# Integrated Report
for the year ended 28 February 2025

VUNANI
LIMITED

# Contents

# About this report

Vunani is an independent black-owned and -managed diversified financial services group with a unique positioning in the South African financial services sector. We aim to incorporate the principle of integrated thinking into our business and our reporting strives to demonstrate how what we do continues to sustainably shape not only the South African, but African financial landscape.

This integrated report also intends to provide detailed information that will help stakeholders analyse the group's economic, social, environmental, and governance performance. It encourages a standardised and efficient reporting process, improves our accountability to stakeholders, and encourages integrated thinking, decision-making, and action. The content is designed to provide stakeholders with a better understanding so that they can assess the group's ability to create and sustain value.

## Scope and boundary

The integrated report covers the financial period from 1 March 2024 to 28 February 2025. Vunani's reporting scope is limited to its reportable business segments, which are set out on pages 25 to 34. The content in this comprehensive report is valuable and relevant to stakeholders.

## Approach to reporting

Vunani strives to provide a holistic view of the group in one document and regards this process as a valuable opportunity to engage with its stakeholder groups. In compiling the report, we were guided by international and South African reporting guidelines and best practice including King IV™*, the International Integrated Reporting Framework issued in December 2013, as well as South African legislation including:

- Companies Act;
- JSE Listings Requirements;
- International Financial Reporting Standards; and
- SAICA Financial Reporting Guides as issued by the accounting practices committee.

The sustainability information has been compiled with cognisance of the Global Reporting Index (GRI) standards.

## Assurance

We undertake the following assurance to ensure reporting integrity:

| Business process | Nature of assurance | Assurance provider |
|---|---|---|
| Consolidated annual financial statements | External audit | BDO South Africa Incorporated |
| B-BBEE | B-BBEE scorecard review | Empowerlogic Proprietary Limited |
| B-BBEE | B-BBEE rating | Empowerlogic Proprietary Limited |
| Internal audit | Independent internal audit | MASA Risk Advisory Services |
| JSE Listings Requirements | Compliance with listings requirements | Vunani Sponsors |

# About this report continued

## Forward-looking statements

This integrated report contains forward-looking statements that, unless otherwise indicated, reflect the company's expectations as at 28 February 2025. Actual results may differ materially from the company's expectations if known and unknown risks or uncertainties affect its business, or if estimates or assumptions prove inaccurate. The company cannot guarantee that any forward-looking statement will materialise and accordingly, readers are cautioned not to place undue reliance on any forward-looking statements. The company disclaims any intention, and assumes no obligation, to update or revise any forward-looking statement, even if new information becomes available as a result of future events or for any other reason, other than as required by the JSE Listings Requirements.

## Board responsibility statement

The Vunani board of directors confirms its responsibility for the integrity of the integrated annual report, the content of which has been collectively assessed by the directors who believe that all material issues have been addressed and are fairly presented. The board believes that the integrated annual report was prepared in accordance with the International Integrated Reporting Framework. The report, which remains the ultimate responsibility of the board, is prepared under the supervision of the chief financial officer, Tafadzwa Mika CA(SA) and subject to both internal and external assurance. The report is submitted to the audit and risk committee, which reviews and recommends it to the board for approval having reviewed the contents, as well as the collation process, and with reliance on the assurance provided on the various reporting elements.

The board, after applying its collective mind to the preparation and presentation of the report, concluded that it was presented in accordance with the relevant standards, legislation and guidelines described in the "About this report" section and approved it for publication on 20 June 2025.

| | |
|---|---|
| Lionel Jacobs<br>*Independent non-executive chairman* | Ethan Dube<br>*Group chief executive officer* |
| Tafadzwa Mika<br>*Chief financial officer* | Mark Anderson<br>*Executive director* |
| Butana Khoza<br>*Executive director* | Nambita Mazwi<br>*Independent non-executive director* |
| Sithembiso N Mthethwa<br>*Non-executive director* | John Macey<br>*Independent non-executive director* |
| Gordon Nzalo<br>*Independent non-executive director* | Marcel JA Golding<br>*Non-executive director* |

## Feedback

A hard copy of this integrated report is available on request as well as online at https://vunanilimited.co.za/investor-relations/integrated-reports/

We are committed to improving this report each year and therefore, we appreciate and encourage constructive feedback. Please forward comments to: integratedreport@vunanicapital.co.za

# FY25 salient features

## HIGHLIGHTS

**Revenue and Insurance revenue**

▲ **R692.9m**
(2024: R665.2m)

**Operating profit of**

▲ **80.0m**
(2024: R55.2m)

**Ordinary dividend declared of**

▲ **35.0c**
(2024: 9.0c)

**Loss per share of**

▼ **7.1c**
(2024: Earnings per share of 9.0c)

# Chairman's and chief executive officer's report

**Lionel Jacobs**
*Independent non-executive chairman*

**Ethan Dube**
*Chief executive officer*

Vunani managed to navigate a difficult and volatile operating environment owing to sluggish economic growth, which weighed heavily on our businesses in the financial services sector. Notwithstanding these challenges, in the latter half of the year, we saw a slight uptick in equity markets, which positively impacted growth in our funds under management. We were encouraged by the lowering of interest rates, although it was at a much slower rate than we had anticipated. The stall in a rate decrease was largely due to macroeconomic factors such as the presidential elections in the United States in November 2024. Interest rate cuts only resumed recently as market conditions eased.

## OPERATING ENVIRONMENT

Our asset management division experienced notable stability, reversing the continuous decline in assets under management seen in prior years. We transitioned from a period of asset losses in previous years to a more stable operating environment. Having stabilised, our focus will be on pursuing growth, although we are cognisant of the challenging environment given a lacklustre economy and high levels of unemployment. We therefore believe that business growth will require a certain degree of consolidation.

While our financial results have fallen short of expectations, looking forward we expect them to improve as the operating environment continues to recover. We are exploring ways to fast track the facilitation of consolidation in the market.

During the year, we progressed our strategy to expand into countries within the SADC region. We have established an asset management branch in Lesotho and have set up an office in Namibia, while our established operations in Eswatini and Botswana continue to progress well. We can confidently state that we have made solid progress in the regions initially targeted for expansion. In the short to medium term, we will be looking to expand our operations in Zimbabwe and Zambia. We had previously taken a cautious approach to our expansion in Zimbabwe due to currency-related challenges. However, having seen increased signs of stability, we now believe it is the right time to scale the business and adopt a more aggressive approach to the market.

## FINANCIAL OVERVIEW

Revenue and insurance revenue for the group increased to R692.9 million (2024: R665.2 million) for the year. Other income, which relates to non-core income generated from the group's various businesses, decreased to R6.9 million (2024: R19.4 million). The interest received from investments increased significantly to R36.4 million (2024: R0.7 million) due to improved returns from the insurance-related investments. Total investments income for the year amounted to R9.8 million compared to R0.7 million in the prior year. The increase is due to the improved performance of underlying investments. Negative fair value adjustments of R34.0 million (2024: positive R5.5 million) relate to an increase in insurance liabilities.

As a result, the group made a loss of R3.1 million, compared to a profit of R24.2 million in 2024. Overall, all segments experienced a tough operating environment except the asset administration segment. All segments are expected to contribute to the group's profitability, and management will be looking to work closely with the underlying businesses to help improve overall performance. See the CFO's report page 23 for more details.

## DIVIDEND

The group has declared a final dividend of 35.0 cents (2024: 9.0 cents). This aligns with our goal of achieving attractive and long-term growth in operational profit while also paying a growing dividend to shareholders.

## GOVERNANCE

Our board continues to provide clear and concise guidance to the executive under the guidance of our chairman.

We remain committed to maintaining our status as a good corporate citizen. We are guided by our purpose and values to carry out ethical business practices which are central to everything we do.

## APPROACH TO SUSTAINABILITY

We operate in what we would consider to be a community, and though we are focused on growing a profitable business, we are equally committed to giving back to society. This is exemplified by our upskilling initiatives such as the Vunani Coronation Training Academy, which celebrated its 21-year anniversary this year as Africa's only dedicated training academy for equity investment analysts. Since 2004, it has offered intensive on-the-job training and mentorship, producing more than 30 alumni who have gone on to take up senior leadership positions in various industries. The academy extended its capacity from training two analysts at a time to four, with plans in place to continue strengthening and growing the programme.

We also sponsor organisations that coach aspiring financial services professionals, which forms part of our targeted area of training and education. In addition, Vunani sponsors students at different universities. These initiatives reflect our broader commitment to education and capacity building within the industry.

## OUR PEOPLE

People are our biggest and most critical asset and we are committed to ensuring that the people working in the organisation receive proper development and support as much as possible. We are proud of our team which continues to work remarkably hard given the challenging operating environment. Their ongoing commitment and dedication is vital for the success and longevity of the business.

## PROSPECTS AND OUTLOOK

Our outlook remains positive. We are seeing signs of improvement in the business. From a macroeconomic perspective, we view the South African Rand gaining strength and the lowering of interest rates by the South African Reserve Bank as positive developments and believe this will provide much-needed support for economic growth. In our view, the South African Reserve Bank has taken the correct approach in revising its inflation target.

Further, we would like to grow our business through strategic partnerships by forming alliances such as the one we have formed with the Old Mutual Group. We believe these will help us unlock value, and going forward, we will continue exploring this option.

We are therefore cautiously optimistic and believe we are well-positioned to benefit from any growth that may arise from the economy going forward.

Looking forward, we are quite optimistic that we will now begin to sweat our platforms to ensure we drive our business as hard as we can in order to unlock further value for our shareholders. We can confidently state that we have made solid progress in the regions initially targeted for expansion. In the short- to medium-term, we will be looking to expand our operations in Zimbabwe and Zambia.

# Chairman's and chief executive officer's report continued

## APPRECIATION

We sincerely appreciate the continued support of all our stakeholders and loyal clients. We are especially grateful to our dedicated and committed staff, whose resilience and hard work have been invaluable during a challenging operating period. We also thank the board and its subcommittees for their consistent guidance and oversight in helping us stay aligned with our strategic direction.

Further, we extend our appreciation to our steadfast business heads, who continue to lead their respective segments with purpose and clarity, contributing significantly to the ongoing enhancement of the group's value proposition and market standing.

**Ethan Dube**
*CEO*

**Lionel Jacobs**
*Chairman*

20 June 2025

We are therefore cautiously optimistic and believe we are well-positioned to benefit from any growth that may arise from the economy going forward.

# 01 OUR BUSINESS AT A GLANCE

# Who we are

Vunani is an independent, black-owned and -managed diversified financial services group with a robust operational platform that supports an innovative and fully integrated range of products and services. The company is owner-managed by professionals who have a passion for entrepreneurship and has solidified its position as one of the country's leading boutique providers.

## Vunani's history

Vunani was founded in the late 1990s and was first listed on the JSE's AltX in November 2007, before being transferred to the main board in 2019. The company transferred to the General segment of the JSE in October 2024. From inception, the group's goal was to gain a competitive advantage by implementing meaningful Broad-Based Black Economic Empowerment and consistently providing the best services and expertise available in the local financial services sector. Over the past two decades Vunani has created a robust and acknowledged footprint in South Africa and the rest of Africa. It has established a distinct market position through its commitment to BEE and the retention of a top-tier management team. Vunani has become a force to be reckoned with both at home and internationally, thanks to the strength and breadth of its structure.

## How we evolved

Vunani is a diversified black-owned and operated financial services company with a unique position in the South African financial services sector. Vunani has established itself as one of the country's premier boutique providers, led by individuals with a love for business. Its stable operating foundation underpins an innovative and fully integrated suite of products and services that can be tailored and bundled to meet the demands of public and private sector clients.

### Mission

To be South Africa's foremost boutique financial services group.

### Vision

To differentiate the group through a strong focus on its commitment to BEE and operating businesses. Recruitment of high-calibre management and staff, coupled with the prudent and successful management of these businesses, is core to the group's strategy and the way in which it does business.

## KEY MILESTONES

**1998**
Established as a wholly-owned subsidiary of African Harvest Limited

**2002**
First management buy-out acquiring all of African Harvest Limited operating businesses

**2004**
Second management buy-out and establishment of the Vunani brand

**2005**
Absa Bank Limited acquired a 20% interest in the group

**2007**
Listed on the JSE AltX in November

**2011**
Property portfolio listed on JSE Limited's main board (Vunani Property Investment)

**2014**
Disposal of property management company which controlled Vunani Property Investment Fund

**2015**
Acquisition of 70% interest in Fairheads Benefit Services

**2018**
The group continues to focus on growing its operating businesses

**2019**
Acquisition of Oracle Insurance Eswatini

Secondary listing on A2X

Application to transfer Vunani's listing from the JSE AltX to the Main Board

**2020**
Acquisition of Vunani Fund Managers Botswana Proprietary Limited

**2021**
Unbundling of Vunani Capital Partners and positioning as purely financial services business

**2022**
Acquired 50% in the Verso Group through Vunani Capital

**2024**
Transferred listing to the General Segment of the Main Board of the JSE Limited

**2025**
Concluded the sale of 30% of FBS to Old Mutual

Celebrated the 21st anniversary of the Vunani Coronation Training Academy

## Group business

**Vunani Limited**

Fund management | Asset administration | Investment banking | Insurance

## Our African footprint

**BOTSWANA**
- Gaborone

**ESWATINI**
- Mbabane

**SOUTH AFRICA**
- Johannesburg (head office)
- Cape Town

**NAMIBIA**
- Windhoek

**LESOTHO**
- Maseru

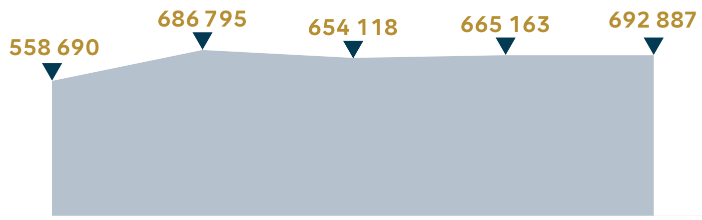

# Our investment case

The key attributes that differentiate us from our peers and protect us from competitors are outlined below:

- Our leadership team focuses on a safe and sustainable operational delivery as an enabler for growth
- We look to maintain responsible business behaviour which impacts positively on all stakeholders and increases long-term shareholder value
- B-BBEE ownership of 68%
- High-calibre and competent management and staff
- Financial boutique business with diverse revenue streams
- Strong focus on cost and cash management and capital allocation
- Key player in the financial markets
- Identifying and optimising investment opportunities in Africa's fast-growing markets
- Strong group liquidity and balance sheet position
- Technical institutional memory embedded in the leadership team
- Innovating through technology
- Responsible corporate citizen
- Meaningful growth opportunities across digital and financial sector

# Five-year financial review

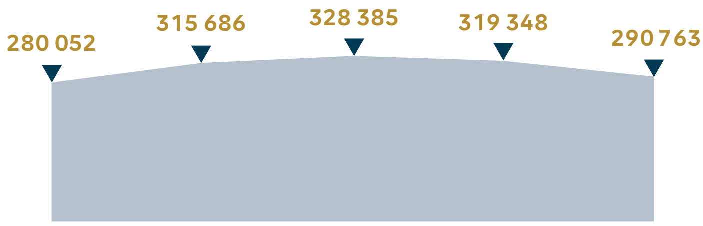
## Statement of comprehensive income




### Total revenue (R'000)

| | Feb 2021 | Feb 2022 | Feb 2023 | Feb 2024 | **Feb 2025** |
|---|---|---|---|---|---|
| Results from operating activities (profit) (R'000) | 10 439 | 107 388 | 96 951 | 62 004 | **20 713** |
| Profit/(loss) for the year (R'000) | (159) | 71 704 | 5 416 | 24 215 | **(3 127)** |
| Headline earnings (loss) (R'000) | 11 597 | 55 566 | 47 791 | 12 753 | **(4 554)** |
| Headline earnings/(loss) per share (cents) | 7.2 | 34.7 | 30.1 | 7.4 | **(2.8)** |

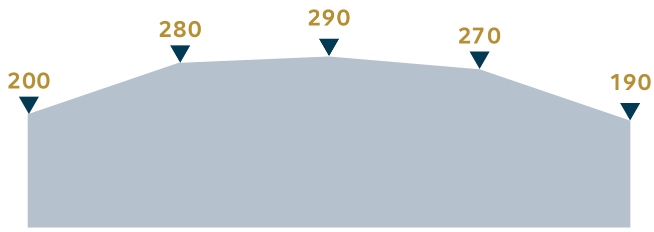
## Statement of financial position




### Equity attributable to equity holders (R'000)

| | Feb 2021 | Feb 2022 | Feb 2023 | Feb 2024 | **Feb 2025** |
|---|---|---|---|---|---|
| Total assets (R'000) | 1 191 268 | 1 236 794 | 1 359 623 | 1 379 074 | **1 618 989** |
| Total liabilities (R'000) | 857 784 | 855 741 | 959 774 | 989 210 | **1 257 733** |
| Net asset value per share (cents) | 173.8 | 195.9 | 203.8 | 198.2 | **180.4** |

## Share price statistics




### Number of shares in issue at year end ('000)

| | Feb 2021 | Feb 2022 | Feb 2023 | Feb 2024 | **Feb 2025** |
|---|---|---|---|---|---|
| Closing price at end of the year (cents) | 2 | 280 | 290 | 270 | **190** |
| Closing high for the year (cents) | 275 | 300 | 300 | 290 | **270** |
| Closing low for the year (cents) | 116 | 245 | 260 | 260 | **180** |
| Volume traded during the year ('000) | 3 200 | 7 965 | 2 192 | 4 318 | **5 110** |
| Ratio of volume traded to shares in issue (at year-end) (%) | 1.99 | 4.94 | 1.36 | 2.68 | **3.17** |

# 02 OUR STRATEGY

# Strategy

Vunani is driven to achieve a positive and consistent return for shareholders while sustaining a healthy capital structure and utilising capital to maximise stakeholder value. We follow a value creation process that is purpose driven and is constantly reviewed to ensure that what we do continues to sustainably shape not only the South African but African financial landscape.

Guided by our vision, our strategy speaks to the key attributes we believe are necessary for a sustainable financial services business to build on its mission to become Africa's foremost boutique financial services group.

As a financial services provider, we play an integral role in the economic life of individuals, businesses and communities. We therefore take an integrated approach in identifying factors that enable us to make sustainable decisions in the short, medium and long-term.

The success of how we create value is determined through the achievement of the following key goals:

| Add value for our shareholders and other stakeholders | Be a good and responsible corporate citizen | Making a real contribution to socio-economic transformation in South Africa |
|---|---|---|
| ▶ Maintain an integrated portfolio of products and services;<br>▶ Strive to improve our financial results every year;<br>▶ Enable our clients to achieve their goals;<br>▶ Maintain a culture of engagement;<br>▶ Aim for continual improvements in products and processes;<br>▶ Use best-practice employment policies and procedures; and<br>▶ Leverage off strategic partnerships. | ▶ Adhere to all appropriate legislation, regulations and requirements<br>▶ Adhere to the codes of good practice outlined in King IV™<br>▶ Take guidance from international best practice in corporate governance | ▶ Facilitate meaningful and goal-driven transformation in South Africa<br>▶ Live our commitment to this objective at Vunani, which is an independent, black-owned and -managed group<br>▶ Consistently commit to the principles of B-BBEE and the goals of the National Development Plan ("NDP") |

## Strategic value unlocks

We aim is to articulate our value creation as clearly as we can and look to use our unique positioning in the South African financial services market to bring it to life through the interactions of our leadership, management, clients and communities.

Our strategy gives us a clear framework of where we want to focus as a purpose-led organisation and helps us achieve the following:

- Strong focus on cost and cash management and capital allocation
- Maintaining strong group liquidity and balance sheet position
- Innovating through technology
- Being a responsible corporate citizen

## Our strategic scorecard

| Strategic objective | Strategic response | 2025 performance | Looking forward |
|---|---|---|---|
| Achieve a positive and consistent return for shareholders | ▶ Focus efforts on organic growth, intergroup collaboration and synergies<br>▶ Addition of new products/ service offerings for clients<br>▶ Closely monitor capitalisation of each business and redeploy capital accordingly<br>▶ Identify new complementary business opportunities in SADC | ▶ Helped with the growth of the underlying businesses in the group<br>▶ Identified and evaluated opportunities that are accretive to the group<br>▶ Established new businesses in Namibia and Lesotho<br>▶ Continued to maximise synergies within the group to grow underlying businesses | ▶ Focus on growing businesses in SADC area<br>▶ Focus on partnerships with strategic partners to grow underlying businesses |
| Maintain an optimal capital structure relative to the strategic objectives of the group | ▶ Maintain good relationships with bankers<br>▶ Identify additional sources of capital for businesses | ▶ Maintained continuous engagements with current and potential debt and equity funders<br>▶ Continued to improve our credit control and cash management<br>▶ Improved our framework for cash and capital allocation and monitoring | ▶ Identify strategic opportunities with funding partners to assist in growth of the group |
| Maintain a robust and steady infrastructure that supports and facilitates opportunities in each segment<br>Innovate through technology and systems to optimise across business units | ▶ Invest in the right level of infrastructure that has sufficient capacity, backup and redundancy to support the operational requirements of the group<br>▶ Increase interaction with clients and service providers to understand changing needs, business requirements and available solutions | ▶ Continued development of software to upgrade client servicing<br>▶ Adopted cloud-based platforms | ▶ Review of IT platforms to identify opportunities to save costs<br>▶ Develop an impactful customer relationship management system |
| Investing in talented individuals to ensure that each segment is driven by experienced leaders and staffed by skilled people who share in the group's vision | ▶ Employ qualified individuals with the requisite skill set<br>▶ Develop our people through formal and informal training programmes based on their individual career progression objectives<br>▶ Appropriately reward staff for performance through short-term incentives ("STIs") and long-term incentives ("LTIs"), which are uncomplicated and transparent | ▶ Continued with a focus on ensuring the right people are placed in the businesses to execute the group's vision<br>▶ Continued to award staff with STIs and LTIs | ▶ Provide internal and external training to upskill staff<br>▶ Increase team building exercises to elevate staff performance |
| Continue to improve and sustain our B-BBEE rating | ▶ Contribute to the societies that we operate in<br>▶ Support transformation through:<br>  ▶ Employment practices<br>  ▶ Supplier and enterprise development<br>  ▶ Upskilling staff | ▶ Continued to improve diversity through employment equity objectives<br>▶ Achieved Level 1 scorecard | ▶ Maintain the current B-BBEE scorecard rating |

# Our business model

## Our inputs

### Financial Capital

The multi-source pool of funds that supports operating activities group-wide and enables the businesses to execute their respective focused business strategy.

- Share capital of R696.5m (2024: R696.5m)
- Operational cash flow (utilised)/generated (R9.4m) (2024: R27.8m)
- Financial liabilities advanced nil (2024: R17.9m)
- Financial liabilities repaid of R11.5m (2024: R22.6m)

### Human Capital and Intellectual Capital

Our people in their discipline teams, their niche skills-sets, knowledge bases and experience, within our group culture, supported by our systems and processes – and how these are applied to add value to our products and services. This accumulates into our IP assets of institutional memory, brand and reputation.

- Continued investment in up- and on-skilling staff
- R0.4m (2024: R3.3m) investment in systems and process development

### Social and Relationship Capital

The loyal network of our key stakeholders and the supportive dialogue that informs an effective group strategy.

- 1 333 shareholders at 28 February 2025
- Continued investment in community development initiatives

Memberships:

- The South African Institute of Chartered Accountants (www.saica.co.za)
- The South African Institute of Stockbrokers (www.sais.co.za)
- The Chartered Financial Analyst Society of South Africa (www.cfasociety.org/southafrica)
- The Investment Analysts Society of Southern Africa (www.iassa.co.za)
- The JSE (www.jse.co.za)
- The Institute of Directors of Southern Africa (www.iodsa.co.za)
- The Association of Black Securities and Investment Professionals (www.absip.co.za)

### Natural Capital

Our accountability for appreciation and preservation of natural resources consumed and deployed in delivery of our products and services, particularly, as a financial services group how our concerns in this regard impact on deploying financial capital.

- Focus on recycling paper and computer equipment to minimise carbon footprint

## Our business activities

### Asset administration

Primarily administration of death benefits on behalf of minor dependents of deceased members of our retirement fund.

- Revenue of R213.3m (2024: R205.5m)
- Assets under administration R10.9bn (2024: R10.6bn)

### Fund management

Fund management services to institutional, corporate and retail clients via single-asset and multi-asset class funds (equity; bonds; money market).

- Revenue of R136.1m (2024: R165.4m)
- Funds under management R46.0bn (2024: R53.7bn)

### Insurance

Insurance services included provision of short-term insurance and medical aid as well long-term life insurance and employee benefits.

- Revenue of R278.1m (2024: R236.5m)

### Investment banking

Institutional securities broking, advisory services including JSE sponsor, M&A and bond origination:

#### Advisory services

- Revenue of R28.3m (2024: R29.3m)

#### Institutional securities broking

- Revenue of R37.1m (2024: R28.4m)

## Two key strategic objectives

Growth | Diversification

Our focus areas:

- Focus on adding new products/services on current platform
- Focus on maximising synergies in financial services businesses
- Invest in IT systems to help improve quality of service to our clients
- Improve client interaction to help retain key clients
- Identify acquisition opportunities in financial services business in SADC
- Implementation of LTIs to retain key staff

## Value we have created

### For our shareholders

- (Loss) for the year (R3.1m) (2024: Profit of R24.2m)
- Segment profit as follows:
  - Fund management loss R14.2m (2024: Profit of R9.5m)
  - Asset administration R34.6m (2024: R34.6m)
  - Insurance loss of R3.6m (2024: loss of R7.6m)
  - Investment banking loss of R19.9m (2024: loss of R12.4m)
- Financial liabilities repaid of R11.5m (2024: R22.6m)
- Share price high of 270c (2024: 290c)
- Dividends paid of R14.4m (2024: R31.8m)
- Tax to national fiscus R28.9m (2024: R33.7m)

### For our people

- 391 employees (2024: 386 employees)
- 68% (2024: 70%) of staff are female
- R290.2m (2024: R282.2m) spent on salaries
- Staff participated in LTI scheme

### For our communities and country

- Monetary donations to schools in areas that we operate in
- Monetary donations to communities in areas that we operate in
- Enterprise and supplier development initiatives to support small businesses
- R28.9m (2023: R33.7m) paid in taxes

### For the environment

- Recycling of old IT equipment
- Purchasing refurbished IT equipment
- Use of rain water tanks at Sandton offices

## Our trade-offs

We acknowledge that the following have a short-term reductive effect on financial capital. The trade-off is that these are key drivers of the long-term sustainability of the group:

- Expansion of existing businesses through investments in SADC
- Diversification of our offering and expansion of our footprint
- Investment in up- and on-skilling our people and improving systems and processes
- Spend on good corporate citizenry including: regulatory compliance; preserving natural resources; contributing to socio-economic transformation in South Africa
- Expansion boosts financial capital over the long-term and offers value to our human capital by offering ever-widening opportunities for cross-skilling, learning and movement within the group and our operating regions. Similarly spend on good corporate citizenry helps build our social licence to operate with authorities and communities.

We further deem certain time and resource input critical to the outcome we are intending to create, albeit while acknowledging the trade-off as it diverts some focus from core business. This is most true with regard to stakeholder engagement.

As we consider stakeholder relations to be central to our long-term sustainability, this trade-off is acceptable to the group as it enables a well-informed strategy which can deliver gains in all other capitals.

## Three key success measurables

- Adding value for our shareholders and other stakeholders
- Being a good corporate citizen
- Making a real contribution to socio-economic transformation in South Africa

# Material matters

We define material matters as matters that are important to our strategy in terms of mitigating risks in order to continue generating revenue and staying profitable. We view them as issues that may influence our ability to create value in the short-, medium- and long-term.

Our approach to the material matters follows the principle of materiality, which is essential in assessing the information that could influence the group's strategy, decisions and trade-offs around the six capitals which are discussed in detail on pages 14–15.

## Determining our material matters

The group undertakes an annual process to identify the key issues that are expected to have a material impact on its operations. The defining and mitigation planning processes result in the formulation of strategic plans that are presented to and endorsed by the board.

The following factors are what help us determine our material matters:

- Group strategic objectives
- Legislative and regulatory framework
- Business strengths and weaknesses
- Human, manufactured, intellectual, social and financial capital resources

In following these factors, we have identified four material matters that we reported on in order to provide adequate information to our stakeholders for their decision-making.

The below material matters were identified by the group:

| Issue | Opportunity |
|---|---|
| **Focusing on client needs** | ▶ Seeking innovative digital solutions to enhance client satisfaction<br>▶ Ensuring fair outcomes for clients<br>▶ Effectively managing client demands |
| **Achieving set financial outcomes** | ▶ Delivering sustainable growth for shareholders<br>▶ Maintaining a strong balance sheet<br>▶ Resiliently managing cash and capital allocation |
| **Increased financial pressure due to geopolitical uncertainty** | ▶ Maintaining a dynamic approach to risk appetite |
| **Actively creating a sustainable and carbon free future** | ▶ Consciously investing in businesses that look to reduce their carbon footprint by 2050<br>▶ Actively managing waste at all Vunani offices |

# Risk management

Vunani operates in a highly regulated environment and the board acknowledges that, with assistance from the audit and risk committee, it is accountable for the risk management processes as well as the systems of internal control.

## Key risks and mitigating controls

Risk management is a central part of the group's strategic management. It is a structured process whereby risks associated with the group's activities are identified and plans are put in place to manage and mitigate those risks.

The process to identify the key risks and areas of focus is summarised below:

- Identify key business objectives
- Identify events that could impact the achievement of these objectives
- Assess the inherent likelihood and potential impact of these events
- Consider the controls that have been implemented to mitigate the risk and their effectiveness in order to determine the level of residual risk
- Where the residual risk is not allayed to an acceptable level, implement additional procedures

## Objectives and approach

The group's risk management objectives ensure that strategic and operational risks are identified, documented and managed appropriately. Risk management forms an integral part of normal business practice, with a culture of risk awareness promoted throughout the group.

Key to this is management working together to identify the significant risks that the group faces and developing mitigation plans. This includes implementing appropriate internal controls and identifying risk owners to take responsibility for individual risks and the management of those risks.

Vunani is exposed to a wide range of risks, some of which may have a material impact. Identifying these risks and developing plans to manage them is part of each business unit's directive.

Group management assesses these risk registers periodically and the board, through its audit and risk sub-committee, receives assurances from senior management regarding the effectiveness of the risk management process. The board remains responsible for overall risk management.

Risk management plans and processes are presented, discussed and approved at audit and risk committee meetings in line with the audit and risk committee's work plan for the year. The process encompasses both an enterprise-wide risk assessment and divisional assessments. The plans and processes include risk registers detailing significant strategic and operational risks facing the group, existing controls, perceived control effectiveness and the level of risk tolerance.

Risks that are below acceptable tolerance levels require a plan for the implementation of additional controls and management's actions to bring these risks within acceptable levels.

Internal audit provides a written assessment of the system of internal controls, including financial controls and risk management processes, and conducts annual reviews to assess the adequacy of the risk management process. To meet its obligations, internal audit has to work with underlying businesses and design, test and embark on a combined assurance review process that is risk-based and draws upon appropriate functional expertise.

Furthermore, each operating subsidiary that is subject to regulatory supervision has an appointed compliance officer who is responsible for liaising with the regulator and ensuring compliance with all the relevant regulations.

The process described above is undertaken both at group level and at an operating entity level.

# Risk management continued

Key


| Capital | Key risks identified | Probability assuming no mitigating controls | Impact | Mitigating controls |
|---|---|---|---|---|
| **Financial capital** | The group's ability to meet its financial obligations and the maintenance of working capital. |  |  | ▶ Executive committee manages a dashboard of metrics, designed to ensure that the group has a good sense of how individual businesses are performing and ensure timeous response to adverse developments.<br>▶ Daily cash management by heads of operating businesses.<br>▶ CFO, and ultimately the CEO, responsible for overall group cash management.<br>▶ Monthly management meetings with each operating business to track financial performance, cash generation and changes to the business environment.<br>▶ Executive management supports non-performing business areas and assists them to return to profitability.<br>▶ Financial management process includes profit and cash flow forecasts, taking changes in the business environment into account.<br>▶ Board analysis of group's performance and its ability to meet its obligations on both a short- and long-term basis. |
| | Unnecessarily expending resources on activities that will not yield the desired objectives. |  |  | ▶ Strategy review is embedded into regular interaction between group management and subsidiary executives.<br>▶ Group executives and heads of business formulate strategy based on group's objectives. This is documented and implementation monitored. |
| **Human capital** | The inability to attract and recruit and retain competent, skilled, experienced and talented individuals. |  |  | ▶ Recruitment and assessment procedures go beyond the conventional and decisions around key skills are discussed at different levels of the organisation.<br>▶ Importance given to reward and incentive mechanisms at all levels.<br>▶ Combination of market-related salaries and short- and long-term incentives. |
| **Social and relationship capital** | The evolution of BEE and transformation legislation and its increasing imperative means that the current level of compliance may not be sufficient to secure business |  |  | ▶ BEE is integral to doing business and transformation-centric processes are embedded into each business.<br>▶ Periodic interactive workshops at each business to formulate a strategy to improve BEE ratings. |

| Capital | Key risks identified | Probability assuming no mitigating controls | Impact | Mitigating controls |
|---|---|---|---|---|
| **Intellectual capital** | Group subsidiaries operate in a highly competitive market where the products are relatively commoditised. Price and service factors are an important consideration, which could have a significant impact on the performance. |  |  | ▶ Operational management keeps abreast of environmental developments ensuring products and services remain relevant and in demand.<br>▶ Monitoring and tracking of progress in product and business development activities.<br>▶ Client relationship management and retention are an integral part of management's functions. |
| | Insufficient and/or inappropriate risk management and mitigation processes at a group and operational level. |  |  | ▶ Group risk is assessed from the top-down, as well as bottom-up, based on the potential risks to achieving strategic objectives.<br>▶ Operating businesses consider risks that are particular to their respective businesses.<br>▶ Risks are documented in risk registers, categorised in terms of priority and submitted to the group audit and risk committee. |
| | Non-compliance in terms of the regulations that govern the various business activities within the group, some of which are onerous. |  |  | ▶ Dedicated personnel appointed at operational level to monitor compliance and interact with regulators as required. |
| **Manufactured capital** | Significant reliance on information technology and communication systems. This is a pervasive risk that affects the group as a whole. |  |  | ▶ IT Steerco as well as an outsourced IT service provider manages relationships with internal stakeholders and all external service providers to ensure that a high service level is maintained.<br>▶ IT Steerco and IT service provider ensure that the group's IT strategy is appropriately formulated and implemented in the most cost-effective manner.<br>▶ A separate IT risk register is maintained and processes are put in place to ensure that the key IT-related risks are mitigated to an acceptable level.<br>▶ Invested in additional IT software to help mitigate the increased cyber risk. |

# Risk management continued

## Combined risk assurance model

The group has adopted a combined risk assurance model to manage its risk. The model was designed to provide an assurance map to indicate who assures what risk and to whom this assurance is reported. It is a tool to assess and improve the functionality of the "lines of defence" applicable to each risk.

The "four lines of defence" are reflected in the model below.

| | People and processes | Management supervision and oversight | Risk management and compliance | Internal audit action | Board committee oversight | Independent external assurance |
|---|---|---|---|---|---|---|
| **Top-down approach** | Risk register combined risk assurance model | Subsidiary boards | Chief financial officer | Review, advisory, report to audit and risk committee | Audit and risk committee | Review, advisory, report to audit and risk committee |
| **Combined risk assurance process** | Line 1 | | Line 2 | Line 3 | | Line 4 |
| **Bottom-up approach** | Enterprise risk assessment process by subsidiaries, feeding into risk register | Subsidiary boards | Chief financial officer | Review, advisory, report to audit and risk committee | Audit and risk committee | Review, advisory, report to audit and risk committee |

This combined risk assurance process has provided us with a better understanding and control of our risks and has provided management with a tool to address the group's significant risks.

As part of the above processes, significant risks identified during the reporting period, together with significant risks identified by senior management, were compiled into a group risk register. This register is monitored by the audit and risk committee on a regular basis.

The board is responsible for setting the risk tolerance levels and is satisfied with management's process of determining material issues, risks, and opportunities and that the risk management is effective in continuously identifying and evaluating risks and opportunities and ensuring that these risks are managed in line with our business strategy.

# 03 OUR PERFORMANCE

# The market context

Vunani Limited's 2024/25 financial year commenced amidst heightened levels of global uncertainty as the wars in Ukraine and in Palestine dragged on. The political focus of the world shifted towards elections in the USA, which were eventually to culminate in President Trump assuming a second term as US President.

As could be expected, the gold price shot up to reach record levels as investors hedged against elevated global risk on the back of the prevailing wars and shifting political alliances in what was generally an election year, by rising by more than 38 percent over the course of the financial year. Contrary to the surging gold price, concerns regarding weak global demand, culminated in commodity prices generally and energy prices in particular, coming under pressure. The Brent oil price declined from circa \$84/barrel by about 13 percent over the course of the financial year to about \$73/barrel. Central banks generally paused their rate-hiking cycles which were embarked upon in the previous year to counter surging inflation following aggressive post-Covid stimulation. US inflation subsided as the year progressed, prompting the US Federal Reserve to commence a rate-cutting cycle by September, which also allowed for monetary policy easing by most other central banks.

South Africa's inflation remained well-contained and within the target band at the beginning of the financial year and continued to decline to reach levels just above the 3 percent lower inflation target band by financial year-end. In addition to weak demand, this was largely facilitated by lower domestic fuel prices brought about by declining global oil prices and assisted by the Rand strengthening by more than two percent to R18.59 versus the US Dollar. The domestic economy continued to struggle though, barely expanding as illustrated by the real economic growth outcome of a mere 0.5 percent for the 2024 calendar year and 0.8 percent for the first quarter of 2025 compared to the first quarter of 2024. Consequently, domestic monetary authorities also responded to prevailing conditions by an aggregate 75 basis points reduction of the benchmark interest rate over the latter half of the financial year.

The above macro picture inevitably, brings about challenging business conditions as was the case for Vunani over the reporting period. Domestic demand remained under pressure and continued to shrink as growth in real expenditure by households of circa one percent was eroded by most notably, negative growth in fixed investment. Domestic policy uncertainty following the inauguration of South Africa's Government of National Unity contributed towards limited fixed investment and in particular, foreign direct investment. In addition, sluggish economic activity in some of South Africa's key trading partners like China, detrimentally affected South Africa's export performance.

Business conditions are expected to continue improving as global and domestic policy stimulus take effect. Nevertheless, near-term conditions remain challenging and will be significantly dependant on further policy easing. Still, Vunani remains well positioned to take advantage of new business opportunities and committed to grow its underlying businesses as conditions improve.

# Chief financial officer’s report

▶ **Tafadzwa Mika**
*Chief Financial Officer*

## Executive summary

The 2025 financial year was impacted significantly by the local elections which took place in May 2025. The uncertainty with the outcome of the elections resulted in a sluggish domestic economic environment. As a result, locally, GDP grew by 0.5%. Globally, inflation started to reduce, which resulted in interest rate cuts internationally and domestically. The tough operating environment resulted in a decrease in performance for the group when compared to the prior year. The majority of the group’s businesses experienced a decline in performance due to the tough environment, except for the asset administration business segment which had growth in revenue and profitability.

The group made a loss of R3.1 million, compared to a profit of R24.2 million in 2024. The decrease in profitability is mainly attributable to negative fair value adjustments and impairments of R68.5 million (2024: positive R9.6 million). The group had increases in insurance revenue from operations, investment interest received from investments, other income and finance income decreased during the year. The group’s earnings per share decreased to a loss per share of 7.1 cents (2024: earnings per share of 9.0 cents), while net asset value per share decreased by 9% to 180.4 cents (2024: 198.2 cents). A final dividend of 35.0 cents was declared to shareholders on 20 June 2025 (2024: 9.0 cents).

The consolidated results for the group are based on the results of the business segments as summarised on pages 25 to 34 of this report. For material events between the end of the reporting period and the date on which the annual financial results were approved by the board, refer to note 47 on page 222.

## Statement of comprehensive income

The insurance segment contributed the highest percentage of the group’s revenue at R278.1 million (2024: R236.5 million). The asset administration segment contributed the next highest percentage of the group’s revenue at R213.3 million (2024: R205.5 million) due to increased assets under administration. This is followed by the fund management segment as the third highest contributor, with revenues of R136.1 million (2024: R165.4 million) which was impacted by a decrease in funds under management. The revenue from advisory services decreased to R28.3 million (2024: R29.3 million), while revenue from institutional broking increased to R37.0 million (2024: R28.4 million).

Insurance benefits and claims accounted increased by 13% to R197.0 million (2024: R173.6 million) for the year which is due to the increase in claims experienced in the current year.

Other income decreased to R6.9 million (2024: R19.4 million). Included in the other income is non-routine revenue from research, the group’s training academy and administration fees.

Investment income of R9.8 million (2024: R0.7 million), in the form of dividends from Vunani’s insurance-related investments was significantly up from the prior year due to improved performance from underlying investments. The interest from investments increased significantly to R36.4 million (2024: R0.7 million) as a result of improved returns from the insurance-related investments.

The group recorded negative fair value adjustments of R34.0 million (2024: positive R5.5 million). The insurance asset portfolio was impacted positively by the uptick in the markets, resulting in positive fair value adjustments of R42.8 million, (2024: R46.2 million). The negative fair value adjustments are mainly attributable to the group’s insurance liabilities, which amounted to R76.8 million (2024: R40.7 million), taking into account the claims experience for the financial year.

The value in force intangible asset had an impairment of R18.0 million compared impairment reversal of R6.6 million in 2024. The basis of the impairment calculation is a discounted cash flow of the group life assurance and permanent health insurance. As a result of the decrease in valuation the VIF asset was impaired.

Equity accounted losses amounted to R0.3 million (2024: R2.8 million) relate to the group’s investment in Verso, whose performance improved significantly in the current year.

Operating expenses increased by 5% in the reporting period. This increase was due to the impact of inflation on operating costs as well an increase in professional fees. Staff costs, including remuneration and costs for short- and long-term incentives, accounted for 61% of operating expenditure, remaining the group’s single largest line item. This is appropriate for a financial services group, where success and sustainability are dependent on investment in human capital.

Communications and information costs accounted for 5% of expenditure, as these are critical given the nature of Vunani's business. It is important to note that many of the group's communications expenses are dollar-denominated and that fluctuations in the value of the rand had a direct impact on these. The group remains very sensitive to costs and minimising expenditure is an ongoing management priority.

Finance income decreased to R11.8 million for the year compared to R13.2 million in 2024 as a result of the decrease in insurance-related finance income. Finance costs remained flat at R15.3 million for the year compared to R15.5 million in 2024, as the group continued to pay down its liabilities.

## Statement of financial position

Goodwill is tested for impairment annually and, for the year ended 29 February 2024, no impairment was necessary. Goodwill was valued at R139.8 million as at that date. The intangible assets that arose due to the consolidation of Fairheads in 2017 and the Oracle acquisition in 2019 decreased as a result of the annual amortisation charge. As detailed previously the value in force intangible asset had an impairment of R18.0 million in the current year. As a result the intangible assets decreased to R98.8 million compared to R129.3 million in 2024. This value in force intangible asset represents the present value of future pre-tax profits embedded in the acquired insurance or investment in DPF contracts.

The group has insurance-related investments of R683.0 million (2024: R606.9 million and insurance-related liabilities of R705.8 million (2024: R616.0 million). The increase in insurance-related investments is a result of the positive fair value adjustments from the underlying investments, as well as additions to the portfolio during the year. The increase in insurance-related liabilities is as a result of actuarial fair value adjustments.

Accounts receivable and payable from trading activities relate to outstanding settlements in the securities trading business. Trades were settled on a T+3 basis on 28 February 2025, so the receivables and payables reflected on the statement of financial position account for settlement within three business days after the end of the year.

The authorised stated capital as at 28 February 2025 was 500 million ordinary shares of no par value (2024: 500 million ordinary shares of no par value). As at 28 February 2025, 161 155 915 shares were in issue (2024: 161 155 915). The share-based payments reserve movement of R0.4 million is attributable to the current period IFRS 2 charge of R8.6 million (2024: R4.6 million) and transfer of shares to staff of R9.0 million (2024: R3.3 million). The group acquired treasury shares worth R1.8 million (2024: R1.1 million) during the year to enable it to meet its obligation to employees. Non-controlling interests decreased by R0.02 million compared to an increase of R5.7 million in the prior year.

The decrease in other financial liabilities was due to the repayments made during the year.

## Cash flow

Cash flow and cash equivalents decreased to R163.3 million during the reporting period (2024: R197.9 million). This decrease is mainly attributable to the decline in operating performance of the underlying businesses. As a result, net cash utilised by operating activities decreased to negative R9.4 million (2024: positive R27.8 million). The group will continue to try to improve cash generation to assist in its expansion strategy.

## Conclusion

The 2025 financial year proved to be particularly challenging for the group due to various factors. Despite the overall loss position, the group managed to increase its operating profit before non-cash adjustments. This provides a strong base from which to work on in terms of improving the group's performance in the next financial year. As such the focus will be on supporting the businesses to improve their operational performances to help improve profitability in the short and medium term. The group recently finalised the sale of a 30% stake of Fairheads to Old Mutual Corporate Ventures. The group believes that such strategic partnerships will enable it to unlock new growth opportunities and will continue to look at similar opportunities as part of its growth strategy. We at Vunani are optimistic that this will lead to an improved performance during the next financial year.

**Tafadzwa Mika**
*Chief Financial Officer*

20 June 2025

Despite the overall loss position, the group managed to increase its operating profit before non-cash adjustments.

# Operational overview

## Investment banking: advisory services

### Vunani Corporate Finance

Vunani Corporate Finance offers the full range of classic corporate finance services, enabling clients to buy and sell companies. Its services include capital raising, advice on mergers, acquisitions, and disposals, and transaction structuring. As a JSE and A4X sponsor, it can also assist with company listing and the ongoing support required to ensure compliance and enhance growth potential and sustainability.

The company operates across all sectors, but its core focus is in mining, financial services and the structuring of B-BBEE deals. Its capabilities in the mining sector are particularly strong, as its highly experienced advisory team is able to provide advice from both a financial and operational perspective. Clients in this sector have included exploration companies as well as some of the country's biggest corporates.

The primary objective of the advisory services segment is to consistently grow revenue and profitability by providing expert professional advice and superior service to its clients. In order to do this, its supplementary objective is to maintain a good pipeline of deals.

Included in this segment is the revenue earned from managing Vunani Capital Partners Limited and the relevant costs. In 2021 the group unbundled its private equity assets into Vunani Capital Partners Limited.

### Performance outcomes

- **Revenue: R28.3 million (2024: R29.3 million)**
- **Loss: R13.7 million (2024: Profit R0.05 million)**

### Performance review

The advisory business had a tough year due to the political uncertainty and tough economic environment, which impacted the business's ability to finalise transactions. The business was also impacted by impairments of its debtors. As a result, Vunani Corporate Finance's performance decreased relative to the prior year, resulting in revenue of R11.7 million (2024: R20.0 million). Revenue from fees earned from VCP improved when compared to the prior year. As a result, the segment made a loss of R13.7 million (2024: R0.05 million).

Socio-economic uncertainty, low growth and muted investor confidence do, however, mean that large, multi-billion-rand mergers and acquisitions remain rare. The mid-cap market nevertheless continues to be active, with many corporates and large companies disposing of non-core assets and entering into B-BBEE transactions. At present and for the foreseeable future deals such as these are expected to make up the bulk of the company's business.

## Investment banking: advisory services continued

| Strategic objectives | Key performance indicators | Performance achieved FY2024 | Performance achieved FY2025 |
|---|---|---|---|
| **Consistently increase revenue year-on-year** | A minimum of 10% per year | Revenue decreased by 46% due to the lower revenue earned from VCP | Revenue decreased by 3% due to the lower revenue earned from advisory mandates |
| **Generate a good annual return on equity** | A minimum ROE of 25% per year | ROE of 0.01% | Negative ROE due to losses |
| **Grow mandates with leading companies in the market** | Add two new mandates per year | Four new mandates were concluded during the year | Six new mandates were concluded during the year |
| **Further entrench Vunani in the SOE space** | Close one transaction for an SOE per year | No SOE mandate signed during the year | A SOE mandate signed during the year |

### Outlook

The business aim for the next year is to diversify its revenue sources, by continuing to focus on opportunities in Namibia, Eswatini and Botswana. The business will also look to leverage on group companies to identify opportunities to grow its revenue base.

The business has a strong pipeline of transactions, as well as mandates from blue-chip corporates. Due to the tough economic climate, transactions are taking longer than normal to finalise and this will inevitably impact on revenue in the short-term. The successful completion of these transactions will ensure that the business returns to profitability.

## Asset administration

### Fairheads

The asset administration segment comprises the group's investment in Fairheads Benefit Services Proprietary Limited (Fairheads) and Fairheads Financial Services Proprietary Limited (FFS).

Fairheads is a niche trust and beneficiary fund administrator responsible for administering funds on behalf of minor dependants of deceased retirement fund members. It has two key client groups: members and their guardians, who make use of its services; and retirement fund trustees, who make the decision to place the funds due to beneficiaries in the company's care.

Fairheads' primary objective is to provide impeccable service delivery to its members because, in many cases, the funds it pays to them contribute significantly to their overall household income and, as importantly, to educational outcomes. The company has therefore developed strong relationships with members and their guardians based on openness and transparency.

FFS focus is on tracing dependants on behalf of unclaimed benefit funds as well as administration of pension backed housing loans.

### Verso

During 2022 the group acquired a 50% stake in Verso Group Proprietary Limited ("Verso"). Verso comprises of private companies functioning primarily in the financial services sector. The founding company, Verso Financial Services Proprietary Limited, is a Registered Financial Services Provider, approved and regulated by the Financial Sector Conduct Authority (FSCA). Established in June 2000 as a provider of pension/retirement fund administration services, Verso Financial Services soon expanded to incorporate a dynamic and independent employee benefit and group risk benefit consulting team. Verso Financial Services is one of a few administrators who own and develop its own administration software and have obtained an ISAE 3042 type II report, which confirms that their business processes and controls are of a world-class standard. The other companies that form part of Verso include Verso Health, Verso Wealth, Verso Money Brokers and Verso Funds Administrator. Vunani accounts for Verso as jointly controlled investment.

## Performance outcomes

- **Revenue: R213.3 million (2024: R205.5 million)**
- **Profit: R34.6 million (2024: R34.6 million)**
- **Assets under administration: R10.9 billion (2024: R10.6 billion)**
- **Number of members: 95 254 (2024: 97 852)**

## Asset administration continued

### Performance review

Fairheads performed well during the reporting period, contributing R213.3 million to group revenue (2024: R205.5 million). This was attributable to a growth in assets under administration (AUA), which increased revenue. As a result of the increase in costs profit remained flat R34.6 million (2024: R34.6 million).

Like the rest of the group, the company nevertheless operates in a constrained economic environment that shows little growth and is highly price competitive, but which is also marked by poor service delivery to members. It differentiates itself on the quality of its service and on the personal relationships it cultivates with members and their guardians. In this way it aims to maintain a premium market positioning in relation to its competitors.

Verso is accounted for as a jointly controlled entity, and contributed negative equity accounted earning of R0.3 million for the year (2024: R2.8 million), which is a significant improvement from the prior year.

| Strategic objectives | Key performance indicators | FY2025 | FY2024 |
|---|---|---|---|
| **Generate a good annual ROE** | ROE of 19% per year | ROE of 17% | ROE of 17% |
| **Increase AUA** | Progressively increase AUA year-on-year | AUA of R10.9 billion | AUA of R10.6 billion |
| **Enhance operating efficiencies** | Continuously improve AUA per employee | AUA of R48.7 million per employee | AUA of R47.7 million per employee |

### Outlook

The outlook for Fairheads remains very positive as the company managed to increase it AUA during the year, without any acquisitions. On 16 May 2025, 30% of the company was sold to Old Mutual Corporate Ventures Proprietary Limited. The key focus for the next year is to leverage off our new partner to improve profitability. The company will also continue to look to increase its AUA which will also aid profitability. The focus of unclaimed benefits and tracing businesses for the next year is to role out technology to increase volumes for the tracing business that will improve profitability.

The focus of Verso for the next year is to identify new products that will improve profitability in the future.

## Insurance

### Oracle Insurance Eswatini

Oracle Insurance Eswatini is an insurance business that has been operating Eswatini since 2008. The company specialises in both long-term and short- term products. In December 2019 as part of a consortium with key management of Oracle the acquisition of an effective 52% of the business was finalised by the group.

The company's long-term insurance products are split into life products and pension and provident fund products. The life products include group life assurance, group life cover, group funeral policies, income continuation benefits and disability benefits. The pension and provident fund products are both defined contribution products.

Through its 100% held subsidiary the company provides various short-term insurance products. These include car, household, building, bicycle, watercraft and all risk insurance. It also provides health insurance products which include major in-patient benefits, major disease benefits, medical savings, health platform benefits and a rewards program. The company also provided short-term commercial insurance products. These include car, contents, building, electronic equipment, business interruption, all risk insurance, personal liability, public liability, fidelity guarantee, money insurance and motor traders insurance.

Oracle has re-insurance agreements with A-rated reinsurers. For the long-term insurance business Hanover Re have been contracted since July 2019 as our re-insurance partner. For the short-term business African Re Corporation (SA) Ltd leads our short-term treaty and they are supported by XL RE Europe SE (Dublin), GIC Re South Africa Ltd, Echo Rucksversicherungs, Bryte and Ezulwini Re-insurance Co Ltd (legislated). All of these partners are market leaders.

The portfolio construction skills and risk management capabilities of the company's team of highly experienced investment professionals enable it to deliver world-class investment solutions. Its primary objective is to achieve investment returns that exceed agreed benchmarks and, in order to achieve this, it recruits and retains talented investment professionals. It also strives to continuously improve its market share.

Oracle's management team has several years' experience in the insurance industry.

## Performance outcomes

- **Revenue: R278.1 million (2024: R236.5 million)**
- **Loss: R3.6 million (2024: R7.6 million)**
- **Introduction of new innovative insurance products.**

### Performance review

The insurance segment made a loss of R3.6 million compared to R7.6 million in the prior, as a result of an impairment of the VIF asset of R18.0 million in the current year (2024: Impairment reversal of R6.6 million). The value in force business intangible asset represents the present value of the various insurance policies Oracle has. During the year there was an increase in dividend income and interest from insurance investments compare to the prior year. The insurance assets were impacted by positive fair value adjustments of R42.8 million (2024: R48.3 million) whilst insurance contracts and liabilities had negative fair value adjustments of R76.8 million (2024: R40.7 million).

# Operational overview continued

## Insurance continued

| Strategic Objectives | Key Performance Indicators | Performance Achieved 2024 | Performance Achieved 2025 |
|---|---|---|---|
| **Generate a good annual return on equity** | A minimum ROE of 25% per year | Negative ROE | Negative ROE |
| **Increase market share** | Obtain a 5% to 10% increase in market share | No acquisitions in the year | No acquisitions in the year |
| **Provide innovative products to retain and attract customers** | Introduce two new products a year | Introduced additional insurance products during the year. | Introduced additional insurance products during the year. |

### Outlook

To stay competitive in the market the business will need to continue to innovate and distinguish itself from its competitors. The business will continue to focus on rolling out new innovative products to try and increase its market share in Eswatini. The business is also working on improving it processes with an aim at making its employee benefits' offering a lot more convenient and efficient, and therefore more appealing in the market. Based on this and other initiatives the group believes that the segment will be profitable in the future.

## Fund management

### Vunani Fund Managers

Vunani Fund Managers is a boutique fund management business that has been operating since 1999. It offers a range of investment products to both institutional and retail clients, including retirement funds, medical schemes, corporates, parastatals and trusts. Its product range has domestic and global reach, which is offered through both single-asset and multi-asset funds.

The company has strong capabilities and a proven track record in the areas of specialist equity, specialist bonds, property funds and multi-asset funds. Its bespoke approach to investing is based on delivering solutions that are customised to meet client needs and on establishing strong and lasting relationship with those clients. This approach is supported by diligent risk management processes that have enabled the company to deliver positive returns, especially in the areas of absolute return funds (CPI+ range), specialist bonds, property, core domestic equity and global equity.

The portfolio construction skills and risk management capabilities of the company's team of highly experienced investment professionals enable it to deliver world-class investment solutions. Its primary objective is to achieve investment returns that exceed agreed benchmarks and, in order to achieve this, it recruits and retains talented investment professionals. It also strives to continuously improve its market share.

### Vunani Fund Managers Botswana

Vunani Fund Managers Botswana is Pan-African financial and diversified investment management company, active in nine African countries and has been operating in Botswana since 2002.  The company was established as joint venture between Standard Bank Asset Management & Liberty Asset. Vunani acquired 60% of the business from Stanlib in January 2020 with management and strategic shareholders owning the remaining 40% of the business. The company's capabilities are in the areas of specialist equity, specialist bonds, property & multi asset class funds.

