816
Finance lease obligation	(2 910)	20	–	–	(2 890)
Payables from exchange transactions	(59 055)	(17 711)	–	–	(76 766)
Unutilised conditional government	(589 721)	8 841	–	–	(580 880)
Accumulated surplus	(2 736 729)	(20 265)	2 027	–	(2 754 967)
Non-controlling interest	(30 639)	–	(11)	–	(30 650)
	(2 370 036)	–	–	–	(2 370 035)

Statement of financial performance

2025

	As previously reported	Correction of error	Change in accounting policy	Restated
Revenue from exchange transactions	311 762	(3 196)	–	308 566
Revenue from non-exchange transactions	748 922	19 707	–	768 629
General expenditure	(378 596)	(4 346)	77	(382 865)
Depreciation, amortisation and impairments	(93 080)	3 481	–	(89 599)
Finance income	67 469	799	–	68 268
Taxation	(20 426)	2 749	(225)	(17 902)
	–	–	–	–
	636 051	19 194	(148)	655 097

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

42. Prior-year adjustments (continued)

Correction of errors

The following prior period errors adjustments occurred:

TIHMC

Receivable from exchange transactions

During the period under review it was discovered that management fees charged by property management company and operational expenses incurred by property management company on behalf of TIHMC, were not recorded as expenses. The expenses were netted off against the rental receipts from tenants which resulted to overstatement of trade receivables balance and understatement of general expense.

Deposit paid

Debtors balance incorrectly allocated to deposit account.

Revenue from exchange transactions

The restatement relates to grants received from MICT SETA incorrectly classified as revenue from exchange transactions rather than revenue from non exchange transactions. The error resulted to overstatement of revenue from exchange transactions and understatement of revenue from non exchange transactions.

It was also discovered that the management fees relating the implementation for the projects by TIHMC were not recorded as revenue resulting to understatement of revenue.

Property, Plant and Equipment

During the period under review, it was discovered that two generators, once purchased in 2023/24 and the other one purchased in 2024/25 financial year were incorrectly classified as work-in-progress under buildings rather than facility equipment. As a result, the two generators were not depreciated. This resulted to understatement of depreciation and overstatement of the carrying amount of Property, Plant and Equipment.

The restatement was also impacted by incorrect allocation of deemed grant from GGDA Holdings relating to Biopark Phase 3 project.

The error resulted to understatement of Property, Plant and Equipment and revenue from non exchange transactions.

Payables from exchange transactions

During the year, it was discovered that the unutilised grants received from MICT SETA were incorrectly recorded under payables from exchange transactions rather than unutilised conditional grants. This resulted to overstatement of payables from exchange transactions and understatement of unutilised conditional grant.

Finance lease obligation

Restatement relates to error that was made on the lease schedule when one printing machine was transferred from AIDC to TIHMC.

Finance income

The restatement is due to TIHMC not charging interest on outstanding debtors as required by debt management policy.

Depreciation

Electricity expense was incorrectly recorded as depreciation expense resulting to overstatement of depreciation expense and understatement of electricity expense under general expenses.

It was also discovered that provision for doubtful debt adjustment was incorrectly recorded as depreciation. This resulted to overstatement of depreciation expense and understatement of provision of doubtful debt under general expenses.

GIDZ

Depreciation, amortisation and impairments

The statement of financial performance included a line item on the face statement that read "Depreciation, Amortisation and Impairment". The line item included Trade Receivables Impairment amounting to R2 301 967.85 for the 2024/25 financial year which should have been under the general expenses. The amount was added to the General Expenses and deducted from the Depreciation, amortisation and impairment.

Revenue from Exchange transactions

The company entered into a lease agreement with a tenant Diamond cafe for the utilisation of the canteen with effect from October 2024, however the lease agreement was not accounted for in the prior year resulting in understatement of Revenue amounting to R119 515,76.

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

42. Prior-year adjustments (continued)

GGDA

Grants Transferred

The restatement was mainly due to incorrect allocation of grants transferred to TIHMC. The error resulted to the overstatement of unutilised conditional grants and understatement of payables from exchange transactions, revenue from non-exchange transactions and grants transferred to subsidiaries.

AIDC

Receivables from Exchange Transactions

The debt of a former employee has been accumulating interest. The interest has now exceeded the capital debt amount necessitating the reversal of interest accrued. Section 80 of the PFMA states that interest stops accruing as soon as the interest equals the capital debt. The impact of the error is decrease in other debtors and finance income amounting to R23 thousand. The opening accumulated surplus decrease by the same amount.