The company's investment philosophy is based on active management at its core and is premised on quality growth at attractive valuations. VFMB believes that markets are inefficient due to behavioural biases, which causes discrepancies to occur between a business' fundamental value and its market price, creating pockets of inefficiencies and providing investment opportunities that can be actively exploited to generate enhanced returns. VFMB believes a strategy of purchasing quality companies with superior operating leverage at attractive valuations outperforms the broader market over time through different business cycles.

VFMB's management team has several years' experience in the fund management industry.

## Performance outcomes

- **Revenue: R136.1 million (2024: R165.4 million)**
- **Assets under management:R45.9 billion (2024: R53.7 billion)**
- **Retained key investment professionals**

### Performance review

VFM's AUM decreased during the year to R36.9 billion from R42.8 billion, whilst VFMBs AUM decreased to R9.0 billion from R10.9 billion. The decrease in AUM in both business resulted in lower revenues and  profitability.  Despite the decline in AUM the businesses did have new inflows, which was a positive development. During the year VFM SA launched an actively managed ETF on the JSE.

## Fund management continued

| Strategic Objectives | Key Performance Indicators | Performance Achieved 2024 | Performance Achieved 2025 |
|---|---|---|---|
| **Generate a good annual return on equity** | A minimum ROE of 25% per year | ROE of 19% | Negative ROE |
| **Recruit and retain talented investment professionals** | Recruitment and retention of top investment professionals | Lost two key individuals during the year | No key individuals lost during the year |
| **Increase market share** | Obtain a 5% to 10% increase in market share | Top 10 black asset managers (2023 BEE. conomics survey) | Top 25 black asset managers (2024 DEInvest survey) |
| **Provide relevant and cost-effective investment products** | High levels of performance and new inflows | Second and third quartile performance with some products | Second and third quartile performance with some products |

### Outlook

VFM will look to launch its actively managed ETF in the SADC region to help diversify its earnings base. The continued performance of the underlying portfolios will be a key in retaining clients and securing new AUM. The businesses will continue to focus on business development initiatives to assist in asset gathering initiatives. The brands are well established in both countries, and clients are increasingly aware of the company's product offering. This is critical as potential clients need to be comfortable with the capabilities of business. The businesses will continue to focus on growing its retail book through its branded unit trusts as well as actively participate in new tenders for AUM. The group recently secured an asset management license in Lesotho, the aim is build a business with similar product offerings to SA and Botswana.

## Investment banking: institutional securities broking

### Vunani Securities and Vunani Capital Markets

The institutional securities broking segment manages equity, derivative and capital market trading services for institutional clients. These are delivered through Vunani Securities, which handles equity, derivative and related trading, and Vunani Capital Markets, which handles fixed-interest business offerings in bonds and money market instruments.

Despite difficult trading conditions throughout the reporting period, Vunani Securities continues to focus on becoming the foremost stockbroking service provider in South Africa. The company trades primarily in domestic stocks and has wide coverage in the mid-cap section of the market.

Vunani Capital Markets, in turn, has a deep understanding of the money markets and bond markets and exceptional execution capabilities. The company is also renowned for its high standard of ethics and its uncompromising work ethic. The team's performance has been recognised by several top 10 *Financial Mail* rankings for fixed interest services in the past.

## Performance outcomes

- **Revenue: R37.1 million (2024: R28.4 million)**
- **Loss: R6.2 million (2024: Loss R12.2 million)**

### Performance review

The segment has seen a significant improvement in performance from the prior year, despite making a loss. The segment revenue increased by 30% from the prior year, despite the tough economic environment. The increase in revenue was due to improved trading volumes, this was reflected by the improved performance of the JSE and market over the last year.

## Investment banking: institutional securities broking continued

| Strategic Objectives | Key Performance Indicators | Performance Achieved 2024 | Performance Achieved 2025 |
|---|---|---|---|
| **Generate a good annual return on equity** | A minimum ROE of 15% per year | Negative ROE due to losses | Negative ROE due to losses |
| **Provide quality service to our clients** | Top 10 ranking in *Financial Mail* rankings | No ranking in the current year | Vunani Securities was rated number 6 in technical analysis |
| **Diversify revenue streams through addition of new product** | Add one new product offering every year | Added one revenue streams | Added two revenue streams |
| **Develop and expand relationships with clients** | Increase the number of institutional clients and develop relationships directly with asset owners | Five institutional clients added during the period | Four institutional clients added during the period |

### Outlook

The Reserve Bank has forecasted that the South African economy will grow by 1.2% this year. This growth is key to the improved performance of the two businesses, as that will result in improved trading volumes in the market so that the businesses have a solid base to operate from.

During the year Vunani Securities secured an FSCA licence that will enable it to service private clients in partnership with Verso. This will enable it to increase its service offering to wider range of clients. The implementation of the private client strategy will increase the revenue base. Vunani Capital Markets is in the process of finalising a hard currency bond market product which will attract more local and foreign investors by offering a broader spectrum of products. The successful execution of the strategies will enable the businesses to be profitable in the foreseeable future.

# 04 OUR IMPACT

# Our people

The success and longevity of our business depends on the skills and expertise of our people. They are our company's lifeblood and most important asset. We continuously encourage our employees to abide by our core principles and employee code, which aims to promote a transparent, respectful, non-exploitative, and fair work environment (especially with regard to compensation and benefits).

Ethical conduct and professionalism are always at the fore front of our engagements and we remain committed to principles that ensure we act as responsible corporate citizens both internally and externally.

The company follows all labour rules and is committed to human rights protection. Our Human Resources strategy is the responsibility of the head of Human Resources, who ensures that it is in line with the broader corporate plan. All employees are aware of our ethics and disciplinary policies.

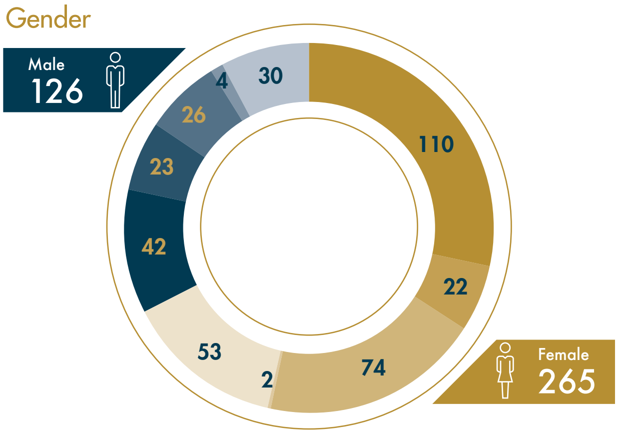
Our people are the cornerstone of our business and to ensure sustainability we focus on training and development, employee incentives and health and safety.

Upskilling initiatives include:

| Vunani Coronation Training Academy | Staff learnership programmes | Short- and long-term incentive programmes | Graduate recruitment programme |
|---|---|---|---|

Our staff is structured as follows:

### Gender




### Race

| | Male | Female |
|---|---|---|
| African | 42 | 110 |
| White | 23 | 22 |
| Coloured | 26 | 74 |
| Indian | 4 | 2 |
| Foreign national | 30 | 53 |

Total staff
**391**

### Occupational level

| | |
|---|---|
| Top management | 18 |
| Senior management | 34 |
| Skilled/junior management | 223 |
| Semi-skilled management | 110 |
| Unskilled | 6 |
| Oracle Insurance | 61 |
| VFM Botswana | 23 |
| Total staff | 391 |

# Stakeholder engagement

We always look to take a purpose led approach to stakeholder engagement as we aim to foster the quality and strength of the relationship we have with our diverse stakeholders. Engaging with our key stakeholders in an open and transparent manner is a fundamental component that contributes to the attainment of our strategic objectives and the creation of long-term value for the company and its stakeholders. These engagements have both a direct and indirect impact on the way we do business and our reputation as a financial services firm.

Various degrees of interaction with key stakeholders are facilitated in order to provide insight into our strategy, significant business developments, material challenges, operating business performance, and prospects.

The way we interact with our stakeholders, as well as the frequency with which we do so, differs depending on the stakeholder group. Our website, stakeholder presentations, site visits, annual general meetings ("AGMs"), involvement with the media, one-on-one meetings, community forums, and ongoing informal and formal dialogues are all ways we communicate with various stakeholders.

The executive and operational management bodies of the company identify stakeholder groups as well as areas of concern that may affect them. The most appropriate level of management is then in charge of engaging, identifying further stakeholder concerns, and choosing the best course of action to resolve these concerns.

All stakeholder involvement is overseen by the group chief executive officer, who also plays a vital role in analysing pertinent issues and concerns and providing advice on acceptable solutions.

Our key stakeholders and the issues that concern them are outlined below:

| Stakeholder | Why we engage | Key interest | Engagement |
|---|---|---|---|
| **Financiers** | Financial sustainability is critical to business sustainability and we focus on group and segment profitability, cash generation, having sufficient capital and efficient deployment thereof. | ▶ Reducing and managing debt<br>▶ Regular discussions with funders<br>▶ Compliance with various covenants and undertakings<br>▶ Liquidity management | ▶ We remain committed to ensuring transparent communication and engagement with funders<br>▶ Management of finance facility through performance management programmes<br>▶ Regular tracking of finance covenants<br>▶ Repayment of loans in terms of agreed timelines<br>▶ Regular contact sessions around status of operations and specific initiatives<br>▶ Quarterly submission of management accounts<br>▶ SENS<br>▶ One-on-one meetings with executive management<br>▶ Investor perception surveys<br>▶ Breaking news alerts sent to subscriber database |

# Stakeholder engagement continued

| Stakeholder | Why we engage | Key interest | Engagement |
|---|---|---|---|
| **Suppliers** | Our suppliers deliver high-quality, cost-effective products and services that help us uphold our value proposition to customers, employees, and other stakeholders. | ▶ Building relationships to ensure business continuity<br>▶ Service delivery and quality<br>▶ Fair and transparent agreed terms of service<br>▶ On-time delivery of services<br>▶ Honouring agreed terms of service | ▶ Regular contact with suppliers<br>▶ Implementing enterprise and supplier development initiatives<br>▶ Correspondence regarding product features and service offerings<br>▶ Implementation and monitoring of service level agreements<br>▶ Maintained close relationships with suppliers<br>▶ Timely payments within clearly communicated standard operating procedures |
| **Customers** | Actively interacting with our customers helps foster and strengthen our relationship and gauge whether we are meeting their requirements. | ▶ High product quality<br>▶ Efficient and timely delivery of product<br>▶ Competitive pricing structures<br>▶ High service levels<br>▶ Extensive relationship building | ▶ Feedback from clients informs enhancement of products and services<br>▶ Regular visits to and engagement with customers<br>▶ Conscious effort to meet expectations where applicable<br>▶ Continual product and service quality monitoring<br>▶ Contract review processes<br>▶ Formalised business dealings: one-on-one meetings, telephone conversations, and corporate website<br>▶ Facilitation of workshops and training |
| **Service providers** | Involving and communicating with our service providers is crucial for ensuring the service received aligns with the final product or service we aim to deliver to clients. | ▶ SLAs<br>▶ Outsourced contract agreements<br>▶ Regular contact with strategic service providers<br>▶ Supplier performance management | ▶ Maintain close relationships with service providers<br>▶ Implementation and continual monitoring of SLAs<br>▶ Adherence to outsourced contracts – daily reports, weekly production monitoring meetings and monthly reporting against plans<br>▶ Stakeholder feedback |
| **Shareholders** | Our shareholders supply the financial capital essential for our long-term growth and expect strong returns driven by sustainable and ethical business practices. | ▶ Strength of board<br>▶ Earnings and sustainability<br>▶ Dividend payments<br>▶ B-BBEE<br>▶ Communicating the value proposition<br>▶ Organic and acquisitive growth of each operating business<br>▶ Profitability of struggling businesses<br>▶ Utilisation of investor relations team<br>▶ Strength of asset base<br>▶ Diversified footprint and segments<br>▶ Strong management team<br>▶ Restructuring or selling failing businesses | ▶ IR strategy reviewed annually<br>▶ SENS announcements<br>▶ Interim and final results presentations<br>▶ Regularly updated website<br>▶ Dissemination of information through a defined contact list<br>▶ Calls with strategic shareholders if and when required<br>▶ Regular engagements with key shareholders |

| Stakeholder | Why we engage | Key interest | Engagement |
|---|---|---|---|
| **Employees** | Our employees spearhead our strategy with their skills, experience and productivity. It is essential for us to create a healthy and safe environment that fosters a culture of excellence. | ▶ Staff development and career planning<br>▶ Learning and development<br>▶ Diversity and empowerment<br>▶ Recognition of performance<br>▶ Work-life balance<br>▶ Employment equity and diversity management<br>▶ Giving first preference to internal staff for vacancies<br>▶ Succession and personal development plans<br>▶ Performance-based short- and long-term incentive schemes | ▶ Display of key labour legislation at the workplace<br>▶ Monitoring of staff demographics and responding to gaps<br>▶ Regular staff engagement and communication, both at group and segmental levels<br>▶ Training facilitated, based on individual goals and company-specific requirements<br>▶ Annual ethical climate and employee wellness surveys<br>▶ Annual staff wellness day encouraging health awareness and work-life balance<br>▶ Periodic policies and practices audit<br>▶ Staff development initiatives<br>▶ Intranet and electronic newsletters |
| **Media** | Media engagement is crucial for helping us manage our brand and reputation while increasing product and service awareness. | ▶ Integrity of communications with all stakeholders<br>▶ Understanding the Vunani business | ▶ One-on-one engagement with financial and trade editors and journalists to ensure that Vunani's strategy is well understood and accurately reported<br>▶ Circulation of press releases<br>▶ Media alerts through SENS announcements<br>▶ Media strategy reviewed annually<br>▶ Interim and final results presentations<br>▶ Specific direct engagements<br>▶ Operations visits |
| **Regulators and Government** | Proactively engaging the government ensures we contribute to shaping government policies and regulations in a way that builds trust while fostering socio-economic development. | ▶ Regulatory and legislative compliance to FSCA standards<br>▶ B-BBEE codes<br>▶ Compliance with all relevant laws and regulations<br>▶ Maintenance of sufficient qualifying capital<br>▶ Giving back to society | ▶ Annual submission of annual regulatory compliance and update reports<br>▶ Tax certificates of good standing<br>▶ Compliance register system to manage and track all regulatory matters<br>▶ PAIA manual<br>▶ Periodic reporting to the FSCA<br>▶ Contact via compliance advisers<br>▶ Personal contact with relationship managers at regulatory and industry associations<br>▶ Formal meetings when required<br>▶ Reporting to:<br>  ▶ Department of Labour<br>  ▶ Department of Trade and Industry<br>  ▶ South Africa Revenue Service<br>  ▶ JSE<br>  ▶ CIPC |

# Health and safety

Creating a safe working environment for everyone working for and on behalf of Vunani and the communities in which we operate remains a priority. Only by collaborative consultation and mutual collaboration can effective health and safety be accomplished. Our top goal is the health and safety of our stakeholders.

We are dedicated to being proactive in predicting, recognising, analysing, and controlling risky situations, as well as promoting employee wellbeing and we have learned that it is necessary to put our employees' health and safety first.

Our health and safety goal is to provide a safe, empowering work environment for our employees that complies with and goes beyond legislation such as the Occupational Health and Safety Act, 1993 (Act 85, 1993). This programme includes an occupational hygiene measuring and monitoring system, as well as an occupational hygienist who is accountable for the group's health and safety policy.

# Social responsibility

Vunani's social responsibility and initiatives are paramount to the business and central to the group's philosophy of contributing to society. Vunani continues to earmark projects where we can contribute significant value-add through our extensive business skills and networks, strategic input and financial expertise.

We are committed to engaging with and improving the communities in which we operate and regularly assess potential CSI projects. We are dedicated to conducting business in an ecologically friendly, socially responsible, and ethical manner. The group's code already includes strong governance mechanisms, an ethical culture, diversity, and equality. The group therefore contributes to local charities that aim to make a difference.

The group identified beneficiaries in the various communities it operates in. The staff in the underlying subsidiaries are responsible for identifying the relevant beneficiaries. During the year the group contributed R3.6 million (2024: R2.1 million) to various CSI initiatives.

The group contributed to the following initiatives during the year:

- Schools
- SOS children's villages
- Youth and school development programmes
- Youth soccer clubs

## Vunani Coronation Training Academy – 21 years of success

The Vunani Coronation Training Academy celebrated its 21-year anniversary as Africa's only dedicated training academy for equity investment analysts at a gala event in Sandton. The academy was established to address the shortage of skilled equity analysts in South Africa. Its focus is to create opportunities for young, talented individuals from underrepresented backgrounds to build successful and impactful careers in the financial services industry. Since 2004, it has offered intensive on-the-job training and mentorship, producing 36 alumni who have gone on to take up senior leadership positions in various industries. Altogether, the alumni are responsible for more than R350 billion in assets under management. Over the years, Vunani Corporate Finance and Vunani Securities also employed several graduates from the Academy.

There are currently four trainees enrolled in the programme.

# Environmental impact

Vunani believes in responsible investing and supports the notion of protecting our planet through initiatives aimed at combating climate change by reducing our environmental footprint, both at a Vunani Group and investee level.

Environmental issues, such as climate change, water scarcity and pollution, are among the most significant challenges in our time. As a company with the long-term at the heart of everything we do, we understand the materiality of climate-related risks and the need for transparent reporting with an understanding that without a healthy environment, we cannot have a thriving society or a sustainable economy.

The board is considering adopting the ISSB S2 framework in an effort to start Vunani's first carbon footprint reduction journey.

Our drive to combat climate change is focused on actively seeking and implementing solutions to reduce our carbon emissions at group level. We are also working to reduce water usage on all company sites.

In an effort to reduce our environmental impact, Vunani will look into initiatives such as energy-efficient motion sensor lighting, dedicated recycling areas, paper shredding and recycled, biodegradable catering containers, water conservation promoted among employees, refillable water bottles and on-tap water stations.

Our future focus will be to improve climate reporting, review business practices to reduce our carbon emissions where possible and track progress.

# 05 GOVERNANCE

# Our leadership

Please refer to https://vunanilimited.co.za/about-vunani/leadership/ for detailed CVs.

| | | |
|---|---|---|
| **Ethan Dube (66)** | Chief executive officer | MSc (Statistics), Executive MBA (Sweden) |

Skills brought to Vunani: strategic leadership, management, financial, board and committee experience

| | | |
|---|---|---|
| **Tafadzwa Mika (42)** | Chief financial officer | BAcc, CA(SA) |

Skills brought to Vunani: financial and capital management experience

| | | |
|---|---|---|
| **Butana Khoza (58)** | Executive director | BCom, PG Dip (Accounting), CA(SA) |

Skills brought to Vunani: management, financial, operational, board and committee experience

| | | |
|---|---|---|
| **Mark Anderson (65)** | Executive director | BCom (Hons), CTA, CA(SA) |

Skills brought to Vunani: business development and corporate advisory, investment, management, leadership, board and committee experience

| | | |
|---|---|---|
| **Lionel Jacobs (81)** | Independent non-executive chairman | BCom, MBA |

Skills brought to Vunani: management, leadership, board and committee experience, negotiating, investment

**Nambita Mazwi**
**(51)**

Independent non-executive director

BProc LLB, Dip Company Law, Programme in Business Leadership

Skills brought to Vunani: legal, strategic leadership, management, corporate advisory, board and committee experience

**Sithembiso Mthethwa**
**(55)**

Non-executive director

BCom (Maritime Economics)

Skills brought to Vunani: business development and corporate advisory, negotiating, investment, strategic leadership

**Gordon Nzalo**
**(59)**

Independent non-executive director

BCom, BAcc, CA(SA)

Skills brought to Vunani: financial, capital management, board and committee experience , auditing

**John Macey**
**(63)**

Independent non-executive director

BBusSci (Hons), BCom (Hons) CA(SA)

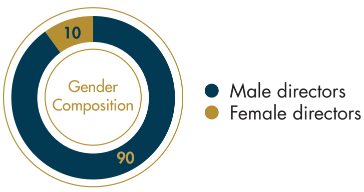
Skills brought to Vunani: financial, capital management, board and committee experience

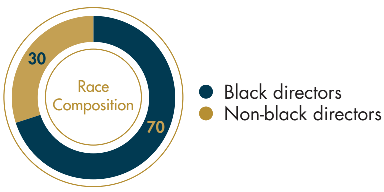
**Marcel JA Golding**
**(65)**

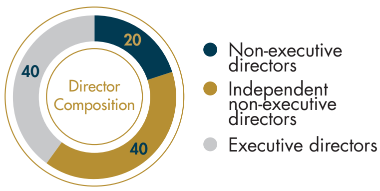
Non-executive director

BA (Hons)

Skills brought to Vunani: Strategic leadership, mining, management, board and committee experience



## Ethical leadership

In the interests of all of our stakeholders, Vunani is committed to upholding the greatest standards of ethics, transparency, and good governance, and we therefore ensure strict compliance processes are in place.

The board is solely responsible for the group's governance, ethics, and values, which are supported by a mandate from the social, ethics, and transformation committee. The board of directors is responsible for leading ethically and effectively within a framework of cautious and effective control, ensuring that ethics are controlled and that Vunani is a responsible corporate citizen.

The board upholds King IV™'s beliefs and derives its rights and responsibilities from the board charter. Vunani conforms with the King IV™'s principles in a material way, as detailed in our King King IV™'s in application report on our website.

Employees are expected to report any potential conflicts of interest, and vetting is done at the time of hire. In addition, in accordance with a gifts policy, a consistent methodology for the declaration of presents to management is implemented. All personnel are required to follow the company's ethics, bribery, and anti-corruption rules. During the year, no violations of the codes and policies were reported.

No instances of fraud, corruption or anti-competitive behaviour were reported during the year.

## Governance structure

### Members

- **Lionel Jacobs** (Independent non-executive chairman)
- **Ethan Dube** (CEO) ~
- **Tafadzwa Mika** (CFO) ~
- **Butana Khoza**~
- **Mark Anderson**~
- **Gordon Nzalo***
- **John Macey***
- **Marcel Golding#**
- **Nambita Mazwi***
- **Sithembiso Mthethwa#**

*~ Executive director*
** Independent non-executive director*
*# Non-executive*

## Responsibilities

- Promoting the interests of stakeholders and acting fairly and responsibly;
- Formulating and approving strategy;
- Ensuring the correct implementation of corporate governance, risk management and internal control policies and structures;
- Retaining effective control over the business;
- Providing strategic leadership;
- Leading the group in achieving its goals and objectives;
- Managing the performance and affairs of the group;
- Delegating authority to management and monitoring and evaluating the implementation of policies, strategies and business plans; and
- Embracing transparency, integrity and ethical business conduct.

## Board committees

| | Audit and risk committee | Remuneration committee | Investment committee | Nomination committee | Social, ethics and transformation committee |
|---|---|---|---|---|---|
| | See page 60 for full report | See page 51 for full report | See page 56 for full report | See page 57 for full report | See page 58 for full report |
| **Members** | G Nzalo *(chairman)**<br>JR Macey*<br>NS Mazwi* | JR Macey *(chairman)*#<br>LI Jacobs*<br>MJA Golding# | JR Macey *(chairman)**<br>E Dube~<br>NM Anderson~<br>LI Jacobs*<br>S Mthethwa#<br>A Pieterse** | LI Jacobs *(chairman)**<br>JR Macey* | NS Mazwi *(chairman)**<br>I Ross**<br>T Mika~<br>N Chonco** |

~ *Executive director*
* *Independent non-executive director*
# *Non-executive*
** *Non-board member*

## The board

The board is made up of people with a wide range of abilities, knowledge, and experience and comprises six non-executive directors and four full-time, salaried executive directors. The majority of non-executive directors should be independent, according to King IV criteria, and four of Vunani's non-executive directors are independent pursuant to both the King IV principles and the JSE Listings Requirements.

In terms of the adopted group broad diversity policy the minimum female representation on the board is 10%. The promotion of gender diversity at board level is therefore a priority for Vunani in accordance with the group's voluntary broad diversity policy targets. The current board meets the group's targets.

The board composition is currently 70% black and 30% non-black directors. The promotion of a broad diversity policy at board level is very important for Vunani. In accordance with the group's voluntary broad diversity policy, it aims to ensure that at least 50% of its directors are black. The board is satisfied that it has fulfilled its responsibilities in accordance with its charter for the reporting period.

## Board performance

During the 2025 financial year, the board:

- Supported management's implementation of strategic initiatives
- Assisted in strategic partnerships to improve the group's performance

In the 2026 financial year, the board intends to:

- Assist management in growing SADC initiatives
- Actively manage group risk

### Board and committee meeting attendance

| Director | Board meetings (3 meetings) | Audit and Risk committee (4 meetings) | Remuneration committee (1 meeting) | Social ethics, and transformation committee (1 meeting) | Investment committee (no meeting) | Nomination committee (no meetings) |
|---|---|---|---|---|---|---|
| Lionel Jacobs *(Independent non-executive chairman)* | 2 | N/A | N/A | N/A | N/A | N/A |
| Ethan Dube (CEO) ~ | 3 | 4 | 1 | N/A | N/A | N/A |
| Tafadzwa Mika (CFO) ~ | 3 | 4 | 1 | 1 | N/A | N/A |
| Butana Khoza# | 3 | N/A | N/A | N/A | N/A | N/A |
| Gordon Nzalo* | 2 | 2 | N/A | N/A | N/A | N/A |
| John Macey* | 3 | 4 | 1 | N/A | N/A | N/A |
| Marcel Golding# | 3 | N/A | N/A | N/A | N/A | N/A |
| Mark Anderson~ | 3 | N/A | N/A | N/A | N/A | N/A |
| Nambita Mazwi* | 3 | 4 | N/A | 1 | N/A | N/A |
| Sithembiso Mthethwa# | 2 | N/A | N/A | N/A | N/A | N/A |

*~ Executive director*

** Independent non-executive director*

*# Non-executive*

## Board appointments

The appointment of directors is done in a formal and transparent manner. The nomination charter governs the nomination and confirmation of appointees to the board of directors and its committees. Other board appointments are permissible for directors as long as they do not conflict with Vunani's commercial interests or negatively influence the performance of the directors involved.

Vunani's memorandum of incorporation ("MOI") requires that one-third of the directors of the company, with the exception of the executive directors, retire by rotation and offer themselves for re-election by shareholders at the AGM. Accordingly, J Macey, N Mazwi and G Nzalo were all re-elected during the AGM that took place on 30 July 2024. MJ Golding, LI Jacobs and S Mthethwa will retire by rotation and offer themselves for re-election at the upcoming AGM.

## Directors' induction and training

A JSE induction programme is in place at Vunani and it is mandatory for all new directors. The new directors are provided with an induction pack including the group ethics policy among other policies. The group also covers the cost of attendance at appropriate external training courses.

On an annual basis the group through discussion with the board members identifies training which its members may find beneficial. The company secretary takes responsibility for managing and coordinating this process.

## Declaration of interest

In line with the requirements of section 75 of the Companies Act (Act 71 of 2008), directors are obliged to disclose any material interests in contracts at every board meeting. The disclosures are noted and kept in a separate register of directors' disclosures.

## Board meetings

The board recognises that careful preparation of an agenda and supporting documentation for board meetings enhances productivity and strengthens the board's strategic and supervisory role. The agenda and supporting documentation for board meetings is distributed to all directors before each meeting. The appropriate executive director provides explanations and motivations for items of business requiring decisions in the meeting.

Discussions at board meetings are open and constructive and no single director has unfettered powers in the decision-making process. Consensus is sought on items requiring decisions and on emerging issues that could affect the business. When necessary, decisions are also made by written resolution between scheduled meetings, as provided for in the company's MOI and the Companies Act.

Directors have access to all relevant company information, records, executive officers and members of senior management within the group. They are apprised, whenever relevant, of new legislation and changing commercial risks that may affect the business interests of the company. In fulfilling their responsibilities, directors may seek professional advice from external professional advisers at the company's expense.

A formal self-assessment by the board was conducted during the year and the board was satisfied that it operates effectively according to an approved board charter, which sets out its duties and responsibilities. The board annually undergoes a comprehensive and rigorous review and evaluation of the independence of those non-executive directors (including, if applicable, the chairman), classified as, "independent", and has satisfied itself that, notwithstanding the fact that certain directors have been on the board for over nine years, all the directors classified as, "independent", are independent and act in an independent manner.

## Financial reporting

The group provides financial reports to its shareholders biannually. Details regarding significant transactions are reported in the appropriate format, as required by the JSE Listings Requirements, and in accordance with the International Financial Reporting Standards ("IFRS").

## Internal audit

MASA Risk Advisory Services' reappointment as the external provider of internal audit services to the group was confirmed during the  year. An internal audit plan for the 2025 financial year was presented to and approved by the audit and risk committee.

The internal audit plan is based on an assessment of risk areas identified by the internal auditors and management and is reviewed and updated annually. The approved internal audit plan was executed in various stages throughout the 2025 financial year. This process included a risk-based assessment of the adequacy and effectiveness of the group's systems of internal controls and risk management procedures.

Internal audit reports are submitted directly to the audit and risk committee, and the internal audit representatives attended all the audit and risk committee meetings during the year. At each meeting, they provided feedback to the committee covering progress in relation to the audit plan, highlighting areas of significant control weakness and presenting recommendations to correct these weaknesses.

The key responsibilities of the internal audit include:

- evaluating the group's governance processes and ethics;
- performing an objective assessment of the effectiveness of risk management and the internal control framework;
- systematically analysing and evaluating business processes and associated controls; and
- investigating and reporting on any instances of fraud, corruption, unethical behaviour and irregularities as appropriate.

## Company secretary

The company secretary plays a vital role in the corporate governance of the group and is responsible for ensuring that the board complies with statutory regulations and procedures.

Together with the sponsor, the company secretary ensures compliance with listings requirements and is responsible for the submission of the annual compliance certificate to the JSE.

CIS Company Secretaries Proprietary Limited ("CIS") is the outsourced company secretary for Vunani Limited. CIS is led by Teresa van Niekerk and Mosa Kgothadi is the principal consultant. Ms Kgothadi is an admitted attorney, holding BCom (Law) and LLB degrees from the University of Johannesburg, and is also a graduate of the Chartered Governance Institute of South Africa (formerly CSSA). She has extensive experience in the company secretarial and corporate governance arenas. In accordance with the JSE Listings Requirements, an assessment of Ms Kgothadi is performed annually by the entire board, including the executive directors.

Based on the annual assessment conducted by the board during the 2025 financial year, the board is satisfied that Ms Kgothadi has the requisite qualifications, competence and experience to fulfil the functions required by the group company secretary. The academic and professional qualifications of the entire CIS team were externally verified prior to the company being appointed.

The board is also satisfied that an arm's-length relationship is maintained between the company secretary and the board and its committees and confirms that neither Ms Kgothadi nor any members of staff at CIS are directors or public officers of the group or any of its subsidiaries.

## Industry associations

Vunani is currently represented at the following industry associations or organisations:

- Vunani Securities and Vunani Capital Markets are members of the JSE (www.jse.co.za).

Certain Vunani employees are members of or are registered with the following professional associations:

- The South African Institute of Chartered Accountants (www.saica.co.za);
- The South African Institute of Stockbrokers (www.sais.co.za);
- The Chartered Financial Analyst Society of South Africa (www.cfasociety.org/southafrica);
- The Investment Analysts Society of Southern Africa (www.iassa.co.za);
- The JSE (www.jse.co.za);
- The Institute of Directors (Southern Africa) (www.iodsa.co.za); and
- The Association of Black Securities and Investment Professionals (www.absip.co.za).

Certain Vunani group companies are:

- Licensed as financial service providers by the Financial Sector Conduct Authority (www.fsca.co.za);
- Registered with the JSE as a sponsor in terms of the JSE Listings Requirements; and
- Members of the Association for Savings and Investment South Africa (www.asisa.co.za).

## Dealing in securities

A formal policy is in place whereby all directors and employees are prohibited from trading in the group's securities during defined closed periods. These periods run from the end of the interim and annual reporting periods until the financial results have been disclosed on SENS. Similar restrictions apply during any period in which the company is trading under a cautionary notice or where they may be in possession of price sensitive information.

In terms of the JSE Listings Requirements and group policy, the directors, the company secretary, employees and directors of major subsidiaries, which contribute more than 25% to Vunani Limited's revenue, require advance approval from the chief financial officer for dealings in Vunani shares. Once a trade is executed, details are released on SENS.

## Information technology governance

The audit and risk committee is responsible for IT governance on behalf of the board and reviews the reports from management and external assurance providers to ensure that an adequate and effective IT system is maintained. Vunani's IT steering committee ("Steerco") is a sub-committee of the audit and risk committee and is responsible for the implementation of an IT governance framework at group level to ensure that IT expenditure and investments in IT infrastructure are managed effectively and are aligned with business objectives.

The IT Steerco comprises Vunani executive directors and executive managers from the group's various subsidiaries.

The sub-committee:

- oversaw the value delivery on IT infrastructure and operations;
- reviewed IT-related risks;
- ensured that intellectual property contained in information systems is protected;
- ensured that adequate business arrangements are in place for disaster recovery;
- ensured that all personal information is treated by the company as an important business asset and is identified;
- ensured adequate safeguards are in place to improve cybersecurity; and
- reviewed its long-term IT strategy.

## Legal compliance

The board is ultimately responsible for ensuring compliance with laws and regulations. In regularly reviewing the company's governance structures, the board exercises and ensures effective and ethical leadership, always acting in the best interests of the company and at the same time concerning itself with the sustainability of its business operations.

New legislation that affects the group is discussed at board meetings with the assistance of the company secretary. The chief financial officer is responsible for ensuring compliance with the external regulations including JSE, King IV as well as internal systems of control.

No fines or non-monetary sanctions were imposed on the group for non-compliance with any laws or regulations during the year under review, nor has the group been party to any legal actions for anti-competitive behaviour or antitrust.

Vunani has complied with the provision of the Companies Act particularly with reference to the incorporation provisions set out therein and has operated in conformity with its MOI.

# Remuneration report

The remuneration committee makes proposals to the board regarding the remuneration policy and the remuneration of individual directors. The remuneration committee's report apprises shareholders and other stakeholders of the work done by the committee in the period under review.

The committee is chaired by independent non-executive director JR Macey and further comprises independent non-executive director LI Jacobs and non-executive director MJA Golding. Attendance at committee meetings is set out on page 48.

The committee assists the board in discharging its duties related to:

- motivating individuals in line with the overall business strategy in order to maximise shareholder value;
- setting levels of remuneration that are fair, reasonable, relevant and competitive;
- encouraging executives and staff to promote ethical culture and corporate citizenship;
- consistently applying policies and practices throughout the group; and
- fostering a focus on long-term sustained performance and growth within the group.

During FY2025, the committee:

- ensured that the remuneration of individuals is in line with market benchmarks; and
- identified remuneration trends to ensure that the group remain competitive in the market.

In FY2026, the committee intends to:

- review of long-term and short-term incentives to ensure that they are in-line with the market.

## Shareholder engagement

At the AGM on 30 July 2024, both the remuneration policy and remuneration implementation report received a 100% non-binding advisory vote from our shareholders. In the event that the remuneration policy and implementation report are voted against by 25% of the votes, the committee will engage the shareholders regarding their concerns and provide clarity to them as soon as possible. We are committed to providing any clarification on any issues raised by shareholders in the future.

At the meeting there were no specific concerns raised about the policy.

The committee is comfortable that Vunani's remuneration policy largely achieved its objectives. In order to improve the remuneration policy, the committee used benchmarking data from salary surveys to guide the decision-making process.

The remuneration policy and implementation report will be put to shareholders for a non-binding advisory vote at the next AGM in line with King IV™.

## Remuneration philosophy and policy

The group recognises that it operates in a competitive environment and that one of the drivers of its performance is its people. It therefore remunerates at levels that attract, retain and motivate employees of the highest calibre and rewards them for good performance. The group defines total remuneration as a combination of all types of reward, including financial, non-financial, direct and indirect. It rewards individual performance while nevertheless ensuring that there is a distribution of remuneration around the market median.
The executive directors have service contracts with the group, which may be terminated with one month's written notice. None of the executive directors has a fixed-term contract.

## Components of total remuneration

The components of total remuneration are split between total guaranteed pay ("TGP") short-term incentives ("STIs") and long-term incentives ("LTIs").

| Level | TGP | STI | LTI |
|---|---|---|---|
| Key management (including the CEO and executive directors) | Guaranteed cost to company | Performance bonus | Equity-settled share plan |
| Senior management | Guaranteed cost to company | Performance bonus | Equity-settled share plan |
| General employees | Guaranteed cost to company | Performance bonus | Equity-settled share plan |

## TGP

The levels of TGP are reviewed and revised annually.

Criteria for determining remuneration increases include inflation ("CPI"), market comparisons, group performance, individual performance and affordability based on group budgets. The remuneration committee approves annual salary increases.

Provident fund contributions are based on a scale of between 10% and 27.5% of total annual remuneration, with individual contributions being selected by employees themselves. These contributions ensure monetary security and dignity for employees and, in the case of death, for their beneficiaries.

Remuneration consists of the following guaranteed components and is applicable to all employees:

- Basic salary
- Group life assurance
- Medical aid
- Provident fund
- STIs

Annual incentive bonuses are paid if key performance targets, which include but are not limited to financial targets, are met.

All employees are eligible to participate in the group's incentive bonus scheme, which is well established within each of the business units. The bonus is conditional on both company and individual performance. It is paid annually subject to the achievement of performance targets against KPIs that have been agreed to by the chief executive and the remuneration committee.

The short-term executive incentive plan is based on the following principles:

- As the group's executive directors provide leadership, support and guidance to all subsidiaries, incentives are dependent on overall group performance.
- Incentives are biased towards realisations and therefore non-cash items and minority interests are discounted when determining the adjusted profit pool.
- The profit pool is split between investment activities and non-investment activities, which are treated differently.
- The incentive on the investment pool is based on a carried interest model according to which the reward is calculated as a percentage of the realised capital growth after a notional cost of capital charge has been applied.
- The incentive on the non-investment pool is calculated as a percentage of the adjusted profit pool on a sliding scale.

The table below shows the pay mix of the executive directors at the various levels of performance:

| | TGP | STI | LTI |
|---|---|---|---|
| **Below-threshold performance** | | | |
| Position CEO/CFO/ Executive | 85% | 0% | 15% |
| **Target performance** | | | |
| Position CEO/CFO/ Executive | 57% | 33% | 10% |
| **Stretch performance** | | | |
| Position CEO/CFO/ Executive | 44% | 48% | 8% |

| Performance condition and weightings | Performance period | Strategic purpose | Positive outcome |
|---|---|---|---|
| Financial (75%)<br>▶ Group profit<br>▶ Realisation of investments<br>▶ Cost efficiency | One-year | An entrepreneurial culture that rewards individual performance and contribution to generation of sustainable annual returns | Improvement of group cash generation, profitability of subsidiaries and investments, dividend payment and growth in market value |
| Strategic initiatives (25%)<br>▶ Client satisfaction<br>▶ Be more agile, innovative<br>▶ Transformation<br>▶ Competitive growth in relative sectors | One-year | Enhance the profile of the group amongst stakeholders (Investors, regulators, the board)<br><br>Be a responsible corporate citizen | Positive media coverage, receipt of awards, strong share price movement<br><br>Contribution to the communities we work in |

## LTIs

The group has one share scheme in place, the conditional share scheme, which is an LTI.

The company implemented the share scheme in November 2015. The conditional share scheme entitles employees to receive performance and retention shares in the company upon the fulfilment of certain performance conditions.

The conditional awards were made on 11 November 2015, 29 February 2016, 24 February 2017, 26 February 2018, 15 January 2021, 26 February 2021, 26 February 2022, 27 February 2023, 29 February 2024 and 28 February 2025.

The shares will vest on the fulfilment of certain performance conditions at the end of a three-year period. Performance conditions include financial and non-financial measures. It is anticipated that allocations will be made annually.

| Performance condition and weightings | Performance period | Strategic purpose | Positive outcome |
|---|---|---|---|
| Financial performance (60%) | One-year | To attract, retain and motivate key employees | Improved group profit that will improve the shareholder return |
| Individual performance (40%) | | | |

## Executive directors' remuneration

The group adheres to the guidelines for executive remuneration as set out in King IV™. Overall remuneration principles include:

- establishing an appropriate and competitive balance between fixed and variable remuneration structures in order to achieve performance excellence;
- establishing a performance-oriented culture with a pay-for performance approach that aligns with sustainable shareholder value;
- using market and industry benchmarks to ensure competitive remuneration that is aligned to the market median; and
- driving sustainable business results through short-term and long-term performance-driven incentives.

Please refer to the implementation report below and note 43 on page 204 of the financial statements for details of the executive directors' remuneration.

## Non-executive directors' remuneration

Non-executive directors receive fixed fees for their services as directors of the board and as members of board committees.

The remuneration committee proposes the fees for non-executive directors, and these are confirmed by the board and approved by shareholders. Fees are reviewed annually, and non-executive directors do not participate in the group's incentive bonus plan or share schemes.

For details regarding fees paid during the current period and prior year, refer to note 43 on page 204 of the financial statements.

## Prescribed officers

Prescribed officers fall into a category created by the 2008 Companies Act. The purpose of this category is to include within the scope of the Act anyone who fulfils the role of a director but who is operating – whether intentionally or otherwise – under a different designation.

In order to comply with the requirements of the Act, the group discloses all remuneration paid to prescribed officers in its financial statements. Details for the reporting period are available in note 63 on page 232.

## Implementation report

### Total remuneration (single figure)

The single figure remuneration disclosure below is in terms of the King IV™ principles:

| Figures in R'000 | Salaries | Provident | Bonus accrued | Share-based payment | Total |
|---|---|---|---|---|---|
| **2025** | | | | | |
| E Dube | **5 283** | **1 072** | **4 610** | **541** | **11 506** |
| NM Anderson | **3 443** | **839** | **3 106** | **365** | **7 753** |
| BM Khoza | **3 734** | **548** | **3 106** | **365** | **7 753** |
| T Mika | **1 949** | **226** | **1 578** | **263** | **4 022** |
| | **14 409** | **2 685** | **12 400** | **1 534** | **31 078** |
| **2024** | | | | | |
| E Dube | 4 968 | 1 084 | 3 430 | 624 | 10 106 |
| NM Anderson | 3 528 | 550 | 2 311 | 421 | 6 810 |
| BM Khoza | 3 289 | 789 | 2 311 | 421 | 6 810 |
| T Mika | 1 857 | 216 | 1 174 | 259 | 3 506 |
| | 13 642 | 2 639 | 9 226 | 1 725 | 27 232 |

### Total LTI awards

The details of the long-term awards made to the executive directors are disclosed below:

| | Award date | Vesting date | Opening number ('000) | Awarded during the year ('000) | Forfeited during the year ('000) | Vested during the year | Award price per share (cents) | Closing number ('000) | Cash received from awards settled | Indicative value of unvested shares |
|---|---|---|---|---|---|---|---|---|---|---|
| **2025** | | | | | | | | | | |
| E Dube | **28/02/2025** | **28/02/2028** | **2 457** | **309** | **–** | **267** | **190** | **3 033** | **–** | **5 763** |
| NM Anderson | **28/02/2025** | **28/02/2028** | **1 637** | **208** | **–** | **180** | **190** | **2 025** | **–** | **3 848** |
| BM Khoza | **28/02/2025** | **28/02/2028** | **1 637** | **208** | **–** | **180** | **190** | **2 025** | **–** | **3 848** |
| T Mika | **28/02/2025** | **28/02/2028** | **871** | **150** | **–** | **130** | **190** | **1 151** | **–** | **2 187** |
| | | | **6 602** | **875** | **–** | **757** | | **8 234** | **–** | **15 646** |
| **2024** | | | | | | | | | | |
| E Dube | 29/02/2024 | 28/02/2027 | 1 826 | 255 | – | 376 | 270 | 2 457 | – | 6 634 |
| NM Anderson | 29/02/2024 | 28/02/2027 | 1 211 | 172 | – | 254 | 270 | 1 637 | – | 4 420 |
| BM Khoza | 29/02/2024 | 28/02/2027 | 1 211 | 172 | – | 254 | 270 | 1 637 | – | 4 420 |
| T Mika | 29/02/2024 | 28/02/2027 | 632 | 124 | – | 115 | 270 | 871 | – | 2 352 |
| | | | 4 880 | 723 | – | 999 | | 6 602 | – | 17 826 |

## STI performance outcomes

The STI performance outcomes for the financial year is shown below:

| Key performance indicator | Weight | Target | ED | MA | BK | TM | Achieved |
|---|---|---|---|---|---|---|---|
| Revenue growth | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Operational profit | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| New business | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Strategic initiatives | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

## Payments on termination of employment

The employment contracts of members of the executive management do not contain clauses that would entitle them to additional remuneration in the event of termination of their contracts. In the event of termination of employment, any payments made to the executive will be in terms of legislation and any unvested LTI shares will be dealt with in terms of the rules of the scheme and reason for termination.

There were no payments for termination of employment during the year.

## Compliance

There were no deviations from the remuneration policy during the reporting period.

JR Macey

*Remuneration committee chairman*

# Investment committee report

The primary purpose of the investment committee is to consider projects, acquisitions and the disposal of assets in line with the group's overall strategy.

The committee is chaired by independent non-executive director JR Macey and further comprises executive directors EDube and NM Anderson, non-executive director S Mthethwa, independent non-executive director LI Jacobs and independent committee member A Pieterse. Attendance at committee meetings is set out on page 48.

The committee assists the board on matters related to:

- the disposal or transfer of any business, share, asset or other investment within the limits of its authority;
- the establishment of or acquisition of any business – either directly or indirectly;
- the encumbering of any assets in any manner whatsoever;
- any transactions or agreements with related parties as defined in the JSE Listings Requirements;
- the liquidation or winding-up, de-registration or the discontinuance or suspension of any business activities;
- the implementation of any restructuring, merger or joint venture agreements;
- the amendment of the MOI of any designated group company;
- any variation to the authorised and/or issued share capital or rights attaching to any shares or class of shares of any designated group company;
- any matter concerning the financing of capital or borrowings which would have the effect of directly or indirectly reducing the proportionate shareholding of any ordinary shareholder in a designated group company;
- the issue of guarantees or other similar undertakings of any nature; and
- a change in the business of any designated group company; and performing such other investment-related functions as may be designated by the board from time to time.

During the reporting period, the committee:

- Identified investment opportunities in order to ensure sustainable growth for the group.

In FY2026 the committee intends to:

- Continue to identify opportunities to grow the group.

## Levels of authority

The approval of investment transactions by the committee is subject to the limits of authority as specified in the JSE Listings Requirements. Transactions exceeding a set financial limit also require shareholder approval.

The limits of authority approved by Vunani's board are as follows:

| | |
|---|---|
| All investments amounting up to R3 million are at the sole discretion of the executive management of Vunani and these investments do not require committee or board approval. | R3 million<br><br>The sole discretion of the executive committee |
| All investments in excess of R3 million and up to a maximum of R30 million require approval by the committee. No board approval is required. | R30 million<br><br>Requires the approval of the investment committee |
| All investments with an exposure in excess of R30 million are reviewed by the committee and recommended to the board for approval. Any approved investment proposal is referred to the board together with the committee's recommendation for the board's final determination. | +R30 million<br><br>Requires final approval from the board. |

**JR Macey**
*Investment committee chairman*

# Nominations committee report

The nomination committee makes proposals to the board regarding the nomination the evaluation and re-appointment of directors, and the appointment and induction of new directors.

The committee is chaired by independent non-executive director LI Jacobs and further comprises independent non-executive director JR Macey. Attendance at committee meetings is set out on page 48.

The committee assists the board in discharging its duties related to:

- reviewing the performance of the executive directors;
- developing succession plans for the CEO and executive directors;
- identifying, evaluating, recommending and approving appointees to the board and board committees;
- considering and making recommendations on a periodic basis regarding the composition and membership of the board, the needs of the board and any gaps perceived in the composition of the board;
- conducting annual evaluations of the effectiveness and performance of the board as a whole and considering the contribution of each non-executive director; and
- reviewing the board's training, development and orientation needs, including induction programmes for new directors and training and development needs arising from the annual director/board performance evaluation process and the annual board training/workshop programme.

During the reporting period, the committee:

- Reviewed the nomination committee charter.

In FY2026 the committee intends to:

- Review board training requirements

**LI Jacobs**
*Nomination committee chairman*

# Social, ethics and transformation committee report

The nomination committee makes proposals to the board regarding the nomination the evaluation and re-appointment of directors, and the appointment and induction of new directors.

The social, ethics and transformation committee was established to monitor adherence to ethical standards, to provide guidelines for acceptable behaviour and to allow for formal oversight of the group's activities, all with reference to the prevailing codes of best practice.

The committee is chaired by independent non-executive director NS Mazwi and further comprises executive director T Mika and non-board members N Chonco. Attendance at committee meetings is set out on page 48.

The committee assists the board in discharging its duties related to:

- the group's legal obligations;
- prevailing codes of good practice pertaining to social and economic development and good corporate citizenship;
- the environment, health and public safety, including the impact of the company's activities and of its products or services;
- consumer relationships, including the company's policies and record relating to advertising, public relations and compliance with consumer protection laws;
- labour and employment matters; assessment of potential CSI projects;
- compliance with applicable laws and regulations; and transformation policies.

During the year the committee:

- reviewed the employment equity policy;
- reviewed the sexual harassment plan;
- reviewed committee work plan;
- reviewed the UN Global compact issues; and
- reviewed the BEE scorecards.

In the FY2026 financial year, the committee intends to:

- Review ethics policy
- Review diversity policy
- Review human resources report

## Social, ethics and transformation committee sub-committees

The social and ethics committee has one sub-committee that assists it in discharging its duties to the board.

## Health and safety committee ("HS committee")

The HS committee was established in terms of the Occupational Health and Safety Act, with a mandate to ensure the continued provision and maintenance of a safe and healthy working environment.

The committee assists the social and ethics committee by:

- conducting health and safety audits;
- identifying potential hazards, risks and dangers; conducting inspections of the working environment; investigating incidents; and
- making recommendations regarding health and safety to the social and ethics committee.

B-BBEE Commission Compliance Report (in terms of Section 13G (2) of the Broad-Based Black Economic Empowerment Act):

| Industry sector | Financial Services |
|---|---|
| Relevant code of good practice | FSC Generic |
| Name of verification agency | Empowerlogic Proprietary Limited |
| Name of technical signatory | P Govender |

Information as verified by the B-BBEE verification professional as per scorecards:

| B-BEE elements | Target score | Bonus points | Actual score achieved |
|---|---|---|---|
| Equity ownership | 25 | – | 25 |
| Management control | 20 | – | 15.7 |
| Skills development | 20 | – | 14.36 |
| Enterprise and supplier development | 35 | – | 36.1 |
| Social-economic development | 5 | – | 6 |
| **Total score** | 105 | – | 102.7 |
| Priority elements achieved | 5/5 | | |
| Empowering supplier status | Yes | | |
| Financial B-BEE status | Level 1 | | |

**NS Mazwi**
*Social, ethics and transformation committee chairman*

# 06 ANNUAL FINANCIAL STATEMENTS



The financial statements have been audited in terms of section 30 of the Companies Act of South Africa, 2008.

The financial statements were published on 20 June 2025.

The financial statements have been prepared under the supervision of the group chief financial officer, Tafadzwa Mika CA(SA).

# Audit and risk committee report

for the year ended 28 February 2025

The audit and risk committee operates under a formal mandate that has been approved by the board and has conducted its affairs in compliance with and discharged its responsibilities as stipulated in the committee terms of reference.

## Audit and risk committee members

The committee's composition is in line with the requirements of the Companies Act of South Africa, which require it to have a majority of independent directors. The committee comprises of three independent non-executive directors. The committee held four meetings during the year as detailed below:

| Committee composition and meeting attendance | 22 May 2024 | 20 June 2024 | 21 Oct 2024 | 4 Feb 2025 |
|---|---|---|---|---|
| GS Nzalo* | ✓ | × | ✓ | × |
| JR Macey | ✓ | ✓ | ✓ | ✓ |
| NS Mazwi | ✓ | ✓ | ✓ | ✓ |

* *Independent non-executive chairman*

The members of the committee have the necessary financial skills and experience to adequately fulfil their duties as members of the committee.

The chief executive officer, chief financial officer, group financial manager and representatives from external and internal audit attend the committee meetings by invitation.

## Key terms of reference

The committee's roles and responsibilities include its statutory duties as defined in the Companies Act of South Africa and the responsibilities assigned to it by the board and these were performed as detailed below.

During the year under review, the committee undertook the following:

External audit

- Considered and satisfied itself that the external auditor was independent.
- Approved the fees to be paid to the external auditor for the 2025 engagement.
- Determined the nature and extent of all non-audit-related services performed.
- Complied with the requirements of paragraph 3.84(g)(iii) in the assessment of the suitability of the reappointment of the auditor.
- Confirmed that no reportable irregularities had been identified or reported by the auditors under the Auditing Profession Act.

Internal audit

- Recommended the reappointment of the internal audit service provider.
- Reviewed and approved the annual internal audit plan and evaluated the independence, effectiveness and performance of the internal audit function.
- Reviewed issues raised by internal audit and the adequacy of corrective action taken by management in response.
- Reviewed the effectiveness of the company's systems of internal control, including internal financial control and business risk management and the maintenance of effective internal control systems.
- Reviewed the co-operation and co-ordination between the internal and external audit functions and co-ordinated the formal internal audit work plan with external auditors to avoid duplication of work.
- Assessed the adequacy of the performance of the internal audit function and found it to be satisfactory.

### Adequacy and functioning of the group's internal control

- Reviewed the plans and work outputs of the external and internal auditors and concluded that these were adequate to address all significant financial risks facing the business.
- As noted above, the committee also reviewed reporting around the adequacy of the internal controls and, based on this, concluded that there had been no material breakdowns in internal control, including financial controls, business risk management and the maintenance of effective material control systems.
- After due care and proper consideration, the chief executive officer and financial director are satisfied that the annual financial statements for the year ended 28 February 2025 are an accurate reflection of the group's performance. (Paragraph 3.84(k))

### Finance function and chief financial officer

- Satisfied itself of the appropriateness of the qualifications, expertise and experience of the chief financial officer, Tafadzwa Mika.
- Considered the expertise, resources and experience of the finance function, and concluded that these were satisfactory.

### Integrated report

- Reviewed the integrated report, including the audit report on the financial statements prior to board approval.
- Satisfied themselves that the financial statements were prepared on a going-concern basis.
- Considered the appropriateness of accounting policies and any changes thereto and the adequacy of disclosures in the integrated report.
- Reviewed the accounts and financial statements taken to ensure they present a balanced and comprehensive assessment of the position, performance and prospects of the company.
- Ensured that appropriate financial reporting procedures exist and are working, which includes consideration of all entities included in the consolidated group IFRS financial statements.
- Ensured that it had access to all the financial information of the group to enable the effective preparation of the integrated report.

### Legal, regulatory and corporate governance requirements

- Confirmed the company secretary relationship is at arm's-length.
- Ensured the establishment and maintenance of effective processes for compliance with applicable statutory and regulatory requirements.
- Monitored compliance with the Companies Act of South Africa, the JSE Rules and Listings Requirements, and all other applicable legislation and governance codes.
- Reviewed compliance matters that could have a significant impact on the financial statements.

### Risk management and IT governance

The committee is responsible for the group's risk management and IT governance. The committee has regular feedback from those charged with governance of risk management and IT. During the period the committee:

- reviewed and approved the group's risk management plan;
- reviewed the group risk registers containing pertinent risks; and
- reviewed the group's policies on the risk assessment and risk management and were satisfied with the risk management plan and policies.

## Recommendation of the integrated report for approval by the board

Based on the information and explanations given by management and discussions with the internal auditor and the independent external auditor regarding the results of their audits, the committee is satisfied the financial statements of Vunani Limited and the group for the year ended 28 February 2025 comply, in all material respects, with the requirements of the Companies Act of South Africa, IFRS (R) Accounting Standards, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, and the JSE Listings Requirements.

**GS Nzalo**
*Chairman of the audit and risk committee*

20 June 2025
Sandton

# Directors' responsibility statement and approval of the financial statements

for the year ended 28 February 2025

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements of Vunani Limited, which comprise the consolidated and separate statements of financial position at 28 February 2025, and the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa, the directors' and audit and risk committee's reports and the certification by the company secretary.

The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The directors have made an assessment of the company's and group's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead. The directors have reviewed the company's and group's cash flow forecast for the year to 31 August 2026 and, in light of this review and the current financial position, they are satisfied that Vunani Limited and its subsidiaries have, and have access to, adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the consolidated and separate financial statements.

The auditor is responsible for reporting on whether the consolidated and separate financial statements are fairly presented in accordance with the applicable financial reporting framework.

## Approval of consolidated and separate financial statements

The directors acknowledge and accept full responsibility for the preparation and integrity of the information presented in the company and group financial statements for the year ended 28 February 2025. The company and group annual financial statements of Vunani Limited, which have been prepared in accordance with the Companies Act, the company's MOI, comply with IFRS, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, and the JSE Listings Requirements.

The consolidated and separate financial statements of Vunani Limited, as identified in the first paragraph, were approved by the board of directors on 20 June 2025 and are signed on their behalf by:

**E Dube**
*Chief executive officer*
*Authorised director*

**T Mika**
*Chief financial officer*

20 June 2025
Sandton

# CEO and CFO responsibility statement

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

a. the annual financial statements set out on pages 75 to 235, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS Accounting Standards;
b. to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
c. internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;
d. the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
e. where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and
f. we are not aware of any fraud involving directors.

Where we are not satisfied, we have disclosed to the audit and risk committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors, and have taken the necessary remedial action.

**E Dube**
*Chief executive officer*

**T Mika**
*Chief financial officer*

20 June 2025
Sandton

# Certification by the company secretary

In terms of section 58(2) of the Companies Act, and Companies Regulations 2011, we hereby certify to the best of our knowledge and belief, that for the financial year ended 28 February 2025, Vunani Limited has lodged with the Companies and Intellectual Properties Commission, all such returns and notices as are required in terms of the Companies Act of South Africa, and that all such returns appear to be true, correct and up-to-date.

**CIS Company Secretaries Proprietary Limited**
*Company secretary*

20 June 2025
Sandton

# Directors' report

for the year ended 28 February 2025

## Review of activities

### Main business and operations

The company was incorporated on 1 December 1997 and carries on the business of a financial services company with certain strategic investments. It has operations in fund management, asset administration, insurance and investment banking (institutional securities broking and advisory services).

The operating results and state of affairs of the group and company are fully set out in the attached financial statements and do not in our opinion require any further comment, other than information below.

### 2025 performance

Vunani made a loss for the year ended 28 February 2025 of R3.1 million compared to a profit of R24.2 million in the prior year. This was due to the impact of lower assets under management for the South African asset management business, which resulted in lower revenue and a decrease in profitability of that business. There was also a decrease in advisory fees earned, which negatively affected profitability. The group was impacted by negative fair value adjustments relating to the insurance related liabilities. Despite the tough economic environment the Institutional stockbroking business has had a better performance.

### Impairment of intangible assets

The VIF intangible asset that arose in on the acquisition of Oracle is reviewed for impairment through a discounted cash flow (DCF) valuation on an annual basis. This valuation method references the results of the EV calculations for the relevant products. This embedded value methodology uses a number of assumptions relating to future cash flows. The underlying assumptions of the VIF asset were reviewed by the statutory actuary using historical GLA (group life assurance) and PHI (permanent health insurance) data. This valuation resulted in an impairment of the VIF asset of R18.0 million (2024: R6.6 million impairment reversal). Refer to note 16 for more details regarding the key assumptions.

## Declaration of dividends

No gross interim dividend was declared in the current year. A gross final dividend of 35.0c was declared after the end of the financial year. Refer to note 46 of the financial statements.

## Special resolutions

1. It was resolved that the non-executive directors' remuneration be approved with effect from 30 July 2024 until the next annual general meeting.
2. It was resolved by special resolution that, subject to the company's Memorandum of Incorporation, the Companies Act and the JSE Listings Requirements in force from time to time, the company and/or any subsidiary of the company, be and are hereby authorised to repurchase or purchase shares issued by the company.
3. It was resolved that approval was provided authorising the group to provide direct or indirect financial assistance to any related or inter-related companies.

## Share capital

Details of the company's authorised and issued stated capital at 28 February 2025 are shown in notes 26 and 59 to the financial statements.

## Directors

The directors of the company for the financial year and up to the date of this report are as follows:

### Executive directors

E Dube (Chief executive officer)
T Mika (Chief financial officer)
BM Khoza
NM Anderson

### Non-executive directors

LI Jacobs (Chairman) – independent
GS Nzalo – independent*
JR Macey – independent*
NS Mazwi – independent*
S Mthethwa
M Golding

* *Having served for more than nine years as an independent non-executive director, the director's independence was considered and assessed by the board and the board is satisfied that there are no factors that impair their independence. The director continues to be classified as an independent non-executive director.*

## Secretary

The company secretary is CIS Company Secretaries Proprietary Limited.

## Shareholding of directors

The shareholding of directors in the issued stated capital of the company as at 28 February 2025 was as follows:

| | Number of shares held | | Total |
|---|---|---|---|
| Shareholding per director | Beneficially direct ('000s) | Beneficially indirect ('000s) | number of shares ('000s) |
| E Dube | 337 | 26 201 | 26 538 |
| BM Khoza | 858 | 14 779 | 15 637 |
| NM Anderson | 1 167 | 14 779 | 15 946 |
| T Mika | 753 | – | 753 |
| | 3 115 | 55 759 | 58 874 |

There has been no other changes in shareholding of the directors of the listed company between 28 February 2025 and the date of approval of the integrated report.

## Auditor

BDO South Africa Inc. was reappointed as auditor to the company at the AGM held on 30 July 2024.

# Independent auditor's report

To the shareholders of Vunani Limited

## Report on the Audit of the Consolidated and Separate Financial Statements

### Opinion

We have audited the consolidated and separate financial statements of Vunani Limited (the group and company) set out on pages 75 to 235, which comprise the consolidated and separate statements of financial position as at 28 February 2025, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Vunani Limited as at 28 February 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of Consolidated and Separate Financial Statements* section of our report. We are independent of the group and company in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

### Final Materiality

We established specific quantitative thresholds for materiality, which, together with qualitative considerations, guided the overall audit approach. These factors influenced the scope of our audit and informed the nature, timing and extent of our audit procedures on the individual financial statements line items and disclosures. They also played a key role in evaluating the impact of identified misstatements, both individually and in aggregate, on the financial statements as a whole.

Based on our professional judgment, we determined materiality for the financial statements as a whole as follows:

| | Financial statements – Group | Financial statements - Company |
|---|---|---|
| **Overall materiality** | R4.9 million | R4.3 million |
| **Basis for materiality** | Based on 0.7% of revenue | Based on 1% of total assets |
| **Rationale for benchmark applied** | Revenue was used as the group materiality benchmark due to the industries in which the group operates being revenue oriented. Vunani operates primarily in the financial services sector, encompassing fund management, asset administration, stockbroking, and insurance. The underlying entities within the group that operate in these industries are fee earning entities and revenue is a primary indicator of the scale and performance of the business.<br><br>Vunani is a publicly traded company, and the stakeholders reviewing the financial statements are primarily concerned with the group's revenue generation.<br><br>Accordingly, the Statement of Comprehensive Income, more specifically, revenue, is the most appropriate indicator of the entity's activities. | We used Total Assets as the company materiality benchmark given that Vunani is a diversified financial services group in South Africa, and the company holds investments into these various financial services companies. The main purpose of the entity is to hold investments with income earned through dividends received from subsidiaries.<br><br>In such industries, a significant portion of the company's activities involves managing and investing substantial assets. Consequently, the total assets figure provides a comprehensive view of the company's scale and financial health.<br><br>Accordingly, the Statement of Financial Position, more specifically, Total Assets, is the most appropriate indicator of the entity's activities. |

## Group Audit Scope

We tailored the scope of our audit to ensure that we performed enough work to be able to express an opinion on the consolidated financial statements as a whole, taking into account the structure of the group, the accounting processes, controls and the industry in which they operate.

We defined a component as a single reporting entity which feeds into the group consolidation. In assessing the risk of material misstatement to the consolidated financial statements, and to ensure the quantitative coverage of the significant accounts in the consolidated financial statements of the reporting entities that form part of the group, we selected Vunani Limited, and 11 of its 35 subsidiaries to perform audit procedures on. The 24 entities not selected were considered inconsequential to the consolidated financial statements. Of the 11 components, 8 of them required audit procedures to be performed over the entirety of the financial information of the component due to their financial significance and risk characteristics. The remaining 3 components had specific risks identified over one or more classes of transactions, account balances or disclosures, and required audit procedures to be performed.

We established an overall group audit strategy which informed our scoping by conducting risk assessment procedures and holding planning discussion meetings with component auditors to discuss group audit risks relevant to the components.

Where work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those reporting entities to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements. This included holding planning discussion meetings with component auditors over risk assessment and identification, inspecting the work performed by components over identified risk areas and evaluating the appropriateness of their findings and conclusions.

## Key audit matters

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

We have determined that there are no key audit matters in respect of the separate financial statements to communicate in our report.

In terms of the EAR Rule, we are required to report key audit matters and the outcome of audit procedures or key observations with respect to the key audit matters, and these are included below.

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| **Valuation of insurance contract liabilities (consolidated financial statements – Notes 30 and 2.20)** | |
| As at 28 February 2025, the carrying amount of the group's insurance contract liabilities amounted to R149.0m.<br><br>Insurance contracts are contracts under which the insurer, Vunani, accepts significant insurance risk from another party (policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholders.<br><br>The insurance contract liabilities are measured in accordance with the financial soundness valuation basis as set out in the actuarial professional guidance note SAP 104, as well as per the requirements of IFRS 17, Insurance Contracts.<br><br>Management considers key assumptions and applies significant judgement in the determination of insurance contract liabilities, with the help of their actuarial expert.<br><br>Significant judgments and estimates include, but are not limited to, mortality and morbidity rates, probability-weighted cash flow estimates regarding expected premiums; claims; directly attributable expenses and lapse assumptions, risk adjustment for non-financial risk and discount rates.<br><br>Given the relative magnitude and the susceptibility of the balance to fluctuations, as a result of changes to the underlying assumptions and judgements involved in determining the value of these liabilities, it was considered a matter of most significance to our current year audit of the consolidated financial statements | Making use of our in-house actuarial expertise, we performed audit procedures which included the following:<br><br>► Obtained an understanding of the methodologies and key assumptions applied by management in determining the valuation of the insurance contract liabilities through inspection of the valuation report prepared by management's external actuarial expert and through inquiries with both management and their external actuarial expert;<br><br>► Considered the appropriateness of the accounting and valuation methodology applied by management, against the requirements of IFRS 17 – *Insurance Contracts*, as well as management's accounting policy and methodology position papers, and considered compliance with the latest actuarial guidance and legislation. We did not note any inconsistencies in this regard;<br><br>► Assessed the independence, competence and objectivity of management's expert through obtaining independence confirmations as well as their qualifications and experience. We identified no aspects in this regard which required further consideration;<br><br>► Independently assessed the key inputs and estimates made by management's actuarial expert through the inspection of the component auditor's audit file against market information and actuarial valuation guidelines for the underlying Oracle Life and Oracle Insure businesses, as well as assessed the sufficiency of work performed over claims data that formed part of the valuation inputs. Based on the results of our assessment, we accepted the key inputs and estimates used by management; and<br><br>► Assessed the adequacy of the disclosures in the consolidated financial statements against the requirements of IFRS 17 – *Insurance Contracts* |

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| **Value in force asset impairment assessment (consolidated financial statements – Note 16)** | |
| As at 28 February 2025, the carrying amounts of the Value of in-force asset ("VIF") amounted to R71.8m, after amortisation of R3.6m and an impairment of R18m.<br><br>The VIF asset is an intangible asset which arose upon the acquisition of the Oracle Life and the Oracle Insure businesses with a useful life of 30 years. This asset represents the present value of future profits expected to arise from contracts existing at the date of acquisition of the insurance book, less the cost of holding the required capital. Given the susceptibility of the value in use calculation to market fluctuations, the asset is tested for impairment each financial year.<br><br>Management, with the help of an actuarial expert, considers a number of economic and non-economic assumptions when determining VIF. Economic assumptions include information obtained from the market at the time of valuation, such as returns on investments based on the assets to be valued. Non-economic assumptions, such as claim ratios and lapses, are typically determined by management using prior experience. This involves significant judgment on the part of management.<br><br>Due to the size of the VIF asset, and the significant judgements and estimates applied by management in determining its carrying amount, the impairment assessment thereof was considered a matter of most significance to our current year audit of the consolidated financial statements. | Making use of our in-house actuarial expertise, we performed our audit procedures which included the following:<br><br>► Obtained an understanding of the methodologies and assumptions applied by management in determining the value in use of the VIF asset through inspection of the valuation report prepared by management's external actuarial expert and through inquiries with management's external actuarial expert;<br>► Assessed the independence, competence and objectivity of management's expert through obtaining independence confirmations as well as their qualifications and experience. We identified no aspects in this regard which required further consideration;<br>► Independently assessed the key inputs and estimates made by management's actuarial experts, by evaluating the economic and non-economic assumptions. Economic assumptions were evaluated against market data and non-economic assumptions were evaluated against historical data and best practice approach. Financial related information was agreed to the audited financial information that formed part of the audit of the financial statements. We identified no aspects in this regard which required further consideration;<br>► Assessed the mathematical accuracy and appropriateness of the calculation related to the determination of value of the Value-in-force asset; and<br>► Assessed the adequacy of the disclosures in the consolidated financial statements in accordance with IAS 38, *Intangible Assets*. |

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| **Goodwill impairment considerations (consolidated financial statements – note 16)** | |
| As at 28 February 2025, the carrying value of goodwill amounted to R139.8m, which is required to be assessed for impairment annually. The carrying value of goodwill represents the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised.<br><br>Goodwill arose from the business combination and acquisition of three cash generating units being, Vunani Fund Managers, Vunani Securities and Fairheads Benefit Services, and as such, these businesses are the cash generating units (CGUs) to which the goodwill of the group relate to. In assessing the recoverable amount, management assesses the reasonableness of the assumptions used in the determination of the recoverable amount, including the cash flow projections and discount rates.<br><br>Due to the high degree of estimation uncertainty resulting from the judgement involved, as well as the significant carrying value, the impairment assessment of goodwill was determined to be a matter of most significance to our current year audit of the consolidated financial statements. | Making use of our internal valuation expertise, our audit procedures focused on evaluating the key assumptions used by management, and included the following:<br><br>► Obtained an understanding of and evaluated the design and implementation of controls over management's determination of the value in use calculation;<br>► Evaluated management's previous cash flow forecasts against actual results, as well as the reasonableness of the current year's cash flow forecasts based on our knowledge of the applicable businesses, to assess the appropriateness of the forecasts incorporated in the value in use models. Based on the results of our assessment, we accepted the cash flow forecasts applied by management in the first year of the value in use models;<br>► Assessed the appropriateness of the valuation methodology and the accuracy of the valuation model applied;<br>► Compared the discount rates to known market data and industry benchmarking information. We found that the discount rates applied fell within reasonable ranges of our expectations;<br>► Evaluated management's adjustments to future cash flows to consider whether it is in line with best practice valuation principles;<br>► Performed a sensitivity analysis to assess how sensitive the estimate is to changes in the key inputs and assumptions; and<br>► Considered the adequacy of the disclosures in the consolidated financial statements against the requirements of IFRS Accounting Standards. |

## Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Vunani Limited Integrated Report for the year ended 28 February 2025", which includes the Audit and risk committee report, the Certification by the company secretary and the Directors' report as required by the Companies Act of South Africa. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

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

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

## Responsibilities of the directors for the consolidated and separate financial statements

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

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

## Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

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

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

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

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

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

## Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that BDO South Africa Incorporated has been the auditor of Vunani Limited for 4 years.

**BDO South Africa Incorporated**
Registered Auditors

**Lance September**
*Director*
Registered Auditor

20 June 2025

Wanderers Office Park
52 Corlett Drive
Illovo, 2196

# Consolidated statement of comprehensive income

for the year ended 28 February 2025

| Figures in R'000 | Notes | VUNANI LIMITED – Group Audited 2025 | Audited 2024 |
|---|---|---|---|
| Revenue | 5 | **418 449** | 428 703 |
| Insurance service result | | **71 584** | 47 539 |
| Insurance revenue | 6 | **274 438** | 236 460 |
| Insurance service expenses | 30 | **(196 997)** | (173 594) |
| Net expenses from reinsurance contracts held | 30 | **(5 857)** | (15 327) |
| Dividend income | 8 | **9 777** | 736 |
| Interest income calculated using the effective interest method | 9 | **36 386** | 72 |
| Other income | 7 | **6 934** | 19 357 |
| **Total income** | | **543 130** | 496 407 |
| Operating expenses | 12 | **(463 164)** | (441 225) |
| **Operating profit** | | **79 966** | 55 182 |
| (Impairment)/reversal of impairment of non-financial assets | 11 | **(18 023)** | 6 602 |
| Impairment of financial assets | 11 | **(6 968)** | (2 472) |
| Fair value adjustments and net changes to third party and contract liabilities | 10 | **(34 009)** | 5 503 |
| Equity-accounted loss (net of income tax) | 21 | **(253)** | (2 811) |
| **Results from operating activities** | | **20 713** | 62 004 |
| Finance income | 13 | **11 768** | 13 156 |
| Finance costs | 13 | **(15 324)** | (15 478) |
| Net finance costs | | **(3 556)** | (2 322) |
| **Profit before income tax** | | **17 157** | 59 682 |
| Income tax expense | 14 | **(20 284)** | (35 467) |
| **(Loss)/profit for the year** | | **(3 127)** | 24 215 |
| **Other comprehensive income** | | | |
| **Items that may be subsequently reclassified to profit or loss*** | | **(254)** | (43) |
| Exchange differences on translating foreign operations | | **(254)** | (43) |
| **Total comprehensive (loss)/income for the year** | | **(3 381)** | 24 172 |
| **(Loss)/profit for the year attributable to:** | | | |
| Equity holders of Vunani Limited | 38 | **(11 502)** | 14 355 |
| Non-controlling interest | 40 | **8 375** | 9 860 |
| | | **(3 127)** | 24 215 |
| **Total comprehensive (loss)/income for the year attributable to:** | | | |
| Equity holders of Vunani Limited | | **(11 640)** | 14 329 |
| Non-controlling interest | 40 | **8 259** | 9 843 |
| | | **(3 381)** | 24 172 |
| **Basic (loss)/earnings per share (cents)** | 38 | **(7,1)** | 9,0 |
| Basic and diluted (loss)/earnings per share (cents) | | **(7,1)** | 9,0 |
| **Basic (loss)/headline earnings per share (cents)** | 38 | **(2,8)** | 7,4 |
| Basic and diluted (loss)/headline earnings per share (cents) | | **(2,8)** | 7,4 |

* *There are no tax implications on the items included in other comprehensive income*

# Consolidated statement of financial position

at 28 February 2025

| | | VUNANI LIMITED – Group | |
|---|---|---|---|
| Figures in R'000 | Notes | 2025 | 2024 |
| **Assets** | | | |
| Property, plant and equipment* | 15 | **38 772** | 36 690 |
| Goodwill | 16 | **139 766** | 139 766 |
| Intangible assets | 16 | **98 777** | 129 266 |
| Investment in jointly-controlled ventures | 21 | **9 645** | 9 897 |
| Insurance-related investments | 19 | **682 963** | 606 872 |
| Deferred tax asset | 22 | **56 748** | 59 609 |
| **Total non-current assets** | | **1 026 671** | 982 100 |
| Loans to jointly-controlled ventures | 21 | **4 084** | – |
| Taxation prepaid | 33 | **1 483** | 18 |
| Insurance contract assets | 30 | **886** | – |
| Reinsurance assets | 20 | **28 850** | 27 970 |
| Trade and other receivables | 23 | **61 005** | 72 024 |
| Accounts receivable from trading activities | 24 | **308 149** | 41 496 |
| Trading securities | | **432** | 494 |
| Cash and cash equivalents | 25 | **187 429** | 222 212 |
| **Total current assets** | | **592 318** | 364 214 |
| **Total assets** | | **1 618 989** | 1 346 314 |
| **Equity** | | | |
| Stated capital | 26 | **696 497** | 696 497 |
| Treasury shares | 26 | **(516)** | (5 004) |
| Share-based payments reserve | 27 | **5 118** | 5 474 |
| Foreign currency translation reserve | | **(2 222)** | (2 014) |
| Accumulated loss | | **(408 114)** | (375 605) |
| Equity attributable to equity holders of Vunani Limited | | **290 763** | 319 348 |
| Non-controlling interest | 40 | **70 493** | 70 516 |
| **Total equity** | | **361 256** | 389 864 |
| **Liabilities** | | | |
| Other financial liabilities | 28 | **19 297** | 25 664 |
| Lease liabilities | 29 | **11 466** | 8 266 |
| Investment contracts | 31 | **557 775** | 503 707 |
| Insurance contract liabilities | 30 | **50 201** | 50 251 |
| Deferred tax liabilities | 22 | **29 063** | 32 108 |
| **Total non-current liabilities** | | **667 802** | 619 996 |
| Other financial liabilities | 28 | **12 753** | 20 025 |
| Lease liabilities | 29 | **8 787** | 6 374 |
| Taxation payable | 33 | **13 997** | 17 368 |
| Insurance contract liabilities | 30 | **98 845** | 62 050 |
| Trade and other payables | 34 | **124 467** | 165 149 |
| Accounts payable from trading activities | 24 | **306 941** | 41 168 |
| Trading securities | | **6** | 4 |
| Bank overdraft | 25 | **24 135** | 24 316 |
| **Total current liabilities** | | **589 931** | 336 454 |
| **Total liabilities** | | **1 257 733** | 956 450 |
| **Total equity and liabilities** | | **1 618 989** | 1 346 314 |
| Shares in issue (000s) | 26 | **161 156** | 161 156 |
| Net asset value per share (cents) | | **180,4** | 198,2 |
| Net tangible asset value per share (cents) | | **32,4** | 31,2 |

* *Included in property, plant and equipment is the right-of-use assets recognised in terms of IFRS 16. Refer to note 29.*

# Consolidated statement of changes in equity

for the year ended 28 February 2025

| Figures in R'000 | Stated capital | Treasury shares | Share-based payment reserve | Foreign currency translation reserve | Accumulated loss | Total attributable to equity holders | Non-controlling interest | Total equity |
|---|---|---|---|---|---|---|---|---|
| | | | | | | VUNANI LIMITED – Group | | |
| **Balance at 28 February 2023** | 696 497 | (7 156) | 4 104 | (1 988) | (358 170) | 333 287 | 64 805 | 398 092 |
| **Total comprehensive income for the year** | | | | | | | | |
| Profit for the year | – | – | – | – | 14 355 | 14 355 | 9 860 | 24 215 |
| Other comprehensive income for the year | – | – | – | (26) | – | (26) | (17) | (43) |
| **Total comprehensive income for the year** | – | – | – | (26) | 14 355 | 14 329 | 9 843 | 24 172 |
| Transactions with owners, recorded directly in equity | | | | | | | | |
| Acquisition of treasury shares | – | (1 144) | – | – | – | (1 144) | – | (1 144) |
| Transfer of treasury shares | – | 3 296 | (3 296) | – | – | – | – | – |
| Share-based payments | – | – | 4 666 | – | – | 4 666 | – | 4 666 |
| Dividends paid | – | – | – | – | (31 790) | (31 790) | (4 132) | (35 922) |
| Transfer between reserves * | – | – | – | – | – | – | – | – |
| **Total transactions with owners, recorded directly in equity** | – | 2 152 | 1 370 | – | (31 790) | (28 268) | (4 132) | (32 400) |
| **Balance as at 29 February 2024** | 696 497 | (5 004) | 5 474 | (2 014) | (375 605) | 319 348 | 70 516 | 389 864 |
| Total comprehensive income for the year | | | | | | | | |
| (Loss)/profit for the year | **–** | **–** | **–** | **–** | **(11 502)** | **(11 502)** | **8 375** | **(3 127)** |
| Other comprehensive income/(loss) for the year | **–** | **–** | **–** | **(208)** | **–** | **(208)** | **(46)** | **(254)** |
| **Total comprehensive (loss)/income for the year** | **–** | **–** | **–** | **(208)** | **(11 502)** | **(11 710)** | **8 329** | **(3 381)** |
| Transactions with owners, recorded directly in equity | | | | | | | | |
| Acquisition of treasury shares | **–** | **(1 847)** | **–** | **–** | **–** | **(1 847)** | **–** | **(1 847)** |
| Transfer of treasury shares* | **–** | **6 335** | **(6 335)** | **–** | **–** | **–** | **–** | **–** |
| Share-based payments | **–** | **–** | **8 618** | **–** | **–** | **8 618** | **–** | **8 618** |
| Transfer between reserves | **–** | **–** | **(2 639)** | **–** | **(8 146)** | **(10 785)** | **–** | **(10 785)** |
| Transaction between shareholders | **–** | **–** | **–** | **–** | **1 470** | **1 470** | **(1 470)** | **–** |
| Dividends paid | **–** | **–** | **–** | **–** | **(14 331)** | **(14 331)** | **(6 882)** | **(21 213)** |
| **Total transactions with owners, recorded directly in equity** | **–** | **4 488** | **(356)** | **–** | **(21 007)** | **(16 875)** | **(8 352)** | **(25 227)** |
| **Balance as at 28 February 2025** | **696 497** | **(516)** | **5 118** | **(2 222)** | **(408 114)** | **290 763** | **70 493** | **361 256** |

* *Shares that were issued as part of the share-based payment scheme vested. The shares were transferred out of the share trust (held as treasury shares) to the qualifying employees. The cumulative share-based payment expense in the reserve has been transferred between the non-distributable reserve and retained income on vesting. Refer to Note 27.*

# Consolidated statement of cash flows

for the year ended 28 February 2025

| | | VUNANI LIMITED – Group | |
|---|---|---|---|
| Figures in R'000 | Notes | **2025** | **2024** |
| **Cash flows from operating activities** | | | |
| Net cash generated by operating activities | 36 | **30 444** | 91 763 |
| Investment revenue received | | **25** | 736 |
| Finance income received | | **11 079** | 13 156 |
| Finance costs paid | | **(10 593)** | (8 251) |
| Dividends paid to shareholders | | **(14 331)** | (31 790) |
| Dividends paid to non-controlling interest | 40 | **(6 882)** | (4 132) |
| Income tax paid | 37 | **(28 922)** | (33 670) |
| **Net cash (utilised)/generated by operating activities** | | **(19 180)** | 27 812 |
| **Cash flows from investing activities** | | | |
| Acquisition of property, plant and equipment | 15 | **(1 042)** | (7 851) |
| Acquisition of jointly-controlled entity | 21 | **–** | (7 500) |
| Advance of loans to jointly controlled ventures | 21 | **(4 084)** | – |
| Acquisition of intangible assets – computer software | 16 | **(3 639)** | (3 403) |
| Proceeds on disposal of other investments | 18 | **–** | 8 716 |
| Proceeds on disposal of insurance investments | 19 | **67 733** | 46 374 |
| Acquisition of insurance investments | 19 | **(54 900)** | (97 827) |
| **Net cash inflow/(outflow) from investing activities** | | **4 068** | (61 491) |
| **Cash flows from financing activities** | | | |
| Acquisition of treasury shares | | **(1 847)** | (1 144) |
| Advances of other financial liabilities | 28 | **–** | 17 912 |
| Repayments of other financial liabilities | 28 | **(11 447)** | (22 608) |
| Repayment of lease liabilities – capital repayment | 29 | **(6 196)** | (6 727) |
| **Net cash outflow from financing activities** | | **(19 490)** | (12 567) |
| **Net decrease in cash and cash equivalents** | | **(34 602)** | (46 246) |
| Exchange rate on foreign cash balances | | **5** | – |
| Cash and cash equivalents at the beginning of the year | | **197 896** | 244 142 |
| **Total cash and cash equivalents at end of the year** | 25 | **163 294** | 197 896 |

# Notes to the consolidated and separate financial statements
for the year ended 28 February 2025

## Reporting activities

Vunani Limited (the company) is a company domiciled in South Africa at Vunani House, Vunani Office Park, 151 Katherine Street in Sandton. The Consolidated and Separate Financial Statements of the company at and for the year ended 28 February 2025 comprise the company and its subsidiaries (together referred to as the "group") and the group's interest in jointly controlled entities and associated entities. The group operates in the financial services industry.

## 1. Basis of preparation

### 1.1. Statement of compliance

The company and the group's financial statements are prepared in accordance with IFRS Accounting Standards as issued by the IASB, its interpretations adopted by the IASB, Financial Pronouncements as issued by Financial Reporting Standards Council, the JSE Listings Requirements, and the South African Companies Act.

The consolidated and separate financial statements have been prepared under the supervision of T Mika, CA(SA), the group chief financial officer.

The financial statements, which have been prepared on the going concern basis, were authorised for issue by the board of directors on 20 June 2025.

### 1.2. Basis of measurement

The financial statements are prepared on the historical cost basis, except for certain financial instruments (which include other investments, insurance related investments, insurance contracts, and certain other financial liabilities), which are measured at fair value, and insurance liabilities, which are measured in terms of the Financial Soundness Valuation basis as set out in actuarial guidance issued by the Actuarial Society of South Africa in Standard of Actuarial Practice (SAP) 104.

### 1.3. Presentation currency

The financial statements are presented in South African Rand, which is the company's presentation currency.

All financial information presented in South African Rand have been rounded to the nearest thousand unless indicated otherwise.

### 1.4. Use of estimates and judgements

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Although estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised, if revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Information about assumptions and estimation uncertainties which have the most significant effect on the financial statements are set out below:

- Note 21 and 44.3 – classification of investment in jointly controlled ventures.
- Notes 18, 19 and 44.4 – determining fair value of financial instruments based on significant unobservable inputs.

## 1. Basis of preparation (continued)

### 1.4 Use of estimates and judgements (continued)

- Note 16 – impairment test of goodwill, value-in-force asset and intangible assets: key assumptions underlying recoverable amounts.
- Note 22 – utilisation of tax losses: the availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised.
- Note 23 – measurement of ECLs allowance for trade and other receivables: key assumptions in determining average loss rates.
- Note 30, 31 and 32 – investment contract liabilities designated as at fair value profit and loss, insurance contracts and investment contracts with discretionary participation features (DPF) valued using the financial soundness valuation basis as set out in SAP 104 – Calculation of the value of the assets, liabilities, and capital adequacy requirement of long-term insurers.

## 2. Accounting policies

The accounting policies applied in the preparation of the consolidated and separate financial statements are in terms of IFRS Accounting Standards and are consistent with those applied in the previous consolidated annual financial statements. The group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

A number of other new standards are also effective in the current year, but they do not have a material effect on the group's financial statements.

### 2.1. Basis of consolidation

The consolidated financial statements include the assets, liabilities and results of operations of the holding company, its subsidiaries and investments in associates.

#### 2.1.1. Subsidiaries

Subsidiaries are entities controlled by the group. The group controls the entity when it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated 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 company accounts for subsidiaries at cost less accumulated impairment losses in the separate financial statements.

#### 2.1.2. Investments in jointly-controlled entities

The group is a party to a joint arrangement when there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

The group classifies its interests in joint arrangements as either:

Joint ventures: where the group has rights to only the net assets of the joint arrangement.

- Joint operations: where the group has both the rights to assets and obligations for the liabilities of the joint arrangement.

## 2. Accounting policies (continued)

### 2.1 Basis of consolidation (continued)

In assessing the classification of interests in joint arrangements, the Group considers:

- The structure of the joint arrangement.
- The legal form of joint arrangements structured through a separate vehicle.
- The contractual terms of the joint arrangement agreement.
- Any other facts and circumstances (including any other contractual arrangements).

The group accounts for its interests in joint ventures in the same manner as investments in Associates (i.e. using the equity method – refer above).

Any premium paid for an investment in a joint venture above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the investment in joint venture. Where there is objective evidence that the investment in a joint venture has been impaired the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

The group accounts for its interests in joint operations by recognising its share of assets, liabilities, revenues and expenses in accordance with its contractually conferred rights and obligations. In accordance with *IFRS 11 – Joint Arrangements*, the group is required to apply all of the principles of *IFRS 3 – Business Combinations* when it acquires an interest in a joint operation that constitutes a business as defined by IFRS 3.

## 2. Accounting policies (continued)

### 2.1 Basis of consolidation (continued)

**Judgement**

For all joint arrangements structured in separate vehicles, the group must assess the substance of the joint arrangement in determining whether it is classified as a joint venture or joint operation. This assessment requires the group to consider whether it has rights to the joint arrangement's net assets (in which case it is classified as a joint venture), or rights to and obligations for specific assets, liabilities, expenses, and revenues (in which case it is classified as a joint operation). Factors the group must consider include:

- structure;
- legal form;
- contractual agreement; and
- other facts and circumstances.

Upon consideration of these factors, the group has determined that all of its joint arrangements structured through separate vehicles give it rights to the net assets and are therefore classified as joint ventures.

#### 2.1.3. Non-controlling interests

Non-controlling interests are measured at either their proportionate share of the acquiree's identifiable net assets or at fair value at acquisition date.

Changes in the group's interest in a subsidiary that do not result in loss of control are accounted for as equity transactions.

#### 2.1.4. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised profit or loss arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

### 2.2. Financial instruments

#### 2.2.1. Recognition and initial measurement

Trade receivables are initially measured when they are originated. All other financial assets and financial liabilities are initially recognised when the group becomes a party to the contractual provisions of the instrument.

A trade receivable without a significant financing component is initially measured at the transaction price. Trade receivables are expected to be recovered within 30 days.

# 2. Accounting policies (continued)

## 2.2 Financial instruments (continued)

### 2.2.2. Classification and subsequent measurement

**Financial assets**

On initial recognition, a financial asset is classified as measured at amortised cost or FVTPL.

Financial assets are not reclassified subsequent to its initial recognition unless the group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost because it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL, these include other investments and insurance related investments.

The group classifies non-derivative financial instruments into the following categories: FVTPL and financial assets at amortised cost.

Financial assets – Business model assessment:

The group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, “principal” is defined as the fair value of the financial asset on initial recognition. “Interest” is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs).

# 2. Accounting policies (continued)

## 2.2 Financial instruments (continued)

### 2.2.2 Classification and subsequent measurement (continued)

**Financial assets (continued)**

In assessing whether the contractual cash flows are solely payments of principal and interest, the group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

**Other investments**

Other investments are classified as at fair value through profit or loss. Other investments are recognised when the company becomes a party to the contractual provisions of the instrument. The investments are measured, at initial recognition, at fair value. Transaction costs are added to the initial carrying amount for those investments which have been designated as at fair value through other comprehensive income. All other transaction costs are recognised in profit or loss. Other investments are subsequently measured at fair value with changes in fair value recognised in profit or loss. Other investments are not subject to impairment provisions.

**Loans to jointly-controlled entities**

Loans to jointly-controlled entities are classified as financial assets subsequently measured at amortised cost. They have been classified in this manner because the contractual terms of these loans give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the company's business model is to collect the contractual cash flows on these loans. The amortised cost is the amount recognised on the loan initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

**Loans to associates**

Loans to associates are classified as financial assets subsequently measured at amortised cost. They have been classified in this manner because the contractual terms of these loans give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the company's business model is to collect the contractual cash flows on these loans. The amortised cost is the amount recognised on the loan initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

**Trade and other receivables**

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost. They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the company's business model is to collect the contractual cash flows on trade and other receivables. Trade and other receivables are recognised when the company becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus/minus transaction costs, if any. The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

## 2. Accounting policies (continued)

### 2.2 Financial instruments (continued)

#### 2.2.2 Classification and subsequent measurement (continued)

**Cash and cash equivalents**

Cash and cash equivalents comprise cash balances used by the group in the management of short-term commitments. Bank overdrafts that are repayable on demand and form an integral part of the group's cash management system are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. Cash and cash equivalents are measured at amortised cost.

**Accounts receivable and accounts payable from stockbroking activities**

These amounts arise primarily from securities trading activities that the group carries out on behalf of its clients. The accounts receivable from stockbroking activities represents amounts due from clients for the purchases of equities and the accounts payable from stockbroking activities represents amounts due to clients for sales of equities. Accounts receivable and accounts payable from stockbroking activities are initially measured at fair value and are subsequently measured at their amortised cost using the effective interest method less impairment losses. No set-off of receivables and payables is permitted as the group has no legal right to do so as the transactions are with different counterparties with differing settlement dates.

The group must ensure the settlement of all transactions executed by them on behalf of clients. The Settlement Authority (which is a separate entity established in terms of the JSE Rules and Directives) is responsible for the management of the settlement of these transactions and the management of the risks associated with such settlement.

Both the group and the Settlement Authority monitor settlements and ensure that the obligation of members and their clients are met on settlement date. The Settlement Authority monitors uncommitted settlements (i.e. trades where there is either insufficient cash or dematerialised scrip to facilitate settlement) and has the authority to take all necessary action when the settlement of a transaction in equity securities is unlikely to take place on settlement date. The Settlement Authority has the ability to buy and sell equity securities as well as borrow cash as agent on behalf of a member to ensure settlement.

The group is protected by a clause in its controlled account mandate which states that where the controlled client fails to put the member in a position before the required time to settle the transaction on settlement day, the controlled client will forfeit any rights the client may have had in respect of the said transaction. The clause also states that the client shall remain liable for any losses, costs and charges incurred or charges imposed by the member which affect the said transaction. This is covered in the material obligations section of the controlled account mandate signed by the client. In addition, the group ensures that no purchase transaction takes place unless the controlled client has sufficient funds in their account, which are held at JSE Trustees Proprietary Limited, and on the sell side, that the client has sufficient equity securities in dematerialised form before a sale is executed.

# 2. Accounting policies (continued)

## 2.2 Financial instruments (continued)

### 2.2.2 Classification and subsequent measurement (continued)

**Financial liabilities**

The group classifies non-derivative financial liabilities into the following categories: financial liabilities at FVTPL and financial liabilities at amortised cost.

**Financial liabilities at amortised cost**

Other financial liabilities, accounts payable from trading activities, and trade and other payables are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

**Financial liabilities at fair value through profit or loss**

The group designates certain financial liabilities at fair value through profit or loss on initial recognition. Ring-fenced structured entities have historically been used to house the group's geared equity investments and any financial liabilities that relate to such investments. Financial assets and liabilities that arise in terms of these ring-fenced structures are both fair valued through profit or loss in terms of IFRS 9.

### 2.2.3. Derecognition

**Financial assets**

The group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

**Financial liabilities**

The group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

### 2.2.4. Offsetting

Financial assets and financial liabilities are off-set and the net amount presented in the statement of financial position when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

# 2. Accounting policies (continued)

## 2.2 Financial instruments (continued)

### 2.2.5. Stated capital

**Ordinary shares**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

**Treasury shares**

Where share capital is repurchased, and held by a subsidiary or a trust, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity.

## 2.3. Dividend policy

The company distributes dividends to its shareholders as and when determined by the board of directors of Vunani Limited, subject always to:

- the liquidity and solvency requirements of the Companies Act of South Africa;
- any banking or other funding covenants by which Vunani Limited is bound from time to time; and
- the operating requirements referred to in this policy.

## 2.4. Property, plant and equipment

### 2.4.1. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts 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.

Gains and losses on the disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised within net profit or loss on disposal of assets.

### 2.4.2. Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

## 2. Accounting policies (continued)

### 2.4 Property, plant and equipment (continued)

#### 2.4.3. Depreciation

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the group will obtain ownership by the end of the lease term.

The estimated useful lives for the current and comparative periods are as follows:

| | |
|---|---|
| Leasehold improvements | Remaining lease period |
| Motor vehicles | 4 years |
| Furniture and fittings | 6 years |
| Office equipment | 3–5 years |
| Computer equipment | 3 years |
| Buildings | 40 years |

Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

### 2.5. Goodwill

Goodwill arises on the acquisition of business combinations.

Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders and therefore no goodwill is recognised as a result of such transactions.

Goodwill is measured at cost less accumulated impairment losses and is tested for impairment on an annual basis.

### 2.6. Intangible assets

#### 2.6.1. Recognition and measurement

Intangible assets that are acquired by the group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

#### 2.6.2. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally-generated software and brands, is recognised in profit or loss as incurred.

## 2. Accounting policies (continued)

### 2.6 Intangible assets (continued)

#### 2.6.3. Amortisation

Amortisation is calculated on the cost of the asset.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life for the current and comparative periods is as follows:

| | |
|---|---|
| Brand | 15 years |
| Customer lists | 8 years |
| Software | 10 years |
| Value-in-force acquired | 30 years |
| Software – internally developed | 10 years (2024: 5 years) |

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate. Please refer to note 16 for details of change in useful life of the internally generated software.

### 2.7. Impairment

#### 2.7.1. Non-derivative financial assets

**Financial instruments and contract assets**

The group recognises loss allowances for expected credit losses (ECLs) on:

- Financial assets measured at amortised cost.

Loss allowances for trade receivables, loans to associates, loans to jointly-controlled ventures and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the group's historical experience and informed credit assessment and including forward-looking information.

The group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the group in full, without recourse by the group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

Twelve-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

## 2. Accounting policies (continued)

### 2.7 Impairment (continued)

#### 2.7.1 Non-derivative financial assets (continued)

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

**Measurement of ECLs**

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

**Credit impaired financial assets**

At each reporting date, the group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is “credit-impaired” when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the group on terms that the group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cashflows discounted at the asset’s original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss. Interest is calculated on the amortised cost when the asset is credit impaired, and if it moves back to Stage 2 interest recognition resumes on the gross carrying amount.

**Incorporation of forward-looking information**

The group incorporates forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL. The group has identified key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses. Historical loss rates are appropriately adjusted to reflect the expected future changes in the portfolio condition and performance.

**Presentation of allowance for ECL in the statement of financial position**

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

## 2. Accounting policies (continued)

### 2.7 Impairment (continued)

#### 2.7.1 Non-derivative financial assets (continued)

**Write-off**

The gross carrying amount of a financial asset is written off when the group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery of balances from customers or receivables. The group expects no significant recovery from the amount written off. The group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the group's procedures for recovery of amounts due. Any recoveries made are recognised in profit or loss.

#### 2.7.2. Non-financial assets

The carrying amounts of the group's non-financial assets other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. For goodwill, the recoverable amount is estimated annually. The recoverable amount is determined as the value-in-use of the underlying CGU, being the company acquired which gave rise to goodwill or fair value less costs of disposal.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its fair value less cost to sell and its value-in-use. Value-in-use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. An impairment loss in respect of goodwill is not reversed.

## 2. Accounting policies (continued)

### 2.8. Employee benefits

#### 2.8.1. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The group operates a retirement scheme, the assets of which are held in separate trustee-administered funds. The retirement scheme is funded by payments from employees and the relevant group entity. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Pre-paid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

#### 2.8.2. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### 2.8.3. Other long-term employee benefits

The company shall determine the value of any other long-term employee benefit obligations using the projected unit credit method. This method will attribute the benefit to the period of service under the plan's benefit formula, the date at which services by the employee first leads to the benefit of the plan, and the date when further service the employee will lead to no material amount. This includes the probability that some employees will not satisfy the vesting requirements.

### 2.9. Share-based payment transactions

Share-based arrangements in which the group receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the group.

The grant date fair value of equity-settled share-based payment awards granted to employees is recognised as an employee expense with a corresponding increase in the share-based payment reserve in equity over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The equity instruments granted to employees of the subsidiary are recognised as an increase in the investment in the subsidiary in the separate financial statements, as the subsidiary receives services from employees that are paid for by the parent – thereby increasing the value of the subsidiary. The amount recognised as an additional investment is based on the grant-date fair value of the share-based payment. The increase in the investment and the corresponding increase in equity for the equity settled share-based payment is recognised by the parent over the vesting period of the share-based payment.

## 2. Accounting policies (continued)

### 2.9 Shared-based impairments (continued)

The valuation approach is based on risk-neutral valuation principles and excludes marketability assessments. The fair value of equity-settled awards is determined at the grant date and only updated for changes to non-market conditions at subsequent year-end valuations. As a result, inputs, and assumptions such as the spot share price and dividend yield are not updated at each subsequent year-end valuation date.

### 2.10. Revenue

The group generates revenue from trading activities, fees from advisory services, brokerage, fund management fees, asset administration fees, management fees from other investments.

#### 2.10.1. Advisory services

Revenue from advisory services rendered including management and advisory fees. Management fees are recognised in profit or loss completion of milestones related to the transaction at the reporting date. Advisory fees are recognised in profit or loss in proportion to completion of milestones related to the transaction at the reporting date.

#### 2.10.2. Commissions

Commissions comprise brokerage, asset administration and fund management fees that arise when the group acts in the capacity of an agent rather than as the principal in a transaction. The revenue recognised is the net amount of commission earned by the group. This is recognised when the transaction giving rise to the commission is concluded. Performance fees, included in fee and commission income on investment contracts, are recognised when the group is unconditionally entitled to the fee and no contingency with the respect to future performance exists, which is determined to be crystallisation date. The group earns a performance fee if certain performance thresholds and other criteria are met.

#### 2.10.3. Trading revenue

Trading revenue consists of trading income earned from bond and money market trading activities.
Trading income is recognised upon the successful conclusion of trades.

#### 2.10.4. Insurance revenue

Insurance premiums and annuity considerations receivable from insurance contracts and investment contracts with discretionary participation feature (DPF) are recognised as revenue in profit or loss, gross of commission and reinsurance premiums and excluding taxes and levies. Where annual premiums are paid in instalments, the outstanding balance of these premiums is recognised when due. Short-term insurance premiums are accounted for when receivable, net of a provision for unearned premiums relating to risk periods that extend to the following year. Receivables arising from insurance and investment contracts with DPF are recognised under trade and other receivables. Insurance income is disclosed under "Insurance revenue" in the statement of comprehensive income, refer to note 2.20.

## 2. Accounting policies (continued)

### 2.10 Revenue (continued)

#### 2.10.5. Fee and commission income on investment contracts

**Fees received on investment management service contracts**

Fees charged for investment management services provided in conjunction with an investment contract are recognised as revenue as the services are provided. Initial fees that exceed the level of recurring fees and relate to the future provision of services are deferred and released on a straight-line basis over the lives of the contracts.

### 2.11. Other income

**Sundry income**

Income is recognised when the group is certain that, the group will comply with the relevant conditions stipulated in the contracts and the income will be received.

### 2.12. Dividend income

Dividend income is recognised in profit or loss on the date that the group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

### 2.13. Interest received from investments

Interest received from investments consists of interest on financial assets other than cash and cash equivalents, at amortised cost and investments. Interest from investments is recognised as it accrues in profit or loss, using the effective interest method.

### 2.14. Finance income and finance costs

The group's finance income and finance costs include interest income and interest expense. Interest income or expense is recognised using the effective interest method. Interest income is recognised using the agreed rate on with the relevant counterparty.

The "effective interest rate" is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

## 2. Accounting policies (continued)

### 2.15. Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss.

Current taxation comprises taxation payable calculated based on the expected taxable income for the year, using the taxation rates enacted or substantively enacted at the reporting date, and any adjustment of taxation payable for previous years.

Deferred taxation is provided based on temporary differences. Temporary differences are differences between the carrying amounts of assets or liabilities for financial reporting purposes and their tax bases.

The amount of deferred taxation provided is based on the expected manner of realisation or settlement of the carrying amount of assets or liabilities using the taxation rate enacted or substantively enacted at the reporting date.

Deferred taxation is charged to profit or loss, except to the extent that it relates to a transaction that is recognised directly in equity or other comprehensive income, or a business combination that is an acquisition. The effect on deferred taxation of any changes in taxation rates is recognised in the profit or loss, except to the extent that it relates to items previously charged or credited directly to equity or other comprehensive income.

Deferred taxation is not recognised for the following temporary differences:

The initial recognition of goodwill, initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and associates to the extent that the parent is able to control the timing of the reversal of the temporary differences and they will not reverse in the foreseeable future.

A deferred taxation asset is recognised to the extent that it is probable that future taxable profits will be available against which the associated unused taxation losses and deductible temporary differences can be utilised. Deferred taxation assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related taxation benefit will be realised. Deferred tax assets or liabilities are offset if there is a legally enforceable right to offset current tax liabilities or assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, and they intend to settle current tax liabilities or assets on a net basis or their tax assets or liabilities will be realised simultaneously.

## 2. Accounting policies (continued)

### 2.16. Earnings per share (EPS)

**Basic earnings per share**

Earnings per share is calculated using the weighted average number of ordinary shares in issue during the period and is based on the profit after tax attributable to ordinary shareholders. For the purpose of calculating earnings per share, treasury shares are deducted from the number of ordinary shares in issue.

**Headline earnings per share**

Headline earnings is calculated by starting with the basic earnings number in terms of IAS 33 and then excluding all re-measurements that have been identified in terms of Circular 1/2023 issued by SAICA.

**Diluted headline earnings per share**

Diluted headline earnings per share is calculated by dividing the headline earnings attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding for the period after an adjustment for the effects of all dilutive potential ordinary shares.

### 2.17. Segment reporting

An operating segment is a component of the group that engages in business activities from which it may earn revenue and incur expenses, including revenue or expenses that relate to transactions with any of the group's other components. All operating segments' operating results are reviewed regularly by the group's chief executive officer who is defined by the group as the group's chief operating decision-maker, to make decisions about resources to be allocated to each segment and assess its performance, and for which discrete financial information is available.

The group has the following operating segments:

- Fund management – operations comprise institutional and retail product offerings, which include equities, bonds, inflation-linked bonds and property, as well as absolute return funds and smart beta funds.
- Asset administration – a niche beneficiary fund administrator responsible for administering funds on behalf of minor dependants of deceased retirement fund members.
- Insurance – the segment provides short-term insurance, medical aid, individual life and employee benefits in Eswatini.
- Advisory services – whose function is to provide corporate advisory and investment services.
- Institutional securities broking – provides equity, derivative and capital market trading services for institutional clients.

### 2.18. Foreign currencies

**Foreign currency transactions**

Transactions in foreign currencies are translated into the functional currency at the exchange rate ruling at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets or liabilities denominated in foreign currencies are recognised in profit or loss.

# 2. Accounting policies (continued)

## 2.18 Foreign currencies (continued)

Non-monetary assets or liabilities, measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the foreign exchange rates at the dates the fair value was determined.

**Foreign operations**

The results and financial position of foreign operations that have a functional currency different from the group's presentation currency are translated into Rand, as follows:

- assets and liabilities are translated at the foreign exchange rate ruling at the reporting date; and
- income and expenses are translated at average exchange rates for the year, to the extent that such average rates approximate rates ruling at the dates of the transactions.

Exchange differences arising on translation are recognised directly in other comprehensive income and presented in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are reclassified to profit or loss as part of the gain or loss on sale.

## 2.19.Leases

The group assesses whether a contract is or contains a lease, at inception of the contract. The group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liabilities are measured at the present value of lease payments, discounted using the incremental borrowing rate. The weighted average incremental borrowing rate applied to lease liabilities recognised is between 7% and 10.86%.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The group has lease contracts for corporate offices and small office equipment leases of low value assets, which are recognised on a straight-line basis. The terms and conditions of the lease contracts are negotiated on an individual basis. Extension and termination options are included in a number of leases across the group. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options are only included in the lease term if the lessee is reasonably certain to extend the lease. Each lease generally imposes a restriction that the property can only be used by the group unless permission is given by the lessor to sublet, and that the buildings must be returned to their original condition at the end of the lease.

## 2. Accounting policies (continued)

### 2.19 Leases (continued)

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the period of the lease term. The depreciation starts the commencement date of the lease. The right-of-use assets are presented as part of property plant and equipment in the consolidated statement of financial position.

### 2.20.Insurance and reinsurance contracts – IFRS 17

**Insurance and reinsurance contracts**

An insurance contract is defined as "a contract under which one party accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder".

A reinsurance contract is defined as "an insurance contract issued by one entity (the reinsurer) to compensate another entity for claims arising from one or more insurance contracts issued by that other entity (underlying contracts)."

The group applies IFRS 17 to insurance contracts it issues, and reinsurance contracts held. Significant insurance risk has been assessed at a contract level and all insurance/non-insurance components have been separated. The investment contracts by virtue of not having discretionary participation features are outside of the scope of IFRS 17.

Active reinsurance treaties are also in the scope of IFRS 17.

The group does not accept insurance risk from other insurers.

**Combination of insurance contracts**

Contracts have been combined where they have the same or related counterparty, and these are priced as a whole to achieve an overall commercial effect. These contracts have been considered as a single contract.

**Separating components of insurance contracts**

An insurance contract may contain one or more components that would be within the scope of another standard if they were separate contracts. The group issues insurance contracts that do not have embedded derivatives, distinct investment components or service components. Therefore, there are no non – insurance components that are required to be separated.

**Derecognition and modification**

The group derecognises a contract when the specified obligations in the contract expire or are discharged or cancelled.

## 2. Accounting policies (continued)

### 2.20 Insurance and reinsurance contracts – IFRS 17 (continued)

Contract modifications are changes to the legally enforceable terms of the contract. The group shall derecognise the original contract and recognise the modified contract as a new contract if, and only if, a modification is such that, had the contract been written at inception (as now modified), it would have; been excluded from scope of IFRS 17, been included in a different group from the one it was included in at initial recognition, a substantially different contract boundary, different components separated, not qualified for PAA that was applied to the original contract; or qualified or ceased to qualify for treatment as an insurance contract with direct participation features.

**Aggregation**

IFRS 17 requires a company to identify portfolios of insurance contracts which are comprised of contracts with similar risks and managed together. Insurance contracts within the same product line, with similar risk, product development, pricing, monitoring, and reporting have been identified as one portfolio.

Portfolios are further divided into groups based on:

a) A group of contracts that are onerous at initial recognition;

b) A group of contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or

c) A group of the remaining contracts in the portfolio, if any.

A contract is onerous at the date of initial recognition if the fulfilment cash flows allocated to the contract is positive. For insurance contracts where the company applies the premium allocation approach, the company assumes that no contracts in the portfolio are onerous at initial recognition.

The company goal is to achieve profitability, however the pricing strategy does not target profitability in all adverse scenarios, therefore based on the likelihood of a change in assumptions, if they occurred would result in contracts becoming onerous, as such, all contracts have been included in group c. All new insurance contracts, other than those measured under the premium allocation approach, will be assessed individually at initial recognition, and allocated to a profitability group.

The company establishes the group at initial recognition and does not reassess the composition of the group subsequently except in the event of a contract modification or derecognition. The period for which contracts are grouped are no more than one year apart.

**Recognition**

The group shall recognize a group of insurance contracts from the earlier of the beginning of the coverage period of the group or the date when the first payment from the policyholder in the group becomes due. The group will group contracts that are not regularly renewable by the financial year in which they are issued, and by the renewal date for those that are regularly renewable. The group will recognise contracts at the beginning of the insurance coverage period which is earlier than the date when the first payment becomes due. Reinsurance contracts will be recognized at the beginning of the reinsurance coverage period.

## 2. Accounting policies (continued)

### 2.20 Insurance and reinsurance contracts – IFRS 17 (continued)

**Measurement**

**Contract boundaries**

IFRS 17 requires the group to include in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of a contract if they arise from substantive rights and obligations that exist during the reporting period in which they compel the policyholder to pay premiums, or in which the company has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when;

a) the entity has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks; or

b) both of the following criteria are satisfied:

(i) the entity has the practical ability to reassess the risks of the portfolio of insurance contracts that contains the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio; and

(ii) the pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date."

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the company that exist during the reporting period in which the company is required to pay amounts to the reinsurer or has a substantive right to receive reinsurance contract services from the reinsurer. The group has considered only rights and obligations that have economic substance.

For a group of insurance contracts where the group does not have the right to reprice the contracts and does not have the ability to unilaterally cancel the contracts, such contracts are determined to have a long contract boundary.

For a group of insurance contracts where the group has the right to reprice for policyholder risks, has the ability to reassess the risks posed by a particular policyholder and has the practical ability to reprice or cancel contracts, such contracts are determined to have a short contract boundary, provided that there is no pre-funding.

For contracts where there is material pre-funding in the pricing of policyholder risks, such contracts are determined to have a long contract boundary.

In reassessing the risks of a portfolio, the group has considered only insurance and financial risk and not lapse, surrender or expense risk.

Reinsurance contract boundaries align with the contract boundary of the underlying insurance contracts.

## 2. Accounting policies (continued)

### 2.20 Insurance and reinsurance contracts – IFRS 17 (continued)

**Initial Measurement**

On initial recognition, the group shall measure a group of insurance contracts at the total of:

a) the fulfilment cash flows which comprise;

- i) estimates of future cash flows
- ii) an adjustment to reflect the time value of money and the financial risks related to the future cash flows, to the extent that the financial risks are not included in the estimates for the future cash flows; and
- iii) a risk adjustment for non – financial risk

b) the contractual service margin.

The group may simplify the measurement of a group of insurance contracts using the premium allocation approach.

**Fulfilment cash flows**

*Estimates of future cash flows*

The group shall include in the measurement of a group of insurance contracts all future cash flows within the boundary of each contract in the group. These cash flows are unbiased, current, and explicit estimates of the probability – weighted mean of the full range of possible outcomes considering all reasonable and supportable information available without undue cost or effort about the amount, timing, and uncertainty of those future cash flows.

These cash flows include, but are not limited to; premiums, claims, allocation of insurance acquisition cash flows, claim related costs, policy administration and maintenance costs, etc.