Change in accounting policy

The following change in accounting policies occurred:

GRAP 104 (Revised)

The entity has adopted GRAP 104 (Revised): Financial Instruments, effective 1 April 2025, in accordance with the transitional provisions of the standard as issued by the Accounting Standards Board (ASB).

GRAP 104 (Revised) introduces updated principles for the recognition, measurement, presentation, and disclosure of financial instruments, aligning more closely with international standards and improving the relevance and reliability of financial information related to financial assets and liabilities.

The adoption of GRAP 104 (Revised) has been applied retrospectively except where transitional provisions have been applied.

Reclassifications

The following reclassification adjustment occurred:

Conhill

The prior year figures have been restated due to the reclassification of Current tax receivable from Trade and other receivables to a separate line item within current assets on the face of the Statement of Financial Position. The amount reclassified was R1 564 000.

43. Accounting by principals and agents

The AIDC was a party to a principal-agent arrangement which has since ended at the end of February 2023. Details of the arrangement are as follows:

The AIDC and City of Tshwane (COT) have formed strategic partnership aimed at assisting Tshwane based small medium and micro enterprises (SMME's). AIDC will assist COT in fleet management (repairs and maintenance). AIDC recognises income in a form of admin fees and 5% of labour costs for repairs of the vehicles.

The following was considered in determining that AIDC is an agent:

- AIDC does not have the power to determine the significant terms and conditions of the transactions with service providers.
- The resources that result from the fleet services with the auto sector providers are substantially utilised by the party considered as the principal not AIDC. The City utilises the fleet as part of its service delivery to the community.
- COT is the party exposed to variability in the results of the transaction with the auto sector providers. AIDC facilitates the transaction between City and service providers and charges a management fee for its services.

AIDC is to ensure repairs and maintenance of COT fleet is done in accordance with OEM service standards and monitor the reprocess. COT is responsible for the payment of full services fees (repair cost, admin fee and the 5% of labour). There are no changes to the terms and conditions during the current reporting period.

Notes to the Group Annual Financial Statements for the year ended 31 March 2026

43. Accounting by principals and agents (continued)

The principal-agent relationship aimed to contribute to economic growth and job creation while supporting the governments automotive related objectives. Significant risk associated with the agreement was principal not being able to service the city should the agent not administer the repairs and maintenance in an efficient manner. Part of the strategy to mitigate the risk was to maintain good relations with principal and suppliers by having regular meetings and visits to workshops. The benefits of the relationship was being part of economic growth, especially towards SMME's which leads to job creation.

The AIDC has also entered into a principal-agent arrangement effective from 31 May 2024. Details of the arrangement were as follows:

Wesbank send cars to AIDC Chamdor hub to be repaired by the SMME's that are housed at the hub.

SMME's will quote Wesbank for Approval, once Wesbank approve the quotes provided by SMME's, repair work will commence. AIDC invoice Wesbank with 25% of labour.

The following was considered in determining that AIDC is an agent:

AIDC does not have the power to determine the significant terms and conditions of the transactions since the service provider will prepare the quotes that is sent to Wesbank for approval, AIDC only facilitates the transactions once the quotations are approved.

The resources that result from the fleet services with the auto sector providers are substantially utilised by the party considered as the principal not AIDC.

Wesbank is the principal as it directs the AIDC, through its binding arrangement, to undertake transactions with the Service Provision Partners (third parties) on its behalf and for its own benefits. AIDC facilitates transactions between Wesbank and service providers and charges a fee for its services.

Entity as agent

Resources held on behalf of the principal(s), but recognised in the entity's own financial statements. The remittance of resources during the period amounted to R2.2 million (2025: R314 thousand).

Revenue recognised

An amount of R143 thousand for revenue was recognised in the current financial year.

Liabilities and corresponding rights of reimbursement recognised as assets

Liabilities incurred on behalf of the principal that have been recognised by the company are all for repairs and maintenance of Wesbank fleet, amounting to R382 thousand (2025: R78 thousand).

There were corresponding reimbursement rights that have been recognised as assets amounting to R378 thousand (2025: R69 thousand).

44. Post reporting date events

AIDC

On 22 May 2026 the board of directors approved and finalised the termination of the lease agreement between the company and Nissan South Africa. The termination was primarily driven by the sale of Nissan South Africa's plant and operating assets to Cherry Automobile.

Included in the termination approval are movable assets with a carrying value of R6.5 million which were disposed of. This event represents a non-adjusting post-balance sheet event, and the financial statements for the year ended 31 March 2026 have not been adjusted. The financial impact of this disposal, including any associated termination costs or adjustments to residual values, will be recognised in the subsequent financial year.



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