Insurance related cash flows are recognized, measured, and presented separately from reinsurance related cash flows.

The fulfilment cash flows of a group of insurance contracts do not reflect the group's non–performance risk.

Fulfilment cash flows are allocated to groups of insurance contracts. The group does not recognize as an asset or liability any amounts outside the contract boundary, these are determined to relate to future insurance contracts.

The group has used best estimate assumptions in determining future cash flows. These assumptions are re-evaluated at every reporting date based on experience investigations and industry benchmarks.

Cash flows have been estimated and assumptions set at a product level.

## 2. Accounting policies (continued)

### 2.20 Insurance and reinsurance contracts – IFRS 17 (continued)

*Discounting*

A company shall adjust the estimates of future cash flows to reflect the time value of money and the financial risks related to those cash flows. The discount rate shall:

a) Reflect the time value of money, the characteristics of the cash flows and the liquidity characteristics of the insurance contracts;

b) Be consistent with observable market prices for financial instruments with cash flows whose characteristics are consistent with those of the insurance contracts; and

c) Exclude the effect of factors that influence such observable market prices but do not affect the future cash flows of the insurance contracts.

The group has not applied any discounting to cash flows for contracts measured using the premium allocation approach. For all other contracts, the group has estimated the discount rates using a bottom – up approach. The group has also used yield curves as published by the Prudential Authority as liquid risk – free yield curves.

An illiquidity premium, which is the adjustment to reflect the liquidity characteristics of insurance contracts has been applied to discount rates used to measure the annuities and PHI liabilities due to the illiquidity of these contracts. The remaining liabilities are comprised of highly liquid insurance contracts; therefore, no illiquidity premium has been applied to the discount rates used to measure these liabilities.

*Risk adjustment for non – financial risk*

The group shall adjust the estimate of the present value of the future cash flows to reflect the compensation that the group requires for bearing uncertainty about the amount and timing of the cash flows that arises from non – financial risk. The group has chosen to use a confidence level or value at risk approach to determine the risk adjustment.

The same methodology used to estimate the risk adjustment on insurance contracts was applied to reinsurance contracts.

*Disaggregation of the risk adjustment*

A company is not required to disaggregate the change in the risk adjustment for non-financial risk between the insurance service result and insurance finance income or expenses. If a company does not make such a disaggregation, it shall include the entire change in the risk adjustment for non-financial risk as part of the insurance service result. Although not required, the company will disaggregate the change in the risk adjustment between the insurance service result and insurance finance income/expenses.

**Contractual service margin (CSM)**

The contractual service margin is a component of the asset or liability for the group of insurance contracts that represents the unearned profit the company will recognise as it provides insurance contract services in the future. If a group of insurance contracts is not onerous at initial recognition, the CSM is measured as the inverse amount of the net inflow resulting from total of fulfilment cash flows, any derecognized assets or liabilities for insurance acquisition or other cash flows paid before the recognition date, such that no income or expense arise on initial recognition.

## 2. Accounting policies (continued)

### 2.20 Insurance and reinsurance contracts – IFRS 17 (continued)

**Loss component**

A loss component must be calculated for onerous groups of insurance contracts at initial recognition. A group of insurance contracts is considered onerous if either;

a) At initial recognition, the contracts' cash flows result in a net outflow; or

b) There are adverse changes in future cash flows related to the contracts' future services under the general measurement model.

If a group of insurance contracts is onerous at initial recognition, the group immediately recognizes this net outflow as a loss component in profit or loss, this determines the amounts that are subsequently presented in profit or loss as reversals of losses on onerous contracts

**Insurance acquisition cash flows**

IFRS 17 requires that companies allocate insurance acquisition cash flows to groups of insurance contracts using a systematic and rational method. For contracts other than those measured under the premium allocation approach, the insurance acquisition cash flows are recognized as part of the fulfilment cash flows of the group of insurance contracts, an implicit deferred acquisition cost is set up and amortized over the coverage period. Insurance acquisition cash flows that are directly attributable to a group of contracts eg. commission are allocated to that group. At initial recognition, the implicit deferred acquisition cost asset is measured as the present value of the acquisition cash flows.

**Subsequent measurement**

The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of;

a) The liability for remaining coverage comprising;

  i) The fulfilment cash flows related to future service and

  ii) The contractual service margin

The liability for incurred claims comprising fulfilment cash flows related to past service.

**Fulfilment cash flows**

The fulfilment cash flows of a group of insurance contracts are measured at the reporting date using current unbiased estimates of the future cash flows, discount rates applicable to measurement model used and current estimates of the risk adjustment for non – financial risk.

**Contractual service margin (CSM)**

For insurance contracts measured using the general measurement model (GMM); CSM is firstly allocated for new contracts added to a group, interest is then accreted to the CSM based on the discount rates applied to the fulfilment cash flows. CSM is also adjusted for changes in future cash flows that relate to future service, including changes in the risk adjustment for non – financial risk relating to future service.

The experience adjustments adjust the CSM only if they relate to future service. Economic and experience adjustments relating to past and current service are recognized in profit or loss and do not impact the CSM.

## 2. Accounting policies (continued)

### 2.20 Insurance and reinsurance contracts – IFRS 17 (continued)

**Amortization of the CSM and coverage units**

At the end of the reporting period, the remaining CSM is allocated to the current and future expected coverage period of the insurance contracts. A portion of the CSM is amortized and recognized in insurance revenue in profit or loss based on insurance contract services provided in the reporting period. This allocation is based on coverage units.

A coverage unit is the period during which the entity provides insurance contract services. This period includes the insurance contract services that relate to all premiums within the boundary of the insurance contract. The coverage unit, having considered all available information has been determined to be the maximum amount that can be claimed by a policyholder, while appropriately allowing for riders and accelerators.

Coverage units are not applicable to contracts measured under the PAA.

The same metholody for the CSM for insurance contracts is applied to reinsurance contracts. The coverage units of reinsurance contracts are consistent with those of the underlying groups of insurance contracts.

**Loss component**

Subsequent to initial recognition, the loss component for a group of insurance contracts is adjusted for a release of expected claims and expenses, changes in the risk adjustment due to the release of risk, changes in fulfilment cash flows that relate to future service and changes in economic assumptions. The group will follow a negative CSM approach in measuring the loss component subsequent to initial recognition. Changes in the loss component are recognized in profit or loss.

The methodology for the loss component on reinsurance contracts is similar to that of underlying insurance contracts.

**Insurance acquisition cash flows**

Subsequent to initial recognition, the insurance acquisition cash flows are unlocked for changes in fulfilment cash flows that relate to future service, interest accretion and amortization of the acquisition cash flows. This is done in a manner that is consistent with the measurement of the loss component and CSM. The amortization of the acquisition cash flows is done in a systematic manner in line with how services are provided.

**Contracts measured under the premium allocation approach (PAA)**

A company may simplify the measurement of a group of insurance contracts using the premium allocation approach, if and only if, at inception of the group;

a) the entity reasonably expects that such simplification would produce a measurement of the liability for remaining coverage for the group that would not differ materially from the one that would be produced applying the general measurement model; or

b) the coverage period of each contract in the group is one year or less

The group applies the PAA to all groups of insurance and reinsurance contracts where the coverage period is one year or less.

## 2. Accounting policies (continued)

### 2.20 Insurance and reinsurance contracts – IFRS 17 (continued)

#### Initial measurement

On initial recognition, the liability for remaining coverage is measured as the amount of premiums received in the period. The company also assumes that no contracts measured under PAA are onerous at initial recognition.

#### Subsequent measurement

Subsequent to initial recognition, the carrying amount of the liability for remaining coverage is adjusted for premiums received minus any amount recognized as insurance revenue for services provided in that period.

The group does not require up-front payment of premiums, therefore the premiums received are in-line with insurance revenue recognized for the period resulting in there being no liability for remaining coverage for contracts measured under the PAA. The group has chosen to recognize insurance acquisition cash flows as expenses when it incurs those costs.

The liability for incurred claims (LIC) under the PAA is comprised of outstanding claims which have been received but not yet settled, and an IBNR which is a best estimate liability for claims incurred but not yet reported.

For the LIC that has been determined, a corresponding reinsurance share exists. The reinsurance cashflows and assumptions are consistent with those of the underlying insurance contracts.

The group expects cash flows to be paid within a year from the date that claims are incurred, therefore future cash flows are not adjusted for the time value of money and the effect of financial risk.

A risk adjustment is applied to the liability for incurred claims where there is uncertainty regarding the size and/or timing of the underlying cash flows.

The group has not applied any discounting to cash flows for contracts measured using the premium allocation approach.

#### Presentation

Portfolios of insurance contracts that are assets and those that are liabilities, and portfolios of reinsurance contracts that are assets and those that are liabilities, are presented separately in the statement of financial position and any related notes to the financial statements.

The group disaggregates amounts recognized in the statement of comprehensive income into:

a) An insurance service result, comprising of insurance revenue and insurance service expenses;

b) Insurance finance income or expenses

Income and expenses from reinsurance contracts are presented separately from the income and expenses from insurance contracts and are presented on a net basis ie. as a single line in the insurance service result.

Although not required, the group disaggregates changes in the risk adjustment for non – financial risk between the insurance service result and insurance finance income/expenses.

The group recognizes in profit or loss the release of the CSM based on insurance contract services provided in the period.

## 2. Accounting policies (continued)

### 2.20 Insurance and reinsurance contracts – IFRS 17 (continued)

Insurance finance income and expenses comprise changes in the carrying amounts of groups of insurance and reinsurance contracts arising from the effects of the time value of money, financial risk and changes therein. The group recognises the insurance finance income and expenses in profit or loss.

**Disability**

Disability insurance is measured in the group risk and voluntary group funeral portfolio which is measured under the PAA due to the contract boundary being one year. All claims incurred are resolved within 1 year with the exception of disability claims, where the insured event has already occurred, however the financial effect is uncertain. IFRS 17 allows for treatment of amounts paid subsequent to an incurred claim that are subject to insurance risk to be treated as a liability for incurred claims or a liability for remaining coverage. The company has made a policy choice to treat all payments to be made to the policyholder for the period of their disability as a liability for incurred claims. The coverage period has been determined to be the period in which the policyholder can make a claim for being disabled. The liability for incurred claim is the obligation to pay for a policyholder claim on becoming disabled. The amount of the claim which are the total payments under the annuity is uncertain and subject to insurance risk.

**Insurance contracts – fair value approach**

The fair value approach involves the calculation of the transition statement of financial position with reference to a theoretical market – based transaction. This is a forward – looking approach and retrospective calculations are not required.

The CSM or loss component as at the transition date for a group of insurance contracts is determined as the difference between the fair value and the fulfilment cash flows.

In applying the fair value approach, IFRS 13 describes 3 valuation approaches which are the market approach, cost approach and income approach. The group has elected to use the income approach where the price has been determined by discounting expected funds available for distribution at each point in time based on the required rate of return.

### 2.21.New standards and interpretations not yet adopted

In terms of IFRS Accounting Standards, the group and company are required to include in their financial statements disclosures about the future impact of standards and interpretations issued but not yet effective at the issue date.

A number of new standards, amendments to standards and interpretations are not effective for annual periods beginning on or after 1 January 2025 and have not been applied in preparing these (consolidated and separate) financial statements. Those which may be relevant to the group and company are set out below. The group and company do not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated.

All standards and interpretations will be adopted at their effective dates (except for the effect of those standards and interpretations that are not applicable to the entity).

## 2. Accounting policies (continued)

### 2.21 New standards and interpretations not yet adopted (continued)

The directors will assess the impact of the new standards on the group's consolidated in the period in which they are effective. The table below details the standards and interpretations issued but not yet effective:

| Standard | Details of amendment | Effective annual periods beginning on or after | Expected impact |
|---|---|---|---|
| Annual improvements to IFRS Accounting Standards | The amendments are limited to changes that clarify the wording in an IFRS Accounting Standard or correct any conflict, oversights or unintended consequences. The cycle will address the following:<br>• Disclosure of deferred difference between fair value and transaction price (Amendment to IFRS 7)<br>• Gain or loss on derecognition (Amendment to IFRS 7)<br>• Derecognition of lease liabilities (Amendment to IFRS 9)<br>• Transaction Price (Amendment to IFRS 9)<br>• Determination of a 'De Facto Agent' (Amendment to IFRS 10)<br>• Cost Method (Amendment to IAS 7) | 1 January 2026 | The standard will unlikely have a material impact on the IFRS 7, IFRS 9, IAS 7 and IFRS 10 disclosures. |
| IFRS 18 – *Presentation and Disclosure in Financial Statements* | IFRS 18 will replace IAS 1 Presentation of Financial Statements. IFRS 18 sets out significant new requirements of how financial statements are presented with a focus on:<br>• The statement of profit or loss with mandatory sub-totals to be presented<br>• Introduction of principles of how information should be aggregated or disaggregated<br>• Disclosure related to management-defined performance measures | 1 January 2027 | A detailed impact assessment will be done closer to implementation date |

## 2. Accounting policies (continued)

### 2.22. Standards and interpretations adopted in the current year

The table below details the standards that became effective during the year:

| Standard | Details of amendment | Effective annual periods beginning on or after | Impact |
|---|---|---|---|
| IFRS 16 – *Lease Liability in a Sale and Leaseback* | The Amendments provide a requirement for the seller-lessee to determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. | 1 January 2024 | The standard did not have a material impact on the group. |
| IAS 1 Presentation of Financial Statements (Amendment – Non-current liabilities with Covenants) | The amendment clarifies that only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current, with additional guidance to explain how an entity should disclose information in the notes to understand the risk that non-current liabilities with covenants could become repayable within 12 months. | 1 January 2024 | The standard did not have a material impact on the group. |
| IAS 1 – *Presentation of Financial Statements* | Classification of Liabilities as Current or Non-current: Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current. | 1 January 2025 | The standard did not have a material impact on the group. |

## 3. Determination of fair values

**Fair value**

The fair value of a financial instrument is the price that would be received for the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is a presumption that an entity is a going concern without any intention or need to liquidate, to curtail materially the scale of its operations or to undertake a transaction on adverse terms. Fair value is not, therefore, the amount that an entity would receive or pay in a forced transaction, involuntary liquidation or distressed sale.

The existence of published price quotations in an active market is the best evidence of fair value and, where they exist, they are used to measure the financial asset or financial liability. A market is considered to be active if transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis. Financial instruments fair valued using quoted prices would generally be classified as level 1 in terms of the fair value hierarchy and when fair valued indirectly (i.e. derived from prices) will be classified as level 2.

Where a quoted price does not represent fair value at the measurement date or where the market for a financial instrument is not active, the group establishes fair value by using valuation techniques. These valuation techniques include reference to the value of the assets of the underlying business, earnings multiples, discounted cash flow analysis (e.g. loans and advances) and various option pricing models.

Inputs used in valuation techniques for loans and advances, investments in associates and other financial liabilities, include discount rates, expected future cash flows, dividend yields, earnings multiples, volatility, equity prices and commodity prices.

Valuation methodologies and techniques applied for level 3 financial instruments include a combination of discounted cash flow analysis, application of earnings multiples on sustainable after tax earnings and current and projected net asset values to determine overall reasonability. The valuation technique applied to specific financial instruments depends on the nature of the financial instrument and the most appropriate valuation technique is determined on that basis.

After the valuations of the unlisted financial assets and liabilities are performed, these are presented to the group's investment committee for independent review. All significant valuations are approved by the investment committee.

A number of the group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. Fair values have been determined for measurement and/or disclosure purposes based on the following methods:

### 3.1. Investments in listed equity and debt securities

The fair value of listed financial assets at fair value through profit or loss is determined by reference to their quoted closing bid price at the reporting date.

### 3.2. Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

## 3. Determination of fair values (continued)

### 3.3 Financial liabilities at fair value through profit or loss

The group's financial liabilities held at fair value through profit or loss are all linked to listed equity investments held by the group through certain investments in associates. The fair value adjustments that relate to financial liabilities are not a result of the group's inability to discharge its obligation, but rather in terms of the agreements with its lenders. The terms of the financial liability are such that, in the event that asset fair value falls below the face value of the liability, the group is not obligated to pay the full face of the debt, but rather a value that is directly linked to the value of the related asset. The full fair value adjustment is considered to be as a result of a change in market conditions.

## 4. Financial risk management

The group and company has exposure to the following risks from its use of financial instruments:

- Liquidity risk
- Credit risk
- Market risk

This note presents information about the group's exposure to the above risks, the group's objectives, policies and processes for measuring and managing risk, and the group's management of capital. Further quantitative disclosures are included throughout these financial statements.

**Risk management framework**

The board of directors has overall responsibility for the establishment and oversight of the group's risk management framework. The board is responsible for developing and monitoring the group's risk management policies.

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. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities.

The group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The group audit and risk committee oversee how management monitors compliance with the group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the group.

### 4.1. Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

## 4. Financial risk management (continued)

### 4.2. Credit risk

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

The group and company manage this risk by transacting with customers that have good credit records and good standing in the markets.

Financial assets, which potentially subject the group to concentrations of credit risk, consist principally of trade and other receivables, loans to associates, accounts receivable from trading activities, reinsurance assets, insurance related investments and cash and cash equivalents. Refer to note 44.3 for more details.

The trade and other receivables relate to trade receivables and intercompany loan. Loans granted to associates and jointly-controlled ventures are reviewed annually for recoverability and impaired, if necessary.

The group's exposure to credit risk is influenced mainly by the individual characteristics of each client. However, management also considers the factors that may influence the credit risk of its client base, including the default risk of the industry. Each client is analysed individually for creditworthiness. The group reviews accounts receivable monthly. Other impairment indicators considered include bankruptcy and the insolvency of clients. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. Twelve month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The group deposits cash surpluses with major banks, of good credit standing to address the related credit risk. Based on the high credit rating of the banks cash carries insignificant risk.

### 4.3. Market risk

Market risk is the risk that changes in the market prices, such as foreign exchange rates, interest rates and equity prices will affect the group's income or value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

The group is exposed to interest rate risk as it borrows funds at variable interest rates. The group generally adopts a policy of ensuring that its exposure to changes in interest rates is limited by either fixing the rate or by linking the rate to the prime rate over the period of the respective loan. The group does not account for any fixed-rate financial liabilities, at FVTPL, and the group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

The group is exposed to equity price risk on its listed investments that are not ring-fenced through underlying funding arrangements. The investments are not hedged and the pricing is reviewed daily.

## 4. Financial risk management (continued)

### 4.4. Currency risk

The group is exposed to currency risk on its investments in foreign operations, where fluctuations in exchange rates against the rand could impact the financial results. Exchange differences arising on translation are recognised directly in other comprehensive income. The group's investments in foreign operations are not hedged. Exchange differences on loans with foreign entities are recognised directly in profit or loss.

The group monitors the impact of the currency risk arising from its foreign operations by monitoring the foreign currency translations reserve movements on an ongoing basis. If there are significant losses that the group do not believe can be recovered, the group will then consider disinvesting in the subsidiary.

### 4.5. Capital management

The board's policy is to maintain a strong capital base to maintain investor, creditor and market confidences and to sustain future development of the business. The board of directors monitors the return on capital, which the group defines as: result from operating activities divided by total shareholders' equity and non-controlling interests. The board of directors also monitors the level of dividends to ordinary shareholders.

The board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The capital structure of the group consists of debt and equity as disclosed in the statement of financial position.

In all externally-regulated entities, there are capital adequacy requirements for the day-to-day operations. Each entity has a compliance officer who is responsible for monitoring these requirements. The compliance officers report to the board of directors of each entity to ensure the requirements are met. There have been no instances of non-compliance reported to the board of directors throughout the reporting year.

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **Gearing ratio** | | |
| Total debt | **1 257 733** | 956 450 |
| *Less:* Cash and cash equivalents | **(187 429)** | (222 212) |
| Net debt | **1 070 304** | 734 238 |
| Equity | **290 763** | 319 346 |
| Total capital managed | **1 361 067** | 1 053 584 |
| Debt equity ratio | **468.10%** | 229 .91% |

| Figures in R'000 | 2025 | Restated 2024 |
|---|---|---|
| **5. Revenue** | | |
| Revenue includes trading revenue, fees earned from advisory services, brokerage, fund management fees, asset administration fees and management fees. Refer to 2.10 for more information. | | |
| **Revenue** | **418 449** | 428 703 |
| **Disaggregation of revenue** | | |
| The revenue relating to the core business operations of the group has been disaggregated as follows: | | |
| **Major products/service lines** | | |
| Bond trading (services transferred at point in time) | **4 796** | 5 695 |
| Money market (services transferred at point in time) | **5 451** | 3 647 |
| Advisory (services transferred over time) | **32 002** | 29 343 |
| Brokerage (services transferred at point in time) | **26 807** | 19 093 |
| Fund management (services transferred over time) | **136 111** | 165 413 |
| Asset administration (services transferred over time) | **213 282** | 205 512 |
| | **418 449** | 428 703 |
| **Timing of revenue recognition** | | |
| Services transferred over time | **381 395** | 400 268 |
| Services transferred at a point in time | **37 054** | 28 435 |
| External revenue (per operating segments note 42) | **418 449** | 428 703 |

**Performance obligations and revenue recognition policies**

Revenue is measured based on the consideration specified in the a contract with a customer. The group recognises revenue when it transfers control over a good or service to a customer.

Revenue from contracts with customers is recognised when (or as) the group satisfies a performance obligation, this is due over time or at a point in time. There are no significant differences in the timing and recognition of revenue from these services or goods and therefore there is no significant impact on the financial statements. Refer to note 2.10 for additional information on performance obligations.

The group recognises receivables (no contracts assets or liabilities are recognised) as it will have unconditional rights to revenue that would have been recorded from the rendering of goods or services.

The decrease in revenue is due to the decrease in funds under management, which reduced fund management revenue and a decline in advisory revenue during the year.

## 6. Insurance revenue

| Figures in R'000 | 2025 | Restated 2024 |
|---|---|---|
| Insurance revenue from contracts not measured under the PAA | **37 457** | 31 748 |
| Insurance revenue from contracts measured under the PAA | **236 981** | 204 712 |
| | **274 438** | 236 460 |

| Figures in R'000 | 2025 | Restated 2024 |
|---|---|---|
| **7. Other income** | | |
| Sundry income | **6 493** | 18 649 |
| Directors' fees | **441** | 708 |
| | **6 934** | 19 357 |

Sundry income relates to non-routine income generated in the various segments. Included in sundry income is revenue from non-routine research and non-routine revenue from running the training academy.

| Figures in R'000 | 2025 | Restated 2024 |
|---|---|---|
| **8. Dividend Income** | | |
| Dividend income from listed investments | **9 777** | 736 |
| | **9 777** | 736 |
| **9. Interest income received from investments using effective interest method** | | |
| Interest received from insurance-related investments | **36 386** | 72 |
| | **36 386** | 72 |
| **10. Fair value adjustments and net changes to third party and contract liabilities** | | |
| Fair value adjustments on financial assets and liabilities | | |
| Adjustments on financial assets and liabilities at fair value through profit or loss comprise the following: | | |
| Net change in third party liabilities | **(15 548)** | (8 130) |
| Net change to investment contract liabilities | **(61 247)** | (32 582) |
| Fair value adjustments on financial assets and liabilities | **42 786** | 46 215 |
| | **(34 009)** | 5 503 |

Refer to note 44.4 for details of assumptions used in determining the fair values of insurance-related investments.

| Figures in R'000 | 2025 | Restated 2024 |
|---|---|---|
| **11. Impairments** | | |
| **Impairments of financial assets** | | |
| Impairment loss on trade and other receivables | **(6 968)** | (2 472) |
| | **(6 968)** | (2 472) |
| **Impairments of non-financial assets** | | |
| (Impairment)/impairment reversal of value of in-force business (VIF) | **(18 023)** | 6 602 |
| | **(18 023)** | 6 602 |

In the current year the group had an impairment of R18.0 million (2024: 6.6 million impairement reversal) due to the impairment on the VIF intangible asset that arose on the acquisition of Oracle.

The VIF asset acquired is reviewed for impairment through a discounted cash flow (DCF) valuation. This valuation method references the results of the EV calculations for the relevant products. This embedded value methodology uses a number of assumptions relating to future cash flows.

The underlying assumptions of the VIF asset were reviewed by the statutory actuary using historical GLA (group life assurance) and PHI (permanent health insurance) data. This resulted in a decrease in the VIF asset. Refer to Note 16 and 32 for details of key assumptions affecting the valuation.

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **12. Operating expenses** | | |
| Operating expenses are arrived at after taking the following into account: | | |
| Amortisation of intangible assets | **16 106** | 14 599 |
| Depreciation | **11 725** | 11 640 |
| External auditor's remuneration | **11 098** | 8 477 |
| Current year | **10 636** | 8 477 |
| Prior year | **462** | – |
| Internal auditor's remuneration | | |
| Current period | **650** | 559 |
| Directors' remuneration and benefits (refer to note 43) | **33 976** | 29 649 |
| Non-executive directors' fees | **2 948** | 2 417 |
| Salaries | **14 409** | 13 642 |
| Bonuses accrued | **12 400** | 9 226 |
| Provident fund and medical aid contributions | **2 685** | 2 639 |
| Equity-settled share-based payment charge | **1 534** | 1 725 |
| Prescribed officers' remunerations (refer to note 63) | **21 063** | 19 056 |
| Staff costs (excluding directors' and prescribed officers' emoluments) | **237 166** | 234 577 |
| Staff provident fund and medical aid contributions (excluding directors' and prescribed officers' emoluments) | **9 061** | 8 141 |
| Equity-settled share-based payment charge (excluding directors) | **7 084** | 2 760 |
| Rentals on low value leases | **85** | 93 |
| **13. Finance income and finance costs** | | |
| Interest received – insurance related | **689** | 932 |
| Interest received – cash and cash equivalents | **11 079** | 12 224 |
| Finance income | **11 768** | 13 156 |
| Interest charge – bank overdraft | **(4 310)** | (3 134) |
| Interest charge – long-term borrowings (refer to note 28) | **(3 551)** | (3 144) |
| Interest charge – insurance related | **(5 930)** | (7 029) |
| Interest charge – trade and other payables | **(25)** | (11) |
| Interest charge – lease liabilities | **(1 508)** | (2 160) |
| Finance costs | **(15 324)** | (15 478) |
| Net finance costs | **(3 556)** | (15 478) |
| Interest expense on financial liabilities measured at amortised cost | **(9 394)** | (8 449) |
| Interest expense on financial liabilities measured at fair value | **(5 930)** | (7 029) |

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **14. Income tax** | | |
| **Current tax expense** | **(20 100)** | (35 598) |
| Current year | **(20 070)** | (27 575) |
| Prior year tax under provision | **(30)** | (8 023) |
| **Deferred tax expense** | | |
| Current year | **(184)** | 131 |
| Origination and reversal of temporary differences | **(184)** | 131 |
| **Total income tax recognised in profit or loss** | **(20 284)** | (35 467) |
| **Reconciliation of effective tax rate** | **%** | % |
| Company tax rate | **27,00** | 27,00 |
| Donations, legal fees and interest | **32,90** | 2,40 |
| Share-based payments | **12,40** | 2,00 |
| Equity-accounted earnings | **0,40** | 1,30 |
| Dividend income | **(14,80)** | (0,30) |
| Fair value gains or losses at Capital Gains Tax rate | **–** | (0,50) |
| Tax rate differences* | **(2,00)** | (1,50) |
| Unrecognised deferred tax assets | **47,10** | 13,00 |
| Dividend withholding tax | **8,30** | 2,60 |
| Prior year tax underprovision | **6,90** | 13,40 |
| | **118,20** | 59,40 |

* *The corporate tax rate for Botswana is 22% and Eswatini is 27.5%.*

**Basis of calculation**

The above is a numerical reconciliation between the average effective tax rate and the applicable tax rate. The applicable tax rate is the national income tax rate of 27.0% (2024: 27%). The effective Capital Gains Tax rate is 22.16% (2024: 22.16%).

| Figures in R'000 | Buildings | Leasehold improve-ments | Motor vehicles | Furniture and fittings | Office equip-ment | Computer equip-ment | Right-of-use asset - corporate offices | Total |
|---|---|---|---|---|---|---|---|---|
| **15. Property, plant and equipment** | | | | | | | | |
| **Cost** | | | | | | | | |
| Balance at 28 February 2023 | 8 923 | 7 257 | 2 104 | 4 119 | 2 126 | 25 254 | 49 759 | 99 541 |
| Additions | 4 398 | 430 | – | 142 | 953 | 1 743 | 185 | 7 851 |
| Disposals | – | – | (162) | – | (72) | – | – | (234) |
| Effects of movement in exchange rates | 408 | – | – | 4 | – | 10 | – | 422 |
| Balance at 29 February 2024 | 13 729 | 7 687 | 1 942 | 4 265 | 3 007 | 27 007 | 49 944 | 107 580 |
| Additions | **–** | **143** | **–** | **123** | **42** | **1 338** | **12 800** | **14 446** |
| Disposals | **–** | **(9)** | **(54)** | **(12)** | **–** | **(64)** | **–** | **(139)** |
| Effects of movement in exchange rates | **(48)** | **–** | **–** | **(42)** | **(10)** | **(99)** | **–** | **(199)** |
| **Balance at 29 February 2025** | **13 681** | **7 821** | **1 888** | **4 334** | **3 039** | **28 182** | **62 744** | **121 688** |
| **Accumulated depreciation** | | | | | | | | |
| Balance at 28 February 2023 | (26) | (4 909) | (343) | (2 968) | (1 643) | (18 946) | (30 415) | (59 250) |
| Depreciation | (316) | (999) | (274) | (388) | (217) | (2 475) | (6 971) | (11 640) |
| Balance at 29 February 2024 | (342) | (5 908) | (617) | (3 356) | (1 860) | (21 421) | (37 386) | (70 890) |
| Depreciation | **(333)** | **(994)** | **(274)** | **(362)** | **(322)** | **(2 462)** | **(6 978)** | **(11 725)** |
| Disposals | **–** | **–** | **–** | **(11)** | **–** | **(38)** | **–** | **(49)** |
| Effects of movement in exchange rates | **(101)** | **–** | **–** | **(29)** | **(11)** | **(69)** | **–** | **(210)** |
| **Balance at 28 February 2025** | **(776)** | **(6 902)** | **(891)** | **(3 758)** | **(2 193)** | **(23 990)** | **(44 364)** | **(82 874)** |
| Carrying amounts | | | | | | | | |
| At 28 February 2023 | 8 897 | 2 347 | 1 761 | 1 151 | 483 | 6 312 | 19 344 | 40 294 |
| At 29 February 2024 | 13 387 | 1 779 | 1 325 | 909 | 1 147 | 5 586 | 12 558 | 36 690 |
| **At 28 February 2025** | **12 905** | **919** | **997** | **576** | **846** | **4 192** | **18 380** | **38 814** |

| | 2025 | 2024 |
|---|---|---|
| Property plant and equipment per above | **20 434** | 24 132 |
| Right-of-use asset – refer to note 29 | **18 380** | 12 558 |
| Total property, plant and equipment per the statement of financial position | **38 814** | 36 690 |

| Figures in R'000 | Goodwill | Customer lists | Brand | Software | Value of in-force business acquired | Software | Total |
|---|---|---|---|---|---|---|---|
| **16. Goodwill and intangible assets** | | | | | | | |
| **Cost** | | | | | | | |
| Balance at 28 February 2023 | 192 697 | 87 883 | 7 977 | 34 832 | 119 643 | 17 890 | 460 921 |
| Additions | – | – | – | – | – | 3 403 | 3 403 |
| Balance at 29 February 2024 | 192 697 | 87 883 | 7 977 | 34 832 | 119 643 | 21 293 | 464 324 |
| Additions | **–** | **–** | **3 600** | **–** | **–** | **39** | **3 639** |
| **Balance at 28 February 2025** | **192 697** | **87 883** | **11 577** | **34 832** | **119 643** | **21 332** | **467 963** |
| **Accumulated amortisation and impairment** | | | | | | | |
| Balance at 28 February 2023 | (52 931) | (74 663) | (3 281) | (21 480) | (29 364) | (5 576) | (187 295) |
| Amortisation | – | (7 209) | (532) | (3 483) | (3 375) | – | (14 599) |
| Impairment reversal | – | – | – | – | 6 602 | – | 6 602 |
| Balance at 29 February 2024 | (52 931) | (81 872) | (3 813) | (24 963) | (26 137) | (5 576) | (195 292) |
| Amortisation | **–** | **(6 011)** | **(532)** | **(3 483)** | **(3 631)** | **(2 449)** | **(16 106)** |
| Impairment | **–** | **–** | **–** | **–** | **(18 023)** | **–** | **(18 023)** |
| **Balance at 28 February 2025** | **(52 931)** | **(87 883)** | **(4 345)** | **(28 446)** | **(47 791)** | **(8 025)** | **(229 421)** |
| **Carrying amounts** | | | | | | | |
| At 28 February 2023 | 139 766 | 13 220 | 4 696 | 13 352 | 90 279 | 12 314 | 273 626 |
| At 29 February 2024 | 139 766 | 6 011 | 4 164 | 9 869 | 93 506 | 15 717 | 269 032 |
| **At 28 February 2025** | **139 766** | **(0)** | **7 232** | **6 386** | **71 852** | **13 307** | **238 543** |

Goodwill and intangibles in the group arose from the business combinations of Vunani Securities Proprietary Limited in 2002, Vunani Fund Managers Proprietary Limited in 2010 and Mandlalux Proprietary Limited in 2017.

The intangible assets arose on the acquisition of Mandlalux Proprietary Limited (customer list, brand and software) and Oracle Life and Insure (value of in-force business acquired). In addition, Mandlalux Proprietary Limited has internally generated computer software.

The goodwill that arose on the acquisitions of the businesses relate to synergies from combining operations and other intangible assets that do not qualify for separate recognition.

## Impairment

It is the group's policy to test the impairment of goodwill on an annual basis.

acquired is reviewed for impairment losses through the liability adequacy test and written down for impairment if necessary.

## 16. Goodwill and intangible assets (continued)

For the purposes of impairment testing, goodwill has been allocated to the following CGUs (operating companies) as follows:

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| Vunani Fund Managers Proprietary Limited | **27 703** | 27 703 |
| Vunani Securities Proprietary Limited | **6 420** | 6 420 |
| Mandlalux Proprietary Limited | **105 643** | 105 643 |
| | **139 766** | 139 766 |

### Assumptions applied in testing for the impairment of goodwill

#### Vunani Fund Managers Proprietary Limited

The carrying amount of goodwill that arose through the business combination is R27.7 million.

In the 2024 financial year the recoverable amount was determined as the fair value less costs of disposal of the

The fair value less costs of disposal is determined using the funds under management at the date of disposal. The fair value measurement was categorised as a level 3 fair value based on the valuation technique used.

During the 2024 financial year, an established industry benchmark for valuing fund management companies is to apply a percentage to the funds under management. The percentage can vary based on a combination of factors, inter alia, quantum of funds under management; profitability; average term of mandates; average management fees charged and growth prospects. As any or all these factors improve, the higher the percentage applied. In applying the impairment test to goodwill held in respect of the investment in Vunani Fund Managers, fair value has been determined on the basis of a percentage of the funds under management. This percentage has been set at 1%, which is consistent with previous periods, and applied to R42.8 billion funds under management at 29 February 2024 to arrive at a fair value of R428.0 million. The value has been determined solely for the purpose of the impairment test.

In the 2025 financial year, the recoverable amount was determined as the value-in-use of the company. The key assumptions used in the calculation of the recoverable amount are discount rates and EBITDA growth rate. The values assigned to the key assumption represented management's assessments for future trends in the fund management industries and were based on internal sources and historical data.

The pre-tax discount rate amounted to 17.7% (2024: N/A). Five years' cash flows were included in the discounted cash flow model. The cash flows were adjusted to take into account the expected growth rate of the EBITDA. An EBITDA rate of 4% (2024: N/A) and a terminal value of R245.9 million (2024: N/A) was used.

Management has identified one key assumption for which there could be a reasonably possible change that could cause the carrying amount to exceed the recoverable amount. The amount by which this one assumption would need to change individually in order for the estimated recoverable amount to equal the carrying amount of the CGU would be an EBITDA growth rate of negative 5% (2024: N/A).

The recoverable amount of the CGU exceeds the carrying amount of the cash generating by R160.8 million (2024: R367.5 million). As a result, the group does not believe that the goodwill is impaired.

## 16. Goodwill and intangible assets (continued)

### Vunani Securities Proprietary Limited

The carrying amount of goodwill that arose through the business combination is R6.4 million.

The recoverable amount was determined as the value-in-use of the company. The key assumptions used in the calculation of the recoverable amount are discount rates and EBITDA growth rate. The values assigned to the key assumption represented management's assessments for future trends in the securities broking industries and were based on internal sources and historical data.

A pre-tax discount rate of 17.4% (2024: 16.99%) was used in the valuation based on analysis of factors affecting the securities broking industries and the current performance of the business.

Four years' cash flows were included in the discounted cash flow model. The cash flows were adjusted to take into account the expected growth rate of the EBITDA. An EBITDA rate of 3% (2024: 3%) was used and a terminal value of R11.5 million (2024: R11.4 million). A minimal growth in EBITDA of 3% was used due to the decline in values and volumes traded within the stockbroking industries.

Management has identified one key assumption for which there could be a reasonably possible change that could cause the carrying amount to exceed the recoverable amount. The amount by which this one assumption would need to change individually in order for the estimated recoverable amount to equal the carrying amount of the CGU would be EBITDA growth rate of negative 4% (2024: 4%).

The recoverable amount of the CGU exceeds the carrying amount of the cash generating by R4.0 million (2024: R20.8 million). As a result of the above the group does not believe that the goodwill needs to be impaired.

### Mandlalux Proprietary Limited

The carrying amount of goodwill that arose through the business combination is R105.6 million.

The recoverable amount was determined as the value in use of the company. The key assumptions used in the calculation of the recoverable amount are weighted average cost of capital and free cash flows. The values assigned to the key assumption represented management's assessments for future trends in the asset administration business and were based on internal sources and historical data.

The pre-tax discount rate amounted to 16.7% (2024: 17.21%). Five years' cash flows were included in the discounted cash flow model. The cash flows were adjusted to take into account the expected growth rate of the EBITDA. An EBITDA rate of 4% (2024: 4%) and a terminal value of R490.2 million (2024: R565.9 million) was used.

Management has identified one key assumption for which there could be a reasonably possible change that could cause the carrying amount to exceed the recoverable amount. The amount by which this one assumption would need to change individually in order for the estimated recoverable amount to equal the carrying amount of the CGU would be an EBITDA growth rate of negative 5% (2024: 5%).

The recoverable amount of the CGU exceeds the carrying amount of the cash generating unit by R222.8 million (2024: R302.4 million). As a result of the above, the group does not believe that the goodwill is impaired.

## 16. Goodwill and intangible assets (continued)

### Value-in-force

The acquisition of Oracle Life and Oracle Insure resulted in the recognition of intangible assets of R119.6 million and deferred tax on intangible asset of R32.9 million at acquisition date.

The intangibles will be amortised as follows:

Value of in-force business acquired 360 months

Valuation of intangible assets

On acquisition of a portfolio of insurance or investment with DPF contracts, the group recognises an intangible asset representing the VIF asset. The VIF asset represents the present value of future pre-tax profits embedded in the acquired insurance or investment with DPF contract business. The VIF asset is recognised gross of tax, with the deferred tax liability accounted for separately in the statement of financial position.

Measurement

The fair value calculation of the VIF asset on acquisition is based on actuarial principles that take into account future premium and fee income, claim outgo, mortality, morbidity and persistency probabilities together with future costs and investment returns on the underlying assets. The profits are discounted at a rate of return allowing for the risk of uncertainty of the future cash flows. This calculation is particularly sensitive to the assumptions regarding discount rate, future investment returns and the rate at which policies discontinue.

Impairment

The VIF asset is reviewed for impairment losses through the liability adequacy test and written down for impairment if necessary.

The VIF asset acquired is reviewed for impairment through a discounted cash flow (DCF) valuation to determine its value in use. This valuation method references the results of the EV calculations for the relevant products. This embedded value methodology uses a number of assumptions relating to future cash flows. A term structured discount rate was applied based on the yield curve as quoted by the South African Reserve Bank.

The underlying assumptions of the VIF asset were reviewed by the statutory actuary using historical GLA (group life assurance) and PHI (permanent health insurance) data. In the current year there was a decrease in the VIF asset, which resulted an in impairment of R18.0 million (2024: R6.6 million impairment reversal). Refer to Note 11 and Note 32 for key assumption that affected the valuation.

## 16. Goodwill and intangible assets (continued)

The recoverable amount at 28 February 2025 was calculated as R71.9 million (2024: R93.5 million).

**VIF Valuations assumptions**

| | Investment contracts | Employee benefits | Retail – Funeral | Retail-credit life | Retail – Digital | Share-holder expense |
|---|---|---|---|---|---|---|
| **Net premiums** | Annual recurring premiums over the last 12 months | API (office premium) | API (office premium) | API (earned office premium) | API (office premium) | n/a |
| **Growth** | Growth in contributions equal to salary inflation | | n/a | | Per policy terms | n/a |
| **Lapses** | All exits: 17.5% of AUM Scheme exits: 5% of API | 6% | 20% | Pricing basis (duration dependant) | 0% | n/a |
| **Claims ratio** | n/a | 54.2% of risk premium (approx. 85% of API) | 30% of API | Pricing basis | Pricing basis | n/a |
| **Fees** | Guaranteed: 1.3% of AUM, 5% of API Accelerator: 0.3% of AUM, 3% of API | n/a | n/a | n/a | n/a | n/a |
| **Profit share** | n/a | n/a | 50% where applicable | 50% where applicable | n/a | n/a |
| **Commis-sion** | Guaranteed: 2% Accelerator: 1% | 4.0% | 22,5% | Single premium: 23.0% Regular premium: 18.9% | n/a | n/a |
| **Expenses** | % of API Guaranteed: 5.3% Accelerator: 12.6% % of AUM: 0.3% | 9.2% of API | 8.9% of API | R44 per policy per year (R34 initial expenses per policy) | Funeral: R260 per policy per year (1 725%) Fully Underwritten: R784 per year (263%) Simple Underwritten: R2 312 per year (5511%) (Brackets denote initial expenses as a % of first month's premium) | R16.6m annual expense |
| **Economic** | Risk-free return per SA reserve bank | | | | | |
| **Projection period** | 20 years | 15 years | 10 years | Loan term (max 30 years) | Per policy terms | Weighted by : 7.3 years |

## 16. Goodwill and intangible assets (continued)

### Economic assumptions

| | Yield used |
|---|---|
| **Risk Discount Rate** | Risk free return per SA Reserve Bank |
| **Equities** | Risk free return per SA Reserve Bank |
| **Property** | Risk free return per SA Reserve Bank |
| **Corporate Bonds** | Risk free return per SA Reserve Bank |
| **Cash** | Risk free return per SA Reserve Bank |
| **Inflation:** | |
| **CPI** | (1+Nominal)/(1+Real)-1 |
| **Salary** | CPI+0% |

### Review of useful life of internally generated software

During the year the useful life of certain internally generated software was reviewed. As a result of this review the useful life was exteneded from 5 years to 10 years. This change has been accounted for prospectively in line with IAS 8. The impact on the current year's results is a reduction in amortisation expense of R2.7 million. The estimated impact on future years is a remaining annual amortisation expense of approximately R0.5 million.

## 17. Investments in and loans to associates

### Accounting considerations

IAS 28 defines an associate as an entity over which an investor has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or jointly control any of those policies.

The group holds more than 20% of the voting power of its associate investee companies and has meaningful representation on the board of directors of these associate companies. The group has the ability to participate in policy-making processes which include dividend decisions.

The group equity accounts certain investments where it holds 50% or more of the equity of a company. This is as a result of the group not having control of the company based on the shareholders' agreements in place that limits the group's ability to direct the relevant activities of the investee company.

### Impairments

The group reviews the recoverability of investments in associates and loans to associates by considering a broader range of information when assessing credit risk and measuring expected credit losses, including past events (cumulative loses are in excess of carrying amounts), current conditions (loss-making investees), reasonable and supportable forecasts that affect the expected collectability of the future cash flows from the investees. This includes both quantitative and qualitative information and analysis, based on the group's historical experience and informed credit assessment and including forward-looking information.

The group applies IFRS 9 to other financial instruments in an associate to which the equity method is not applied. These include long-term interests that, in substance, form part of the entity's net investment in an associate. The group applies IFRS 9 to such long-term interests before it applies the impairment testing standard. In applying IFRS 9, the group does not take account of any adjustments to the carrying amount of long-term interests that arise from applying this Standard.

Refer to note 44.3 for additional disclosures on impairment of financial assets.

### Disposals

There were no disposals during the year.

**Material associates' statement of financial position are presented below:**

## 17. Investments in and loans to associates (continued)

| Figures in R'000 | Current assets | Cash and cash equivalents | Non-current assets | Total assets | Current liabilities | Non-current liabilities | Total liabilities | Net assets |
|---|---|---|---|---|---|---|---|---|
| **2025** | | | | | | | | |
| Orion Properties 14 Proprietary Limited | – | – | – | – | – | (1 781) | (1 781) | (1 781) |
| Other immaterial associates[&] [#] | – | 2 | 3 221 | 3 223 | (17) | (14 275) | (14 292) | (11 069) |
| | – | 2 | 3 221 | 3 223 | (17) | (16 057) | (16 073) | (12 851) |

* *Less than R1 000.*

& *The group has interests in a number of individually immaterial associates. Most of the associate companies have dormant operations or are investment holding entities which do not trade.*

\# *The non-current liabilities amounts relate to loans from shareholders.*

| Figures in R'000 | Current assets | Cash and cash equivalents | Non-current assets | Total assets | Current liabilities | Non-current liabilities | Total liabilities | Net assets |
|---|---|---|---|---|---|---|---|---|
| **2024** | | | | | | | | |
| Orion Properties 14 Proprietary Limited | – | – | – | – | – | (1 781) | (1 781) | (1 781) |
| Other immaterial associates[&] | – | 2 | 3 221 | 3 223 | (17) | (14 275) | (14 292) | (11 069) |
| | – | 2 | 3 221 | 3 223 | (17) | (16 057) | (16 073) | (12 851) |

* *Less than R1 000.*

& *The group has interests in a number of individually immaterial associates. Most of the associate companies have dormant operations or are investment holding entities which do not trade.*

A reconciliation of the investments in and loans to associates:

| Figures in R'000 | Effective ownership | Net asset value | Share of net assets | Loans to associates | Goodwill/ (Bargain purchase) | Losses not accounted for | Impair-ments | Net carrying amount |
|---|---|---|---|---|---|---|---|---|
| **17. Investments in and loans to associates** (continued) | | | | | | | | |
| **2025** | | | | | | | | |
| Orion Properties 14 Proprietary Limited | 39,0% | – | (891) | 891 | – | 891 | (891) | - |
| Other immaterial associate companies& | | – | (5 234) | 6 407 | 4 493 | 6 123 | (11 789) | - |
| | | – | (6 125) | 7 298 | 4 493 | 7 014 | (12 680) | – |

& *Less than R1 000.*

A reconciliation of the investments in and loans to associates:

| Figures in R'000 | Effective ownership | Net asset value | Share of net assets | Loans to associates | Goodwill/ (Bargain purchase) | Losses not accounted for | Impair-ments | Net carrying amount |
|---|---|---|---|---|---|---|---|---|
| **2024** | | | | | | | | |
| Orion Properties 14 Proprietary Limited | 39,0% | – | (891) | 891 | – | 891 | (891) | – |
| Other immaterial associate companies& | | – | (5 234) | 6 407 | 4 493 | 6 123 | (11 789) | – |
| | | – | (6 125) | 7 298 | 4 493 | 7 014 | (12 680) | – |

& *Less than R1 000.*

## 17. Investments in and loans to associates (continued)

All associates are incorporated in the Republic of South Africa, with the exception of Marudi Proprietary Limited, which operates in Botswana. The carrying amounts of associates are shown net of impairment losses.

Associates that have different year-ends to the group are equity-accounted on the basis of the associates' year-end audited/unaudited financial information (which is within three months of the group's financial year end).

The group has accounted for losses incurred by associates to the extent of investments made.

The group has not recognised losses totalling R7.0 million (2024: R7.0 million) in relation to its interests in associates, because the group has no obligation in respect of these losses.

Below is a description of the nature of the operations and activities of associates:

| **Associate** | **Nature of operations and activities** |
|---|---|
| Before Sunset Properties 37 Proprietary Limited | Dormant entity |
| Marudi Proprietary Limited | Dormant entity |
| Micawber 534 Proprietary Limited | Dormant entity |
| Orion Properties 14 Proprietary Limited | Dormant entity |
| Papillon in Flight Proprietary Limited | Dormant entity |

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **18. Other investments** | | |
| Balance at the beginning of the year | – | 10 819 |
| Fair value adjustments | – | (2 103) |
| Disposals | – | (8 716) |
| **Balance at the end of the year** | – | – |
| Non-current | – | – |
| Current | – | – |
| Total | – | – |

Refer to note 44.4 for additional disclosures on fair value of other investments.

## 18. Other investments (continued)

| 2025 | Investments | | | | |
|---|---|---|---|---|---|
| | Number of shares held ('000s) | % holding | Listed R'000 | Unlisted R'000 | Fair value R'000 |
| **Non-current** | | | | | |
| PowerHouse Africa Holdings Proprietary Limited@ | * | 15 | – | – | – |
| Other investments – non-current | | | – | – | – |
| **Total other investments** | | | – | – | – |

* Less than 1 000 shares or R1 000 or 0.1%.

@ The investment in PowerHouse has been fair valued to nil (2024: R nil).

**Determination of fair values**

**Unlisted investments**

The fair value of unlisted investments is determined using appropriate valuation techniques that may include, but are not limited to, discounted cash flow analysis, current and projected net asset value calculations and earnings multiple. Unlisted investments are classified at fair value through profit or loss.

| 2024 | Investments | | | | |
|---|---|---|---|---|---|
| | Number of shares held (000s) | % holding | Listed R'000 | Unlisted R'000 | Fair value R'000 |
| **Non-current** | | | | | |
| PowerHouse Africa Holdings Proprietary Limited | * | 15 | – | – | – |
| Other investments – non-current | | | – | – | – |
| **Total other investments** | | | – | – | – |

* Less than 1 000 shares or R1 000 or 0.1%.

| Figures in R'000 | 2025 | 2024 |
|---|---|---|

## 19. Insurance-related investments

These are insurance related investments which are held by Oracle Life and Oracle

| | 2025 | 2024 |
|---|---|---|
| Equity securities | **79 470** | 72 490 |
| Collective investment schemes | **318 404** | 258 900 |
| Debt securities | **14 244** | 10 131 |
| Funds on deposit and other money market instruments | **25 400** | 46 131 |
| Government stock | **245 445** | 219 219 |
| | **682 963** | 606 872 |
| Open ended | **397 884** | 331 390 |
| Non-current | **285 079** | 275 482 |
| | **682 963** | 606 872 |

Instruments with no maturity date have been classified as open ended. Management is unable to provide a reliable estimate of maturity, given factors such as the volatility of the respective markets.

The insurance-related investments are reconciled as follows:

| | 2025 | 2024 |
|---|---|---|
| Opening balance | **606 872** | 507 030 |
| Dividends | **9 752** | – |
| Fair value adjustment (note 10) | **42 786** | 48 317 |
| Interest | **36 386** | 72 |
| Additions | **54 900** | 97 827 |
| Disposals | **(67 733)** | (46 374) |
| | **682 963** | 606 872 |

## 20. Reinsurance assets

The reinsurance assets relate to the group's investment in Oracle

The reinsurance assets are made up of:

| | 2025 | 2024 |
|---|---|---|
| Reinsurance assets | **28 850** | 27 970 |
| | **28 850** | 27 970 |

The reinsurance assets are reconciled as follows:

| | 2025 | 2024 |
|---|---|---|
| Opening balance | **27 970** | 7 659 |
| Additions | **880** | 20 311 |
| | **28 850** | 27 970 |

## 21. Investment in Jointly-Controlled Ventures

### Verso Group Proprietary Limited

On 1 October 2022 the group acquired 33% of the shares and 50% of the economic interests in Verso Group Proprietary Limited (Verso), for an acquisition price of R15 million, which was settled in 2 equal instalments of R7,5m. With the first being in October 2022 and the balance on September 2023. The acquisition was in line with the group's strategy to expand its footprint in the asset administration business in South Africa.

Verso is domicilled in South Africa and its head office is in Cape Town. Verso comprises private companies functioning primarily in the financial services sector. Verso provides pension/retirement fund administration services, independent employee benefit and group risk benefit consulting team.

The group determined that it had joint control of Verso, because the group is entitled to 50% of the economic and voting rights from acquisition date. Secondly, the MOI requires more than 50% of the votes to pass a resolution, therefore resolutions cannot pass without unanimous consent.

The group accounts for Verso using the equity method. There are no restrictions on the ability of Verso to transfer funds to the entity in the form of cash dividends, or to repay loans or advances made by the entity. There are no separate commitments, provisions or contingent liabilities that relate to Verso that need to be disclosed separately.

There were no dividends received from Verso during the year.

### Vunani Fund Managers Lesotho Proprietary Limited

In October 2024 the group acquired 49% of the shares and 49% of the economic interests in Vunani Fund Managers Lesotho Proprietary Limited (VFM), a new entity, for a nominal amount. The acquisition is in line with the group's strategy to expand its footprint in the fund management business in Southern Africa.

VFM Lesotho is domicilled in Lesotho and its office is in Maseru. VFM Lesotho will operate in the fund management sector in Lesotho.

The group determined that it had joint control of VFM Lesotho, because the group is entitled to 49% of the economic and voting rights from acquisition date. Secondly, the MOI requires more than 50% of the votes to pass a resolution, therefore resolutions cannot pass without unanimous consent.

The group accounts for VFM Lesotho using the equity method. There are no restrictions on the ability of VFM Lesotho to transfer funds to the entity in the form of cash dividends, or to repay loans or advances made by the entity. There are no separate commitments, provisions or contingent liabilities that relate to Verso that need to be disclosed separately.

There were no dividends received from VFM Lesotho during the year.

| | **Loans to investment in jointly controlled ventures** | **Investment in jointly controlled ventures** |
|---|---|---|
| Balance at 28 February 2023 | – | 12 708 |
| Equity accounted loss to 29 February 2024 | – | (2 811) |
| Balance at 28 February 2024 | – | 9 897 |
| Increase in investment | **–** | * |
| Loans advanced to 28 February 2025 | **4 084** | – |
| Equity accounted loss to 28 February 2025 | **–** | **(253)** |
| Balance at 28 February 2025 | **4 084** | **9 644** |

* *Less than R1 000.*

**Material investment in jointly-controlled ventures statement of financial position are presented below:**

## 21. Investments in jointly-controlled ventures (continued)

| Figures in R'000 | Current assets | Cash and cash equivalents | Non-current assets | Total assets | Current liabilities | Non-current liabilities | Total liabilities | Net assets |
|---|---|---|---|---|---|---|---|---|
| **2025** | | | | | | | | |
| Verso Group Proprietary Limited | **10 638** | **9 325** | **21 731** | **41 694** | **(21 772)** | **(457)** | **(22 229)** | **19 465** |
| Vunani Fund Managers Lesotho | **–** | **2 030** | **–** | **2 030** | **–** | **(2 209)** | **(2 209)** | **(179)** |
| | **10 638** | **11 355** | **21 731** | **43 724** | **(21 772)** | **(2 666)** | **(24 438)** | **19 286** |
| Vunani's share of net assets | | | | | | | | **9 645** |

* *Less than R1 000.*

| Figures in R'000 | Current assets | Cash and cash equivalents | Non-current assets | Total assets | Current liabilities | Non-current liabilities | Total liabilities | Net assets |
|---|---|---|---|---|---|---|---|---|
| **2024** | | | | | | | | |
| Verso Group Proprietary Limited | 1 885 | 8 869 | 23 462 | 34 216 | (14 422) | – | (14 422) | 19 794 |
| | 1 885 | 8 869 | 23 462 | 34 216 | (14 422) | – | (14 422) | 19 794 |
| Vunani's share of joint venture as per above | | | | | | | | 9 897 |

* *Less than R1 000.*

## 21. Investments in jointly-controlled ventures (continued)

| Figures in R'000 | Revenue | Other Income | Interest Income | Operating expenses | Deprecia-tion | Interest expense | Income tax | Profit after tax |
|---|---|---|---|---|---|---|---|---|
| **2025** | | | | | | | | |
| Verso Group Proprietary Limited | **71 662** | **547** | **407** | **(70 239)** | **(1 487)** | **(1 224)** | **–** | **(334)** |
| Vunani Fund Managers Lesotho Proprietary Limited | **–** | **–** | **–** | **(172)** | **–** | **–** | **–** | **(172)** |
| | **71 662** | **547** | **407** | **(70 411)** | **(1 487)** | **(1 224)** | **–** | **(506)** |
| Vunani's share of joint venture equity accounted losses per above | | | | | | | | (253) |

* *Less than R1 000.*

| Figures in R'000 | Revenue | Other Income | Interest Income | Operating expenses | Deprecia-tion | Interest expense | Income tax | Profit after tax |
|---|---|---|---|---|---|---|---|---|
| **2024** | | | | | | | | |
| Verso Group Proprietary Limited | 59 451 | (494) | 483 | (63 924) | (715) | (409) | (13) | (5 621) |
| | 59 451 | (494) | 483 | (63 924) | (715) | (409) | (13) | (5 621) |
| Vunani's share of joint venture equity accounted losses per above | | | | | | | | (2 811) |

* *Less than R1 000.*

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **22. Deferred tax** | | |
| **Deferred tax comprises:** | | |
| Deferred tax assets | **56 748** | 59 609 |
| Deferred tax liabilities | **(29 063)** | (32 108) |
| | **27 685** | 27 501 |
| **Recognised deferred tax assets and liabilities comprise:** | | |
| Fair value adjustments | | |
| Other investments | **182** | 939 |
| Other financial liabilities | **–** | 7 |
| Intangible assets | **(33 288)** | (39 115) |
| Trade and other receivables | **7** | 702 |
| Accruals | **19 196** | 25 320 |
| Tax losses carried forward | **41 282** | 39 007 |
| Prepayments | **306** | 641 |
| | **27 685** | 27 501 |
| **Reconciliation of movement in deferred tax** | | |
| Balance at the beginning of the year | **27 501** | 27 632 |
| Recognised in profit or loss | **184** | (131) |
| **Balance at the end of the year** | **27 685** | 27 501 |
| Deferred tax assets acquired through business combination relate to deductible temporary differences. | | |
| Unrecognised deferred tax assets | | |
| Estimated tax losses available for utilisation against future taxable income | **234 151** | 213 114 |
| Recognised as deferred tax assets | **(146 478)** | (144 222) |
| Unrecognised estimated tax losses carried forward not accounted for in deferred tax | **87 673** | 68 892 |
| Estimated capital tax losses available for utilisation against future capital tax profit | **8 730** | 8 730 |
| Recognised as deferred tax assets | **–** | – |
| Unrecognised estimated capital tax losses carried forward not accounted for in deferred tax | **8 730** | 8 730 |

The group has recognised certain deferred tax assets as they are expected to be utilised against future taxable profits. The basis of future taxable profits has been established through a detailed budgeting process performed by the group. The group's budgeting process is based on a bottom-up approach. Each operating entity in the group has its own detailed monthly budget for the next year. The budgets also include forecasts for the next three years, which are adjusted for expected changes in revenues for the forecasted years. These are then incorporated to create a group budget.

The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have in instances not been recognised in respect of estimated tax losses carried forward because it is not probable that future taxable profit will be available against which the group can utilise the benefits therefrom.

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **23. Trade and other receivables** | | |
| Trade debtors | **41 521** | 64 867 |
| Sundry accounts receivable | **28 462** | 11 069 |
| Allowance for impairment | **(8 978)** | (3 912) |
| | **61 005** | 72 024 |
| **Reconciliation of movement in allowance for impairment** | | |
| Balance at the beginning of the year | **(3 912)** | (3 440) |
| Increase in impairment allowance | **(6 968)** | (2 472) |
| Written off | **1 902** | 2 000 |
| Balance at the end of the year | **(8 978)** | (3 912) |

**Factors considered in impairment**

The group assesses impairment of trade and other receivables on a portfolio basis, grouping those that possess shared credit risk characteristics. These have then been grouped based on the days past due. The group has therefore concluded that the expected loss rates calculated on the trade receivables are a reasonable approximation of the loss rates.

**2025**

| **Ageing of trade and other receivables:** | |
|---|---|
| Not past due | **60 466** |
| Past due 1–30 days | **1** |
| Past due 31–60 days | **–** |
| Past due 61–90 days | **1** |
| Past due 91 days and greater | **8 976** |
| | **69 444** |

| Expected credit losses | Default rates | |
|---|---|---|
| Not past due | **0,01%** | **(1)** |
| Past due 1–30 days | **0,01%** | **(1)** |
| Past due 31–60 days | **0,00%** | **–** |
| Past due 61–90 days | **0,00%** | **–** |
| Past due 91 days and greater | **99,98%** | **(8 976)** |
| | **100,00%** | **(8 978)** |

| | |
|---|---|
| Trade and other receivables | **41 521** |
| Trade and other receivables – no ECLs* | **28 462** |
| Expected credit loss allowance | **(8 978)** |
| Trade and other receivables net of credit loss | **61 005** |

| 2024 | |
|---|---|
| **Ageing of trade and other receivables:** | |
| Not past due | 67 985 |
| Past due 1–30 days | 1 345 |
| Past due 31–60 days | 2 688 |
| Past due 61–90 days | 38 |
| Past due 91 days and greater | 3 880 |
| | 75 936 |

| Figures in R'000 | | 2025 | 2024 |
|---|---|---|---|
| **23. Trade and other receivables** (continued) | | | |
| Expected credit losses | **Default rates** | | |
| Not past due | 0,03% | **(17)** | |
| Past due 1–30 days | 0,07% | **(2)** | |
| Past due 31–60 days | 0,00% | **(20)** | |
| Past due 61–90 days | 0,93% | **–** | |
| Past due 91 days and greater | 99,90% | **(3 873)** | |
| | | **(3 912)** | |
| Trade and other receivables | | **64 867** | |
| Trade and other receivables – no ECLs* | | **11 069** | |
| Expected credit loss allowance | | **(3 912)** | |
| Trade and other receivables net of credit loss | | **(72 024)** | |

* *Included in trade and other receivables are sundry debtors on which no credit losses have been raised as theses non trade related debtors are expected to be collected in full based on the group's historical experience and informed credit assessment, which includes forward looking information.*

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **24. Accounts receivable and payable from trading activities** | | |
| **Accounts receivable from trading activities** | | |
| Accounts receivable | **308 149** | 41 496 |
| **Accounts payable from trading activities** | | |
| Accounts payable | **306 941** | 41 168 |

These amounts arise primarily from securities trading activities that the group, through its subsidiary Vunani Securities Proprietary Limited (Vunani Securities), carries out on behalf of its clients.

The accounts receivable from stockbroking activities represents amounts due from clients for the purchases of equities and the accounts payable from stockbroking activities represents amounts due to clients for sales of equities. No set-off of receivables and payables is permitted as Vunani Securities has no legal right to do so as the transactions are with different counterparties with differing settlement dates.

Vunani Securities must ensure the settlement of all transactions executed by them on behalf of clients. The Settlement Authority (which is a separate entity established in terms of the JSE Rules and Directives) is responsible for the management of the settlement of these transactions and the management of the risks associated with such settlement.

Both Vunani Securities and the Settlement Authority monitor settlements and ensure that the obligation of members and their clients are met on settlement date. The Settlement Authority monitors uncommitted settlements (i.e. trades where there is either insufficient cash or dematerialised scrip to facilitate settlement) and has the authority to take all necessary action when the settlement of a transaction in equity securities is unlikely to take place on settlement date. The Settlement Authority has the ability to buy and sell equity securities as well as borrow cash as agent on behalf of a member to ensure settlement.

Vunani Securities is protected by a clause in its controlled account mandate which states that where the controlled client fails to put the member in a position before the required time to settle the transaction on settlement day, the controlled client will forfeit any rights the client may have had in respect of the said transaction. The clause also states that the client shall remain liable for any losses, costs and charges incurred or charges imposed by the member which affect the said transaction. This is covered in the material obligations section of the controlled account mandate signed by the client.

In addition, Vunani Securities ensures that no purchase transaction takes place unless the controlled client has sufficient funds in their account, which are held at JSE Trustees Proprietary Limited, and on the sell side, that the client has sufficient equity securities in dematerialised form before a sale is executed.

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **25. Cash and cash equivalents** | | |
| Cash and cash equivalents include the following components: | | |
| Cash at bank and cash in hand | **135 748** | 176 205 |
| Short-term deposits | **51 681** | 46 007 |
| Cash and cash equivalents in the statement of financial position | **187 429** | 222 212 |
| Bank overdraft in the statement of financial position | **(24 135)** | (24 316) |
| **Cash and cash equivalents in the statement of cash flows** | **163 294** | 197 896 |

Included in cash and cash equivalents is R1.1 million (2024: R1.1 million) pledged to the group's banks to cover guarantees in respect of the leasehold premises.

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **26. Stated capital** | | |
| **Authorised** | | |
| 500 000 000 (2024: 500 000 000) ordinary shares of no par value | **–** | – |
| **Issued** | | |
| 161 155 915 (2024: 161 155 915) ordinary shares of no par value | **696 497** | 696 497 |
| Treasury shares (number of shares held at year-end 264 499 (2024: 1 851 060)) | **(516)** | (5 004) |
| | **695 981** | 691 493 |
| **Reconciliation of movement in number of shares issued ('000):** | | |
| Balance at the beginning of the year | **161 156** | 161 156 |
| **Balance at the end of the year** | **161 156** | 161 156 |
| All issued shares are fully paid. Unissued ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting. | | |
| **Reconciliation of movement in stated capital (R'000):** | | |
| Balance at the beginning of the year | **696 497** | 696 497 |
| **Balance at the end of the year** | **696 497** | 696 497 |
| **Reconciliation of movement in number of treasury shares (R'000):** | | |
| Balance at the beginning of the year | **1 851** | 2 556 |
| Acquired | **912** | 491 |
| Transferred to employees | **(2 499)** | (1 196) |
| **Balance at the end of the year** | **264** | 1 851 |
| **Cumulative redeemable preference shares** | | |
| **Authorised** | | |
| 1 000 000 cumulative, redeemable preference shares of no par value | **–** | – |
| **Issued** | | |
| 500 000 cumulative, redeemable preference shares of no par value | **500 000** | 500 000 |
| | **500 000** | 500 000 |
| **Reconciliation of movement in number of shares issued ('000):** | | |
| Balance at the beginning of the year | **500 000** | 500 000 |
| **Balance at the end of the year** | **500 000** | 500 000 |
| **Reconciliation of movement in preference share capital (R'000):** | | |
| Balance at the beginning of the year | **–** | – |
| **Balance at the end of the year** | **–** | – |

As part of the unbundling of private equity assets the company issued 500 000 preference shares to Vunani Capital Partners in relation to the African Legend investment shares. The terms of the preference shares are such that, *inter alia* , all contractual rights to cash flows related to the African Legend shares and the African Legend distributions, will be transferred to Vunani Capital Partners.

In terms of IFRS 9 – *Financial Instruments* an entity shall derecognise a financial asset when the contractual rights to the cash flows from the financial asset (i.e. the African Legend Shares) are transferred to another entity and when substantially all of the risks and rewards of ownership of the financial asset are transferred (i.e. the African Legend Distributions to Vunani Capital Partners). Based on this pass-through arrangement, the African Legend shares have been derecognised and accordingly no liability is raised for the VL Preference Shares.

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **27. Share-based payments** | | |
| **Share-based payments reserve** | **5 118** | 5 474 |

## Conditional share scheme

The company implemented a conditional share scheme in November 2015, which was later extended in 2019, whereby employees would be awarded performance and retention shares in the company upon vesting (which takes place over a three-year service period) and when vesting conditions have been met. The vesting conditions include individual subsidiary profit targets and individual performance targets. The shares were issued on 26 February 2022, 27 February 2023, 29 February 2024 and 28 February 2025. The 26 February 2022 shares vested during the year.

The fair value (excluding forfeitures) is calculated as the share price at grant date, reduced for expected dividends over the vesting period, multiplied by the number of performance shares granted. The final fair value (including forfeitures) is obtained by multiplying the above with the proportion of shares that is assumed to stay in service.

The details of the share-based payment arrangements are below:

| | |
|---|---|
| Number of shares at grant date – 26 Feb 2022 | (2 500 000) |
| Number of shares at grant date – 27 Feb 2023 | 2 500 000 |
| Number of shares at grant date – 29 Feb 2024 | 2 500 000 |
| Number of shares at grant date – 28 Feb 2025 | 2 500 000 |
| Fair value at grant date – 27 Feb 2023 (R'000) | 4 870 |
| Fair value at grant date – 29 Feb 2024 (R'000) | 4 981 |
| Fair value at grant date – 28 Feb 2025 (R'000) | 3 506 |
| Share price at grant date – 26 Feb 2022 (cents) | 252 |
| Share price at grant date – 27 Feb 2023 (cents) | 227 |
| Share price at grant date – 29 Feb 2024 (cents) | 270 |
| Share price at grant date – 28 Feb 2025 (cents) | 190 |
| Vesting period – 26 Feb 2022 | 3,00 years |
| Vesting period – 27 Feb 2023 | 3,00 years |
| Vesting period – 29 Feb 2024 | 3,00 years |
| Vesting period – 28 Feb 2025 | 3,00 years |
| Assumed dividends payable – 26 Feb 2022 | 2.5%–4.5% |
| Assumed dividends payable – 27 Feb 2023 | 4.5%–7.0% |
| Assumed dividends payable – 29 Feb 2024 | 5,0%–7.0% |
| Assumed dividends payable – 28 Feb 2025 | 5,0%–7.0% |
| Forfeiture rate – 26 Feb 2022 | 5% |
| Forfeiture rate – 27 Feb 2023 | 5% |
| Forfeiture rate – 29 Feb 2024 | 5% |
| Forfeiture rate – 28 Feb 2025 | 5% |

## 27. Share-based payments (continued)

| Employee expenses recognised in share-based payment reserve | 2025 | 2024 |
|---|---|---|
| Share option expenses in 2014 to 2016 | **14 877** | 14 877 |
| Transferred to retained income in 2016 | **(2 006)** | (2 006) |
| Share awards expensed in 2017 | **3 229** | 3 229 |
| Share awards expensed in 2018 | **5 981** | 5 981 |
| Transferred to retained income in 2018 | **(435)** | (435) |
| Share awards expensed in 2019 | **7 844** | 7 844 |
| Transferred to retained income in 2019@ | **(23 984)** | (23 984) |
| Transfer to treasury shares | **(3 554)** | (3 554) |
| Share awards expensed in 2020 | **5 009** | 5 009 |
| Transferred to retained income in 2020@ | **(1 337)** | (1 337) |
| Share awards expensed in 2021 | **3 295** | 3 295 |
| Transferred to retained income in 2021@ | **(1 492)** | (1 492) |
| Transfer to treasury shares | **(6 844)** | (6 844) |
| Disposal of subsidiaries | **(157)** | (157) |
| Share awards expensed in 2022 | **3 470** | 3 470 |
| Transferred to retained income in 2022@ | **(236)** | (236) |
| Share awards expensed in 2023 | **5 061** | 5 061 |
| Transferred to retained income in 2023@ | **(1 835)** | (1 835) |
| Transfer to treasury shares | **(2 782)** | (2 782) |
| Share awards expensed in 2024 | **4 666** | 4 666 |
| Transfer to treasury shares | **(3 296)** | (3 296) |
| Share awards expensed in 2025 | **8 618** | – |
| Transfer to treasury shares and retained earnings | **(8 974)** | – |
| **Balance at year end** | **5 118** | 5 474 |

@ *Shares that were issued as part of the share-based payment scheme vested. The shares were transferred out of the share trust (held as treasury shares) to the qualifying employees. The cumulative share-based payment expense in the reserve has been transferred between the non-distributable reserve and retained income on vesting.*

## 27. Share-based payments (continued)

| | Number of shares 2025 | 2024 |
|---|---|---|
| 26 February 2022 share issue | | |
| Balance at the beginning of the year | **2 094** | 2 275 |
| Granted during the year | **–** | – |
| Exercised during the year | **(2 094)** | |
| Forfeited during the year | **–** | (181) |
| Balance at the end of the year | **–** | 2 094 |
| Exercisable at 28 February 2025 | | – |
| 27 February 2023 share issue | | |
| Balance at the beginning of the year | **2 490** | 2 500 |
| Granted during the year | **–** | – |
| Exercised during the year | **–** | – |
| Forfeited during the year | **(172)** | (10) |
| Balance at the end of the year | **2 318** | 2 490 |
| Exercisable at 28 February 2025 | **–** | – |
| 29 February 2024 share issue | | |
| Balance at the beginning of the year | **2 500** | – |
| Granted during the year | **–** | 2 500 |
| Forfeited during the year | **(94)** | – |
| Balance at the end of the year | **2 406** | 2 500 |
| Exercisable at 28 February 2025 | **–** | – |
| 28 February 2025 share issue | | |
| Balance at the beginning of the year | **–** | – |
| Granted during the year | **2 500** | – |
| Forfeited during the year | **–** | – |
| Balance at the end of the year | **2 500** | – |
| Exercisable at 28 February 2025 | | – |

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **28. Other financial liabilities** | | |
| **Other financial liabilities comprise:** | | |
| Carried at amortised cost | **32 050** | 45 689 |
| | **32 050** | 45 689 |
| **Reconciliation of movement of other financial liabilities** | | |
| Balance at the beginning of the year | **45 689** | 53 013 |
| Accrued interest – long-term borrowings | **3 551** | 3 134 |
| Advances | **–** | 17 912 |
| Foreign exchange movement | **(397)** | 101 |
| Repayments * | **(15 044)** | (25 752) |
| Derecognised | **(1 749)** | (2 719) |
| **Balance at the end of the year** | **32 050** | 45 689 |

* *The repayments has been disclosed on the statement of cash flows as a capital repayment of R11.4 million (2024: R22.6 million) and the balance of R3.6 million (2024: R3.1 million) of interest has been included in finance costs payments*

**Carried at amortised cost**

### 28.1 Other financial liabilities

| | 2025 | 2024 |
|---|---|---|
| Loans are unsecured, interest-free and have no fixed terms of repayment. | **4 948** | 6 697 |

### 28.2 Nedbank Limited

| | 2025 | 2024 |
|---|---|---|
| The loan relates to the acquisition of Fairheads International Holdings (SA) Proprietary Limited (Fairheads) by Mandlalux Proprietary Limited (Mandlalux). The medium-term loan is repayable by monthly instalments of capital and interest (based on a straight-line amortisation schedule) and is subject to a cash sweep. Vunani Capital Proprietary Limited took over the loan in December 2023. The loan is repayable by April 2027. The loan is secured in terms of surety issued by Fairheads to Nedbank Limited amounting to R13.9 million. | **8 602** | 11 799 |
| Opening balance | **11 799** | 14 904 |
| Interest | **1 214** | 1 351 |
| Advances | **–** | – |
| Repayments | **(4 411)** | (4 456) |

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **28. Other financial liabilities** (continued) | | |
| **28.3 Absa Bank Limited** | | |
| The loan relates to the acquisition of Oracle Insurance Proprietary Limited. The medium-term loan is repayable by monthly instalments of capital and interest (based on a straight-line amortisation schedule). The loan is unsecured, bears interest at prime plus 1.6%. The loan was repaid during the 2024 financial year. | **–** | – |
| Opening balance | **–** | 6 562 |
| Interest | **–** | 352 |
| Repayments | **–** | (6 914) |
| **28.4 Absa Bank Limited** | | |
| The loan relates to the acquisition of Verso Proprietary Limited. The medium-term loan is repayable by monthly instalments of capital and interest (based on a straight-line amortisation schedule). The loan is unsecured, bears interest at prime plus 1.6% and is repayable by 14 December 2026. | **9 167** | 14 167 |
| Opening balance | **14 167** | – |
| Additions | **–** | 15 000 |
| Interest | **1 524** | 326 |
| Repayments | **(6 524)** | (1 159) |
| **28.5 Lease liability** | | |
| This represents secured liabilities in Mandlalux in terms of lease agreements for the acquisition of furniture and equipment. At year end the book value of the assets financed were Rnil (2024: R38 878). | **–** | 70 |
| Opening balance | **70** | 372 |
| Interest | **–** | 23 |
| Repayments | **(70)** | (325) |
| **28.6 Ninety One SA Proprietary Limited** | | |
| The loan of R2 500 000 was advanced on 19 March 2021. The loan bears no interest and is repayable on 19 March 2025. In accordance with IFRS 9, a long-term payable that carries no interest should be initially recognised at fair value measured as the present value of all future cash receipts discounted using the prevailing market rate of interest for a similar instrument, with a similar credit rating, after which interest is recognised using the effective interest rate method. The amount advanced from Ninety One SA Proprietary Limited has been discounted using the prime rate over the period of the loan. | **2 498** | 2 474 |
| Opening balance | **2 474** | 2 492 |
| Interest | **24** | (18) |
| **28.7 First Bank property loan** | | |
| The loan relates to the acquisition of buildings in Botswana by Vunani Fund Managers. This is a medium-term loan and is repayable by monthly instalments of capital and interest (based on a straight-line amortisation schedule). The loan is unsecured, bears interest at prime and is repayable by 21 July 2027. | **6 835** | 7 971 |
| Opening balance | **7 971** | 5 699 |
| Advances | **–** | 2 708 |
| Interest | **707** | 721 |
| Foreign exchange movement | **(304)** | 84 |
| Repayments | **(1 539)** | (1 241) |

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **28. Other financial liabilities** (continued) | | |
| **28.8 Stanbic Bank loan** | | |
| This is a bank loan in Vunani Fund Managers Botswana Proprietary Limited. The loan is unsecured, bears interest annual interest of 8.76% and was repaid during the year. | **–** | 2 511 |
| Opening balance | **2 511** | 5 819 |
| Advances | **–** | – |
| Interest | **82** | 371 |
| Foreign exchange movement | **(93)** | 17 |
| Repayments | **(2 500)** | (3 696) |
| **Total carried at amortised cost** | **32 050** | 45 689 |
| **Total financial liabilities** | **32 050** | 45 689 |
| *Less:* **Current financial liabilities** | **(12 753)** | (20 025) |
| **Non-current financial liabilities** | **19 297** | 25 664 |

## 29. Leases liabilities

The group has lease contracts for corporate offices and small office equipment leases of low value assets. The terms and conditions of the lease contracts are negotiated on an individual basis. Extension and termination options are included in a number of leases across the group. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options are only included in the lease term if the lessee is reasonably certain to extend the lease. Each lease generally imposes a restriction that the property can only be used by the group unless permission is given by the lessor to sublet, and that the buildings must be returned in their original condition at the end of the lease.

| Figures in R'000 | Right-of-use asset | Lease liability |
|---|---|---|
| Balance as at 1 March 2024 | **12 558** | **(14 640)** |
| Payments | **–** | **7 704** |
| Depreciation expense | **(6 978)** | **–** |
| Interest expense | **–** | **(1 508)** |
| Additions | **12 800** | **(11 809)** |
| Balance as at 29 February 2025 | **18 380** | **(20 253)** |
| Balance as at 1 March 2023 | 19 344 | (21 369) |
| Payments | – | 8 889 |
| Depreciation expense | (6 971) | – |
| Interest expense | – | (2 160) |
| Modifications | 185 | – |
| Balance as at 28 February 2024 | 12 558 | (14 640) |

**Impact on the statement of comprehensive income**

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| Depreciation on the right-of-use asset | **6 978** | 6 971 |
| Repayment of lease liabilities | **(7 704)** | (8 889) |
| Interest expense | **1 508** | 2 160 |
| | **782** | 242 |
| **Right-of-use asset** | | |
| The right-of-use asset of R18.4 million (2024: R12.6 million) is included in property plant and equipment. Refer to Note 15. | | |
| **Lease liabilities** | **20 253** | 14 640 |
| Current portion | **8 787** | 6 374 |
| Non-current portion | **11 466** | 8 266 |
| **Maturity analysis** | | |
| The following table sets out the contractual maturities (representing undiscounted contractual cash flows): | | |
| Less than one year | **8 787** | 7 386 |
| Between one and five years | **15 462** | 9 025 |
| | **24 249** | 16 411 |
| Less finance charges | **(3 996)** | (1 771) |
| | **20 253** | 14 640 |

## 30. Insurance and reinsurance contracts

Summary of measurement approaches

The group uses different measurement approaches depending on the type of contracts, as follows:

| Contracts issued | Product classification | Measurement model |
|---|---|---|
| Short term insurance contracts | Insurance contracts | PAA |
| Health insurance contracts | Insurance contracts | PAA |
| Individual life insurance contracts | Insurance contracts | GMM |
| Credit life insurance contracts | Insurance contracts | GMM |
| Group risk and voluntary group (VG) insurance contracts | Insurance contracts | PAA |
| Annuities insurance contracts | Insurance contracts | GMM |
| Investment contracts without DPF | Financial instruments | Financial liabilities measured at FVTPL under IFRS 9 |

| Reinsurance contracts held | | |
|---|---|---|
| Quota share reinsurance contracts | Reinsurance contracts held | PAA |
| Excess of loss reinsurance contracts | Reinsurance contracts held | PAA |
| Reinsurance contracts on individual life | Reinsurance contracts held | GMM, with underlying groups of contracts measured under the GMM |
| Reinsurance contracts on group risk | Reinsurance contracts held | PAA (with coverage of one year or less), with underlying groups of contracts measured under the PAA |

The group does not have any reinsurance contracts it issues.

## 30. Insurance and reinsurance contracts (continued)

### 30.1 Composition of the statement of financial position

An analysis of the amounts presented on the balance sheet for insurance contracts, investment contracts without DPF and reinsurance contracts is included in the table below:

| | Individual life | Credit life | Group risk and VG | Annuities | Investment contracts without DPF | Total | Current | Non-current | Open ended | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **As at 28 February 2025** | | | | | | | | | | |
| Insurance contract liabilities | **–** | **33 834** | **26 199** | **21 417** | **–** | **81 450** | **31 249** | **50 201** | **–** | **81 450** |
| Insurance contract assets | **(886)** | **–** | **–** | **–** | **–** | **(886)** | **(1 381)** | **495** | **–** | **(886)** |
| Reinsurance contract assets | **(815)** | **–** | **(4 299)** | **–** | **–** | **(5 114)** | **(1 523)** | **(3 591)** | **–** | **(5 114)** |
| Investment contract liabilities[(a)] | **–** | **–** | **–** | **–** | **557 775** | **557 775** | **–** | **–** | **557 775** | **557 775** |
| | **(1 701)** | **33 834** | **21 900** | **21 417** | **557 775** | **633 225** | **28 345** | **47 105** | **557 775** | **633 225** |
| **As at 29 February 2024** | | | | | | | | | | |
| Insurance contract liabilities | – | 29 545 | 30 926 | 22 694 | – | 83 165 | 32 913 | 50 252 | – | 83 165 |
| Insurance contract assets | (1 344) | – | – | – | – | (1 344) | (1 409) | 65 | – | (1 344) |
| Reinsurance contract assets | (1 037) | – | (4 260) | – | – | (5 297) | (1 976) | (3 321) | | (5 297) |
| Investment contract liabilities[(a)] | – | – | – | – | 503 977 | 503 977 | – | – | 503 977 | 503 977 |
| | (2 381) | 29 545 | 26 666 | 22 694 | 503 977 | 580 500 | 29 528 | 46 996 | 503 977 | 580 500 |

a) *Investment contract liabilities without DPF are accounted for under IFRS 9*

| | Short-term | Health | Fronting | Total | Current | Non-current | Open ended | Total |
|---|---|---|---|---|---|---|---|---|
| **As at 28 February 2025** | | | | | | | | |
| Insurance contract liabilities | **(58 486)** | **(11 980)** | **2 370** | **(68 096)** | **(68 096)** | **–** | **–** | **(68 096)** |
| Reinsurance contract assets | **23 736** | **–** | **–** | **23 736** | **23 736** | **–** | **–** | **23 736** |
| | **(34 750)** | **(11 980)** | **2 370** | **(44 360)** | **(44 360)** | **–** | **–** | **(44 360)** |
| **As at 29 February 2024** | | | | | | | | |
| Insurance contract liabilities | (47 780) | 5 933 | (1 035) | (48 815) | (48 815) | – | – | (48 815) |
| Reinsurance contract assets | (22 674) | – | – | (22 674) | (22 674) | – | – | (71 489) |
| | (70 454) | 5 933 | (1 035) | (71 489) | (71 489) | – | – | (120 304) |

## 30. Insurance and reinsurance contracts (continued)

### 30.2 Insurance revenue and expenses

#### 30.2.1 Insurance revenue and insurance service result

| 2025 | Individual life | Credit life | Annuities | Group risk and VG | Total |
|---|---|---|---|---|---|
| **Insurance revenue** | | | | | |
| Contracts measured under GMM | | | | | |
| Amounts relating to changes in the LRC | | | | | |
| – Expected incurred claims | 2 097 | 10 623 | 2 213 | – | 14 933 |
| – Expected incurred expenses | 984 | 5 007 | 83 | – | 6 074 |
| – Change in the risk adjustment for non-financial risk | 219 | 731 | 8 | – | 958 |
| – CSM recognized for services provided in the PERIOD | 2 808 | 8 116 | 1 454 | – | 12 378 |
| – Experience adjustments | (600) | (979) | – | – | (1 579) |
| Insurance acquisition cash flows recovery | 721 | 3 972 | – | – | 4 693 |
| Insurance revenue from contracts measured under the GMM | 6 229 | 27 470 | 3 758 | – | 37 457 |
| Insurance revenue from contracts measured under the PAA | – | – | – | 65 820 | 65 820 |
| Total insurance revenue | 6 229 | 27 470 | 3 758 | 65 820 | 103 277 |
| **Insurance service expenses** | | | | | |
| Contracts measured under GMM | | | | | |
| Incurred claims | (692) | (2 521) | (2 192) | – | (5 405) |
| Other directly attributable expenses | (1 696) | (8 651) | (66) | | (10 413) |
| Losses on onerous contracts & reversal of those losses | 176 | (530) | – | – | (354) |
| Insurance acquisition cash flows amortization | (722) | (3 972) | – | – | (4 694) |
| Insurance service expenses from contracts measured under the GMM | (2 934) | (15 674) | (2 258) | – | (20 866) |
| Insurance service expenses from contracts measured under the PAA | – | – | – | (35 970) | (35 970) |
| Total insurance service expenses | (2 934) | (15 674) | (2 258) | (35 970) | (56 836) |
| **Net expenses/(income) from reinsurance contracts** | | | | | |
| Reinsurance expenses – contracts measured under the GMM | | | | | |
| Amounts relating to changes in the LRC | | | | | |
| – Expected incurred claims | (1 467) | – | – | – | (1 467) |
| – Expected incurred expenses | – | – | – | – | – |
| – Change in the risk adjustment for non-financial risk | (69) | – | – | – | (69) |
| – CSM recognized for services provided in the PERIOD | (336) | – | – | – | (336) |
| – Experience adjustments | 176 | – | – | – | 176 |
| Reinsurance expenses – contracts measured under the GMM | (1 696) | – | – | – | (1 696) |
| Reinsurance expenses – contracts measured under the PAA | – | – | – | 878 | 878 |
| | (1 696) | – | – | 878 | (818) |
| Incurred claims recovery | 260 | – | – | – | 260 |
| Losses on onerous contracts & reversal of those losses | 363 | – | – | – | 363 |
| **Total net expenses from reinsurance contracts** | (1 073) | – | – | 878 | (195) |
| **Total insurance service result** | 2 222 | 11 796 | 1 500 | 30 728 | 46 246 |

# 30. Insurance and reinsurance contracts (continued)

## 30.2 Insurance revenue and expenses (continued)

### 30.2.1 Insurance revenue and insurance service result (continued)

| 2024 | Individual life | Credit life | Annuities | Group risk and VG | Total |
|---|---|---|---|---|---|
| **Insurance revenue** | | | | | |
| Contracts measured under GMM | | | | | |
| Amounts relating to changes in the LRC | | | | | |
| – Expected incurred claims | 501 | 10 064 | 2 235 | – | 12 800 |
| – Expected incurred expenses | 149 | 4 899 | 95 | – | 5 142 |
| – Change in the risk adjustment for non-financial risk | 21 | 573 | 3 | – | 597 |
| – CSM recognized for services provided in the period | 1 313 | 7 626 | 1 218 | – | 10 157 |
| – Experience adjustments | 146 | (245) | – | – | (98) |
| Insurance acquisition cash flows | 327 | 2 823 | – | – | 3 151 |
| Insurance revenue from contracts not measured under the PAA | 2 458 | 25 740 | 3 551 | – | 31 749 |
| Insurance revenue from contracts measured under the PAA | – | – | – | 72 713 | 72 713 |
| **Total insurance revenue** | 2 458 | 25 740 | 3 551 | 72 713 | 104 462 |
| **Insurance service expenses** | | | | | |
| Contracts measured under GMM | | | | | |
| Incurred claims | (696) | (4 487) | (2 281) | – | (7 463) |
| Other directly attributable expenses | (1 146) | (7 743) | (82) | – | (8 971) |
| Losses on onerous contracts & reversal of those losses | 3 919 | (276) | – | – | 3 644 |
| Insurance acquisition cash flows amortization | (327) | (2 823) | – | – | (3 151) |
| Insurance service expenses from contracts measured under the GMM | 1 751 | (15 329) | (2 363) | – | (15 941) |
| Insurance service expenses from contracts measured under the PAA | – | – | – | (46 450) | (46 450) |
| Total insurance service expenses | 1 751 | (15 329) | (2 363) | (46 450) | (62 391) |
| **Net expenses/(income) from reinsurance contracts** | | | | | |
| Reinsurance expenses – contracts measured under the GMM | | | | | |
| Amounts relating to changes in the LRC | | | | | |
| – Expected incurred claims | (627) | – | – | – | (627) |
| – Expected incurred expenses | – | – | – | – | – |
| – Change in the risk adjustment for non-financial risk | (29) | – | – | – | (29) |
| – CSM recognized for services provided in the period | (191) | – | – | – | (191) |
| – Experience adjustments | 973 | – | – | – | 973 |
| Reinsurance expenses – contracts measured under the GMM | 125 | – | – | – | 125 |
| Reinsurance expenses – contracts measured under the PAA | – | – | – | (5 716) | (5 716) |
| | 125 | – | – | (5 716) | (5 591) |
| Incurred claims recovery | 237 | – | – | – | 237 |
| Losses on onerous contracts & reversal of those losses | (1 465) | – | – | – | (1 465) |
| Total net expenses from reinsurance contracts | (1 104) | – | – | (5 716) | (6 820) |
| Total insurance service result | 3 105 | 10 411 | 1 188 | 28 840 | 43 544 |

## 30. Insurance and reinsurance contracts (continued)

### 30.2 Insurance revenue and expenses (continued)

#### 30.2.1 Insurance revenue and insurance service result (continued)

| 2025 | Short-term | Health | Fronting | Total |
|---|---|---|---|---|
| **Insurance revenue** | | | | |
| Insurance revenue from contracts measured under the PAA | **114 785** | **40 976** | **15 400** | **171 161** |
| Total insurance revenue | **114 785** | **40 976** | **15 400** | **171 161** |
| **Insurance service expenses** | | | | |
| Incurred claims | **(63 329)** | **(20 184)** | **–** | **(83 513)** |
| Other directly attributable expenses | **(25 598)** | **(14 898)** | **(13 900)** | **(54 396)** |
| Losses on onerous contracts & reversal of those | **12** | **(1 634)** | **–** | **(1 622)** |
| Total insurance service expenses | **(88 915)** | **(36 716)** | **(13 900)** | **(139 531)** |
| **Net expenses/(income) from reinsurance contracts** | | | | |
| Reinsurance expenses – contracts measured under the PAA | **(33 035)** | **–** | **–** | **(33 035)** |
| Incurred claims recovery | **27 373** | **–** | **–** | **27 373** |
| **Total net expenses from reinsurance contracts** | **(5 662)** | **–** | **–** | **(5 662)** |
| **Total insurance service result** | **20 208** | **4 260** | **1 500** | **25 968** |

| 2024 | Short-term | Health | Fronting | Total |
|---|---|---|---|---|
| **Insurance revenue** | | | | |
| Insurance revenue from contracts measured under the PAA | 96 321 | 15 296 | 20 381 | 131 998 |
| Total insurance revenue | 96 321 | 15 296 | 20 381 | 131 998 |
| **Insurance service expenses** | | | | |
| Incurred claims | (56 103) | (8 447) | – | (64 550) |
| Other directly attributable expenses | (22 492) | (4 761) | (19 349) | (46 602) |
| Losses on onerous contracts & reversal of those | (51) | – | – | (51) |
| Total insurance service expenses | (78 646) | (13 208) | (19 349) | (111 203) |
| **Net expenses/(income) from reinsurance contracts** | | | | |
| Reinsurance expenses – contracts measured under the PAA | (30 258) | – | – | (30 258) |
| Incurred claims recovery | 21 750 | – | – | 21 750 |
| **Total net expenses from reinsurance contracts** | (8 508) | – | – | (8 508) |
| **Total insurance service result** | 9 167 | 2 088 | 1 032 | 12 287 |

## 30. Insurance and reinsurance contracts (continued)

### 30.2 Insurance revenue and expenses (continued)

#### 30.2.2 Amounts determined on transition to IFRS 17

| 2025 | Individual life | Credit life | Annuities | Group risk and VG | Total |
|---|---|---|---|---|---|
| **Insurance contracts isssued** | | | | | |
| **Insurance revenue** | | | | | |
| New contracts and contracts measured under the full retrospective approach at transition | 6 230 | 21 971 | – | 65 820 | 94 021 |
| Contracts measured under the modified retrospective approach at transition | – | – | – | – | – |
| Contracts measured under the fair value approach at transition | – | 5 498 | 3 758 | – | 9 256 |
| | 6 230 | 27 469 | 3 758 | 65 820 | 103 277 |
| **CSM as at 28 February** | | | | | |
| New contracts and contracts measured under the full retrospective approach at transition | 15 196 | 12 554 | – | – | 27 750 |
| Contracts measured under the modified retrospective approach at transition | – | – | – | – | – |
| Contracts measured under the fair value approach at transition | – | 966 | 7 981 | – | 8 947 |
| | 15 196 | 13 520 | 7 981 | – | 36 697 |
| **Reinsurance contracts held** | | | | | |
| **CSM as at 28 February** | | | | | |
| New contracts and contracts measured under the full retrospective approach at transition | (1 744) | – | – | – | (1 744) |
| Contracts measured under the modified retrospective approach at transition | – | – | – | – | – |
| Contracts measured under the fair value approach at transition | – | – | – | – | – |
| | (1 744) | – | – | – | (1 744) |

# 30. Insurance and reinsurance contracts (continued)

## 30.2 Insurance revenue and expenses (continued)

### 30.2.2 Amounts determined on transition to IFRS 17 (continued)

| 2024 | Individual life | Credit life | Annuities | Group risk and VG | Total |
|---|---|---|---|---|---|
| **Insurance contracts issued** | | | | | |
| **Insurance revenue** | | | | | |
| New contracts and contracts measured under the full retrospective approach at transition | 2 458 | 16 540 | – | 61 056 | 80 054 |
| Contracts measured under the modified retrospective approach at transition | – | – | – | – | – |
| Contracts measured under the fair value approach at transition | – | 9 200 | 3 551 | – | 12 751 |
| | 2 458 | 25 740 | 3 551 | 61 056 | 92 805 |
| **CSM as at 28 February** | | | | | |
| New contracts and contracts measured under the full retrospective approach at transition | 12 309 | 11 581 | – | – | 23 890 |
| Contracts measured under the modified retrospective approach at transition | – | – | – | – | – |
| Contracts measured under the fair value approach at transition | – | 2 597 | 7 877 | – | 10 474 |
| | 12 309 | 14 178 | 7 877 | – | 34 363 |
| **Reinsurance contracts held** | | | | | |
| **CSM as at 28 February** | | | | | |
| New contracts and contracts measured under the full retrospective approach at transition | (1 522) | – | – | – | (1 522) |
| Contracts measured under the modified retrospective approach at transition | – | – | – | – | – |
| Contracts measured under the fair value approach at transition | – | – | – | – | – |
| | (1 522) | – | – | – | (1 522) |

## 30. Insurance and reinsurance contracts (continued)

### 30.2 Insurance revenue and expenses (continued)

#### 30.2.3 Expected recognition of the CSM

| 2025 | Individual life | Credit life | Annuities | Total CSM for insurance contracts | Reinsurance on individual Life | Total CSM for reinsurance contracts held |
|---|---|---|---|---|---|---|
| 1 | 1 518 | 5 666 | 628 | 7 812 | (174) | (174) |
| 2 | 1 235 | 3 479 | 550 | 5 264 | (142) | (142) |
| 3 | 1 068 | 2 019 | 495 | 3 582 | (123) | (123) |
| 4 | 880 | 1 060 | 442 | 2 382 | (101) | (101) |
| 5 | 756 | 520 | 402 | 1 678 | (87) | (87) |
| 6-10 | 2 366 | 654 | 1 618 | 4 638 | (271) | (271) |
| >10 | 7 373 | 122 | 3 846 | 11 341 | (846) | (846) |
| | 15 196 | 13 520 | 7 981 | 36 697 | (1 744) | (1 744) |

| 2024 | Individual life | Credit life | Annuities | Total CSM for insurance contracts | Reinsurance on individual Life | Total CSM for reinsurance contracts held |
|---|---|---|---|---|---|---|
| 1 | 1 025 | 5 722 | 666 | 7 413 | (124) | (124) |
| 2 | 873 | 3 691 | 621 | 5 185 | (105) | (105) |
| 3 | 760 | 2 233 | 581 | 3 574 | (91) | (91) |
| 4 | 593 | 1 185 | 543 | 2 321 | (73) | (73) |
| 5 | 496 | 554 | 507 | 1 556 | (61) | (61) |
| 6-10 | 1 983 | 714 | 2 050 | 4 746 | (248) | (248) |
| >10 | 6 579 | 80 | 2 909 | 9 567 | (821) | (821) |
| | 12 309 | 14 178 | 7 877 | 34 363 | (1 522) | (1 522) |

## 30. Insurance and reinsurance contracts (continued)

### 30.3 Individual Life

#### 30.3.1 Individual Life – Insurance contracts issued

##### 30.3.1.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims

| | 2025 R'000 LRC | | | | 2024 R'000 LRC | | | |
|---|---|---|---|---|---|---|---|---|
| | Excl. loss component | Loss component | LIC | Total | Excl. loss component | Loss component | LIC | Total |
| Insurance contract liabilities/(insurance contract assets) as at 1 March | (1 902) | 405 | 154 | (1 343) | (1 551) | 2 861 | 68 | 1 377 |
| **Insurance revenue** | (5 409) | (820) | | (6 229) | (2 458) | – | – | (2 458) |
| **Insurance service expenses** | | | | | | | | |
| Incurred claims | – | – | 692 | 692 | – | – | 696 | 696 |
| Other directly attributable expenses | – | – | 1 696 | 1 696 | – | – | 1 146 | 1 146 |
| Losses on onerous contracts & reversal of those losses | (820) | 644 | – | (176) | – | (3 919) | – | (3 919) |
| Insurance acquisition cash flows amortization | 722 | – | – | 722 | 327 | – | – | 327 |
| **Insurance service expenses** | (98) | 644 | 2 388 | 2 934 | 327 | (3 919) | 1 842 | (1 751) |
| **Insurance service result** | (5 507) | (176) | 2 388 | (3 295) | (2 131) | (3 919) | 1 842 | (4 208) |
| Finance expenses from insurance contracts | (923) | 608 | – | (315) | (2 077) | 1 463 | – | (614) |
| **Total amounts recognized in comprehensive income** | (6 430) | 432 | 2 388 | (3 610) | (4 208) | (2 456) | 1 842 | (4 822) |
| **Cash flows** | | | | | | | | |
| Premiums received | 8 095 | – | – | 8 095 | 5 408 | – | – | 5 408 |
| Claims and other expenses paid | – | – | (2 369) | (2 369) | – | – | (1 756) | (1 756) |
| Insurance acquisition cash flows | (1 659) | – | – | (1 659) | (1 551) | – | – | (1 551) |
| **Total cash flows** | 6 436 | – | (2 369) | 4 067 | 3 857 | – | (1 756) | 2 101 |
| Insurance contract liabilities/(insurance contract assets) as at 28 February | (1 896) | 837 | 173 | (886) | (1 903) | 405 | 154 | (1 344) |

## 30. Insurance and reinsurance contracts (continued)

### 30.3 Individual Life (continued)

#### 30.3.1 Individual Life – Insurance contracts issued (continued)

##### 30.3.1.2 Reconciliation of the measurement components of insurance contract balances

| | 2025 R'000 | | | | 2024 R'000 | | | |
|---|---|---|---|---|---|---|---|---|
| Individual Life – Insurance contracts issued | Present value of future cash flows | Risk adjustment for non-financial risk | CSM | Total | Present value of future cash flows | Risk adjustment for non-financial risk | CSM | Total |
| **Insurance contract liabilities/(insurance contract assets) as at 1 March** | (15 342) | 1 689 | 12 309 | (1 344) | (4 968) | 1 306 | 5 039 | 1 377 |
| **Changes that relate to current service** | | | | | | | | |
| CSM recognized for services provided in the period | – | – | (2 808) | (2 808) | – | – | (1 313) | (1 313) |
| Change in the risk adjustment for non-financial risk | – | (260) | – | (260) | – | (80) | – | (80) |
| Experience adjustments – relating to insurance service expenses | (723) | – | – | (723) | (837) | – | – | (837) |
| | (723) | (260) | (2 808) | (3 791) | (837) | (80) | (1 313) | (2 229) |
| **Changes that relate to future service** | | | | | | | | |
| Changes in estimates that adjust the CSM | 2 938 | (17) | (2 921) | – | (2 009) | (164) | 2 173 | – |
| Changes in estimates that result in onerous contract losses or reversals of those losses | (255) | 7 | – | (248) | (3 437) | (598) | – | (4 035) |
| Contracts initially recognized in the period | (7 279) | 846 | 7 325 | 892 | (4 858) | 1 225 | 5 756 | 2 123 |
| Experience adjustments – arising from premiums received in the period that relate to future service | 72 | – | (72) | – | (47) | – | 47 | – |
| | (4 524) | 836 | 4 332 | 644 | (10 350) | 463 | 7 975 | (1 912) |

## 30. Insurance and reinsurance contracts (continued)

### 30.3 Individual Life (continued)

#### 30.3.1 Individual Life – Insurance contracts issued (continued)

##### 30.3.1.2 Reconciliation of the measurement components of insurance contract balances (continued)

| | 2025 R'000 | | | | 2024 R'000 | | | |
|---|---|---|---|---|---|---|---|---|
| Individual Life – Insurance contracts issued | Present value of future cash flows | Risk adjustment for non-financial risk | CSM | Total | Present value of future cash flows | Risk adjustment for non-financial risk | CSM | Total |
| **Changes that relate to past service** | | | | | | | | |
| Changes that relate to past service – changes in the FCF relating to the LIC | (141) | (8) | – | (149) | (65) | (3) | – | (68) |
| Experience adjustments – arising from premiums received in the period that relate to past service | – | – | – | – | – | – | – | – |
| | (141) | (8) | – | (149) | (65) | (3) | – | (68) |
| **Insurance service result** | (5 388) | 568 | 1 524 | (3 296) | (11 251) | 380 | 6 663 | (4 208) |
| Finance income /expenses | (2 281) | 602 | 1 364 | (315) | (1 224) | 4 | 607 | (614) |
| **Total amounts included in comprehensive** | (7 669) | 1 170 | 2 888 | (3 611) | (12 476) | 384 | 7 269 | (4 822) |
| **Insurance acquisition cash flows** | – | – | – | – | – | – | – | – |
| **Cash flows** | | | | | | | | |
| Premiums received | 8 095 | – | – | 8 095 | 5 408 | – | – | 5 408 |
| Claims and other expenses paid | (2 367) | – | – | (2 367) | (1 756) | – | – | (1 756) |
| Insurance acquisition cash flows | (1 659) | – | – | (1 659) | (1 551) | – | – | (1 551) |
| **Total cash flows** | 4 069 | – | – | 4 069 | 2 101 | – | – | 2 101 |
| **Insurance contract liabilities/(insurance contract assets) as at 28 February** | (18 942) | 2 859 | 15 197 | (886) | (15 342) | 1 689 | 12 309 | (1 344) |

## 30. Insurance and reinsurance contracts (continued)

### 30.3 Individual Life (continued)

#### 30.3.1 Individual Life – Insurance contracts issued (continued)

##### 30.3.1.3 Impacts of contracts recognized in the year

| Individual Life – Insurance contracts issued | 2025 R'000 Non-onerous contracts | 2025 R'000 Onerous contracts | 2025 R'000 Total | 2024 R'000 Non-onerous contracts | 2024 R'000 Onerous contracts | 2024 R'000 Total |
|---|---|---|---|---|---|---|
| Estimates of the present value of future cash outflows | | | | | | |
| – Insurance acquisition cash flows | **976** | **683** | **1 659** | 553 | 998 | 1 552 |
| – Claims and other directly attributable expenses | **12 460** | **3 085** | **15 545** | 9 847 | 7 174 | 17 021 |
| Estimates of the present value of future cash outflows | **13 436** | **3 768** | **17 204** | 10 400 | 8 173 | 18 573 |
| Estimates of the present value of future cash inflows | **(21 477)** | **(3 007)** | **(24 484)** | (16 807) | (6 624) | (23 431) |
| Risk adjustment for non-financial risk | **716** | **130** | **846** | 651 | 574 | 1 225 |
| CSM | **7 325** | **–** | **7 325** | 5 756 | – | 5 756 |
| Increase in insurance contract liabilities from contracts recognised in the period | **–** | **891** | **891** | – | 2 123 | 2 123 |

## 30. Insurance and reinsurance contracts (continued)

### 30.3 Individual Life (continued)

#### 30.3.1 Individual Life – Insurance contracts issued (continued)

##### 30.3.1.4 Amounts determined on transition to IFRS 17

| Insurance revenue and the CSM by transition method | 2025 New contracts and contracts measured under the full retrospective approach at transition | 2025 Contracts measured under the modified retrospective approach at transition | 2025 Contracts measured under the fair value approach at transition | 2025 Total | 2024 New contracts and contracts measured under the full retrospective approach at transition | 2024 Contracts measured under the modified retrospective approach at transition | 2024 Contracts measured under the fair value approach at transition | 2024 Total |
|---|---|---|---|---|---|---|---|---|
| Insurance revenue | **6 230** | **–** | **–** | **6 230** | 2 458 | – | – | 2 458 |
| CSM as at 1 March | **12 309** | **–** | **–** | **12 309** | 5 039 | – | – | 5 039 |
| Changes that relate to current service | | | | | – | – | – | – |
| CSM recognized for services provided | **(2 808)** | **–** | **–** | **(2 808)** | (1 313) | – | – | (1 313) |
| Changes that relate to future service | | | | | | | | |
| Changes in estimates that adjust the CSM | **(2 921)** | **–** | **–** | **(2 921)** | 2 173 | – | – | 2 173 |
| Contracts initially recognised in the period | **7 324** | **–** | **–** | **7 324** | 5 756 | – | – | 5 756 |
| Experience adjustments – arising from premiums received in the period that relate to future service | **(72)** | **–** | **–** | **(72)** | 47 | – | – | 47 |
| Finance expenses from insurance contracts issued | **1 364** | **–** | **–** | **1 364** | 607 | – | – | 607 |
| Total amounts recognised in comprehensive income | **2 887** | **–** | **–** | **2 887** | 7 269 | – | – | 7 269 |
| CSM as at 28 February | **15 196** | **–** | **–** | **15 196** | 12 309 | – | – | 12 309 |

## 30. Insurance and reinsurance contracts (continued)

### 30.3.1 Individual Life – Insurance contracts issued (continued)

#### 30.3.1.5 Reconciliation of insurance acquisition cash flows asset

Individual life

| | 2025 | 2024 |
|---|---|---|
| Insurance acqusition cash flow assets at 1 March | **2 852** | 1 629 |
| Cash flows recognised as an asset during the year | **1 660** | 1 550 |
| Amortisation of asset for services provided over the year | **(722)** | (327) |
| Insurance acqusition cash flow assets at 28 February | **3 790** | 2 852 |

**Expected derecognition of insurance acqusition cash flow asset**

| Number of years until expected to be recognised | 2025 | 2024 |
|---|---|---|
| 1 | **648** | 441 |
| 2 | **528** | 374 |
| 3 | **446** | 323 |
| 4 | **378** | 278 |
| 5 | **318** | 238 |
| 6-10 | **772** | 865 |
| > 10 | **701** | 334 |
| | **3 791** | 2 853 |

## 30. Insurance and reinsurance contracts (continued)

### 30.4 Credit life

#### 30.4.1 Credit life - Insurance contracts issued

##### 30.4.1.1 Reconciliation of the liability for remaining coverage and the liability for incurred cla

| | 2025 R'000 LRC | | | | 2024 R'000 LRC | | | |
|---|---|---|---|---|---|---|---|---|
| | Excl. loss component | Loss component | LIC | Total | Excl. loss component | Loss component | LIC | Total |
| **Insurance contract liabilities/(insurance contract assets) as at 1 March** | 24 291 | 1 099 | 4 155 | 29 545 | 22 310 | 739 | 4 082 | 27 131 |
| **Insurance revenue** | (26 569) | (901) | – | (27 470) | (25 740) | – | – | (25 740) |
| **Insurance service expenses** | | | | | | | | |
| Incurred claims | – | – | 2 521 | 2 521 | – | – | 4 487 | 4 487 |
| Other directly attributable expenses | – | – | 8 652 | 8 652 | – | – | 7 743 | 7 743 |
| Losses on onerous contracts & reversal of those losses | (901) | 1 431 | – | 530 | – | 276 | – | 276 |
| Insurance acquisition cash flows amortization | 3 972 | – | – | 3 972 | 2 823 | - | – | 2 823 |
| Insurance service expenses | 3 071 | 1 431 | 11 173 | 15 675 | 2 823 | 276 | 12 229 | 15 329 |
| Insurance service result | (23 498) | 530 | 11 173 | (11 795) | (22 916) | 276 | 12 229 | (10 411) |
| Finance expenses from insurance contracts | 2 688 | 100 | – | 2 788 | 2 063 | 84 | – | 2 147 |
| Total amounts recognized in comprehensive income | (20 810) | 630 | 11 173 | (9 007) | (20 854) | 360 | 12 229 | (8 264) |
| **Cash flows** | | | | | | | | |
| Premiums received | 28 146 | – | – | 28 146 | 27 791 | – | – | 27 791 |
| Claims and other expenses paid | – | – | (9 659) | (9 659) | – | – | (12 157) | (12 157) |
| Insurance acquisition cash flows | (5 191) | – | – | (5 191) | (4 956) | – | – | (4 956) |
| **Total cash flows** | 22 955 | – | (9 659) | 13 296 | 22 836 | – | (12 157) | 10 679 |
| Insurance contract liabilities/(insurance contract assets) as at 28 February | 26 436 | 1 729 | 5 669 | 33 834 | 24 291 | 1 099 | 4 155 | 29 545 |

## 30. Insurance and reinsurance contracts (continued)

### 30.4 Credit life (continued)

#### 30.4.1 Credit life - Insurance contracts issued (continued)

##### 30.4.1.2 Reconciliation of the measurement components of insurance contract balances

| | 2025 R'000 | | | | 2024 R'000 | | | |
|---|---|---|---|---|---|---|---|---|
| Credit Life - Insurance contracts issued | Present value of future cash flows | Risk adjustment for non-financial risk | CSM | Total | Present value of future cash flows | Risk adjustment for non-financial risk | CSM | Total |
| **Insurance contract liabilities/(insurance contract assets) as at 1 March** | **14 001** | **1 366** | **14 178** | **29 545** | 14 981 | 1 351 | 10 799 | 27 131 |
| Changes that relate to current service | | | | | | | | |
| CSM recognized for services provided in the period | **–** | **–** | **(8 116)** | **(8 116)** | – | – | (7 626) | (7 626) |
| Change in the risk adjustment for non-financial risk | **–** | **(603)** | **–** | **(603)** | – | (472) | – | (472) |
| Experience adjustments – relating to insurance service expenses | **(1 846)** | **–** | **–** | **(1 846)** | 410 | – | – | 410 |
| | **(1 846)** | **(603)** | **(8 116)** | **(10 565)** | 410 | (472) | (7 626) | (7 688) |
| **Changes that relate to future service** | | | | | | | | |
| Changes in estimates that adjust the CSM | **2 638** | **(16)** | **(2 622)** | **–** | (2 114) | (141) | 2 255 | – |
| Changes in estimates that result in onerous contract losses or reversals of those losses | **651** | **11** | **–** | **662** | 106 | (7) | – | 99 |
| Contracts initially recognized in the period | **(9 415)** | **598** | **9 586** | **769** | (7 422) | 624 | 7 811 | 1 013 |
| Experience adjustments – arising from premiums received in the period that relate to future service | **1 032** | **–** | **(1 032)** | **–** | 178 | – | (178) | – |
| | **(5 094)** | **593** | **5 932** | **1 431** | (9 252) | 476 | 9 888 | 1 112 |

## 30. Insurance and reinsurance contracts (continued)

### 31.4 Credit life (continued)

#### 30.4.1 Credit life - Insurance contracts issued (continued)

##### 30.4.1.2 Reconciliation of the measurement components of insurance contract balances (continued)

| | 2025 R'000 | | | | 2024 R'000 | | | |
|---|---|---|---|---|---|---|---|---|
| Credit Life - Insurance contracts issued | Present value of future cash flows | Risk adjustment for non-financial risk | CSM | Total | Present value of future cash flows | Risk adjustment for non-financial risk | CSM | Total |
| **Changes that relate to past service** | | | | | | | | |
| Changes that relate to past service – changes in the FCF relating to the LIC | (2 526) | (134) | – | (2 660) | (3 738) | (97) | – | (3 835) |
| Experience adjustments – arising from premiums received in the period that relate to past service | – | – | – | – | – | – | – | – |
| | (2 526) | (134) | – | (2 660) | (3 738) | (97) | – | (3 835) |
| Insurance service result | (9 466) | (144) | (2 184) | (11 794) | (12 580) | (930) | 2 262 | (10 411) |
| Finance income /expenses | 1 134 | 127 | 1 526 | 2 787 | 922 | 108 | 1 116 | 2 147 |
| Total amounts included in comprehensive income | (8 332) | (17) | (658) | (9 007) | (11 658) | 15 | 3 378 | (8 264) |
| **Cash flows** | | | | | | | | – |
| Premiums received | 28 146 | – | – | 28 146 | 27 791 | – | – | 27 791 |
| Claims and other expenses paid | (9 659) | – | – | (9 659) | (12 157) | – | – | (12 157) |
| Insurance acquisition cash flows | (5 191) | – | – | (5 191) | (4 956) | – | – | (4 956) |
| **Total cash flows** | 13 296 | – | – | 13 296 | 10 679 | – | – | 10 679 |
| **Insurance contract liabilities/(insurance contract assets) as at 29 February** | 18 965 | 1 349 | 13 520 | 33 834 | 14 001 | 1 366 | 14 178 | 29 545 |

## 30. Insurance and reinsurance contracts (continued)

### 30.4 Credit life (continued)

#### 30.4.1 Credit life - Insurance contracts issued (continued)

##### 30.4.1.3 Impacts of contracts recognized in the year

| | 2025 R'000 | | | 2024 R'000 | | |
|---|---|---|---|---|---|---|
| Credit Life - Insurance contracts issued | Non-onerous contracts | Onerous contracts | Total | Non-onerous contracts | Onerous contracts | Total |
| Estimates of the present value of future cash outflows | | | | | | |
| – Insurance acquisition cash flows | **4 694** | **738** | **5 432** | 4 299 | 769 | 5 068 |
| – Claims and other directly attributable expenses | **11 052** | **2 159** | **13 211** | (12 629) | 2 535 | (10 094) |
| Estimates of the present value of future cash outflows | **15 746** | **2 897** | **18 643** | (8 330) | 3 304 | (5 026) |
| Estimates of the present value of future cash inflows | **(25 852)** | **(2 207)** | **(28 059)** | – | (2 396) | (2 396) |
| Risk adjustment for non - financial risk | **520** | **78** | **598** | 519 | 105 | 624 |
| CSM | **9 586** | **–** | **9 586** | 7 811 | – | 7 811 |
| **Increase in insurance contract liabilities from contracts recognised in the period** | **–** | **768** | **768** | – | 1 013 | 1 013 |

## 30. Insurance and reinsurance contracts (continued)

### 30.4 Credit life (continued)

#### 30.4.1 Credit life - Insurance contracts issued (continued)

##### 30.4.1.4 Amounts determined on transition to IFRS 17

Insurance revenue and the CSM by transition method

| | New contracts and contracts measured under the full retrospective approach at transition | Contracts measured under the modified retrospective approach at transition | Contracts measured under the fair value approach at transition | Total | New contracts and contracts measured under the full retrospective approach at transition | Contracts measured under the modified retrospective approach at transition | Contracts measured under the fair value approach at transition | Total |
|---|---|---|---|---|---|---|---|---|
| Insurance revenue | 21 971 | – | 5 498 | 27 469 | 16 540 | - | 9 200 | 25 740 |
| CSM as at 1 March | 11 581 | – | 2 597 | 14 178 | 7 063 | – | 3 736 | 10 799 |
| Changes that relate to current service | | | | | | | | |
| CSM recognized for services provided | (7 094) | – | (1 022) | (8 116) | (5 433) | – | (2 193) | (7 626) |
| Changes that relate to future service | | | | | | | | |
| Changes in estimates that adjust the CSM | (1 829) | – | (793) | (2 622) | 1 477 | – | 778 | 2 255 |
| Contracts initially recognised in the period | 9 586 | – | – | 9 586 | 7 811 | – | – | 7 811 |
| Experience adjustments – arising from premiums received in the period that relate to future service | (1 032) | – | – | (1 032) | (178) | – | – | (178) |
| Finance expenses from insurance contracts issued | 1 343 | – | 185 | 1 528 | 840 | – | 276 | 1 116 |
| Total amounts recognised in comprehensive income | 973 | – | (1 631) | (658) | 4 518 | – | (1 140) | 3 378 |
| CSM as at 28 February | 12 554 | – | 966 | 13 520 | 11 581 | – | 2 597 | 14 178 |

## 30. Insurance and reinsurance contracts (continued)

### 30.4 Credit life (continued)

#### 30.4.1 Credit life - Insurance contracts issued (continued)

##### 30.4.1.5 Reconciliation of insurance acquisition cash flows asset

Credit life

| | 2025 | 2024 |
|---|---|---|
| Insurance acqusition cash flow assets at 1 March | **5 811** | 3 679 |
| Cash flows recognised as an asset during the year | **5 191** | 4 955 |
| Amortisation of asset for services provided over the year | **(3 972)** | (2 823) |
| Insurance acqusition cash flow assets at 28 February | **7 030** | 5 811 |

##### 30.4.1.6 Expected derecognition of insurance acqusition cash flow asset

| Number of years until expected to be recognised | 2025 | 2024 |
|---|---|---|
| 1 | **3 268** | 2 557 |
| 2 | **1 845** | 1 560 |
| 3 | **980** | 892 |
| 4 | **476** | 444 |
| 5 | **217** | 181 |
| 6-10 | **129** | 162 |
| > 10 | **115** | 17 |
| | **7 030** | 5 813 |

## 30. Insurance and reinsurance contracts (continued)

### 30.5 Annuities

#### 30.5.1 Annuities - Insurance contracts issued

##### 30.5.1.1 Reconciliation of the liability for remaining coverage and the liability for incurred cla

| | 2025 R'000 LRC | | | | 2024 R'000 LRC | | | |
|---|---|---|---|---|---|---|---|---|
| | Excl. loss component | Loss component | LIC | Total | Excl. loss component | Loss component | LIC | Total |
| Insurance contract liabilities/(insurance contract assets) as at 1 March | 22 694 | – | – | 22 694 | 24 832 | – | – | 24 832 |
| Insurance revenue | (3 757) | – | – | (3 757) | (3 551) | – | – | (3 551) |
| Insurance service expenses | | | | | | | | |
| Incurred claims | – | – | 2 192 | 2 192 | – | – | 2 281 | 2 281 |
| Other directly attributable expenses | – | – | 65 | 65 | – | – | 82 | 82 |
| Losses on onerous contracts & reversal of those losses | – | – | – | – | – | – | – | – |
| Insurance acquisition cash flows amortization | – | – | – | – | – | – | – | – |
| Insurance service expenses | – | – | 2 257 | 2 257 | – | – | 2 363 | 2 363 |
| Insurance service result | (3 757) | – | 2 257 | (1 500) | (3 551) | – | 2 363 | (1 188) |
| Finance expenses from insurance contracts | 2 481 | – | – | 2 481 | 1 413 | – | – | 1 413 |
| Total amounts recognized in comprehensive income | (1 276) | – | 2 257 | 981 | (2 138) | – | 2 363 | 225 |
| **Cash flows** | | | | | | | | |
| Premiums received | – | – | – | – | – | – | – | – |
| Claims and other expenses paid | – | – | (2 258) | (2 258) | – | – | (2 363) | (2 363) |
| Insurance acquisition cash flows | – | – | – | – | – | – | – | – |
| **Total cash flows** | – | – | (2 258) | (2 258) | – | – | (2 363) | (2 363) |
| Insurance contract liabilities/(insurance contract assets) as at 29 February | 21 418 | – | (1) | 21 417 | 22 694 | – | – | 22 694 |

## 30. Insurance and reinsurance contracts (continued)

### 30.5 Annuities (continued)

#### 30.5.1 Annuities - Insurance contracts issued (continued)

##### 30.5.1.2 Reconciliation of the measurement components of insurance contract balances

| | 2025 R'000 | | | | 2024 R'000 | | | |
|---|---|---|---|---|---|---|---|---|
| Annuities - Insurance contracts issued | Present value of future cash flows | Risk adjustment for non-financial risk | CSM | Total | Present value of future cash flows | Risk adjustment for non-financial risk | CSM | Total |
| **Insurance contract liabilities/(insurance contract assets) as at 1 March** | **14 764** | **53** | **7 877** | **22 694** | 15 748 | 94 | 8 989 | 24 832 |
| **Changes that relate to current service** | | | | | | | | |
| CSM recognized for services provided in the period | **–** | **–** | **(1 454)** | **(1 454)** | – | – | (1 218) | (1 218) |
| Change in the risk adjustment for non-financial risk | **–** | **(8)** | **–** | **(8)** | – | (3) | – | (3) |
| Experience adjustments – relating to insurance service expenses | **(38)** | **–** | **–** | **(38)** | 33 | – | – | 33 |
| | **(38)** | **(8)** | **(1 454)** | **(1 500)** | 33 | (3) | (1 218) | (1 188) |
| **Changes that relate to future service** | | | | | | | | |
| Changes in estimates that adjust the CSM | **(1 001)** | **18** | **983** | **–** | 533 | (44) | (489) | – |
| Changes in estimates that result in onerous contract losses or reversals of those losses | **–** | **–** | **–** | **–** | – | – | – | – |
| Contracts initially recognized in the period | **–** | **–** | **–** | **–** | – | – | – | – |
| Experience adjustments – arising from premiums received in the period that relate to future service | **–** | **–** | **–** | **–** | – | – | – | – |
| | **(1 001)** | **18** | **983** | **–** | 533 | (44) | (489) | – |

## 30. Insurance and reinsurance contracts (continued)

### 30.5 Annuities (continued)

#### 30.5.1 Annuities - Insurance contracts issued (continued)

##### 30.5.1.2 Reconciliation of the measurement components of insurance contract balances (continued)

| | 2025 R'000 | | | | 2024 R'000 | | | |
|---|---|---|---|---|---|---|---|---|
| Annuities - Insurance contracts issued | Present value of future cash flows | Risk adjustment for non-financial risk | CSM | Total | Present value of future cash flows | Risk adjustment for non-financial risk | CSM | Total |
| **Changes that relate to past service** | | | | | | | | |
| Changes that relate to past service – changes in the FCF relating to the LIC | – | – | – | – | – | – | – | – |
| Experience adjustments – arising from premiums received in the period that relate to past service | – | – | – | – | – | – | – | – |
| | – | – | – | – | – | – | – | - |
| Insurance service result | (1 039) | 10 | (471) | (1 500) | 566 | (47) | (1 707) | (1 188) |
| Finance income /expenses | 1 895 | 11 | 574 | 2 480 | 812 | 6 | 595 | 1 413 |
| Total amounts included in comprehensive income | 856 | 21 | 103 | 980 | 1 378 | (41) | (1 112) | 225 |
| Insurance acquisition cash flows | | | | | | | | |
| **Cash flows** | | | | | | | | |
| Premiums received | – | – | – | – | – | – | – | – |
| Claims and other expenses paid | (2 257) | – | – | (2 257) | (2 363) | – | – | (2 363) |
| Insurance acquisition cash flows | – | – | – | – | – | – | – | – |
| **Total cash flows** | (2 257) | – | – | (2 257) | (2 363) | – | – | (2 363) |
| Insurance contract liabilities/(insurance contract assets) as at 29 February | 13 363 | 74 | 7 980 | 21 417 | 14 764 | 53 | 7 877 | 22 694 |

## 30. Insurance and reinsurance contracts (continued)

### 30.5 Annuities (continued)

#### 30.5.1 Annuities - Insurance contracts issued (continued)

##### 30.5.1.3 Impacts of contracts recognized in the year

| Annuities – Insurance contracts issued | 2025 R'000 Non-onerous contracts | 2025 R'000 Onerous contracts | 2025 R'000 Total | 2024 R'000 Non-onerous contracts | 2024 R'000 Onerous contracts | 2024 R'000 Total |
|---|---|---|---|---|---|---|
| **Estimates of the present value of future cash outflows** | | | | | | |
| – Insurance acquisition cash flows | – | – | – | – | – | – |
| – Claims and other directly attributable expenses | – | – | – | – | – | – |
| Estimates of the present value of future cash outflows | – | – | – | – | – | – |
| Estimates of the present value of future cash inflows | – | – | – | – | – | – |
| Risk adjustment for non - financial risk | – | – | – | – | – | – |
| CSM | – | – | – | – | – | – |
| Increase in insurance contract liabilities from contracts | – | – | – | – | – | – |

## 30. Insurance and reinsurance contracts (continued)

### 30.5 Annuities (continued)

#### 30.5.1 Annuities - Insurance contracts issued (continued)

##### 30.5.1.4 Amounts determined on transition to IFRS 17

Insurance revenue and the CSM by transition method

| | 2025 | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| | New contracts and contracts measured under the full retrospective approach at transition | Contracts measured under the modified retrospective approach at transition | Contracts measured under the fair value approach at transition | Total | New contracts and contracts measured under the full retrospective approach at transition | Contracts measured under the modified retrospective approach at transition | Contracts measured under the fair value approach at transition | Total |
| Insurance revenue | – | – | 3 757 | 3 757 | – | – | 3 551 | 3 551 |
| CSM as at 1 March | – | – | 7 877 | 7 877 | – | – | 8 989 | 8 989 |
| Changes that relate to current service | – | – | – | – | – | – | – | – |
| CSM recognized for services provided | – | – | (1 454) | (1 454) | – | – | (1 218) | (1 218) |
| Changes that relate to future service | – | – | – | – | | | | |
| Changes in estimates that adjust the CSM | – | – | (984) | (984) | – | – | (489) | (489) |
| Contracts initially recognised in the period | – | – | – | – | – | – | – | – |
| Experience adjustments – arising from premiums received in the period that relate to future service | – | – | – | – | – | – | – | – |
| Finance expenses from insurance contracts issued | – | – | 595 | 595 | – | – | 595 | 595 |
| Total amounts recognised in comprehensive income | – | – | 104 | 104 | – | – | (1 112) | (1 112) |
| CSM as at 28 February | | | 7 981 | 7 981 | – | – | 7 877 | 7 877 |

## 30. Insurance and reinsurance contracts (continued)

### 30.6 Group risk and voluntary group funeral

#### 30.6.1 Group risk and voluntary group funeral - Insurance contracts issued

**Reconciliation of the liability for remaining coverage and the liability for incurred claims**

| | 2025 R'000 | | | | |
|---|---|---|---|---|---|
| | LRC | | LIC | | |
| | Excl. loss component | Loss recovery component | Present value of future cash flows | Risk adjustment for non - financial risk | Total |
| Insurance contract liabilities/(insurance contract assets) as at 1 March | 3 721 | – | (33 767) | (879) | (30 925) |
| **Insurance revenue** | 65 820 | – | – | – | 65 820 |
| **Insurance service expenses** | | | | | |
| Incurred claims | – | – | (22 033) | 70 | (21 963) |
| Other directly attributable expenses | – | – | (14 006) | – | (14 006) |
| Losses on onerous contracts & reversal of those losses | – | – | – | – | – |
| Insurance acquisition cash flows amortization | – | – | – | – | – |
| **Insurance service expenses** | – | – | (36 039) | 70 | (35 969) |
| **Insurance service result** | 65 820 | – | (36 039) | 70 | 29 851 |
| Finance expenses from insurance contracts | – | – | (3 332) | 38 | (3 294) |
| **Total amounts recognized in comprehensive** | 65 820 | – | (39 371) | 108 | 26 557 |
| **Cash flows** | | | | | |
| Premiums received | (65 806) | – | – | – | (65 806) |
| Claims and other expenses paid | – | – | 43 975 | – | 43 975 |
| Insurance acquisition cash flows | – | – | – | – | – |
| **Total cash flows** | (65 806) | – | 43 975 | – | (21 831) |
| **Insurance contract liabilities/(insurance contract** | 3 735 | – | (29 163) | (771) | (26 199) |

## 30. Insurance and reinsurance contracts (continued)

### 30.6 Group risk and voluntary group funeral

#### 30.6.1 Group risk and voluntary group funeral - Insurance contracts issued (continued)

**Reconciliation of the liability for remaining coverage and the liability for incurred claims**

| | 2024 | | | | |
|---|---|---|---|---|---|
| | R'000 | | | | |
| | LRC | | LIC | | |
| | Excl. loss component | Loss recovery component | Present value of future cash flows | Risk adjustment for non - financial risk | Total |
| Insurance contract liabilities/(insurance contract assets) as at 1 March | 3 671 | (838) | (33 821) | (1 050) | (32 038) |
| **Insurance revenue** | 61 056 | – | – | – | 61 056 |
| **Insurance service expenses** | | | | | – |
| Incurred claims | – | – | (14 837) | 232 | (14 605) |
| Other directly attributable expenses | – | – | (12 733) | – | (12 733) |
| Losses on onerous contracts & reversal of those losses | – | 838 | – | – | 838 |
| Insurance acquisition cash flows amortization | – | – | – | – | – |
| **Insurance service expenses** | – | 838 | (27 570) | 232 | (26 500) |
| **Insurance service result** | 61 056 | 838 | (27 570) | 232 | 34 556 |
| Finance expenses from insurance contracts | – | – | (3 408) | (62) | (3 470) |
| **Total amounts recognized in comprehensive** | 61 056 | 838 | (30 978) | 170 | 31 086 |
| **Cash flows** | | | | | |
| Premiums received | (61 006) | – | – | – | (61 006) |
| Claims and other expenses paid | – | – | 31 032 | – | 31 032 |
| Insurance acquisition cash flows | – | – | – | – | – |
| **Total cash flows** | (61 006) | – | 31 032 | – | (29 974) |
| **Insurance contract liabilities/(insurance contract** | 3 721 | – | (33 767) | (880) | (30 926) |

## 30. Insurance and reinsurance contracts (continued)

### 30.7 Health

#### 30.7.1 Health - Insurance contracts issued

**Reconciliation of the liability for remaining coverage and the liability for incurred claims**

| | 2025 R'000 | | | | |
|---|---|---|---|---|---|
| | LRC | | LIC | | |
| | Excl. loss component | Loss recovery component | Present value of future cash flows | Risk adjustment for non - financial risk | Total |
| Insurance contract liabilities as at 1 March | (1 370) | (1 379) | (2 733) | (452) | (5 934) |
| **Insurance revenue** | 40 976 | – | – | – | 40 976 |
| **Insurance service expenses** | | | | | |
| Incurred claims | – | – | (20 181) | (3) | (20 184) |
| Other directly attributable expenses | – | – | (14 898) | – | (14 898) |
| Losses on onerous contracts & reversal of those losses | – | (1 636) | – | – | (1 636) |
| Insurance acquisition cash flows amortization | – | – | – | – | – |
| **Insurance service expenses** | – | (1 636) | (35 079) | (3) | (36 718) |
| **Insurance service result** | 40 976 | (1 636) | (35 079) | (3) | 4 258 |
| Finance expenses from insurance contracts | – | – | – | – | – |
| **Total amounts recognized in comprehensive** | 40 976 | (1 636) | (35 079) | (3) | 4 258 |
| **Cash flows** | | | | | |
| Premiums received | (45 791) | – | – | – | (45 791) |
| Claims and other expenses paid | – | – | 35 487 | – | 35 487 |
| Insurance acquisition cash flows | – | – | – | – | – |
| **Total cash flows** | (45 791) | – | 35 487 | – | (10 304) |
| | | | | | – |
| **Insurance contract liabilities as at 28 February** | (6 185) | (3 015) | (2 325) | (455) | (11 980) |

## 30. Insurance and reinsurance contracts (continued)

### 30.7 Health

#### 30.7.1 Health - Insurance contracts issued

**Reconciliation of the liability for remaining coverage and the liability for incurred claims**

| | 2024 R'000 | | | | |
|---|---|---|---|---|---|
| | LRC | | LIC | | |
| | Excl. loss component | Loss recovery component | Present value of future cash flows | Risk adjustment for non - financial risk | Total |
| Insurance contract liabilities as at 1 March | 536 | (1 206) | (817) | (138) | (1 625) |
| **Insurance revenue** | 14 594 | – | – | – | 14 594 |
| **Insurance service expenses** | | | | | |
| Incurred claims | – | – | (12 637) | (314) | (12 951) |
| Other directly attributable expenses | – | – | (7 506) | – | (7 506) |
| Losses on onerous contracts & reversal of those losses | – | (173) | – | – | (173) |
| Insurance acquisition cash flows amortization | – | – | – | – | – |
| **Insurance service expenses** | – | (173) | (20 143) | (314) | (20 630) |
| **Insurance service result** | 14 594 | (173) | (20 143) | (314) | (6 036) |
| Finance expenses from insurance contracts | – | – | – | – | – |
| **Total amounts recognized in comprehensive** | 14 594 | (173) | (20 143) | (314) | (6 036) |
| **Cash flows** | | | | | |
| Premiums received | (16 500) | – | – | – | (16 500) |
| Claims and other expenses paid | – | – | 18 228 | – | 18 228 |
| Insurance acquisition cash flows | – | – | – | – | – |
| **Total cash flows** | (16 500) | – | 18 228 | – | 1 728 |
| | | | | | – |
| **Insurance contract liabilities as at 28 February** | (1 370) | (1 379) | (2 732) | (452) | (5 933) |

## 30. Insurance and reinsurance contracts (continued)

### 30.8 Reinsurance contracts held

#### 30.8.1 Reconciliation of the remaining coverage and incurred claims components

| | 2025 R'000 | | | | 2024 R'000 | | | |
|---|---|---|---|---|---|---|---|---|
| | LRC | | | | LRC | | | |
| | Excl. loss component | Loss recovery component | LIC | Total | Excl. loss component | Loss recovery component | LIC | Total |
| Reinsurance contract assets as at 1 March | **763** | **–** | **273** | **1 036** | 572 | – | 37 | 609 |
| **Net Expenses/(Revenue) from reinsurance contracts** | | | | | | | | |
| Reinsurance expenses | **(1 698)** | **–** | **–** | **(1 698)** | 125 | – | – | 125 |
| Incurred claims recovery | **–** | **–** | **262** | **262** | – | – | 237 | 237 |
| Losses on onerous contracts & reversal of those losses | **363** | **–** | **–** | **363** | (1 465) | – | – | (1 465) |
| **Net Expenses/(Revenue) from reinsurance contracts** | **(1 335)** | **–** | **262** | **(1 073)** | (1 340) | – | 237 | (1 103) |
| Finance income from reinsurance contracts | **(3)** | **–** | **–** | **(3)** | 318 | – | – | 318 |
| **Total amounts recognized in comprehensive income** | **(1 338)** | **–** | **262** | **(1 076)** | (1 022) | – | 237 | (785) |
| Opening balance correction | **–** | **–** | **–** | **–** | (62) | – | – | (62) |
| **Cash flows** | | | | | | | | |
| Premiums paid net of commissions and other expenses paid | **1 209** | **–** | **–** | **1 209** | 1 275 | – | – | 1 275 |
| Recoveries from reinsurance | **–** | **(354)** | **–** | **(354)** | – | | | |
| **Total cash flows** | **1 209** | **(354)** | **–** | **855** | 1 275 | – | – | 1 275 |
| **Reinsurance contract assets as at 28 February** | **634** | **(354)** | **535** | **815** | 763 | – | 274 | 1 037 |

## 30. Insurance and reinsurance contracts (continued)

### 30.8 Reinsurance contracts held

#### 30.8.2 Reconciliation of the measurement components of insurance contract balances

| | 2025 R'000 | | | | 2024 R'000 | | | |
|---|---|---|---|---|---|---|---|---|
| | Present value of future cash flows | Risk adjustment for non-financial risk | CSM | Total | Present value of future cash flows | Risk adjustment for non - financial risk | CSM | Total |
| Reinsurance contract assets as at 1 March | (1 147) | 662 | 1 522 | 1 037 | (2 201) | 353 | 2 457 | 609 |
| *Changes that relate to current service* | | | | | | | | |
| CSM recognized for services provided in the period | – | – | (336) | (336) | – | – | (191) | (191) |
| Change in the risk adjustment for non - financial risk | – | (70) | – | (70) | – | (36) | – | (36) |
| Experience adjustments - relating to insurance | (1 050) | – | – | (1 050) | 440 | – | – | 440 |
| | (1 050) | (70) | (336) | (1 456) | 440 | (36) | (191) | 213 |
| ***Changes that relate to future service*** | | | | | | | | |
| Changes in estimates that adjust the CSM | 625 | (373) | (252) | – | (25) | 1 | 24 | – |
| Contracts initially recognized in the period | (573) | 341 | 876 | 644 | (606) | 351 | 1 858 | 1 602 |
| Changes in recoveries of losses on onerous underlying contracts | – | – | (233) | (233) | – | – | (2 882) | (2 882) |
| Experience adjustments – arising from reinsurance premiums paid in the period that relate to future | – | – | – | – | – | – | – | – |
| | 52 | (32) | 391 | 411 | (631) | 352 | (1 001) | (1 280) |
| ***Changes that relate to past service*** | | | | | | | | |
| Changes that relate to past service – changes in the FCF relating to the LIC | (26) | (1) | – | (27) | (35) | (2) | – | (37) |
| Effect of changes in the risk of reinsurers non-performance | – | – | – | – | – | | | |
| | (26) | (1) | – | (27) | (35) | (2) | – | (37) |
| **Total net expenses from reinsurance contracts** | (1 024) | (103) | 55 | (1 072) | (226) | 314 | (1 192) | (1 104) |
| Finance income from reinsurance contracts held | (349) | 179 | 167 | (3) | 67 | (6) | 257 | 318 |
| **Total amounts included in comprehensive income** | (1 373) | 76 | 222 | (1 075) | (159) | 308 | (935) | (786) |
| Opening balance correction | – | – | – | – | (62) | – | – | (62) |
| **Cash flows** | | | | | | | | |
| Premiums paid net of commissions and other | 1 208 | – | – | 1 208 | 1 276 | – | – | 1 276 |
| Recoveries from reinsurance | – | (355) | – | (355) | – | | | |
| **Total cash flows** | 1 208 | (355) | – | 853 | 1 276 | – | – | 1 276 |
| Reinsurance contract assets as at 28 February | (1 312) | 383 | 1 744 | 815 | (1 146) | 661 | 1 522 | 1 037 |

## 30. Insurance and reinsurance contracts (continued)

### 30.8 Reinsurance contracts held

#### 30.8.3 Impacts of contracts recognized in the year

| | 2025 R'000 Contracts originated in a net gain | 2025 R'000 Contracts originated not in a net gain | 2025 R'000 Total | 2024 R'000 Contracts originated in a net gain | 2024 R'000 Contracts originated not in a net gain | 2024 R'000 Total |
|---|---|---|---|---|---|---|
| Estimates of present value of future cash inflows | – | 7 081 | 7 081 | – | 7 529 | 7 529 |
| Estimates of present value of future cash outflows | – | (7 654) | (7 654) | – | (8 135) | (8 135) |
| CSM | – | 341 | 341 | – | 351 | 351 |
| Risk adjustment for non - financial risk | – | 876 | 876 | – | 1 858 | 1 858 |
| Increase in reinsurance contract assets from contracts recognised in the period | – | 644 | 644 | – | 1 603 | 1 603 |

## 30. Insurance and reinsurance contracts (continued)

### 30.8 Reinsurance contracts held

#### 30.8.3 Reconciliation of the measurement components of insurance contract balances

##### 30.8.3 Amounts determined on transition to IFRS 17

Reinsurance expenses the CSM by transition method

| | 2025 | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| | New contracts and contracts measured under the full retrospective approach at transition | Contracts measured under the modified retrospective approach at transition | Contracts measured under the fair value approach at transition | Total | New contracts and contracts measured under the full retrospective approach at transition | Contracts measured under the modified retrospective approach at transition | Contracts measured under the fair value approach at transition | Total |
| Reinsurance expenses | (1 698) | – | – | (1 698) | 125 | – | – | 125 |
| CSM as at 1 March | 1 522 | – | – | 1 522 | 2 457 | – | – | 2 457 |
| Changes that relate to current service | | | | | | | | |
| CSM recognized for services provided | (336) | – | – | (336) | (191) | – | – | (191) |
| Changes that relate to future service | – | – | – | – | – | – | – | – |
| Changes in estimates that adjust the CSM | (253) | – | – | (253) | 24 | – | – | 24 |
| Contracts initially recognised in the period | 643 | – | – | 643 | (1 024) | – | – | (1 024) |
| Experience adjustments – arising from premiums received in the period that relate to future service | – | – | – | – | – | – | – | – |
| Finance expenses from reinsurance contracts issued | 167 | – | – | 167 | 257 | – | – | 257 |
| Total amounts recognised in comprehensive income | 221 | – | – | 221 | (934) | – | – | (934) |
| CSM as at 28 February | 1 743 | – | – | 1 743 | 1 523 | – | – | 1 523 |

## 30. Insurance and reinsurance contracts (continued)

### 30.8 Reinsurance contracts held

#### 30.8.4 Reconciliation of the liability for remaining coverage and the liability for incurred claims

| | 2025 R'000 | | | | 2024 R'000 | | | |
|---|---|---|---|---|---|---|---|---|
| | | LIC | | | | LIC | | |
| Reinsurance contracts held – PAA | LRC | Present value of future cash flows | Risk adjustment for non - financial risk | Total | LRC | Present value of future cash flows | Risk adjustment for non - financial risk | Total |
| Reinsurance contract assets as at 1 March | (934) | 5 038 | 156 | 4 260 | (2 118) | 8 774 | 222 | 6 878 |
| Net Expenses/(Revenue) from reinsurance contracts | | | | | | | | – |
| Reinsurance expenses | (5 606) | – | – | (5 606) | (5 606) | - | - | (5 606) |
| Incurred claims recovery | – | 6 493 | (9) | 6 484 | - | (45) | (65) | (110) |
| **Net Expenses/(Revenue) from reinsurance contracts** | (5 606) | 6 493 | (9) | 878 | (5 606) | (45) | (65) | (5 716) |
| Finance income from reinsurance contracts | – | 372 | 3 | 375 | – | – | – | – |
| **Total amounts recognized in comprehensive income** | (5 606) | 6 865 | (6) | 1 253 | (5 606) | (45) | (65) | (5 716) |
| **Cash flows** | | | | | | | | |
| Premiums paid net of commissions and other expenses paid | 4 754 | – | – | 4 754 | 6 790 | – | – | 6 790 |
| Recoveries from reinsurance | – | (5 968) | – | (5 968) | – | (3 692) | – | (3 692) |
| **Total cash flows** | 4 754 | (5 968) | – | (1 214) | 6 790 | (3 692) | – | 3 098 |
| Reinsurance contract assets as at 28 February | (1 786) | 5 935 | 150 | 4 299 | (934) | 5 038 | 156 | 4 260 |

## 30. Insurance and reinsurance contracts (continued)

### 30.8 Reinsurance contracts held

#### 30.8.5 Short term- Insurance contracts issued

**Reconciliation of the liability for remaining coverage and the liability for incurred claims**

| | 2025 R'000 | | | | |
|---|---|---|---|---|---|
| | LRC | | LIC | | |
| | Excl. loss component | Loss recovery component | Present value of future cash flows | Risk adjustment for non - financial risk | Total |
| Insurance contract liabilities/(insurance contract assets) as at 1 March | (17 305) | (89) | (27 451) | (2 935) | (47 780) |
| **Insurance revenue** | 114 785 | – | – | – | 114 785 |
| **Insurance service expenses** | | | | | |
| Incurred claims | – | – | (62 017) | (1 312) | (63 329) |
| Other directly attributable expenses | – | – | (25 598) | – | (25 598) |
| Losses on onerous contracts & reversal of those losses | – | 12 | – | – | 12 |
| Insurance acquisition cash flows amortization | – | – | – | – | – |
| **Insurance service expenses** | – | 12 | (87 615) | (1 312) | (88 915) |
| **Insurance service result** | 114 785 | 12 | (87 615) | (1 312) | 25 870 |
| Finance expenses from insurance contracts | – | – | – | – | – |
| **Total amounts recognized in comprehensive income** | 114 785 | 12 | (87 615) | (1 312) | 25 870 |
| **Cash flows** | | | | | – |
| Premiums received | (116 783) | – | – | – | (116 783) |
| Claims and other expenses paid | – | – | 80 207 | – | 80 207 |
| Insurance acquisition cash flows | – | – | – | – | – |
| **Total cash flows** | (116 783) | – | 80 207 | – | (36 576) |
| **Insurance contract liabilities/(insurance contract assets) as at 28 February** | (19 303) | (77) | (34 859) | (4 247) | (58 486) |

## 30. Insurance and reinsurance contracts (continued)

### 30.8 Reinsurance contracts held

#### 30.8.5 Short term- Insurance contracts issued

**Reconciliation of the liability for remaining coverage and the liability for incurred claims**

| | 2024 R'000 | | | | |
|---|---|---|---|---|---|
| | LRC | | LIC | | |
| | Excl. loss component | Loss recovery component | value of future cash flows | adjustment for non - financial | Total |
| Insurance contract liabilities/(insurance contract assets) as at 1 March | (1 816) | (38) | (12 182) | (1 822) | (15 858) |
| **Insurance revenue** | 96 321 | – | – | – | 96 321 |
| **Insurance service expenses** | | | | | – |
| Incurred claims | – | – | (54 991) | (1 113) | (56 104) |
| Other directly attributable expenses | – | – | (22 492) | – | (22 492) |
| Losses on onerous contracts & reversal of those losses | – | (51) | – | – | (51) |
| Insurance acquisition cash flows amortization | – | – | – | – | – |
| **Insurance service expenses** | – | (51) | (77 483) | (1 113) | (78 647) |
| **Insurance service result** | 96 321 | (51) | (77 483) | (1 113) | 17 674 |
| Finance expenses from insurance contracts | – | – | – | – | – |
| **Total amounts recognized in comprehensive income** | 96 321 | (51) | (77 483) | (1 113) | 17 674 |
| **Cash flows** | | | | | |
| Premiums received | (111 809) | – | – | – | (111 809) |
| Claims and other expenses paid | – | – | 62 213 | – | 62 213 |
| Insurance acquisition cash flows | – | – | – | – | – |
| **Total cash flows** | (111 809) | – | 62 213 | – | (49 596) |
| **Insurance contract liabilities/(insurance contract assets) as at 29 February** | (17 304) | (89) | (27 452) | (2 935) | (47 780) |

## 30. Insurance and reinsurance contracts (continued)

### 30.8 Reinsurance contracts held

#### 30.8.5 Short term- Insurance contracts issued

**Reconciliation of the liability for remaining coverage and the liability for incurred claims**

| | 2025 | | | | |
|---|---|---|---|---|---|
| | R'000 | | | | |
| | LRC | | LIC | | |
| | Excl. loss component | Loss recovery component | value of future cash flows | adjustment for non - financial | Total |
| Insurance contract liabilities/(insurance contract assets) as at 1 March | – | – | – | – | – |
| **Insurance revenue** | – | – | – | – | – |
| **Insurance service expenses** | – | – | – | – | – |
| Incurred claims | – | – | – | – | – |
| Other directly attributable expenses | – | – | – | – | – |
| Losses on onerous contracts & reversal of those losses | – | – | – | – | – |
| Insurance acquisition cash flows amortization | – | – | – | – | – |
| **Insurance service expenses** | – | – | – | – | – |
| **Insurance service result** | – | – | – | – | – |
| Finance expenses from insurance contracts | – | – | – | – | – |
| **Total amounts recognized in comprehensive income** | – | – | – | – | – |
| **Cash flows** | | | | | |
| Premiums received | – | – | – | – | – |
| Claims and other expenses paid | – | – | – | – | – |
| Insurance acquisition cash flows | – | – | – | – | – |
| **Total cash flows** | – | – | – | – | – |
| **Insurance contract liabilities/(insurance contract assets) as at 28 February** | – | – | – | – | – |

| | Figures in R'000 | 2025 | 2024 |
|---|---|---|---|
| **30.9** | **Capital adequacy requirements** | | |
| | **Oracle Life** | | |
| | Total assets as per statement of financial position | **753 380** | 686 620 |
| | Actuarial value of policy liabilities[1] | **(639 225)** | (587 141) |
| | Outside shareholders interest | **(41 256)** | (35 805) |
| | Excess long-term insurance business | **72 899** | 63 674 |
| | Change in excess | **18 994** | 9 889 |
| | **Total surplus arising** | **18 994** | 9 889 |
| | **Analysis of surplus arisiing** | | |
| | Operating profit | **22 122** | 15 722 |
| | Once-off expenses | **(4 155)** | (4 247) |
| | Return on excess assets | **7 156** | 3 173 |
| | Basis changes | **(1 830)** | 717 |
| | Tax | **(4 096)** | (2 308) |
| | Total surplus arising | **19 197** | 13 057 |
| | Capital adequacy requirement (CAR) (2) | **24 015** | 24 015 |
| | Ratio of long-term insurance business excess to CAR (times) | **3,0** | 2,7 |

(1) *The long-term insurance business includes both insurance and investment contract business*

(2) *The capital adequacy requirement is included in retained earnings and must be maintained as statutory capital.*

| | | |
|---|---|---|
| **Oracle Insure** | | |
| Total assets as per statement of financial position | **83 010** | 71 658 |
| Actuarial value of policy liabilities(1) | **(56 116)** | (48 814) |
| Outside shareholders interest | **(5 722)** | (5 460) |
| Excess long-term insurance business | **21 172** | 17 384 |
| Change in excess | **5 101** | 666 |
| **Total surplus arising** | **5 101** | 666 |
| **Analysis of surplus arisiing** | | |
| Operating profit | **5 101** | 666 |
| Tax | **(1 312)** | 241 |
| Total surplus arising | **3 789** | 907 |

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **30.9 Capital adequacy requirements (continued)** | | |
| Capital adequacy requirement (CAR) (2) | **2 000** | 2 000 |
| Ratio of short-term insurance business excess to minimum CAR -(1)/(2) | **10,6** | 8,7 |

*(1) business*

*(2) maintained as statutory capital.*

| | 2025 | 2024 |
|---|---|---|
| **Oracle Health** | | |
| Total assets as per statement of financial position | **22 045** | 10 828 |
| Actuarial value of policy liabilities(1) | **(11 980)** | (5 933) |
| Outside shareholders interest | **(15 269)** | (11 682) |
| Excess long-term insurance business | **(5 204)** | (6 787) |
| Change in excess | **2 549** | (6 132) |
| **Total surplus arising** | **2 549** | (6 132) |
| **Analysis of surplus arisiing** | | |
| Operating profit | **2 549** | (6 132) |
| Tax | **(966)** | 1 416 |
| Total surplus arising | **1 583** | (4 716) |
| Capital adequacy requirement (CAR) (2) | **2 000** | 2 000 |
| Ratio of short-term insurance business excess to minimum CAR -(1)/(2) | **(3,3)** | 1,4 |

*(1) The long-term insurance business includes both insurance and investment contract*

*(2) The capital adequacy requirement is included in retained earnings and must be maintained as statutory capital.*

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **31. Investment contracts** | | |
| Investment contract liabilities comprise of a provision and pension fund which are split into 2 products; guaranteed capital and accelerator. All investment contract liabilities fall within the scope of IFRS 9 and are designated as at fair value through profit or loss. | | |
| The investment contracts relate to the group's investment in Oracle. | | |
| Investment contract liability – Accelerator | **114 360** | 99 132 |
| Investment contract liability – Guaranteed Capital | **443 415** | 404 575 |
| | **557 775** | 503 707 |
| The investment contracts are reconciled as follows: | | |
| Opening balance | **503 707** | 464 426 |
| **Income** | **180 305** | 130 155 |
| Premium income | **103 510** | 89 444 |
| Change in fair value of investment contract liabilities | **76 795** | 40 712 |
| **Outflows** | **(126 237)** | (90 874) |
| Policy benefits | **(116 758)** | (74 630) |
| Retirement fund terminations | **–** | (6 881) |
| Fees and other payments to shareholders' fund | **(9 479)** | (9 364) |
| | **557 775** | 503 707 |
| **Analysis of investment contract policy benefits** | | |
| Maturity benefits | **7 839** | 5 280 |
| Termination benefits | **56 218** | – |
| Withdrawal benefits | **52 701** | 69 350 |
| Total investment contract policy benefits | **116 758** | 74 630 |
| Maturity analysis | | |
| Open ended | **557 775** | 503 707 |
| | **557 775** | 503 707 |

## 32. Contract holder liabilities: Assumptions and estimates

The valuation of contract holder liabilities is a function of methodology and assumptions. The methodology is described in the accounting policies on page 96 to 104. The assumptions used are best estimate assumptions, with the addition of explicit compulsory margins as required by SAP 104 – Calculation of the value of the assets, liabilities and capital adequacy requirement of long-term insurers; and the discretionary margins in the accounting policies.

The process used to decide on best estimate assumptions is described below:

### Mortality and disability

Annuity business: Mortality assumptions are based on the PA90 standard table, less two years in age.

PHI claims in payment: Disability claim recovery probabilities are based on adjusted GLTD-87 tables.

### Expenses

The current level of expenses allocated to the products categories are used for setting the expense assumptions. The current level of expenses are the expenses as per the income statement.

The basis used to determine per policy renewal expenses is based on:

- Budget F26 expenses to determine current level of expenses per policy
- A Functional Cost Analysis (FCA), unchanged from the previous valuation
- Estimated volumes for business at the valuation date

All expenses were allocated as at 28 February 2025.

Non-recurring expenses are identified and excluded from the analysis.

### Investment returns

Market-related information is used to derive assumptions in respect of investment returns, discount rates used in calculating contract holder liabilities and renewal expense inflation.

These assumptions take into account the asset mix backing each liability type and are suitably adjusted for tax and investment expenses.

Yields from the published South African forward yield curve as at valuation date are used to discount expected cash flows at each duration.

The assumed renewal expense inflation rate is based on the difference between South African nominal and real yield curves rate.

### Investment guarantee

The investment guarantee is not material and was estimated using historical APN110 compliant provisions and growth in the underlying investments.

### Tax

Products where prospective reserves are held are not subject to tax and hence no tax assumption is necessary.

### Basis and other changes

Assumptions and methodologies used in the IFRS basis are reviewed at the reporting date and the impact of any resulting changes in actuarial estimates are either reflected in the statement of comprehensive income as they occur (onerous contracts) or recognised over time as services are provided (profitable contracts) .

Basis changes and once-off items increased the excess of assets over liabilities at 28 February 2025 by (R5.6 million) (2024:( R3.5 million)).

## 32. Contract holder liabilities: Assumptions and estimates (continued)

A holistic review of the VIF methodology was done. Significant impacts on the VIF were as follows:

- **Expense assumption updates** (-R2.9m): The expense allocation basis was changed over the last year, which resulting in more expenses being attributed to products. This caused the prospective best estimate liabilities to increase. Most of the increase was absorbed by the CSM, however on onerous portfolios and for the PHI claims in payment reserve, the increase in liabilities was had a direct impact on NAV.
- Lapse assumption updates (+R1.4m): The lapse basis was updated over the last year for the fully and simple underwritten products of the Individual portfolio. Actual lapses since inception of these products have been roughly double that assumed in the pricing basis. This caused the prospective best estimate liabilities to increase. Most of the change was absorbed by the CSM, however on onerous portfolios, the liabilities decreased, since losses are now expected for a shorter duration on these policies. This had a direct impact on NAV.
- Once off expenses (-R4.2m): Once-off expenses relating primarily to the IFRS17 implementation (audit and consulting) was incurred over 2025.

Below follows a high-level analysis of the change in VIF over 2025:

- Dividends paid (-R10m): Dividends paid reduced the NAV and hence the embeded value ("EV") by R10m.
- 2025 profit after tax (+R19m): Profits after taxes increased the NAV and hence the EV by R19m.
- FNB profit share update (-R2m): An update to the FNB profit share arrangement, with more favourable terms towards the group, decreased the EV by R2m.
- Economic basis update (+R1m): Updating the economic basis increased the EV by R1m.
- Business volumes (+R17m): Increased business volumes achieved over 2025 increased the EV by R17m.
- Expense basis update (-R12m): Updating the expense basis, based on recurring expenses incurred over 2025 caused the EV to decrease by R12m.
- Lapse basis update (-R5m): Updating the lapse basis, particularly increasing the assumed lapse rates for investment business and the individual portfolio, caused the EV to decrease by R5m.
- Capital basis change (-R5m): From 2025, the capital basis is in-line with the Solvency Capital Requirement (SCR), as per Pillar I of the South African Solvency Assessment Management (SAM) framework, however calibrated to a 1-in-20-year event (as opposed to the standard 1-in-200-year event). Capital requirements on this basis is higher than on the previous basis, which caused the cost of capital to increase by R5m, and hence the EV to decrease by R5m.

The insurance contract liabilities are measured in accordance with IFRS 17. Liabilities are not very sensitive to risk rates and underwriting assumptions - NAV less sensitive under IFRS 17, because IFRS 17 requires the impact of any changes to the risk variables to come through as services are recognised in future (i.e. absorbed by the CSM).

Sensitivity to changes in assumptions have been considered in accordance with the Advisory Practice Note 107 issued by the Actuarial Society of South Africa. These sensitivities are changes in experience that could occur in the future. Below is a table setting out the changes to the value placed on in-force business. The value placed on the in-force business is most sensitive to changes in the expense, insurance and lapse assumptions. In addition, any change to the risk profile of the business could prompt a review of the risk margin captured in the risk discount rate, which could lead to a change in the value measure.

## 32. Contract holder liabilities: Assumptions and estimates (continued)

| | | Interest rate | Equity values | Equity returns | Expenses | Lapses | Insurance |
|---|---|---|---|---|---|---|---|
| | Base | -1% | -10% | +1% | -10% | -10% | -5% |
| Value-in-force (R'000) | 93,0 | 104,0 | 93,0 | 93,0 | 101,0 | 103,0 | 99,0 |
| Cost of capital (R'000) | (21,0) | (21,0) | (21,0) | (21,0) | (21,0) | (21,0) | (21,0) |
| Net value-in-force (R'000) | 72,0 | 83,0 | 72,0 | 72,0 | 80,0 | 82,0 | 78,0 |
| Value-in-force percentage changes | | 14.6% | 0.5% | 0.0% | 11.3% | 13.5% | 8.3% |

**Factors affecting demographic risks the insurance business:**

- The most significant factors that could substantially change the frequency of claims are epidemics or widespread changes in lifestyle (smoking, exercise, eating), resulting in more or earlier claims.
- Economic conditions can potentially affect retrenchment claims as well as morbidity claims where benefits are determined in terms of the ability to perform an occupation.
- Medical advances can potentially affect the size and severity of medical claims (including critical illness claims).

Anti-selection, such as where a client who has a pre-existing condition or disease purchases a product where a benefit will be paid on death or in the event of contracting such a disease.

The effect of selective terminations, which means policyholders are less likely to terminate voluntarily if the cover is more likely to be needed in the foreseeable future.

- Concentration risk, which is the risk of a large number of claims from a single event or in a particular geographical area.

### Demographic risks are managed as follows:

- Risk premiums on most smoothed bonus and market-related contracts may be adjusted within the terms and conditions of the contracts. The ability of the company to adjust these charges so that on average they reflect actual mortality experience reduces mortality risk. There is residual mortality risk resulting from delays in identifying worsening experience and adjusting charges as well as marketing pressures and client expectation management.
- To reduce cross-subsidisation of risks and the possibility of anti-selection, premium rates differentiate on the basis of some or all of age, gender, occupation, smoker status, education, income level, geographic region and the results of underwriting investigations. Experience investigations have shown that these are reliable indicators of the risk exposure. A guarantee period shorter than the policy term applies to most risk business, and enables the group to review premium rates on in-force contracts during the life of the contracts. The guarantee period on whole-life products is generally within the range of 10 to 15 years. All policy applications are subject to underwriting rules. Applications for risk cover above certain limits are reviewed by experienced underwriters and evaluated against established standards.
- Compulsory testing for HIV is carried out in all cases where the applications for risk cover exceed limits specified for a product. Where HIV tests are not required, this is fully reflected in the pricing and experience is closely monitored.

Underwriting is done to identify non-traditional risks and take appropriate action, such as applying additional premium loadings or altering benefit terms.

- Additional provisions are held in respect of the potential deterioration of the mortality experience of supplementary benefits and direct marketing business.

Reinsurance agreements are used to limit the risk on any single policy and aggregation of policies. Sums assured above a negotiated retention level are reinsured on a risk premium basis.

Concentration risk is reduced by diversification of business over a large number of uncorrelated risks and several classes of insurance.

## 32.1 Concentration risk

### 32.1.1 Geographical – long term insurance

| | 2025 R'000 Eswatini | South Africa | Outside of Africa | Total |
|---|---|---|---|---|
| Reinsurance contract assets | 5 113 | – | – | 5 113 |
| Trade and other receivables | 9 383 | – | – | 9 383 |
| Insurance related investments | 295 296 | 334 743 | 79 470 | 709 509 |
| Cash and cash equivalents | 49 287 | – | – | 49 287 |
| | 359 079 | 334 743 | 79 470 | 773 292 |

| | 2024 R'000 Eswatini | South Africa | Outside of Africa | Total |
|---|---|---|---|---|
| Reinsurance contract assets | 2 119 | 3 178 | – | 5 297 |
| Trade and other receivables | 6 402 | – | – | 6 402 |
| Insurance related investments | 305 651 | 273 591 | 72 490 | 651 732 |
| Cash and cash equivalents | 51 872 | – | – | 51 872 |
| | 366 044 | 276 769 | 72 490 | 715 303 |

### 32.1.1 Geographical – short-term insurance

| | 2025 R'000 Eswatini | South Africa | Outside of Africa | Total |
|---|---|---|---|---|
| Reinsurance contract assets | 4 747 | 11 868 | 7 120 | 23 735 |
| Trade and other receivables | 14 110 | – | – | 14 110 |
| Insurance related investments | 35 866 | 10 790 | – | 46 656 |
| Cash and cash equivalents | 17 302 | – | – | 17 302 |
| | 72 025 | 22 658 | 7 120 | 101 803 |

| | 2024 R'000 Eswatini | South Africa | Outside of Africa | Total |
|---|---|---|---|---|
| Reinsurance contract assets | 4 535 | 11 337 | 6 802 | 22 674 |
| Trade and other receivables | 11 891 | – | – | 11 891 |
| Insurance related investments | 13 210 | 7 359 | – | 20 569 |
| Cash and cash equivalents | 11 134 | – | – | 11 134 |
| | 40 770 | 18 696 | 6 802 | 66 268 |

The company does not issue insurance/investment contracts in any country other than Eswatini.

## 32.1 Concentration risk (continued)

### 32.1.3 Underwriting risk

The company's exposure to insurance risk is geographically spread across Eswatini, sum assureds which are above the company's risk appretite are reinsured which limits exposure to large or high volume claims. We have not disclosed exposures according to geographical location, as the different geographies in the country are exposed to same risks.

The table below includes the mortality exposures across the group risk, mainly the group life assurance, permanent disability and individual life business – mainly legacy life cover. These products make up the majority of the mortality business with large exposures at individual level. The funeral business has been included on the exposures below, this exposure arises only due to high volumes of claims as there are no catastrophic treaties in place, however each claim has a maximum of R50,000.

The temporary disability exposures have not been disclosed as exposures are typically less than R20,000, exposures above R20,000 have been reinsured.

exposure of the business is R2 million based on the current claimants asuming no deaths occur in the next 12

#### 32.1.3.2 Value of benefits insured per individual life policy (including funeral policies)

| | 2025 | | 2024 | |
|---|---|---|---|---|
| Benefit amount per annum (Rands) | **Number** | **%** | Number | % |
| 0 - 500,000 | **6 569** | **87%** | 4 949 | 87% |
| 500,001 -1,000,000 | **294** | **4%** | 216 | 4% |
| 1,000,001 -5,000,000 | **648** | **9%** | 487 | 9% |
| >5,000,000 | **51** | **1%** | 39 | 1% |
| | **7 562** | **100%** | 5 691 | 100% |

#### 32.1.3.3 Value of benefits insured per group risk and voluntary group policy

| | 2025 | | 2024 | |
|---|---|---|---|---|
| Death benefit amount per annum (Rands) | **Number** | **%** | Number | % |
| 0 - 500,000 | **37 203** | **93%** | 365 | 44% |
| 500,001 -1,000,000 | **1 941** | **5%** | 121 | 15% |
| 1,000,001 -5,000,000 | **994** | **2%** | 320 | 39% |
| >5,000,000 | **6** | **0%** | 20 | 2% |
| | **40 144** | **100%** | 826 | 100% |

The exposures on both types of the above businesses are limited through reinsurance treaties where we recover 100% of all exposures above R500,000, therefore our exposure is on the first band, where we also recover 40% through the quota share reinsurance treaties.

The table below includes exposures of the credit life business across different types of loans, credit life business does not exceed R2 million at an individual level. Majority of our exposure on the credit life business is on personal loans which are typically less than R300,000, these loans are also short-term in nature which reduces exposure.

#### 32.1.3.3 Number of lives per class of loan per credit life policy

| | 2025 | | 2024 | |
|---|---|---|---|---|
| Class of loan | **Number** | **%** | Number | % |
| Mortgage loan(1) | **4 962** | **3%** | 3 333 | 3% |
| Vehicle loan (2) | **747** | **0%** | 506 | 1% |
| Personal loan (3) | **145 715** | **94%** | 94 776 | 94% |
| Overdraft (3) | **4 139** | **3%** | 2 363 | 2% |
| | **155 563** | **100%** | 100 978 | 100% |

(1) *The average mortgage loan balance is R800,000*

(2) *The average vehicle loan balance is R200,000*

(3) *The average personal loan and overdraft is R40,000*

## 32.1 Concentration risk (continued)

### 32.1.3 Underwriting risk

#### 32.1.3.3 Number of lives per class of loan per credit life policy

**Reinsurance risk**

The company has reinsurance treaties with the below reinsurers:

| | 2025 | 2024 |
|---|---|---|
| Reinsurer | % | % |
| Hannover re | **60%** | 60% |
| Ezulwin | **40%** | 40% |
| | **100%** | 100% |

Reinsurance risk has been spread between Eswatini and Germany, although there are only two reinsurance providers, Hannover Re is one of the largest reinsurers in the world and Ezulwini Re is the largest in Eswatini, both have good credit ratings which limits exposure.

**Bank sector concentration risk**

The company's financial assets and cash and cash equivalents are invested in the following portfolios and institutions:

| | | 2025 | | 2024 | |
|---|---|---|---|---|---|
| **Asset class** | **Asset mananger** | **R'000** | **%** | R'000 | % |
| Collective investment schemes - International equity | Vunani Fund Managers | **79 470** | **11%** | 72 490 | 11% |
| Collective investment schemes - SA equity | Vunani Fund Managers | **201 590** | **28%** | 155 566 | 24% |
| Collective investment schemes - SA Bonds | Vunani Fund Managers | **116 285** | **16%** | 103 334 | 16% |
| Collective investment schemes - Eswatini Bonds | Vunani Fund Managers | **245 445** | **35%** | 250 973 | 38% |
| Collective investment schemes - Corporate Debt | Vunani Fund Managers | **14 244** | **2%** | 14 961 | 2% |
| Money Market | Sanlam | **2 623** | **0%** | 0 | 0% |
| Cash and other deposits | African Alliance | **35** | **0%** | 2 806 | 0% |
| Cash and other deposits | Eswatini Bank | **22 036** | **3%** | 17 897 | 3% |
| Cash and other deposits | First National | **27 781** | **4%** | 33 975 | 5% |
| | | **709 509** | **100%** | 652 002 | 100% |

**Geographic exposure of investments**

| | 2025 | | 2024 | |
|---|---|---|---|---|
| | **R'000** | **%** | R'000 | % |
| Eswatini | **295 296** | **42%** | 305 651 | 47% |
| South Africa | **334 743** | **47%** | 273 591 | 42% |
| Other | **79 470** | **11%** | 72 490 | 11% |
| | **709 509** | **100%** | 651 732 | 100% |

Majority of the investment assets of the business are exposed to a variety of listed equities, government and corporate bonds spread across Eswatini, South Africa and offshore (USA, UK etc) and bank accounts, this spread reduces exposure to any one institution or asset class.

## 32.1 Concentration risk (continued)

### 32.1.3 Underwriting risk

#### 32.1.3.4 Value of benefits per short-term insurance policy (in-force business)

| | 2025 | | 2024 | |
|---|---|---|---|---|
| Sums insured (Rands) | Number | % | Number | % |
| 0 - 500,000 | 2 543 | 50% | 1 427 | 45% |
| 500,001 -1,000,000 | 800 | 16% | 509 | 16% |
| 1,000,001 -2,500,000 | 731 | 14% | 485 | 15% |
| 2,500,001 -5,000,000 | 472 | 9% | 336 | 10% |
| 5,000,001 -10,000,000 | 264 | 5% | 205 | 6% |
| >10,000,001 | 301 | 6% | 239 | 7% |
| | 5 111 | 100% | 3 201 | 100% |
| Commercial | 2 281 | 45% | 1 198 | 37% |
| Personal | 2 830 | 55% | 2 003 | 63% |
| | 5 111 | 100% | 3 201 | 100% |

Exposure to risks above R2,5 million is 20% (2024: 24%). This exposure is managed through the facultative and/or excess of loss reinsurance treaties.

### Permanent Health Insurances (Disability) Claims in Payment

The Group has a portfolio containing Permanent Health Insurance (PHI) contracts that provide long-term income replacement benefits to policyholders following a qualifying disability event. These contracts typically result in ongoing monthly claim payments, often extending over multiple years or decades, subject to the policyholder's recovery, death, or contractual expiry upon reaching retirement age.

Although IFRS 17 paragraph 130 requires disclosure of claims development information where uncertainty about claims amount and timing is not resolved within one year, the Group has elected not to present a traditional claims development table for this portfolio. This is due to the following key considerations:

- Claims in payment liabilities are prospectively modelled based on a wide range of personal characteristics (e.g. age, gender, duration of disability, etc.), rather than incident year.
- The duration of claims often exceeds ten years, and claim outcomes are re-assessed regularly as new information becomes available.
- A development table based on incident year would not provide meaningful insight into the adequacy of liabilities and may be misleading, as historical incident year trends are not predictive of future cash flows.

Instead, to provide relevant information in line with the disclosure objectives of IFRS 17, the following is presented:

#### 1. Key Assumptions and Sensitivities

The liability for incurred claims (LIC) relating to PHI claims in payment is based on best estimate assumptions as at the reporting date. The most significant assumptions include:

- Recovery rates (probability of a policyholder regaining ability to work)
- Level of future expenses
- Discount rate (interest rate curve)

The table below shows the estimated impact on the PHI LIC of reasonable changes in these assumptions:

| Assumption Change | Impact on Net LIC |
|---|---|
| 10% improvement in recovery rates | (252 785) |
| 10% reduction in future expenses | (278 171) |
| 1.0% increase in discount rates | (502 936) |

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **33. Net taxation payable** | | |
| The net tax payable includes the following: | | |
| Current tax payable | **4 463** | 13 285 |
| Dividends withholding tax (payable as a result of securities broking activities) | **70** | 74 |
| Securities transfer tax (payable as a result of securities broking activities) | **7 981** | 3 991 |
| | **12 514** | 17 350 |
| **34. Trade and other payables** | | |
| **Financial liabilities** | | |
| Trade creditors | **38 831** | 50 208 |
| Other payables | **46 172** | 67 568 |
| Accrued expenses | **29 618** | 37 454 |
| | **114 621** | 155 230 |
| **Non-financial liabilities** | | |
| Value added tax (VAT) | **3 729** | 4 612 |
| Accrued leave pay | **6 117** | 5 307 |
| | **9 846** | 9 919 |
| | **124 467** | 165 149 |

## 35. Retirement benefits

### Defined contribution plan

It is the policy of the group to provide retirement benefits to all its employees through a defined contribution provident fund, which is subject to the Pension Funds Act of 1956. The group is under no obligation to cover any unfunded benefits.

Employees make an election to join the provident fund and their contributions to the fund are included with staff costs as detailed in note 12.

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **36. Cash generated by operating activities** | | |
| **Profit before income tax expense** | **17 157** | 59 682 |
| Adjusted for: | | |
| Depreciation of property, plant and equipment | **4 747** | 4 669 |
| Depreciation of right-of-use assets | **6 978** | 6 971 |
| Equity-accounted loss (net of income tax) | **253** | 2 811 |
| Fair value adjustments | **(42 786)** | (46 215) |
| Net change in third party insurance liabilities | **15 548** | 8 130 |
| Net change in investment contract liabilities | **61 247** | 32 582 |
| Change in insurance liabilities | **(12 406)** | 10 661 |
| Impairment loss on trade and other receivables | **5 066** | 2 472 |
| Impairment loss/(reversal) on VIF asset | **18 023** | (6 602) |
| Amortisation of intangible assets | **16 106** | 14 599 |
| Share-based payments expense | **8 618** | 4 666 |
| Profit on disposal of assets | **–** | (1 461) |
| IAS 19 – employee benefit costs | **(1 655)** | 517 |
| Interest received from investments and finance income | **(48 154)** | (13 228) |
| Investment revenue | **(9 777)** | (736) |
| Finance costs | **15 324** | 15 478 |
| **Changes in working capital:** | | |
| Decrease/(increase) in trading securities | **62** | (86) |
| Decrease in trade and other receivables | **5 953** | 14 081 |
| Decrease in trade and other payables | **(41 847)** | (237) |
| Increase in reinsurance assets | **(880)** | (20 312) |
| Increase in insurance liabilities | **13 747** | 510 |
| (Increase)/decrease in accounts receivable and payable from trading activities | **(880)** | 2 811 |
| **Cash generated by operating activities** | **30 444** | 91 763 |

## 37. Income tax paid

| | 2025 | 2024 |
|---|---|---|
| Payable at beginning of the year | **(13 285)** | (11 357) |
| Current year tax charge (refer to Note 14) | **(20 100)** | (35 598) |
| Payable at end of the year (refer to note 33) | **4 463** | 13 285 |
| | **(28 922)** | (33 670) |

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **38. Basic and headline earnings per share** | | |
| **Basic earnings per share (cents)** | **(7,1)** | 9,0 |
| Basic and diluted earnings per share (cents) | **(7,1)** | 9,0 |
| **Basic headline earnings per share (cents)** | **(2,8)** | 7,4 |
| Basic headline earnings per share (cents) | **(2,8)** | 7,4 |

### Basic and diluted earnings per share

The calculation of basic and diluted earnings per share at 28 February 2025 was based on the loss attributable to ordinary shareholders of R11.5 million (2024:R14.3 million (profit)), and a weighted average number of ordinary shares outstanding of 161.0 million (2024: 159.3 million), and 161.0 million (2024: 159.3 million) in the case of diluted earnings per share, calculated below:

### Headline and diluted headline earnings per share

The calculation of headline and diluted headline earnings per share at 28 February 2025 was based on headline loss attributable to ordinary shareholders of R4.5 million (2024: R11.8 million headline earnings), and a weighted average number of ordinary shares outstanding of R161.0 million (2024: 159.3 million), and 161.0 million (2024: 159.3 million) in the case of diluted headline earnings per share, calculated as follows:

| | 2025 | 2024 |
|---|---|---|
| Basic and diluted earnings | **(11 502)** | 14 355 |
| Headline and diluted headline earnings | **(4 554)** | 11 829 |
| **Weighted average number of ordinary shares ('000s)** | | |
| Issued ordinary shares at the beginning of the year | **161 156** | 161 156 |
| Effect of own shares held | **(159)** | (1 883) |
| Weighted average number of shares in issue during the year | **160 997** | 159 273 |
| Number of shares in issue at the end of the year | **161 156** | 161 156 |
| **Dilutive weighted average number of ordinary shares ('000s)** | | |
| Dilutive weighted average number of ordinary shares ('000s) | | |
| Issued ordinary shares at the beginning of the year | **161 156** | 161 156 |
| Effect of own shares held | **(159)** | (1 883) |
| Diluted weighted average number of shares in issue during the year | **160 997** | 159 273 |
| Number of shares in issue at the end of the year | **161 156** | 161 156 |

### Potential dilutive shares

The shares issued as part of the employee share incentive scheme could potentially dilute basic earnings in the future. The employee shares do not have a dilutive effect in the current year.

In the current year, 2.653 million share options (2024: 1.473 million) were excluded from the diluted weighted-average number of shares calculation because their effect would have been anti-dilutive.

The average market value of the company's shares for the purposes of calculating the dilutive effect of share options was based on quoted market prices at the beginning of the year and at year end.

| | | |
|---|---|---|
| Shares issued as part of the share incentive scheme ('000s) | **–** | – |

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **38. Basic and headline earnings per share** (continued) | | |
| **Net asset value per share (cents)** | | |
| Net asset value per share is the equity attributable to equity holders of Vunani Limited, utilising all shares in issue, including treasury shares. | **180,4** | 198,2 |
| **Net tangible asset value per share (cents)** | | |
| Net tangible asset value per share is the equity attributable to equity holders of Vunani Limited, (excluding goodwill and intangible assets) utilising all shares in issue, including treasury shares. | **32,4** | 31,2 |
| **Headline earnings** | | |
| Profit for the year attributable to equity holders of Vunani | **(11 502)** | 14 355 |
| Adjusted for: | | |
| **Profit on disposal of assets** | | |
| Profit on disposal of assets | **–** | (1 461) |
| Non-controlling interest | **–** | 252 |
| Taxation | **–** | 316 |
| **Impairment/(Reversal of impairment ) of VIF asset** | | |
| Impairment/(reversal of impairment) of VIF asset | **18 023** | (6 602) |
| Non-controlling interest | **(6 551)** | 3 186 |
| Taxation | **(4 524)** | 1 783 |
| | **(4 554)** | 11 829 |
| Headline and diluted headline earnings per share (cents) | **(2,8)** | 7,4 |
| Basic headline and diluted headline earnings per share from operations | **(2,8)** | 7,4 |

## 39. Commitments

### Guarantees and sureties provided

The group has provided guarantees and sureties to external financiers as at 28 February 2025 to the value of R125.9m. R103.9m relates to guarantees and sureties for financial liabilities recognised in the consolidated financial statements of the group. R22m relates to a guarantee to a company outside the group, for which the underlying obligation was settled post-year end and did not require the group to fulfil the guarantee.

### Debt covenants

Debt covenants triggers include interest cover ratios, gearing, annual cash to debtors service and shareholder funds. At year-end the group was not in close proximity in breaching the triggers.

The board is actively looking to reduce debt, this is shown by the decrease in debt levels over the last few years. Any covenant triggers would be dealt with putting in measures, which may include restructuring to help the underlying subsidiary meet the covenants.

## 40. Non-controlling interest

The following table summarises the information relating to each of the group's subsidiaries' material non-controlling interest (NCI) before intra-group eliminations. Intra-group transactions and balances that eliminate on consolidation are reflected separately.

| Figures in R'000 | Vunani Prop714 Proprietary Limited | Vunani Fund Managers Botswana Limited | Oracle Insurance Proprietary Limited – Consolidated | Telos Proprietary Limited | Other individually immaterial non-controlling interests | Intra-group eliminations | Total |
|---|---|---|---|---|---|---|---|
| **2025** | | | | | | | |
| **NCI percentage** | 22% | 40% | 48,3% | 22,4% | | | |
| Non-current assets | – | 13 923 | 775 649 | 35 000 | 4 350 | | |
| Current assets | – | 17 625 | 129 030 | 3 560 | 42 | | |
| Non-current liabilities | – | (6 850) | (686 441) | – | – | | |
| Current liabilities | – | (13 038) | (109 288) | (4 088) | (1 368) | | |
| Net assets | – | 11 660 | 108 950 | 34 472 | 3 024 | – | – |
| **Carrying amount of NCI** | – | 4 664 | 52 590 | 7 722 | 5 518 | – | 70 494 |
| Revenue | – | 49 113 | 234 588 | – | – | – | – |
| Profit/(loss) | (18) | 3 591 | 8 074 | 5 357 | 6 027 | – | – |
| OCI | – | 465 | – | – | – | – | – |
| **Total comprehensive income** | (18) | 4 056 | 8 074 | 5 357 | 6 027 | – | – |
| **Profit/(loss) allocated to NCI** | (4) | 1 436 | 3 897 | 1 200 | 1 845 | – | 8 375 |
| **OCI allocated to NCI** | – | 186 | – | – | – | – | 186 |
| **Net increase in cash and cash equivalents** | – | (28 059) | (292) | – | (1 588) | – | (29 939) |
| **Dividends paid to non-controlling interest** | – | 1 611 | 3 331 | 1 494 | 446 | – | 6 882 |

## 40. Non-controlling interest (continued)

| Figures in R'000 | Vunani Prop714 Proprietary Limited | Vunani Fund Managers Botswana Limited | Oracle Insurance Proprietary Limited – Consolidated | Telos Proprietary Limited | Other individually immaterial non-controlling interests | Intra-group eliminations | Total |
|---|---|---|---|---|---|---|---|
| **2024** | | | | | | | |
| **NCI percentage** | 22% | 40% | 48,3% | 22,4% | | | |
| Non-current assets | – | 15 284 | 705 936 | 35 000 | 10 172 | – | – |
| Current assets | 6 940 | 54 154 | 153 046 | 3 560 | 8 785 | – | – |
| Non-current liabilities | – | (5 589) | (615 393) | – | – | – | – |
| Current liabilities | (314) | (44 515) | (115 425) | (2 776) | (29 640) | – | – |
| Net assets | 6 626 | 19 334 | 128 164 | 35 784 | (10 683) | – | – |
| **Carrying amount of NCI** | 1 458 | 7 734 | 61 903 | 8 016 | (8 594) | – | 70 516 |
| Revenue | – | 59 089 | 218 137 | – | – | – | – |
| Profit/(loss) | – | 12 317 | 12 858 | (4 197) | 4 762 | – | – |
| OCI | – | (43) | – | – | – | – | – |
| **Total comprehensive income** | – | 12 274 | 12 858 | (4 197) | 4 762 | – | – |
| **Profit/(loss) allocated to NCI** | – | 4 927 | 6 210 | (940) | (337) | – | 9 860 |
| **OCI allocated to NCI** | – | (17) | – | – | – | – | (17) |
| **Net decrease in cash and cash equivalents** | (2) | 4 138 | (27 958) | – | 5 862 | – | (17 960) |
| **Dividends paid to non-controlling interest** | – | 4 132 | – | – | – | – | 4 132 |

## 41. Operating segments

The group has five reportable segments being fund management, asset administration, advisory services, institutional securities broking and insurance. The group's strategic business segments, offering different products and services, are managed separately, requiring different skill, technology and marketing strategies. For each of the strategic business segments, the group's chief executive officer reviews internal management reports on a monthly basis. The group's chief executive officer is the chief operating decision-maker.

The fund management segment is geographically located in South Africa and, on a smaller scale, in Botswana. The institutional securities broking, asset administration and advisory services segments are geographically located in South Africa. The insurance segment is located in Eswatini.

There are no single major customers.

The following summary describes the operations in each of the group's reportable segments:

### Basis of measurement

The group uses the following principles to determine segment profit or loss, segment assets and segment liabilities:

- Any transactions between segments are eliminated.
- All segment profits or losses and the group's profits or losses are measured in the same manner, using the accounting policies described in notes 1 to 3.
- All segment assets and liabilities and the group's assets and liabilities are measured in the same manner, using the accounting policies described in notes 1 to 3.

| 2025<br>Figures in R'000 | Fund management | Asset administration | Advisory services | Institutional securities broking | Insurance | Total |
|---|---|---|---|---|---|---|
| Revenue | 136 111 | 213 282 | 28 337 | 37 054 | 278 103 | 692 887 |
| Intersegment revenue | 1 942 | – | – | – | (1 942) | – |
| Staff costs | (84 764) | (116 510) | (29 044) | (22 253) | (37 658) | (290 229) |
| Operating costs net of staff costs | (60 382) | (33 141) | (12 077) | (24 580) | (52 106) | (182 286) |
| Finance income and interest received from investments | 3 251 | 3 433 | 68 | 1 455 | 39 947 | 48 154 |
| Finance costs | (1 892) | (3 150) | (914) | (1 975) | (7 393) | (15 324) |
| Depreciation | (3 370) | (4 019) | (499) | (623) | (3 214) | (11 725) |
| Amortisation of intangible assets | – | (12 475) | – | – | (3 631) | (16 106) |
| Impairment of value in force business intangible asset | – | – | – | – | (18 023) | (18 023) |
| Fair value adjustments | – | – | – | – | (34 009) | (34 009) |
| Equity accounted loss | – | (253) | – | – | | (253) |
| Income tax income / (expense) | (3 830) | (12 852) | 286 | (920) | (2 968) | (20 284) |
| Reportable segment profit / (loss) after tax | (14 226) | 34 597 | (13 696) | (6 168) | (3 634) | (3 127) |
| Reportable segment assets | 100 994 | 221 119 | 74 373 | 325 576 | 896 927 | 1 618 989 |
| Investment in and loans to jointly controlled ventures | – | 13 800 | – | – | – | 13 800 |
| Capital expenditure | 58 | – | 65 | 111 | 4 139 | 4 373 |
| Reportable segment liabilities | (55 372) | (38 963) | (65 673) | (319 938) | (777 787) | (1 257 733) |

## 41. Operating segments (continued)

| **2024**<br>Figures in R'000 | **Fund manage-ment** | **Asset admini-stration** | **Advisory services** | **Institu-tional securities broking** | **Insurance** | **Total** |
|---|---|---|---|---|---|---|
| Revenue | 165 413 | 205 512 | 29 343 | 28 435 | 236 460 | 665 163 |
| Intersegment revenue | 1 761 | – | – | – | (1 761) | – |
| Staff costs | (87 448) | (110 285) | (23 895) | (24 781) | (36 873) | (283 282) |
| Operating costs net of staff costs | (55 183) | (28 819) | (7 569) | (21 535) | (194 665) | (307 771) |
| Finance income and interest received from investments | 3 658 | 4 244 | 136 | 1 680 | 3 509 | 13 227 |
| Finance costs | (2 027) | (2 582) | (1 118) | (802) | (8 949) | (15 478) |
| Depreciation | (3 510) | (3 993) | (503) | (572) | (3 062) | (11 640) |
| Amortisation of intangible assets | – | (11 224) | – | – | (3 375) | (14 599) |
| Impairment reversal of value in force business intangible asset | – | – | – | – | 6 602 | 6 602 |
| Fair value adjustments | – | – | – | (2 103) | 7 606 | 5 503 |
| Equity accounted loss | – | (2 811) | – | – | – | (2 811) |
| Income tax income / (expense) | (11 281) | (14 985) | (356) | (33) | (8 812) | (35 467) |
| Reportable segment profit / (loss) after tax | 9 521 | 34 604 | 53 | (12 360) | (7 603) | 24 215 |
| Reportable segment assets | 150 087 | 226 036 | 73 376 | 59 130 | 837 685 | 1 346 314 |
| Investment in jointly controlled ventures | – | 9 897 | – | – | – | 9 897 |
| Capital expenditure | – | – | – | – | – | – |
| Reportable segment liabilities | (102 578) | (35 268) | (52 389) | (53 628) | (712 587) | (956 450) |

## 42. Related parties

**Relationships**

| | |
|---|---|
| Majority shareholder | Bambelela Capital Proprietary Limited |
| Associates | Refer to note 17 |
| Directors | Refer to note 43 |
| Joint Ventures | Refer to note 21 |

| | Effective equity holding | |
|---|---|---|
| **Direct and indirect subsidiaries** | **2025** | **2024** |
| **Vunani Capital Proprietary Limited** | **100%** | 100% |
| Hemera Investment Research Proprietary Limited | **51%** | 51% |
| Invest West Real Estate Proprietary Limited | **100%** | 100% |
| Lexshell 630 Investments Proprietary Limited | **100%** | 100% |
| Loato Properties Proprietary Limited | **100%** | 100% |
| Mandlamart Proprietary Limited | **100%** | 100% |
| Mandlalux Proprietary Limited | **–** | 100% |
| Fairheads Benefit Services Proprietary Limited | **100%** | 100% |
| Fairheads International Holdings Proprietary Limited | **100%** | 100% |
| Fairheads Financial Services Proprietary Limited | **100%** | 100% |
| Fairheads Botswana (Proprietary) Limited[$] | **100%** | – |
| Vunani Capital Zimbabwe (Private) Limited | **75%** | 75% |
| Vunani Passenger Logistics Proprietary Limited | **100%** | 100% |
| Vunani Fund Managers Proprietary Limited | **70%** | 70% |
| Vunani Private Clients Stockbroking Proprietary Limited | **100%** | 100% |
| Vunani Mining and Resources Proprietary Limited | **75%** | 75% |
| Vunani Sponsors Proprietary Limited | **100%** | 100% |
| Vunani Mion Properties Proprietary Limited | **–** | 61% |
| Almecel Proprietary Limited | **61%** | 61% |
| Vunani Africa Investments Proprietary Limited | **100%** | 100% |
| Vunani Holdings Swaziland Proprietary Limited[&] | **80%** | 80% |
| AME Capital (Proprietary) Limited[$] | **60%** | 60% |
| Vunani Fund Managers Botswana (Proprietary) Limited[$] | **60%** | 60% |
| Vunani Management Company (Proprietary) Limited[$] | **60%** | 60% |
| Telos Proprietary Limited[&] | **77%** | 77% |
| Oracle Insurance (Proprietary) Limited[&] | **52%** | 52% |
| Oracle Life (Proprietary) Limited[&] | **52%** | 52% |
| Oracle Health (Proprietary) Limited[&] | **52%** | 52% |
| Oracle Partners (Proprietary) Limited[&] | **60%** | – |
| Vunani Securities Proprietary Limited | **100%** | 100% |
| Vunani Nominee Proprietary Limited | **100%** | 100% |
| Vunani Capital Investments Proprietary Limited | **100%** | 100% |
| Vunani Capital Markets Proprietary Limited | **100%** | 100% |
| VProp714 Proprietary Limited | **100%** | 78% |
| Dreamworks Investments 125 Proprietary Limited | **66%** | 66% |
| Vunani Share Incentive Scheme Trust | **100%** | 100% |

& *The company is registered and conducts business in Eswatini.*
$ *The company is incorporated and conducts its business in Botswana.*

All the above direct and indirect subsidiaries' financial results are consolidated. All subsidiaries have the same financial year end. There are no significant restrictions on the group's ability to access or use subsidiary assets and settle liabilities of the group.

## 42. Related parties (continued)

**Other related parties**

Akkersbloom Enterprises (Private) Limited**#

Vunani Fund Managers Share Trust#

** *The company is incorporated and conducts its business in Zimbabwe.*

# *Vunani Fund Managers Share Trust (VFMST) owns 30% of Vunani Fund Mangers Proprietary Limited. The group controls VFMST.*

### Related party balances and transactions

All related party balances and transactions were eliminated on consolidation except for those balances and transactions with investments in associates (note 17), investments in jointly controlled ventures (refer to note 21) and directors (note 43).

### Vunani Fund Managers Share Trust

Vunani has established a trust, the primary objective of which is to provide long-term incentives to key staff at Vunani Fund Managers (VFM) and to align the interests of eligible employees and the long-term goals of VFM. To effect this transaction, a Sale of Shares and Loan Agreement was entered into between Vunani Capital (VC) and the Trustees of the VFM Share Trust in the 2019 financial period.

This Agreement was concluded on commercial terms whereby VC sold 30% of its shareholding in VFM to the trust for a consideration of R16 680 000. VC furthermore recorded that it would allow the purchase price to remain outstanding as a loan. The loan bears interest at the prime rate and will be repaid through dividends received on the VFM shares (minimum of 20% of the dividend received with any greater amount at the discretion of the trustees), with a maturity date of 28 February 2030. The loan was repaid during the 2024 financial year.

The beneficiaries of the trust would be awarded participatory interests equivalent to its 30% shareholding in VFM. The beneficiary's participatory rights would vest over time. Once vested their participatory interests would entitle them to a portion of a distribution received by the trust. The trust would earn dividends from its shareholding in VFM. 20% of any dividends received by the trust would be used to repay the loan from VC. The balance of the dividends can be used to, pay distributions to participatory right holders, fund any disposal of participatory interests and invest in other assets.

The Sale Agreement does not provide the VC with recourse as security or otherwise to the Sale Shares as settlement of the loan.

## 43. Directors' remuneration and benefits

No loans were made to directors during the year (2024: R nil). There were no material transactions with directors, other than the following:

| Figures in R'000 | Non-executive directors' fees | Salaries | Bonuses accrued | Provident fund and medical aids | Current year share-based payment expense | Total |
|---|---|---|---|---|---|---|
| **2025** | | | | | | |
| E Dube | **–** | **5 283** | **4 610** | **1 072** | **541** | **11 506** |
| NM Anderson | **–** | **3 443** | **3 106** | **839** | **365** | **7 753** |
| BM Khoza | **–** | **3 734** | **3 106** | **548** | **365** | **7 753** |
| T Mika | **–** | **1 949** | **1 578** | **226** | **263** | **4 016** |
| LI Jacobs (Chairman) | **582** | **–** | **–** | **–** | **–** | **582** |
| GN Nzalo | **486** | **–** | **–** | **–** | **–** | **486** |
| JR Macey | **460** | **–** | **–** | **–** | **–** | **460** |
| NS Mazwi | **486** | **–** | **–** | **–** | **–** | **486** |
| S Mthethwa | **460** | **–** | **–** | **–** | **–** | **460** |
| M Golding | **474** | **–** | **–** | **–** | **–** | **474** |
| **Total** | **2 948** | **14 409** | **12 400** | **2 685** | **1 534** | **33 976** |
| **2024** | | | | | | |
| E Dube | – | 4 968 | 3 430 | 1 084 | 625 | 10 106 |
| NM Anderson | – | 3 528 | 2 311 | 550 | 421 | 6 810 |
| BM Khoza | – | 3 289 | 2 311 | 789 | 421 | 6 810 |
| T Mika | – | 1 857 | 1 174 | 216 | 259 | 3 506 |
| LI Jacobs (Chairman) | 506 | – | – | – | – | 506 |
| GN Nzalo | 385 | – | – | – | – | 385 |
| JR Macey | 397 | – | – | – | – | 397 |
| NS Mazwi | 397 | – | – | – | – | 397 |
| S Mthethwa | 360 | – | – | – | – | 360 |
| M Golding | 373 | – | – | – | – | 373 |
| **Total** | 2 417 | 13 642 | 9 226 | 2 639 | 1 725 | 29 649 |

Short-term benefits to key management personnel amounted to R29.5 million (2024: R25.5 million).

Aggregate amounts paid to directors amounts to:

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| For services as directors of the company | | |
| Total remuneration and benefits received from company | **2 948** | 2 417 |
| Total remuneration and benefits received from company's subsidiaries and fellow subsidiaries | **31 028** | 27 232 |
| | **33 976** | 29 649 |

There are no service contracts for non-executive directors. The executive directors have service contracts with the group terminable upon one month's written notice. No executive director has a fixed-term contract.

### Prescribed officers

Details of prescribed officers and key management personnel are disclosed in note 63 (Vunani Limited company financial statements).

## 43. Directors' remuneration and benefits (continued)

Shareholdings per director of the company (including non-executive directors) and major operating subsidiaries are detailed below:

| | Number of shares held | | |
|---|---|---|---|
| 2025 | Beneficially direct ('000s) | Beneficially indirect ('000s) | Total number of shares held ('000s) |
| E Dube | 337 | 25 864 | 26 201 |
| BM Khoza | 858 | 14 779 | 15 637 |
| NM Anderson | 1 167 | 14 779 | 15 946 |
| T Mika | 753 | – | 753 |
| D Hurford | 459 | – | 459 |
| L Jacobs | 33 | – | 33 |
| Z Mpalweni | 186 | – | 186 |
| O Moea | 284 | – | 284 |
| A Links | 289 | – | 289 |
| S Mthethwa | – | 4 217 | 4 217 |
| M Golding | – | 30 040 | 30 040 |
| | 4 366 | 89 679 | 94 045 |

E Dube, BM Khoza and NM Anderson's indirect beneficial shares amounting to 23 643 362, 14 779 030 and 14 779 030 shares, (2024:23 643 362, 14 779 030 and 14 779 030 shares) respectively have been pledged as security.

There have been no other changes in shareholdings of the other directors between 28 February 2025 and the approval of the integrated report.

| 2024 | ('000s) | ('000s) | ('000s) |
|---|---|---|---|
| E Dube | 337 | 25 717 | 26 054 |
| BM Khoza | 809 | 14 779 | 15 588 |
| NM Anderson | 1 068 | 14 779 | 15 847 |
| T Mika | 681 | – | 681 |
| D Hurford | 138 | – | 138 |
| L Jacobs | 33 | – | 33 |
| Z Mpalweni | 18 | – | 18 |
| O Moea | 56 | – | 56 |
| A Links | 45 | – | 45 |
| S Mthethwa | – | 4 217 | 4 217 |
| M Golding | – | 30 040 | 30 040 |
| | 3 185 | 89 532 | 92 717 |

## 44. Financial instruments

### 44.1 Liquidity risk

| Figures in R'000 | Note | Carrying amount | Undiscounted contractual cash flows | Less than 1 year | 1–5 years | Greater than 5 years |
|---|---|---|---|---|---|---|
| **2025** | | | | | | |
| *Non-derivative financial assets* | | **1 272 912** | **1 268 520** | **585 557** | **682 963** | **–** |
| Trade and other receivables | 23 | **61 005** | **61 005** | **61 005** | **–** | **–** |
| Accounts receivable from trading activities | 24 | **308 149** | **308 149** | **308 149** | **–** | **–** |
| Loans to jointly-controlled ventures | 21 | **4 084** | **4 084** | **4 084** | **–** | **–** |
| Insurance-related investments | 19 | **682 963** | **682 963** | **–** | **682 963** | **–** |
| Reinsurance assets | 20 | **28 850** | **22 840** | **22 840** | **–** | **–** |
| Trading securities | | **432** | **432** | **432** | **–** | **–** |
| Cash and cash equivalents | 25 | **187 429** | **189 047** | **189 047** | **–** | **–** |
| *Non-derivative financial liabilities* | | **(1 055 781)** | **(1 061 025)** | **(473 107)** | **(587 918)** | **–** |
| Non-interest-bearing | | | | | | |
| Trade and other payables (excluding VAT and leave pay) | 34 | **(114 621)** | **(114 621)** | **(114 621)** | **–** | **–** |
| Accounts payable from trading | 24 | **(306 941)** | **(306 941)** | **(306 941)** | **–** | **–** |
| Lease liablities | 29 | **(20 253)** | **(24 249)** | **(8 787)** | **(15 462)** | **–** |
| Other financial liabilities at amortised cost | 28 | **(4 948)** | **(4 932)** | **(4 932)** | **–** | **–** |
| Trading securities | | **(6)** | **(6)** | **(6)** | **–** | **–** |
| Variable interest rate instruments | 28 | **(51 237)** | **(52 501)** | **(37 820)** | **(14 681)** | **–** |
| Investment contract liabilities | 31 | **(557 775)** | **(557 775)** | **–** | **(557 775)** | |
| Net liquidity position*& | | **217 131** | **217 131** | **217 131** | **217 131** | **217 131** |
| **2024** | | | | | | |
| *Non-derivative financial assets* | | 971 068 | 971 068 | 364 196 | 606 872 | – |
| Trade and other receivables | 24 | 72 024 | 72 024 | 72 024 | – | – |
| Accounts receivable from trading activities | 25 | 41 496 | 41 496 | 41 496 | – | – |
| Insurance-related investments | 20 | 606 872 | 606 872 | – | 606 872 | – |
| Reinsurance assets | 21 | 27 970 | 27 970 | 27 970 | – | – |
| Trading securities | | 494 | 494 | 494 | – | – |
| Cash and cash equivalents | 26 | 222 212 | 222 212 | 222 212 | – | – |
| **2024** | | | | | | |
| *Non-derivative financial liabilities* | | (760 438) | (767 683) | (218 459) | (549 224) | – |
| Non-interest-bearing | | | | | | |
| Trade and other payables (excluding VAT and leave pay) | 38 | (155 230) | (155 230) | (155 230) | – | – |
| Accounts payable from trading | 25 | (41 168) | (41 168) | (41 168) | – | – |
| Lease liablities | 29 | (14 640) | (16 411) | (7 386) | (9 025) | |
| Other financial liabilities at amortised cost | 32 | (6 697) | (6 702) | (118) | (6 584) | – |
| Trading securities | | (4) | (4) | (4) | – | |
| Fixed interest rate instruments | 32 | (2 511) | (2 601) | (2 601) | – | – |
| Variable interest rate instruments | 32 | (36 481) | (41 860) | (11 952) | (29 908) | – |
| Investment contract liabilities | 31 | (503 707) | (503 707) | – | (503 707) | – |
| Net liquidity position*& | | 210 630 | 203 385 | 145 737 | 57 648 | – |

* *There is a currently a mismatch in the one- to five-year liquidity column, resulting in a net liability position. This is because some of the insurance related investments are included in the one-year column.*

& *Investment contract liabilities and related risks have been disclosed under note 31.*

## 44. Financial instruments (continued)

### 44.1 Liquidity risk (continued)

**Management of liquidity risk**

Liquidity risk is the risk that the group will encounter difficulty in meeting obligations associated with financial and insurance liabilities (that are settled by delivering cash or another financial asset), arising because of the possibility that the group could be required to pay its liabilities earlier than expected.

The group's approach to managing liquidity is by managing its working capital, capital expenditure and other financial obligations, and to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation. Ultimate responsibility for liquidity risk management rests with the board of directors. Typically the group ensures that it has sufficient cash on hand to meet operational expenses, including the servicing of financial obligations. The group also has access to R20.0 million overdraft facilities, which may be used to manage its financial obligations if necessary.

**Managing liquidity risk of insurance assets and liabilities**

*Contract holder liabilities*

Expected cash flows, i.e. the estimated timing of repayment of the amounts recognised in the statement of financial position, are disclosed for these liabilities in the maturity analysis above. The assumptions used to calculate the statement of financial position value of these liabilities are disclosed in note 32. Included in the cash and cash equivalents balance are insurance-related balances, that could be used to settle the insurance-related liabilities.

Contractual cash flows for investment contract liabilities with DPF are disclosed in the maturity analysis above.

The earliest contractual maturity date is used for these liabilities.

The contractually required cash flows for policies that can be surrendered are the surrender values of such policies. It is assumed that surrender values are contractually available on demand and therefore these policies are disclosed as open-ended.

For policies with no surrender value, the estimated contractual cash flow is disclosed.

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **44.2 Market risk** | | |
| **Interest rate risk** | | |
| The company's interest rate exposure is as follows: | | |
| Variable rate instruments | | |
| Financial assets | **187 429** | 278 474 |
| Financial liabilities | **(51 237)** | (36 481) |
| | **136 192** | 241 993 |
| **Cash flow sensitivity analysis for fixed rate instruments** | | |
| A sensitivity analysis has not been included for fixed rate instruments as they are not sensitive to interest rate risk. | | |
| **Cash flow sensitivity analysis for variable rate instruments** | | |
| A change of 50 basis points in the interest rates at the reporting date would have increased/(decreased) profit or loss and equity by the amount shown below. This analysis assumes that all other variables remain constant. | | |
| Effect on statement of comprehensive income (profit/(loss)) and equity before taxation | | |
| 50 bps increase | **681** | 1 210 |
| 50 bps decrease | **(681)** | (1 210) |

## 44. Financial instruments (continued)

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **44.2 Market risk** (continued) | | |
| **Management of interest rate risk** | | |
| The group generally adopts a policy of ensuring that its exposure to changes in interest rates is limited by either fixing the rate or by linking the rate to the prime rate over the period of the respective loan. | | |
| **Equity price risk** | | |
| The company's equity price risk is as follows: | | |
| Unlisted financial assets at fair value through profit or loss | | |
| Insurance-related investments | **318 404** | 258 900 |
| Listed financial assets at fair value through profit or loss | | |
| Insurance-related investments | **79 470** | 72 490 |
| Trading securities | **432** | 494 |
| | **398 306** | 331 884 |
| A change of 10% in the fair value of investment at the reporting date would have increased/(decreased) equity and profit or loss by the amount shown below. This analysis assumes that all other variables remain constant. | | |
| Effect on statement of comprehensive income (profit/(loss)) and equity before taxation | | |
| 10% increase | **39 831** | 33 188 |
| 10% decrease | **(39 831)** | (33 188) |
| **Market price risk** | | |
| **Foreign currency risk** | | |
| The group is exposed to foreign currency risk on its investments in subsidiaries, investments in associates that carry businesses outside of the Republic of South Africa and other investments held in foreign countries. The group does not hedge against foreign currency exposures on its investments. | | |
| The group's exposure to the changes in the Botswana Pula ("BWP") on the profit or loss recognised in its consolidated financial statements is analysed below. | | |
| Effect on statement of comprehensive income (profit/(loss)) and equity before taxation | | |
| 10% increase in BWP | **532** | 5 040 |
| 10% decrease in BWP | **(532)** | (2 410) |

## 44. Financial instruments (continued)

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **44.3 Credit risk** | | |
| Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. | | |
| The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure of credit risk was: | | |
| Accounts receivable from trading activities | **308 149** | 41 496 |
| Loans to jointly-controlled entities | **4 084** | – |
| Trade and other receivables (net of impairment) | **61 005** | 72 024 |
| Cash and cash equivalents | **187 429** | 222 212 |
| Reinsurance assets | **28 850** | 27 970 |
| Insurance-related investments | **682 963** | 606 872 |
| | **1 272 480** | 970 574 |

**Credit risk management on insurance related balances:**

One of the tools that the group uses to manage its credit risk is through a group credit policy for money market and debt instruments. Within Eswatini's jurisdictions, there is little rated paper, apart from government bonds. Local investments made within Eswatini's jurisdictions must be approved by the Eswatini board and reported to the group Investment Committee. No exposure is permitted to leveraged credit instruments, e.g. instruments where exposure to an entity or small group of entities can cause greater losses across the portfolio than the proportionate share of the defaulting entity or entities, without the group Investment Committee approval.

Where a credit risk is entirely borne by a contract holder in a pure linked investment contract, and this is made explicit in the contract and acknowledged by the contract holder in writing, the risk will not be aggregated with the group's risks. This applies to special contracts and structured products.

Unless the asset manager has a fully-fledged credit analysis capability, credit quality will be based on ratings assigned by recognised ratings agencies. Lower credit quality than that implied by the rating may be assumed if the manager feels the credit quality is overstated.

For debt instruments, the major risks that are managed are the probability of default and concentration of exposure to individual entities. Probability of default is managed by limiting exposure to the various credit rating bands through a risk budget. For the risk budget, government guaranteed instruments do not draw down the risk budget and there is no limit on exposure to these instruments. Although it is customary to permit investments up to BBB rating, a review of the history of long-term probability of default indicated that the risk of default increased 3.5 times from A to BBB. Therefore, investments in debt securities are limited to A- ratings or better. No exposure is permitted to unrated counterparties or those rated below investment grade except with Investment Committee approval. The risk of exposure to individual entities, both local and foreign, is managed through diversification. Limits directly linked to credit ratings are placed on the maximum exposure per issuer. More generous limits are set for top-tier banks and parastatals.

Money market instruments are those instruments with an original (legal) maturity not exceeding one year. As in the case of debt instruments the two major credit risks that are managed are probability of default and concentration of exposure to individual entities. Probability of default is managed by limiting exposure to the various short-term credit rating bands. Investment is only permitted in rated issuers or issues, unless no rated issuers or issues are available. Where a short-term rating is not available, the long-term rating of the issuer is converted to a short-term rating. Default probabilities at a long-term level of BBB (equivalent to short-term rating F3) and below, are significantly riskier based on historic information and hence not appropriate for money market investments. The risk of exposure to individual entities is managed through diversification. Limits are placed on the maximum exposure per issuer directly linked to credit bands.

## 44. Financial instruments (continued)

### 44.3 Credit risk (continued)

There is no limit on the exposure of categories F1 and F1+ instruments, but a limit of 25% of the total portfolio is assigned to the category F2 instruments. For each of these categories there are an implied minimum number of issuers to reach the maximum exposure in a category. There is no need for a risk budgeting approach given the limited number of restricted categories.

Provisions of the Eswatini Insurance Act No 7 of 2005 have the effect of limiting exposure to individual issuers due to the inadmissibility of assets for regulatory purposes if specified limits are breached.

The company's maximum exposure to credit risk is through the following classes of assets; and is equal to their carrying values:

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| Reinsurance assets | 28 850 | 27 970 |
| Insurance-related investments | 682 963 | 606 872 |
| Equity securities | 79 470 | 72 490 |
| Collective investment schemes | 318 404 | 258 900 |
| Debt securities | 14 244 | 10 131 |
| Funds on deposit and other money market instruments | 25 400 | 46 131 |
| Government stock | 245 445 | 219 219 |
| | 711 813 | 634 842 |

**Reinsurance assets**

Receivables arising from insurance contracts and investment contracts with DPF and reinsurance contracts.

**Collective investment schemes and unit linked investments**

Unit linked investments comprise local and foreign collective investment schemes as well as other unit linked investments. Collective investment schemes are categorised into property, equity or interest-bearing instruments based on a minimum of 55% per category of the underlying asset composition of the fund by value. In the event of no one category meeting this threshold, it is classified as a mixed assets class. Money market collective investment schemes are categorised as such.

Unlisted and unquoted unit-linked instruments are mainly exposed to equity, comprising investments in hedge funds and private equity funds, or interest-bearing instruments, comprising mezzanine funding and structured guaranteed income products. Where Oracle is the contract holder of an investment contract at another institution, but does not have title to the underlying investment assets, it is allocated to a mixed asset class.

Money market collective investment schemes are included in funds on deposit and other money market instruments less than 90 days.

**Security and credit enhancements**

For debt securities, unit linked investments and cash and cash equivalents, the credit risk is managed through the company's credit risk exposure policy described above.

Amounts receivable in terms of long-term insurance contracts and investment contracts with DPF are limited to and secured by the underlying value of the unpaid policy benefits in terms of the policy contract.

Reinsurance is placed with reputable companies. The credit rating of the company is assessed when placing the business and where there is a change in the status of the reinsurer. If a reinsurer fails to pay a claim, the company remains liable for the payment to the contract holder.

## 44. Financial instruments (continued)

### 44.3 Credit risk (continued)

**Insurance-related liabilities**

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| Investments contracts | 557 775 | 503 707 |
| At fair value through profit or loss | 557 775 | 503 707 |
| Insurance contract liabilities | 149 046 | 112 301 |
| **Total liabilities** | **706 821** | **616 008** |

**Investment contracts with DPF**

The value of investment contracts with DPF is the retrospective accumulation of the fair value of the underlying assets, which is a reasonable approximation of the fair value of this financial liability.

The table below reconciles the contract holder liabilities for each category to the total liability in the statement of financial position. Each category represents distinct financial risks. Some categories may include both insurance and investment contracts.

| 2025 | Insurance R'000 | Investment with DPF R'000 | Investment R'000 | Total R'000 |
|---|---|---|---|---|
| **Market-related business** | – | – | 557 775 | 557 775 |
| Group market-related business | – | – | 557 775 | 557 775 |
| **Other business** | 50 201 | – | – | 50 201 |
| Non-profit annuity business | 50 201 | – | – | 50 201 |
| Other non-profit business | – | – | – | – |
| **Total contract holder liability** | **50 201** | **–** | **557 775** | **607 976** |

| 2024 | Insurance R'000 | Investment with DPF R'000 | Investment R'000 | Total R'000 |
|---|---|---|---|---|
| **Market-related business** | – | – | 503 707 | 503 707 |
| Group market-related business | – | – | 503 707 | 503 707 |
| **Other business** | 83 165 | – | – | 83 165 |
| Non-profit annuity business | 83 165 | – | – | 83 165 |
| Other non-profit business | – | – | – | – |
| **Total contract holder liability** | **83 165** | **–** | **503 707** | **586 872** |

**Non-profit annuity business**

Benefit payments on non-profit annuities are fixed and guaranteed at inception (except to the extent that they are exposed to mortality insurance risk).

In order to reduce market risk, projected liability outflows on annuity business are closely matched by an actively managed combination of bonds of appropriate duration and interest rate derivatives. Any residual mismatch profit or loss as well as any credit risk for these policies are borne by the shareholder.

The calculation is based on discount rates derived from the zero coupon yield curve.

## 44. Financial instruments (continued)

### 44.3 Credit risk (continued)

**Insurance risk**

Insurance risk is the risk that benefit payments and expenses exceed the carrying amount of the company's insurance liabilities. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year. Statistically, the larger the portfolio of similar insurance contracts, the smaller the relative variability of the expected outcome will be. Similarly, diversification of the portfolio with respect to risk factors reduces insurance risk.

**Mortality, morbidity and medical risks**

Underwriting processes are in place to manage exposure to death, disability and medical risks. The most significant measures are:

- Premium rates are required to be certified by the statutory actuary as being financially sound.
- Regular experience investigations are conducted and used to set premium rates.
- Reinsurance arrangements are negotiated in order to limit the risk on any individual contract.
- Mortality, morbidity and medical risks

The nature of risks varies depending on the class of business. The material classes of business most affected by these risks are discussed below:

- *Group insurance business*
- These are contracts that provide life and/or disability cover to members of a group (e.g. clients or employees of a specific company).

Factors affecting these risks:

- Contracts are similar to individual insurance contracts but there is greater risk of correlation between claims on group schemes because the assured lives live in the same geographical location or work in the same industry.
- Underwriting processes may be streamlined, with cover supplied up to certain limits without underwriting.

How risks are managed:

- Reinsurance arrangements are in place to limit the risk on each individual life. In addition, catastrophe cover is used to limit the risk of a large number of claims arising as a result of a single event.
- Rates are based on scheme experience and are reviewed annually.
- Rate reviews take into account known trends such as worsening experience due to AIDS.

**Contract Persistency Risk**

Contract holders generally have a right to terminate the contract completely before expiry of the contract term.

Economic conditions and/or consumer trends can influence persistency rates.

Expenses incurred in the acquisition of contracts are expected to be recouped over the term of the policy. These may not be recovered where the premiums are reduced or the contract terminated early.

Terminations can have the effect of increasing insurance risk, for example contract holders whose health has deteriorated are less likely on average to terminate a contract providing medical or death benefits.

The liability held for some contracts may be less than the termination benefit payable. The net company surplus will reduce if these contracts terminate early.

How risks are managed:

- Where withdrawal benefits are payable on termination, these can be adjusted to recover certain expenses. However, market and legislative forces may restrict the extent to which this may be done in future.
- Market value adjustments are applied to scheme terminations if the market value of the assets are below the fund accounts at the date of termination.

## 44. Financial instruments (continued)

### 44.3 Credit risk (continued)

**Impairment losses**

The staging of financial assets at the reporting date was:

| Figures in R'000 | Total | Loans to jointly-controlled ventures | Loans to associates | Accounts receivable from trading activities |
|---|---|---|---|---|
| **2025** | | | | |
| Stage 1 | **312 233** | **4 084** | **–** | **308 149** |
| Stage 2 | **–** | **–** | **–** | **–** |
| Stage 3 | **8 597** | **–** | **8 597** | **–** |
| Impairment | **–** | **–** | **(8 597)** | **–** |
| | **320 830** | **4 084** | **–** | **308 149** |
| **2024** | | | | |
| Stage 1 | 41 496 | – | – | 41 496 |
| Stage 2 | – | – | – | – |
| Stage 3 | 8 597 | – | 8 597 | – |
| Impairment | (8 597) | – | (8 597) | – |
| | 41 496 | – | – | 41 496 |

**Reconciliation of movement in allowance for impairment of financial assets:**

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| Balance at the beginning of the year | **(12 941)** | (10 469) |
| Impairment loss on trade and other receivables | **(6 968)** | (2 472) |
| Balance at the end of the year | **(19 909)** | (12 941) |

**Impairment of financial assets**

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses (ECL) – the ECL model. Instruments within the scope of the requirements included loans and other debt type financial assets measured at amortised cost, and trade receivables measured under IFRS 9. Refer to note 2.7.1 for more detail.

Recognition of credit losses is no longer dependent on the group first identifying a credit loss event. Instead, the group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. Measurement of the ECL is determined by a probability weighted estimate of credit losses over the expected life of the financial instrument.

## 44. Financial instruments (continued)

### 44.3 Credit risk (continued)

**Trade and other receivables**

The group makes use of a general approach in accounting for trade and other receivables and records the loss allowance as lifetime ECLs. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. The group uses its historical experience, external indicators and forward-looking information to calculate the ECL using a provision matrix. Refer to note 2.7.1 for more detail.

The group assesses impairment of trade receivables on a portfolio basis grouping those that possess shared credit risk characteristics. These have then been grouped based on the days past due. The group has therefore concluded that the expected loss rates calculated on the trade receivables are a reasonable approximation of the loss rates.

**Other financial assets**

The group uses an allowance account to record its credit losses on advances. It applies the general impairment approach in determining the ECLs. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default.

The group considers an advance in default when they are handed over to the legal process. However, in certain cases, the group may also consider an advance to be in default when internal or external information indicates that the group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the group. The financial assets are written off when there is no reasonable expectation of recovering the contractual cash flows.

The group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial asset's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

The group groups its advances into Stage 1, Stage 2 and Stage 3, as described below:

**Stage 1:** includes financial instruments that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month expected credit losses are recognised and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance). 12-month ECL are the expected credit losses that result from default events that are possible within 12 months after the reporting date. It is not the expected cash shortfalls over the 12-month period but the entire credit loss on an asset weighted by the probability that the loss will occur in the next 12 months.

**Stage 2:** includes financial instruments that have had a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date), but that do not have objective evidence of impairment. For these assets, lifetime ECL are recognised, but interest revenue is still calculated on the gross carrying amount of the asset. Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of the financial instrument. Expected credit losses are the weighted average credit losses with the probability of default as the weight.

**Stage 3:** includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime ECL are recognised and interest revenue is calculated on the net carrying amount (that is, net of credit allowance).

The entity considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower enters the legal stage of the advance management process. At this time the loans are managed individually.

## 44. Financial instruments (continued)

### 44.3 Credit risk (continued)

#### Concentration of credit risk

The majority of the group's trade and other receivables and loans advanced to associates are located domestically except for the small amount of debtors and loans located in Botswana and, Eswatini. The group does not have a wide variety of counterparties. Concentration of credit risk related to trade and other receivables are unrated and have been disclosed under note 23.

| Amortised cost assets | Life time<br>Gross carrying amount<br>2025 | 12 months |
|---|---|---|
| Cash – rated BB | 135 748 | 135 748 |
| **Total rated exposure** | 135 748 | 135 748 |
| Accounts receivable from trading activities – unrated | 308 149 | 308 149 |
| Loans to jointly-controlled ventures – unrated | 4 084 | 4 084 |
| Loans to associates – unrated | 8 597 | 8 597 |
| **Total unrated exposure** | 320 830 | 320 830 |
| Age analysis of the unrated exposure: | | |
| Not past due | 312 233 | |
| 0 – 30 days | – | |
| 31 – 60 days | – | |
| 61 – 90 days | – | |
| More than 90 days | 8 597 | |
| | 320 830 | |

| Amortised cost assets | Life time<br>Gross carrying amount<br>2024 | 12 months |
|---|---|---|
| Cash – rated BB | 176 205 | 176 205 |
| **Total rated exposure** | 176 205 | 176 205 |
| Accounts receivable from trading activities – unrated | 41 496 | 41 496 |
| Loans to associates – unrated | 8 597 | 8 597 |
| **Total unrated exposure** | 50 093 | 50 093 |
| Age analysis of the unrated exposure: | | |
| Not past due | | |
| 0 – 30 days | 41 496 | |
| 31 – 60 days | – | |
| 61 – 90 days | – | |
| More than 90 days | 8 597 | |
| | 50 093 | |

## 44. Financial instruments (continued)

### 44.4 Fair values

The fair value of a financial instrument is the price that would be received for the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is a presumption that an entity is a going concern without any intention or need to liquidate, to curtail materially the scale of its operations or to undertake a transaction on adverse terms. Fair value is not, therefore, the amount that an entity would receive or pay in a forced transaction, involuntary liquidation or distressed sale.

#### Valuation methodologies

The objective of a fair value measurement is to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions.

#### Quoted price

A financial instrument is regarded as quoted in an active market if quoted prices are readily available from an exchange, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's-length basis. The appropriate quoted market price for an asset held or a liability to be issued is usually the current bid price and, for an asset to be acquired or a liability held, the asking price.

The existence of published price quotations in an active market is the best evidence of fair value and, where they exist, they are used to measure the financial asset or financial liability. A market is considered to be active if transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis. Financial instruments fair valued using quoted prices would generally be classified as level 1 in terms of the fair value hierarchy and when fair valued indirectly (i.e. derived from prices) will be classified as level 2.

#### Valuation techniques

Where a quoted price does not represent fair value at the measurement date or where the market for a financial instrument is not active, the group establishes fair value by using an alternative valuation technique.
These valuation techniques may include:

- earnings multiples;
- discounted-cash flow analysis;
- various option pricing models;
- using recent arm's-length market transactions between knowledgeable parties; and
- reference to the value of the net assets of the underlying business.

In applying valuation techniques, the group uses estimates and assumptions that are consistent with available information about the estimates and assumptions that market participants would use in setting a price for the financial instrument.

Valuation techniques applied by the group would result in financial instruments being classified as level 2 or level 3 in terms of the fair value hierarchy. The determination of whether a financial instrument is classified as level 2 or level 3 is dependent on the significance of observable inputs versus unobservable inputs in relation to the fair value of the financial instrument.

Valuation methodologies and techniques applied for level 3 financial instruments include a combination of discounted cash flow analysis, application of earnings multiples on sustainable after-tax earnings and/or current and projected net asset values to determine overall reasonability. The valuation technique applied to specific financial instruments depends on the nature of the financial instrument and the most appropriate valuation technique is determined on that basis.

## 44. Financial instruments (continued)

### 44.4 Fair values (continued)

#### Observable markets

Quoted market prices in active markets are the best evidence of fair value and are used as the basis of measurement, if available. A determination of what constitutes "observable market data" will necessitate significant judgement. It is the group's belief that "observable market data" comprises:

- prices or quotes from an exchange or listed markets in which there are sufficient liquidity and activity;
- proxy observable market data that is proven to be highly correlated and has a logical, economic relationship with the instrument that is being valued; and
- other direct and indirect market inputs that are observable in the marketplace.

Data is considered by the group to be "observable" if the data is verifiable, readily available, regularly distributed, from multiple independent sources and transparent.

Data is considered by the group to be "market-based" if the data is reliable, based on consensus within reasonable narrow, observable ranges, provided by sources that are actively involved in the relevant market and supported by actual market transactions.

It is not intended to imply that all of the above characteristics must be present to conclude that the evidence qualifies as observable market data. Judgement is applied based on the strength and quality of the available evidence.

#### Inputs to valuation techniques

Inputs are selected on a basis that is consistent with the characteristics of the instrument that market participants would take into account in a transaction for that instrument. Inputs to valuation techniques applied by the group include, but are not limited to, the following:

- **Discount rate**: Where discounted-cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the reporting date for an instrument with similar terms and conditions.
- **The time value of money**: The business may use well-accepted and readily observable general interest rates, or an appropriate swap rate, as the benchmark rate to derive the present value of a future cash flow.
- **Foreign currency exchange prices**: Active currency exchange markets exist for most major currencies, and prices are quoted daily on various trading platforms and in financial publications.
- **Commodity prices**: Observable market prices are available for those commodities that are actively traded on exchanges in South Africa and other commercial exchanges.
- **Equity prices**: Prices (and indices of prices) of traded equity instruments are readily observable on the JSE Limited or any other recognised international exchange.
- **Volatility**: Measures of the volatility of actively traded items can be reasonably estimated by the implied volatility in current market prices. In the absence of an active market, a methodology to derive these volatilities from observable market data will be developed and utilised.
- **Dividend yield**: Dividend yield is represented as a percentage and is calculated by dividing the value of dividends paid in a given year per share held by the value of one share.
- **Earnings multiples**: This is the share price divided by earnings per share (EPS).

## 44. Financial instruments (continued)

### 44.4 Fair values (continued)

The following table sets out the group's principal valuation techniques used in determining the fair value of financial assets and financial liabilities classified as level 2 and 3 in the fair value hierarchy:

| Assets | Valuation technique | Key inputs |
|---|---|---|
| Loans and advances | Discounted cash flows | Discount rates |
| Investments in associates | Discounted cash flows, earnings multiples, dividend yields | Discount rates, valuation multiples, dividend growth |
| Insurance-related investments – listed | Quoted prices | Quoted prices |
| Insurance-related investments – unlisted | Discounted cash flows, adjusted quoted prices | Market-related yields, nominal discount rate, quoted prices |
| **Liabilities** | | |
| Other financial liabilities | Earnings multiples, dividend yields | Earnings, dividend growth |

#### Review of significant valuations

After the valuations of the unlisted financial assets and liabilities are performed, these are presented to the group's investment committee for independent review.

The valuation methodologies, techniques and inputs applied to the fair value measurement of the financial instruments have been applied in a manner consistent with that of the previous financial year.

| Figures in R'000 | 2025 Carrying amount | 2025 Fair value | 2024 Carrying amount | 2024 Fair value |
|---|---|---|---|---|
| **Financial assets measured at fair value** | | | | |
| Insurance-related investments | **682 963** | **682 963** | 606 872 | 606 872 |
| Trading securities | **432** | **432** | 494 | 494 |
| | **683 395** | **683 395** | 607 366 | 607 366 |
| **Financial liabilities measured at fair value** | | | | |
| Trading securities | **(6)** | **(6)** | (4) | (4) |
| Investment contracts | **(557 775)** | **(557 775)** | (503 707) | (503 707) |
| | **(557 781)** | **(557 781)** | (503 711) | (503 711) |
| Total | **125 614** | **125 614** | 103 655 | 103 655 |

The carrying amounts of cash and cash equivalents, accounts receivable from trading activities, trade and other receivables, reinsurance assets, bank overdraft, accounts payable from trading activities and trade and other payables reasonably approximate their fair values and are therefore not included in the table above.

The value of investment contracts with DPF is the retrospective accumulation of the fair value of the underlying assets, which is a reasonable approximation of the fair value of this financial liability.

## 44. Financial instruments (continued)

### 44.5 Fair value hierarchy

The table below analyses recurring fair value measurements for financial assets and financial liabilities. These fair value measurements are categorised into different levels in the fair value hierarchy based on inputs to valuation techniques used. The different levels are defined as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

The fair value of financial assets and liabilities as shown in note 45.4 is categorised as follows for the purpose of IFRS 13 – *Fair Value Measurement* .

| Figures in R'000 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **2025** | | | | |
| Financial assets measured at fair value | **431 734** | **251 661** | **–** | **683 395** |
| Financial liabilities designated at fair value through profit or loss | **(6)** | **(557 775)** | **–** | **(557 781)** |
| | **431 728** | **(306 114)** | **–** | **125 614** |
| **2024** | | | | |
| Financial assets measured at fair value | 331 884 | 275 482 | – | 607 366 |
| Financial liabilities designated at fair value through profit or loss | (4) | (503 707) | – | (616 012) |
| | 331 880 | (228 225) | – | (8 646) |

A significant increase in the rate would result in a decrease in the fair value of these assets or liabilities.

## 45. Going concern

The consolidated financial statements have been prepared on a going-concern basis. The group has recognised a net loss after tax of R3.1 million for the year ended 28 February 2025, and as at that date current assets exceed current liabilities by R8.9 million.

The board undertook processes to ensure that the going-concern principle applies, which include:

- the group's financial budgets and a 12-month rolling cash flow forecast;
- the performance of underlying business operations and their ability to make a positive contribution to the group's objectives;
- the capital structure, liabilities and quality of the assets underpinning the statement of financial position; and
- the banking facilities and the group's assets to ensure that these are sufficient to fund imminent liabilities and meet the group's working capital requirements.

Management has a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future and that the group will extinguish liabilities in the normal course of business at the amounts stated in the condensed consolidated financial statements.

The board is of the view that, based on its knowledge of the group, assumptions regarding the outcome of the key processes under way and specific enquiries it has made, the group has adequate resources at their disposal to settle obligations as they fall due and the group will continue as going concern for the foreseeable future.

## 46. Dividends

### Dividends paid

A final dividend for the 2024 financial year of 9.0 cents per share per share was paid to ordinary shareholders in July 2024, (2023: 11.0 cents (8.80 cents net of dividend withholding tax)). Total cash of R14.4 (2023: R17.7 million) (net of treasury shares) was paid to ordinary shareholders. No interim dividend was declared in November 2024, (2023: 9.0 cents (7.20 cents net of dividend withholding tax). Total cash of R14.5 million was paid in 2024 (net of treasury shares held) was paid to ordinary shareholders.

### Dividend declared

Notice is hereby given that a gross ordinary dividend of 35.0 cents per share (2024: 9.0 cents per share) has been declared out of income reserves on 20 June 2025 and are payable to ordinary shareholders in accordance with the following timetable:

In terms of dividend tax effective since 1 April 2012, the following additional information is disclosed:

- The local Dividend Withholding Tax rate is 20%
- 161 155 915 shares are in issue
- The gross ordinary dividend is 35.00 cents per share for shareholders exempt from paying Dividend Withholding Tax
- The net ordinary dividend is 28.00 cents per share for ordinary shareholders who are not exempt from Dividend Withholding Tax
- Vunani Limited’s tax reference number is 9841003032

| Timetable | 2025 |
|---|---|
| Declaration and finalisation date announcement | Friday, 20 June |
| Last day to trade cum dividend | Tuesday, 8 July |
| Shares commence trading ex-dividend | Wednesday, 9 July |
| Record date | Friday, 11 July |
| Dividend payment date | Monday, 14 July |

No dematerialisation or rematerialisation of shares will be allowed for the period from Wednesday, 9 July 2025 to Friday, 11 July 2025, both dates inclusive.

Dividends are declared in the currency of the Republic of South Africa. The directors have confirmed that the company will satisfy the liquidity and solvency requirements immediately after the payment of the dividend.

## 47. Events after reporting date

On 16 May 2025 the group disposed of a 30% interest in Fairheads Benefit Services Proprietary Limited and Fairheads Financial Services Proprietary Limited to Old Mutual Coporate Ventures Proprietary Limited for a total consideration of R70 million.

# Separate statement of comprehensive income

for the year ended 28 February 2025

| | | VUNANI LIMITED – Company | |
|---|---|---|---|
| Figures in R'000 | Notes | **2025** | 2024 |
| Management fees | 48 | 3 075 | 2 477 |
| Investment revenue | 49 | 50 000 | – |
| Operating expenses | 50 | (16 464) | (6 466) |
| **Results from operating activities** | | 36 611 | (3 989) |
| Finance income | 51 | * | * |
| **Profit/(loss) before income tax** | | 36 611 | (3 989) |
| Taxation | 52 | – | – |
| **Profit/(loss) for the year** | | 36 611 | (3 989) |
| **Total comprehensive income/(loss) for the year** | | 36 611 | (3 989) |

* *less than R1 000*

# Separate statement of financial position

at 28 February 2025

| Figures in R'000 | Notes | VUNANI LIMITED – Company 2025 | 2024 |
|---|---|---|---|
| **Assets** | | | |
| Investments in subsidiaries | 53 | 431 734 | 434 378 |
| Loan to share trust | 56 | – | 2 635 |
| **Total non-current assets** | | 431 734 | 437 013 |
| Trade and other receivables | | 14 | 14 |
| Cash at bank | 58 | * | * |
| **Total current assets** | | 14 | 14 |
| **Total assets** | | 431 748 | 437 027 |
| **Equity** | | | |
| Stated capital | 59 | 696 497 | 696 497 |
| Share-based payment reserve | | 13 842 | 13 949 |
| Accumulated loss | | (335 994) | (360 485) |
| **Equity attributable to equity holders** | | 374 345 | 349 961 |
| **Liabilities** | | | |
| Loans from subsidiary companies | 55 | 51 719 | 85 441 |
| Loan from share trust | 56 | 3 705 | – |
| **Total non-current liabilities** | | 55 424 | 85 441 |
| Trade and other payables | 60 | 1 979 | 1 625 |
| **Current liabilities** | | 1 979 | 1 625 |
| **Total equity and liabilities** | | 431 748 | 437 027 |

** less than R1 000*

# Separate statement of changes in equity
for the year ended 28 February 2025

| Figures in R'000 | Stated capital | Share-based payment reserve | Accumulated loss | Total equity |
|---|---|---|---|---|
| | VUNANI LIMITED – Company | | | |
| **Balance at 28 February 2023** | 696 497 | 13 043 | (323 899) | 385 641 |
| **Total comprehensive income for the year** | | | | |
| Loss for the year | – | – | (3 989) | (3 989) |
| **Total comprehensive income for the year** | – | – | (3 989) | (3 989) |
| Transactions with owners, recorded directly in equity | | | | |
| Dividends paid | – | – | (32 231) | (32 231) |
| Share-based payments | – | 4 485 | – | 4 485 |
| Vesting of share awards* | – | (3 579) | (366) | (3 945) |
| **Total transactions with owners** | – | 906 | (32 597) | (31 691) |
| **Balance at 29 February 2024** | 696 497 | 13 949 | (360 485) | 349 961 |
| **Total comprehensive income for the year** | | | | |
| Profit for the year | – | – | 36 611 | 36 611 |
| **Total comprehensive income for the year** | – | – | 36 611 | 36 611 |
| **Transactions with owners, recorded directly in equity** | | | | |
| Dividends paid | – | – | (14 504) | (14 504) |
| Share-based payments | – | 8 617 | – | 8 617 |
| Vesting of share awards* | – | (8 724) | 2 384 | (6 340) |
| **Total transactions with owners** | – | (107) | (12 120) | (12 227) |
| **Balance at 28 February 2025** | 696 497 | 13 842 | (335 994) | 374 345 |

* *Shares that were issued as part of the share-based payment scheme vested. The shares were transferred out of the share trust (held as treasury shares) to the qualifying employees. The cumulative share-based payment expense in the reserve has been transferred between the share-based payment reserve and retained income on vesting.*

## DIVIDENDS

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **Ordinary dividends** | | |
| Ordinary dividend number 13 of 9.0 cents (7.20 cents net of dividend withholding tax) per share was paid to ordinary shareholders on 15 July 2024 (net of treasury shares) (2024: 11 and 12 of 11.0 cents and 9.0 cents respectively (8.80 cents and 7.20 cents net of dividend withholding tax) per share was paid to ordinary shareholders on 26 June 2023 and 27 November 2023 (net of treasury shares))). | 14 504 | 32 231 |

# Separate statement of cash flows

for the year ended 28 February 2025

| Figures in R'000 | Notes | VUNANI LIMITED – Company 2025 | 2024 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Cash utilised by operations | 61 | (3 906) | (4 189) |
| Investment revenue received | 49 | 50 000 | – |
| Interest received from banks | 51 | * | * |
| Dividends paid | | (14 504) | (32 231) |
| **Cash generated/(utilised) by operating activities** | | 31 590 | (36 420) |
| **Cash (outflow)/inflow from financing activities** | | | |
| Loans (repaid)/ advanced from subsidiary company | | (31 590) | 36 416 |
| **Cash (outflows)/inflows from financing activities** | | (31 590) | 36 416 |
| **Net increase /(decrease)in cash and cash equivalents** | | – | (4) |
| Cash and cash equivalents at the beginning of the year | | * | 4 |
| **Total cash and cash equivalents at the end of the year** | 58 | * | * |

* *less than R1 000*

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **48. Management fees** | | |
| Management fees | 3 075 | 2 477 |
| **49. Investment revenue** | | |
| Dividend received from subsidiaries | 50 000 | – |
| **50. Operating expenses** | | |
| Operating expenses include: | | |
| Auditor's remuneration – current year | 1 700 | 1 746 |
| Impairment of investment in subsidiary | 9 129 | – |
| Directors' emoluments paid by company (refer note 43) | 3 075 | 2 477 |
| **51. Finance income** | | |
| **Recognised in profit or loss** | | |
| Interest income – cash and cash equivalents (* Less than R1 000) | * | * |
| **52. Income tax** | | |
| Deferred taxation | – | – |

No taxation is payable in the current year as the company has an estimated tax loss of R19.3 million (2024: R19.1 million) available for set-off against future taxable income.

| Reconciliation of effective tax rate | % | % |
|---|---|---|
| Income tax rate | 27 | 27 |
| Tax exempt income | (29.5) | – |
| Disallowable expenditure – investment holding company | 2.37 | – |
| Deferred tax assets not raised | 0.13 | (27) |
| | – | – |

| Figures in R'000 | % Holding 2025 | % Holding 2024 | Cost of investment 2025 | Cost of investment 2024 |
|---|---|---|---|---|
| **53. Investments in subsidiaries** | | | | |
| **Investment in subsidiaries held at cost** | | | | |
| Vunani Capital Proprietary Limited | 100 | 100 | 417 465 | 411 417 |
| Vunani Securities Proprietary Limited | 100 | 100 | 11 464 | 20 355 |
| Vunani Capital Markets Proprietary Limited | 100 | 100 | 1 971 | 1 772 |
| Vunani Capital Investments Proprietary Limited* | 100 | 100 | – | – |
| VProp714 Proprietary Limited | 100 | 78 | 834 | 834 |
| | | | 431 734 | 434 378 |

All subsidiaries have a 28 February year end. There are no significant restrictions on the company's ability to access or use subsidiary assets and settle liabilities of the group.

* *The investment in Vunani Capital Investments Proprietary*

**A reconciliation of the movement in investment in subsidiaries is as follows:**

| | Vunani Capital Proprietary Limited | Vunani Securities Proprietary Limited | Vunani Capital Markets Proprietary Limited | Total |
|---|---|---|---|---|
| Balance at the beginning of the year | 411 417 | 20 355 | 1 772 | 433 544 |
| Impairments | – | (9 129) | – | (9 129) |
| Share-based payments | 6 048 | 238 | 199 | 6 485 |
| **Balance at the end of the year** | 417 465 | 11 464 | 1 971 | 430 900 |

**Factors considered in impairment**

The company assesses whether there is any indication that an asset may be impaired. The company reviews the budgets of the subsidiary, which include projected revenue, profits and cash flow forecasts. The valuations of underlying assets of the subsidiary are also reviewed. Investments in subsidiaries are impaired if the company believes that the carrying amount of the investment may be higher than its recoverable amount.

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **Accumulated impairment** | | |
| Investment in Vunani Capital Proprietary Limited | (313 600) | (313 600) |
| Investment in Vunani Capital Investments Proprietary Limited | (4 655) | (4 655) |
| Investment in Vunani Securities Proprietary Limited | (9 129) | – |
| | (327 384) | (318 255) |

## 54. Other investments

**Fair value adjustment of investment**

As part of the unbundling of private equity assets in the 2021 financial year the company issued 500 000 preference shares to Vunani Capital Partners in relation to the African Legend investment shares. The terms of the preference shares are such that, *inter alia*, all contractual rights to cash flows related to the African Legend shares and the African Legend distributions, will be transferred to Vunani Capital Partners.

In terms of IFRS 9 – *Financial Instruments* an entity shall derecognise a financial asset when the contractual rights to the cash flows from the financial asset (i.e. the African Legend Shares) are transferred to another entity and when substantially all of the risks and rewards of ownership of the financial asset are transferred (i.e. the African Legend Distributions to Vunani Capital Partners). Based on this pass-through arrangement, the African Legend shares have been derecognised and accordingly no liability is raised for the Preference Shares issued.

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **55. Loans from subsidiaries** | | |
| **Loan from subsidiary** | | |
| Vunani Capital Proprietary Limited | (45 451) | (81 540) |
| The loan from Vunani Capital Proprietary Limited is unsecured, interest free and is not repayable in the next 12 months. | | |
| Vunani Capital Markets Proprietary Limited | (6 268) | (3 901) |
| The loans from Vunani Capital Markets is unsecured, interest free and is not repayable within the next 12 months. | | |
| Total | (51 719) | (85 441) |

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **56. Loan to share trust** | | |
| Vunani Share Incentive Scheme Trust | (3 705) | 2 635 |

The loan to the share trust is unsecured and bears interest at the official SARS interest rate. The loan has no fixed terms of repayment.

There is limited credit risk with the loan to the share trust, as the company does not have any intention to recall the loan. There is no expected repayment terms and thus the probability of default will almost be minimum. As such, no ECL has been raised on the loan balance in the current year.

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **57. Deferred tax asset** | | |
| Recognised deferred tax asset arises on: | | |
| Tax losses carry-forward | – | – |
| Reconciliation of movement in deferred tax | | |
| Balance at the beginning of the year | – | – |
| Recognised against profit or loss | – | – |
| **Balance at end of the year** | – | – |
| Estimated tax losses available for utilisation against future taxable income | 19 307 | 19 060 |
| Recognised as deferred tax asset | – | – |
| Unrecognised estimated tax losses carried forward not accounted for in deferred tax | 19 307 | 19 060 |
| **58. Cash at bank** | | |
| Cash comprises: | | |
| Cash at bank | * | * |
| **59. Stated capital and share capital** | | |
| **Authorised** | | |
| 500 000 000 (2024: 500 000 000) ordinary shares of no par value | – | – |
| 1 000 000 cumulative, redeemable preference shares of no par value | – | – |
| **Issued – Ordinary shares** | | |
| 161 155 915 (2024: 161 155 915) ordinary shares of no par value | 696 497 | 696 497 |
| All issued shares are fully paid. Unissued ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting. | | |
| **Reconciliation of movement in number of shares issued ('000s):** | | |
| Balance at the beginning of the year | 161 156 | 161 156 |
| **Balance at end of the year** | 161 156 | 161 156 |
| **Reconciliation of movement in stated capital (R'000):** | | |
| Balance at the beginning of the year | 696 497 | 696 497 |
| **Balance at end of year** | 696 497 | 696 497 |
| **Issued – Preference shares** | | |
| 500 000 preference shares | – | – |
| **Reconciliation of movement in number of shares issued (000s):** | | |
| Balance at the beginning of the year | 500 000 | 500 000 |
| **Balance at the end of the year** | 500 000 | 500 000 |

As part of the unbundling of private equity assets in the 2021 financial year the company issued 500 000 preference shares to Vunani Capital Partners Limited in relation to the African Legend investment shares. The terms of the preference shares are such that, *inter alia*, all contractual rights to cash flows related to the African Legend shares and the African Legend distributions, will be transferred to Vunani Capital Partners.

In terms of IFRS 9 – *Financial Instruments* an entity shall derecognise a financial asset when the contractual rights to the cash flows from the financial asset (i.e. the African Legend Shares) are transferred to another entity and when substantially all of the risks and rewards of ownership of the financial asset are transferred (i.e. the African Legend Distributions to Vunani Capital Partners). Based on this pass-through arrangement, the African Legend shares have been derecognised and accordingly no liability is raised for the VL Preference Shares.

| Figures in R'000 | 2025 | 2024 |
|---|---|---|
| **60. Trade and other payables** | | |
| Sundry payables | 1 979 | 1 625 |
| **61. Cash utilised by operations** | | |
| Loss before income tax | 36 611 | (3 989) |
| Adjusted for: | | |
| Investment revenue | (50 000) | – |
| Impairment of investment in subsidiary | 9 129 | * |
| Finance income | * | * |
| | (4 260) | (3 989) |
| **Changes in working capital:** | | |
| Increase/(decrease) in trade and other payables | 354 | (200) |
| Cash utilised by operations | (3 906) | (4 189) |

* *Less than R1 000*

## 62. Related parties

**Relationships**

| | |
|---|---|
| Majority shareholder | Bambelela Capital Proprietary Limited |
| Subsidiaries | Refer to note 42 |
| Directors | Refer to note 43 |

* *The parent does not produce financial statements for public use.*

| Figures in R'000 | Notes | 2025 | 2024 |
|---|---|---|---|
| **Related party balances** | | | |
| Investments in subsidiaries | 53 | 431 734 | 434 378 |
| Loan from subsidiary companies | 55 | (51 719) | (85 441) |
| Loan to share trust | 56 | (3 705) | 2 635 |
| **Related party transactions** | | | |
| Management fees (from Vunani Capital Proprietary Limited) | 49 | 3 075 | 2 477 |

Directors' remuneration and benefits (refer to note 43).

## 63. Prescribed officers and key management personnel remuneration and benefits

**2025**

| Figures in R'000 | Basic salary | Bonuses | Provident fund and medical aid | Share-based payments | Total |
|---|---|---|---|---|---|
| Marten Banninga* | 1 578 | 120 | 421 | 112 | 2 231 |
| David Hurford[$] | 3 010 | 887 | 429 | 1 274 | 5 600 |
| Shaun Naidoo[&] | 2 148 | – | 404 | 214 | 2 766 |
| Michael Makate[%] | 1 126 | 150 | 176 | 51 | 1 503 |
| Viwe Tini[!] | 1 332 | – | 148 | – | 1 480 |
| David Takis[#] | 1 987 | 2 428 | 260 | – | 4 675 |
| Thabo Moipolai[@] | 1 807 | 719 | 282 | – | 2 808 |
| | 12 988 | 4 304 | 2 120 | 1 651 | 21 063 |

$ *David Hurford is the CEO of Fairheads.*
* *Marten Banninga is the CEO of Vunani Capital Markets.*
% *Michael Makate was appointed the CEO of Vunani Securities on 1 December 2024*
! *Viwe Tini was the CEO of Vunani Securities, she resigned on 30 November 2024*
& *Shaun Naidoo is the CEO of Vunani Corporate Finance.*
\# *David Takis is the CEO of Oracle Life and Insure.*
@ *Thabo Moipolai is the CEO of VFMB.*

**2024**

| Figures in R'000 | Basic salary | Bonuses | Provident fund and medical aid | Share-based payments | Total |
|---|---|---|---|---|---|
| Marten Banninga* | 1 514 | 110 | 390 | 129 | 2 143 |
| David Hurford[$] | 2 837 | 985 | 404 | 223 | 4 449 |
| Shaun Naidoo[&] | 1 962 | 1 100 | 370 | 208 | 3 640 |
| Viwe Tini[!] | 1 529 | 100 | 178 | – | 1 807 |
| David Takis[#] | 1 895 | 1 155 | 373 | – | 3 423 |
| Thabo Moipolai[@] | 2 307 | 925 | 362 | – | 3 594 |
| | 12 044 | 4 375 | 2 077 | 560 | 19 056 |

The prescribed officers have service contracts with the group companies terminable upon one month's written notice. No prescribed officer has a fixed-term contract.

| Figures in R'000 | Carrying amount | Un-discounted contractual cash flows | Less than 1 year | 1–5 years | Greater than 5 years |
|---|---|---|---|---|---|
| **64. Financial instruments** | | | | | |
| **64.1 Liquidity risk** | | | | | |
| **2025** | | | | | |
| *Non-derivative financial assets* | – | – | – | – | – |
| Loan to share trust | – | – | – | – | – |
| Cash and cash equivalents | * | * | * | * | * |
| *Non-derivative financial liabilities* | (57 403) | (57 403) | (1 979) | (55 424) | – |
| Trade and other payables | (1 979) | (1 979) | (1 979) | – | – |
| Loan from share trust | (3 705) | (3 705) | – | (3 705) | – |
| Loan from subsidiary | (51 719) | (51 719) | – | (51 719) | – |
| **Net liquidity position** | (57 403) | (57 403) | (1 979) | (55 424) | – |
| **2024** | | | | | |
| *Non-derivative financial assets* | 2 635 | 2 635 | – | 2 635 | – |
| Loan to share trust | 2 635 | 2 635 | – | 2 635 | – |
| Cash and cash equivalents | * | – | * | – | – |
| *Non-derivative financial liabilities* | (87 066) | (87 066) | (1 625) | (85 441) | – |
| Trade and other payables | (1 625) | (1 625) | (1 625) | – | – |
| Loan from subsidiary | (85 441) | (85 441) | – | (85 441) | – |
| **Net liquidity position** | (84 431) | (84 431) | (1 625) | (82 806) | |

### Management of liquidity risk

The company's approach to managing liquidity by managing its working capital, capital expenditure and cash flows, is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Ultimate responsibility for liquidity risk management rests with the board of directors. Typically the company ensures that it has sufficient cash on hand to meet operational expenses, including the servicing of financial obligations. The company's current liabilities exceed its current assets, however, Vunani Limited has access to group overdraft facilities amounting to R20.0 million, which may be used to meet its financial obligations if necessary.

## 64. Financial instruments (continued)

### 64.2 Credit risk

| | 2025 | 2024 |
|---|---|---|
| The carrying amount of financial assets represents the maximum credit exposure. | | |
| The maximum exposure of credit risk was: | | |
| Loan to share trust | – | 2 635 |
| Cash and cash equivalents | * | * |
| | – | 2 635 |

**Impairment losses**

The ageing of financial assets at the reporting date was:

| | Total | Loan to share trust |
|---|---|---|
| **2025** | | |
| Stage 1 | – | – |
| **2024** | | |
| Stage 1 | 2 635 | – |

There is limited credit risk with the loan to the share trust, as the company does not have any intention to recall the loan. There is no expected repayment terms and thus the probability of default will almost be minimum. As such, no ECL has been raised on the loan balance in the current year.

### 64.3 Fair values

| Figures in R'000 | 2025 Carrying amount | 2025 Fair value | 2024 Carrying amount | 2024 Fair value |
|---|---|---|---|---|
| **Financial assets at amortised cost** | | | | |
| Loan to share trust | – | – | 2 635 | 2 114 |
| | – | – | 2 635 | 2 114 |
| **Financial liabilities at amortised cost** | | | | |
| Loan from trust | (3 705) | (3 003) | – | – |
| Loan from subsidiary company | (51 719) | (40 650) | (85 441) | (71 700) |
| | (55 424) | (43 653) | (85 441) | (71 700) |

The carrying amounts of cash and cash equivalents and trade and other payables reasonably approximate their fair values and therefore not included in the table above.

The fair values of the financial assets and liabilities at amortised cost are based on discounted cash flow analysis using observable discount rates: i.e. current prevailing interest rates.

## 65. Going concern

Prior to the approval of the financial statements the board undertook processes to ensure that the going-concern principle applies.

The company incurred a profit for the year ended 28 February 2025 of R36.6 million (2024:Loss of R3.9 million) and as of that date its total assets exceeded its total liabilities by R374.3 million (2024: R350.3 million). However, the current liabilities exceeded the current assets by R1.9 million (2024: R1.6 million). The current liabilities of R1.9 million were settled post year-end through related party funding.

The board is of the view that, based on its knowledge of the company, assumptions regarding the outcome of the key processes under way and specific enquiries it has made, the company will continue as a going concern for the foreseeable future.

# 07 SHAREHOLDERS' INFORMATION

# Analysis of the shareholders

at 28 February 2025

| | Number of shareholders | Percentage shareholders held % | Number of shares held ('000s) | Percentage of shares held % |
|---|---|---|---|---|
| **Analysis of shareholding** | | | | |
| Close corporations | 1 | 0.08 | 11 | 0.0 |
| Custodians | 3 | 0.23 | 259 | 0.2 |
| Investment partnerships | 1 | 0.08 | 14 | * |
| Managed funds | 2 | 0.15 | 419 | 0.3 |
| Private companies | 29 | 2.18 | 131 133 | 81.4 |
| Public companies | 2 | 0.15 | 1 337 | 0.8 |
| Retail shareholders | 1 280 | 96.02 | 24 655 | 15.3 |
| Scrip lending | 1 | 0.08 | 488 | 0.3 |
| Share schemes | 1 | 0.08 | 230 | 0.1 |
| Stockbrokers and nominees | 2 | 0.15 | 1 500 | 0.9 |
| Trusts | 9 | 0.65 | 1 110 | 0.7 |
| Unclaimed scrip | 2 | 0.15 | * | * |
| Shareholding per share register | 1 333 | 100 | 161 156 | 100 |
| **Range of shareholding** | | | | |
| 1 to 1 000 | 1 154 | 86.6 | 54 | * |
| 1 001 to 10 000 | 66 | 5.0 | 210 | 0.1 |
| 10 001 to 100 000 | 54 | 4.1 | 1 922 | 1.2 |
| 100 001 to 1 000 000 | 41 | 3.1 | 12 480 | 7.7 |
| More than 1 000 000 | 18 | 1.2 | 146 490 | 91.0 |
| | 1 333 | 100 | 161 156 | 100 |

* *less than 1 000*

Shareholder spread analysis

To the best knowledge of the directors and after reasonable enquiry, as at 28 February 2025, the spread of shareholders, as defined in the Listings Requirements of the JSE Limited, was as follows:

| | Number of shareholders | Percentage shareholders held % | Number of shares held ('000s) | Percentage of shares held % |
|---|---|---|---|---|
| **Type of shareholder** | | | | |
| Non-public shareholders | 20 | 1.5 | 94 995 | 58.8 |
| Directors and Associates (Excluding Employee Unit Schemes) (Direct Holding) | 10 | 0.8 | 4 365 | 2.7 |
| Directors and Associates (Excluding Employee Unit Schemes) (Indirect Holding) | 6 | 0.5 | 59 639 | 37.0 |
| Prescribed officers | 2 | 0.0 | 721 | 0.4 |
| Strategic Holders: Geomer Investments (Pty) Ltd (>10%) | 1 | 0.1 | 30 040 | 18.6 |
| Share Schemes | 1 | 0.1 | 230 | 0.1 |
| Public shareholders | 1 313 | 98.5 | 66 160 | 41.2 |
| Total | 1 333 | 100 | 161 155 | 100 |
| **Shareholdings greater than 5%** | | | | |
| Bambelela Capital Proprietary Limited | | | 79 360 | 49.2 |
| Geomer Investments Proprietary Limited | | | 30 040 | 18.6 |
| | | | 109 400 | 67.8 |

# Shareholders' diary

| | |
|---|---|
| Financial year-end | 28 February 2025 |
| Annual results announcement | 20 June 2025 |
| Annual report posted | 23 June 2025 |
| Annual general meeting | 30 July 2025 |
| Interim results announcement | 22 October 2025 |

# Notice of annual general meeting

for the year ended 28 February 2025

**Vunani Limited – Company**
(Incorporated in the Republic of South Africa)
(Registration number: 1997/020641/06)
JSE code: VUN
ISIN: ZAE000163382
(the "company")

**This document is important and requires your immediate attention.**

If you are in any doubt about what action you should take, consult your broker, Central Securities Depository Participant ("CSDP"), legal advisor, banker, financial advisor, accountant or other professional advisor immediately.

If you have disposed of all your shares in the company, please forward this document, together with the attached form of proxy, to the purchaser of such shares or the broker, CSDP, banker or other agent through whom you disposed of such shares.

NOTICE IS HEREBY GIVEN to shareholders 13 June 2025, being the record date to receive notice of the Annual General Meeting ("AGM") for the year ended 28 February 2025 in terms of section 59(1)(a) of the Companies Act, 71 of 2008, as amended (the "Companies Act"), that the AGM of shareholders of the company will be conducted entirely, and be accessible by shareholders, through electronic communication as envisaged in the Act at 12:00 on Wednesday, 30 July 2025 to: (i) deal with such other business as may lawfully be dealt with at the AGM and (ii) consider and, if deemed fit to pass, with or without modification, the following ordinary and special resolutions, in the manner required by the Companies Act, as read with the JSE Limited Listings Requirements (the "JSE Listings Requirements"), which meeting is to be participated in and voted by shareholders in terms of section 62(3)(a), read with section 59, of the Companies Act.

**Salient dates applicable to the AGM**

| | |
|---|---|
| Last day to trade to be eligible to vote at the AGM | 16 July 2025 |
| Record date for determining those shareholders entitled to vote at the AGM | 18 July 2025 |
| Last day to lodge proxy | 25 July 2025 |
| Record date to be eligible to receive the notice of the AGM | 13 June 2025 |
| Meeting date | 30 July 2025 |

**Electronic meeting participation and Section 63(1) of the Companies Act – Identification of meeting participants**

Meeting participants (including proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in shareholders' meetings. Should any shareholder, representative, or proxy for a shareholder wish to participate in the AGM electronically, that person should apply in writing including details on how the shareholder or representative or proxy for a shareholder can be contacted to TMS, via email at proxy@tmsmeetings.co.za and at the address below, to be received by TMS at least seven (7) business days prior to the AGM for TMS to arrange for the shareholder (or representative or proxy) to provide reasonably satisfactory identification to the transfer secretaries for the purposes of section 63(1) of the Act and for TMS to provide the shareholder (or representative or proxy) with details on how to access the AGM by means of electronic participation

Before any person may attend or participate in a shareholders' meeting, they must present reasonably satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of that person to participate and vote, either as a shareholder or as proxy for a shareholder, has been reasonably verified.

When reading the ordinary and special resolutions below, please refer to the explanatory notes for AGM resolutions on pages 240 to 246.

## 1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The consolidated audited financial statements of the company and its subsidiaries (as approved by the board of directors of the company), including the directors' report, the audit and risk committee report and the external auditor's report for the year ended 28 February 2025, as well as the report of the social and ethics committee, have been distributed as required and will be presented to shareholders. The complete annual financial statements are set out on pages 75 to 236 of the integrated annual report.

## 2. ORDINARY RESOLUTION NUMBER 1

**Re-election of Mr LI Jacobs as an independent non-executive director**

"It is hereby resolved that the re-election of Mr LI Jacobs who retires as an independent non-executive director of the company by rotation, in accordance with the company's Memorandum of Incorporation, and being eligible, offers himself for re-appointment in this capacity, be approved."

Please refer to page 44 of the integrated report for a brief biography.

## 3. ORDINARY RESOLUTION NUMBER 2

**Re-election of Mr MJ Golding as a non-executive director**

"It hereby resolved that the re-election of Mr MJ Golding, who retires as a non-executive director of the company by rotation, in accordance with the company's Memorandum of Incorporation, and being eligible, offers himself for re-appointment in this capacity, be approved."

Please refer to page 45 of the integrated report for a brief biography.

## 4. ORDINARY RESOLUTION NUMBER 3

**Re-election of Mr S Mthethwa as a non-executive director**

"It hereby resolved that the re-election of Mr S Mthethwa, who retires as a non-executive director of the company by rotation, in accordance with the company's Memorandum of Incorporation, and being eligible, offers himself for re-appointment in this capacity, be approved."

Please refer to page 45 of the integrated report for a brief biography.

## 5. ORDINARY RESOLUTION NUMBER 4

**Re-election of Mr GS Nzalo as a member and chairman of the audit and risk committee: Section 94(2) of the Companies Act**

"It is hereby resolved that Mr GS Nzalo be re-elected as a member and the chairman of the audit and risk committee, with immediate effect, in terms of section 94(2) of the Companies Act."

## 6. ORDINARY RESOLUTION NUMBER 5

**Re-election of Mr JR Macey as a member of the audit and risk committee: Section 94(2) of the Companies Act**

"It is hereby resolved that Mr JR Macey be re-elected as a member of the audit and risk committee, with immediate effect, in terms of section 94(2) of the Companies Act."

## 7. ORDINARY RESOLUTION NUMBER 6

**Re-election of Ms NS Mazwi as a member of the audit and risk committee: Section 94(2) of the Companies Act**

"It is hereby resolved that Ms NS Mazwi be re-elected as a member of the audit and risk committee, with immediate effect, in terms of section 94(2) of the Companies Act."

## 8. ORDINARY RESOLUTION NUMBER 7

**Election of Ms NS Mazwi as a chairman of the social, ethics and transformation committee: Section 72(9A) of the Companies Act**

"It is hereby resolved that Ms NS Mazwi be re-elected as chairman of the social ethics and transformation committee, with immediate effect, in terms of section 72(9A) of the Companies Act."

## 9. ORDINARY RESOLUTION NUMBER 8

**Appointment of BDO Inc. as auditor in terms of section 61(8)(c) of the Companies Act**

"It is hereby resolved that, on the recommendation of the audit and risk committee, BDO Inc., together with L September are hereby re-appointed as the independent auditors of the company (for its financial year ending 28 February 2026), and that their appointment be of full force and effect until the conclusion of the company's next annual general meeting."

## 10. ORDINARY RESOLUTION NUMBER 9

**General authority to directors to allot and issue authorised but unissued ordinary shares**

"It is hereby resolved that the directors be and are hereby authorised to allot and issue, at their discretion, the unissued share capital of the company and/or grant options to subscribe for unissued shares, for such purposes and on such terms and conditions as they may determine, provided that such transaction(s) has/have been approved by the JSE Limited as and when required, and are subject to the JSE Listings Requirements and the Companies Act and shareholders hereby waive any pre-emptive rights thereto."

## 11. ORDINARY RESOLUTION NUMBER 10

**General authority to directors to allot and issue ordinary shares for cash**

"It is hereby resolved that, in terms of the JSE Listings Requirements, the mandate given to the directors of the company in terms of a general authority to issue securities for cash, as and when suitable opportunities arise, be renewed subject to the following conditions:

- any such issue of shares shall be to public shareholders as defined by the JSE Listings Requirements and not to related parties;
- any such issue of equity securities be of a class already in issue, or where this is not the case, must be limited to such securities or rights as are convertible into an existing class of equity securities;
- the authority shall only be valid until the next AGM of the company, provided it shall not extend beyond 15 months from the date of this AGM;
- an announcement giving details including impact on net asset value and earnings per share, will be published at the time of any such allotment and issue of shares representing, on a cumulative basis within one financial year, 5% or more of the number of shares of that class in issue prior to any such issues;
- that issues of shares (excluding issues of shares exercised in terms of any company/group share scheme) in any one financial year shall not, in aggregate, exceed 48 346 775 ordinary shares of no par value; and
- that, in determining the price at which an allotment and issue of shares will be made in terms of this authority, the maximum discount permitted will be 10% of the weighted average traded price of the class of shares to be issued over the 30 business days prior to the date that the price of issue is determined or agreed between the company and the party/parties subscribing for the securities."

## Voting

In terms of the JSE Listings Requirements, the approval of 75% majority of votes cast in favour of ordinary resolution number 10 by shareholders present or represented by proxy at this AGM.

## 12. ORDINARY RESOLUTION NUMBER 11

**Approval of remuneration policy (non-binding advisory vote)**

"It is hereby resolved, through a non-binding advisory vote, that the company's remuneration policy (excluding the remuneration of non-executive directors and the members of board committees for their services as directors and members of committees) which is not to remunerate its executive directors for attendance at meetings, but rather to remunerate them in terms of an employment contract, be approved and endorsed."

## 13. ORDINARY RESOLUTION NUMBER 12

**Approval of implementation report (non-binding advisory)**

"It is hereby resolved, through a non-binding advisory vote, that the company's remuneration implementation report be approved and endorsed."

## 14. ORDINARY RESOLUTION NUMBER 13

**Amendment of the Conditional Share Plan**

"It is hereby resolved, as a special resolution, that section 4.11 of the Conditional Share Plan of the Company be amended to read as follows:

"4.1.1. Subject to Rule 4.3, the aggregate number of Shares at any one time which may be Allocated under the CSP shall not exceed 45 000 000 (forty-five million) Shares, which equates to 29.7% of the number of issued shares at the date of the this notice of AGM. In the event of a discrepancy between the number of shares and the percentage it represents, the number will prevail."

Percentage of voting rights required to pass this resolution: more than 75% of the voting rights exercised.

**Reason for and effect of special resolution number 4**

The reason for special resolution number 4 is to obtain approval from the shareholders of the Company for the amendment to the Conditional Share Plan of the Company, in order to increase the overall Company limit of the Conditional Share Plan, from 30 000 000 (thirty million) to 45 000 000 (forty-five million) Shares. The original Conditional Share plan was approved by shareholders at the general meeting held on 17 July 2015 and subsequently amended at the general meeting held on 30 July 2019.

## 15. SPECIAL RESOLUTION NUMBER 1

**Approval of remuneration payable to non-executive directors**

"It is hereby resolved as a special resolution in terms of section 66(9) of the Companies Act, as read with section 65(11)(h), and subject to the provisions of the company's Memorandum of Incorporation that the company be and it is hereby authorised to pay remuneration to its non-executive directors for their service as directors as follows:

| | |
|---|---|
| Chairman of the board | R608 190 per annum, includes remuneration for services provided to the group, including chairman of the nomination committee and member of the investment committee and remuneration committee. |
| Base fee for other non-executive directors | R480 700 per annum |
| Chairman of the investment committee | R12 018 per meeting in addition to the base fee |
| Chairman of audit and risk committee | R26 648 per annum, in addition to the base fee |
| Member of the audit and risk committee | R14 630 per annum, in addition to the base fee |
| Chairman of the remuneration committee | R26 648 per annum in addition to the base fee |
| Member of the remuneration committee | R14 630 per annum in addition to the base fee |
| Chairman of the social, ethics and transformation committee | R26 648 per annum in addition to the base fee |
| Member of investment committee | R6 270 per meeting in addition to the base fee |

## 16. SPECIAL RESOLUTION NUMBER 2

**Repurchase of company shares**

"It is hereby resolved by special resolution that, subject to the company's Memorandum of Incorporation, the Companies Act and the JSE Listings Requirements in force from time to time, the company and/or any subsidiary of the company, be and are hereby authorised to repurchase or purchase, as the case may be, shares issued by the company to any person, upon such terms and conditions and in such manner as the directors of the company or the subsidiary may from time to time determine, including that such securities be repurchased or purchased from share premium or capital redemption reserve fund, subject to the following:

- that the repurchase of securities be effected through the order book operated by the JSE trading system and be done without any prior understanding or arrangement between the company and the counterparty;
- that this general authority be valid only until the next annual general meeting or the variation or revocation of such general authority by special resolution at any subsequent general meeting of the company, provided that it shall not extend beyond 15 months from the date of this resolution;
- that an announcement be made, giving such details as may be required in terms of the JSE Listings Requirements when the company has cumulatively repurchased 3% of the initial number (the number of that class of security in issue at the time that the general authority is granted) of the relevant class of securities and for each 3% in aggregate of the initial number of that class acquired thereafter;
- at any point in time the company may only appoint one agent to effect any repurchase of shares on the company's behalf;
- repurchases may not be made by the company and/or its subsidiaries during a prohibited period as defined in the JSE Listings Requirements unless a repurchase programme is in place where the dates and quantities of securities to be traded during the relevant period are fixed and full details of the programme have been disclosed in an announcement over SENS prior to the commencement of the prohibited period;
- the repurchase of shares shall not, in the aggregate, in any one financial year, exceed 20% of the company's issued capital and a maximum of 10% in aggregate of the company's issued capital may be repurchased in terms of the Companies Act, by the subsidiaries of the company, at the time this authority is given;
- the repurchase of securities may not be made at a price greater than 10% above the weighted average of the market value of the securities as determined over the five business days immediately preceding the date on which the transaction is effected; and
- the board of directors passing a resolution that they authorised the repurchase and that the company passed the solvency and liquidity test as set out in section 4 of the Companies Act and that, since the test was done, there have been no material changes to the financial position of the group."

The directors of the company or its subsidiaries will only utilise the general authority set out in special resolution number 2 above to the extent that they, after considering the effect of the maximum repurchase permitted, and for a period of 12 months after the date of the notice of this AGM, are of the opinion that:

- the company and the group will be able, in the ordinary course of business, to pay their debts;
- the assets of the company and the group will be in excess of the liabilities of the company and the group, the assets and liabilities being recognised and measured in accordance with the accounting policies used in the latest annual financial statements;
- the ordinary share capital and reserves of the company and the group are adequate for ordinary business purposes;
- the working capital of the company and the group will be adequate for ordinary business purposes;
- the directors have passed a resolution authorising the repurchase, resolving that the company has satisfied the solvency and liquidity test as defined in the Companies Act and resolving that since the solvency and liquidity test had been applied, there have been no material changes to the financial position of the group.

For the purpose of considering special resolution number 2 and in compliance with the JSE Listings Requirements, the information listed below has been included in the company's integrated annual report, of which this notice of the AGM forms part, at the places indicated below:

- directors and management – refer to page 44 to 45 of this integrated report;
- major shareholders – refer to page 238 of this integrated report;
- directors' interests and securities – refer to page 205 of this integrated report; and
- share capital of the company – refer to page 138 this integrated report.

**Directors' responsibility**

The directors, whose names are set out on page 44 to 45 of this integrated annual report, collectively and individually, accept full responsibility for the accuracy of the information pertaining to special resolution number 2 and certify that, to the best of their knowledge and belief, there are no other facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries have been made and that the aforementioned special resolution contains all the information required by the JSE.

## 17. SPECIAL RESOLUTION NUMBER 3

**Financial assistance**

"It is hereby resolved as a special resolution that, subject to the requirements of the company's Memorandum of Incorporation and section 45 of the Companies Act, that the board of directors of the company may authorise the company to provide direct or indirect financial assistance by way of loan, guarantee, the provision of security or otherwise to:

- any of its present or future subsidiaries and/or any other company or corporation that is or becomes related or interrelated to the company for any purpose or in connection with any matter, including but not limited to, the subscription to any option, or any securities issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company; and
- any of its present or future directors or prescribed officers (or any person related to any of them or to any company or corporation related or inter-related to any of them) or to any other person who is a participant in any of the company's share or other employee incentive schemes, for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company, where such financial assistance is provided in terms of any such scheme that does not satisfy the requirements of section 97 of the Companies Act, such authority to endure until the next annual general meeting of the company."

## 18. ORDINARY RESOLUTION NUMBER 14

**Directors' authority to sign documents**

"It is resolved as an ordinary resolution that any director of the company and/or the company secretary be and hereby is authorised to sign any documents and to take any steps as may be necessary or expedient to give effect to all ordinary and special resolutions passed at this meeting."

**Voting procedures and electronic participation**

On a show of hands, every shareholder present in person or represented by proxy and entitled to vote shall have only one vote, irrespective of the number of shares such shareholder holds. On a poll, every shareholder present in person or represented by proxy and entitled to vote shall be entitled to one vote for every share held or represented by that shareholder. On a poll taken at any such meeting the shareholder entitled to more than one vote need not, if he votes, use all of his votes, or cast all the votes he uses in the same way:

- to furnish the company with his voting instructions; or
- in the event that he wishes to attend the AGM, to obtain the necessary letter of representation to do so.

The directors have made any provision for electronic voting at the AGM.

#### Litigation

The directors are not aware of any legal or arbitration proceedings (including any such proceedings that are pending or threatened), which may have or have had, in the recent past, being at least the previous 12 months, a material effect on the group's financial position.

#### Material change

Other than the facts and developments reported on in this integrated annual report, there have been no material changes in the financial or trading position of the group since the company's financial year-end and the signature date of this integrated annual report.

#### Quorum

A quorum for the purposes of considering the resolutions above shall consist of three shareholders of the company personally present or represented by proxy (and if the shareholder is a body corporate, the representative of the body corporate) and entitled to vote at the annual general meeting. In addition, a quorum shall comprise 25% of all voting rights entitled to be exercised by shareholders in respect of the resolutions above.

The date on which shareholders must be recorded as such in the register maintained by the transfer secretaries, Singular Systems Proprietary Limited (25 Scott Street, Waverley, 2090), for the purposes of being entitled to attend, participate in and vote at the annual general meeting is 18 July 2025.

#### Threshold for resolution approval

For ordinary resolutions, with the exception of ordinary resolution number 8 as detailed above, to be approved by shareholders, each resolution must be supported by more than 50% of the voting rights exercised on the resolution concerned.

For special resolutions and ordinary resolution number 8 to be approved by shareholders, each resolution must be supported at least 75% of the voting rights exercised on the resolution concerned.

## Proxies

A shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend, participate in and vote at the AGM in the place of the shareholder. A proxy need not also be a shareholder of the company.

Shareholders on the company share register who have dematerialised their ordinary shares through STRATE, other than those whose shareholding is recorded in their "own name" in the sub-register maintained by their CSDP, and who wish to attend the AGM in person, will need to request their CSDP or broker to provide them with the necessary authority to do so in terms of the custody agreement entered into between the dematerialised shareholders and their CSDP or broker.

Shareholders who have not dematerialised their shares or who have dematerialised their shares with "own-name" registration, and who are entitled to attend and vote at the AGM, are entitled to appoint one or more proxies to attend, speak and vote in their stead. A proxy need not be a shareholder and shall be entitled to vote on a show of hands or poll. It is requested that forms of proxy be forwarded so as to reach the transfer secretaries at least 48 hours prior to the AGM, alternatively proxies may be presented prior to the commencement of the AGM. If shareholders who have not dematerialised their shares or who have dematerialised their shares with "own-name" registration and who are entitled to attend and vote at the AGM do not deliver forms of proxy to the transfer secretaries timeously, such shareholders will nevertheless at any time prior to the commencement of the voting on the ordinary and special resolutions at the AGM be entitled to lodge forms of proxy in respect of the AGM, in accordance with the instructions therein with the chairman of the AGM.

By order of the board

**E Dube**
*Group chief executive officer*

20 June 2025

# Form of proxy

**Vunani Limited – Company**
(Incorporated in the Republic of South Africa)
(Registration number: 1997/020641/06)
JSE code: VUN
ISIN: ZAE000163382
(the "company")

To be completed by registered certificated shareholders and dematerialised shareholders with own-name registration only.

For use in respect of the annual general meeting to be held electronically on Wednesday, 30 July, 2025 at 12:00.

Ordinary shareholders who have dematerialised their shares with a CSDP or broker, other than with own-name registration, must arrange with the CSDP or broker concerned to provide them with the necessary letter of representation to attend the annual general meeting or the ordinary shareholders concerned must instruct their CSDP or broker as to how they wish to vote in this regard. This must be done in terms of the custody agreement entered into between the shareholder and the CSDP or broker concerned.

I/We (full names in BLOCK LETTERS)

of (address)

Telephone (work) Telephone (home)

being the holder(s) of ordinary shares in the company, appoint (see note 1):

or failing him/her,

or failing him/her,

the chairman of the AGM,

as my/our proxy to act on my/our behalf at the annual general meeting which is to be held for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary and special resolutions to be proposed thereat and at any adjournment thereof and to vote for or against such resolutions or to abstain from voting in respect of such resolutions, in accordance with the following instructions (see note 2):

| | Number of votes (one vote per ordinary share) | | |
|---|---|---|---|
| | For | Against | Abstain |
| **Ordinary resolution number 1**<br>Re-election of Mr LI Jacobs as an independent non-executive director | | | |
| **Ordinary resolution number 2**<br>Re-election of Mr MJ Golding as an non-executive director | | | |
| **Ordinary resolution number 3**<br>Re-election of Mr S Mthethwa as an independent non-executive director | | | |
| **Ordinary resolution number 4**<br>Re-election of GS Nzalo as a member and chairman of the audit and risk committee | | | |
| **Ordinary resolution number 5**<br>Re-election of JR Macey as a member of the audit and risk committee | | | |
| **Ordinary resolution number 6**<br>Re-election of NS Mazwi as a member of the audit and risk committee | | | |
| **Ordinary resolution number 7**<br>Election of NS Mazwi as chairman of the social, ethics and transformation committe | | | |
| **Ordinary resolution number 8**<br>Re-appointment of BDO Inc. as the auditor of the company | | | |
| **Ordinary resolution number 9**<br>General authority to directors to allot and issue authorised but unissued ordinary shares | | | |
| **Ordinary resolution number 10**<br>General authority to directors to allot and issue ordinary shares for cash | | | |
| **Ordinary resolution number 11**<br>Approval of remuneration policy (non-binding advisory vote) | | | |
| **Ordinary resolution number 12**<br>Approval of remuneration implementation report (non-binding advisory vote) | | | |
| **Ordinary resolution number 13**<br>Amendment of the conditional share plan | | | |
| **Special resolution number 1**<br>Approval of remuneration payable to non-executive directors | | | |
| **Special resolution number 2**<br>Repurchase of company shares | | | |
| **Special resolution number 3**<br>Financial assistance | | | |
| **Ordinary resolution number 14**<br>Directors' authority to sign documents | | | |

(Please indicate instructions to proxy in the space provided above by the insertion therein of the relevant number of votes exercisable.)

Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder of the company) to attend, speak, and on a poll, vote in place of that shareholder at the annual general meeting.

Signed at of 2025

Signature(s) Capacity

Please read the notes and summary on the reverse side hereof.

# Notes to the form of proxy

1. A member may insert the name of a proxy or the names of two alternate proxies of the member's choice in the space(s) provided, with or without deleting "the chairman of the annual general meeting". The person whose name stands first on this form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. A member should insert an "X" in the relevant space according to how he wishes his votes to be cast. However, if a member wishes to cast a vote in respect of a lesser number of ordinary shares than he owns in the company, he should insert the number of ordinary shares held in respect of which he wishes to vote. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the annual general meeting as he deems fit in respect of all the member's votes exercisable at the annual general meeting. A member is not obliged to exercise all of his votes, but the total of the votes cast and abstentions recorded may not exceed the total number of the votes exercisable by the member.
3. Except to the extent that the memorandum of incorporation of a company provides otherwise:
    a. a shareholder of the relevant company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by such shareholder;
    b. a proxy may delegate his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
    c. a copy of the instrument appointing a proxy must be delivered to the relevant company, or to any other person on behalf of the relevant company, before the proxy exercises any rights of the shareholder at a shareholders' meeting.
4. Irrespective of the form of instrument used to appoint a proxy, the appointment of the proxy is suspended at any time and to the extent that the shareholder who appointed that proxy chooses to act directly and in person in the exercise of any rights as a shareholder of the relevant company.
5. Unless the proxy appointment expressly states otherwise, the appointment of a proxy is revocable. If the appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and the company.
6. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the relevant shareholder as of the later of the date: (a) stated in the revocation instrument, if any or (b) upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act.
7. If the instrument appointing a proxy or proxies has been delivered to the relevant company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the relevant company's memorandum of incorporation to be delivered by such company to the shareholder, must be delivered by such company to the shareholder, or to the proxy or proxies, if the shareholder has directed the relevant company to do so in writing and paid any reasonable fee charged by the company for doing so.
8. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the memorandum of incorporation, or the instrument appointing the proxy provides otherwise.
9. If a company issues an invitation to shareholders to appoint one or more persons named by such company as a proxy, or supply a form of instrument for appointing a proxy:
    a. such invitation must be sent to every shareholder who is entitled to notice of the meeting at which the proxy is intended to be exercised;
    b. the invitation, or form of instrument supplied by the relevant company, must: (a) bear a reasonably prominent summary of the rights established in section 58 of the Companies Act; (b) contain adequate blank space, immediately preceding the name or names of any person or persons named in it, to enable a shareholder to write in the name and, if so desired, an alternative name of a proxy chosen by such shareholder and (c) provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour or against the applicable resolution/s to be put at the relevant meeting, or is to abstain from voting;
    c. the company must not require that the proxy appointment be made irrevocable; and
    d. the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.

# Electronic participation in the Vunani Limited Virtual Annual General Meeting held on 30 July 2025

## The annual general meeting

- Shareholders or their proxies who wish to participate in the annual general meeting via electronic communication ("Participants"), must apply to the Company's meeting scrutineers to do so by emailing the form below ("the application") to the email address of the Company's meeting scrutineers, The Meeting Specialist Proprietary Limited ("TMS"), by no later than 17:00 on 25 July 2025. The email address is as follows: proxy@tmsmeetings.co.za
- The application may also be posted, at the risk of the Participant, to TMS, PO Box 62043, Marshalltown, 2107, so as to be received by the meeting scrutineers by no later than the time and date set out above.
- Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with own-name registration, should contact their Central Securities Depository Participant ("CSDP") or broker in the manner and time stipulated in their agreement with their CSDP or Broker:
  - to furnish them with their voting instructions; and
  - in the event that they wish to participate in the meeting, to obtain the necessary authority to do so.
- Participants will be able to vote during the general meeting through an electronic participation platform. Such Participants, should they wish to have their vote(s) counted at the general meeting, must provide TMS with the information requested below.
- Each shareholder, who has complied with the requirements below, will be contacted between 28 July and 29 July 2025 via email/mobile with a unique link to allow them to participate in the virtual annual general meeting.
- The cost of the Participant's phone call or data usage will be at his/her own expense and will be billed separately by his/her own telephone service provider.
- The cut-off time, for administrative purposes, to participate in the meeting will be 17:00 on 25 July 2025.
- The Participant's unique access credentials will be forwarded to the email/cell number provided below.

## Application form

Name and surname of shareholder

Name and surname of shareholder representative (if applicable)

ID number of shareholder or representative

Email address

Cell number Telephone number

Name of CSDP or broker

(If shares are held in dematerialised format)

SCA number/broker account number or

Own name account number

Number of shares

Signature

Date

By signing this form, I agree and consent to the processing of my personal information above for the purpose of participation in the general meeting.

# Electronic participation in the Vunani Limited Virtual Annual General Meeting held on 30 July 2025 continued

## Terms and conditions for participation at the Vunani Limited annual general meeting to be held on 30 July 2025 via electronic communication

- The cost of dialling in using a telecommunication line/webcast/web-streaming to participate in the annual general meeting is for the expense of the Participant and will be billed separately by the Participant's own telephone service provider.
- The Participant acknowledges that the telecommunication lines/webcast/web streaming are provided by a third party and indemnifies Vunani Limited, the JSE Limited and TMS and/or their third-party service providers against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines/webcast/web-streaming, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, the Participant acknowledges that he/she will have no claim against Vunani Limited, the JSE Limited and TMS and/or its third party service providers, whether for consequential damages or otherwise, arising from the use of the telecommunication lines/webcast/web-streaming or any defect in it or from total or partial failure of the telecommunication lines/webcast/webstreaming and connections linking the telecommunication lines/webcast/web-streaming to the general meeting.
- Participants will be able to vote during the annual general meeting through an electronic participation platform. Such Participants, should they wish to have their vote(s) counted at the general meeting, must act in accordance with the requirements set out above.
- Once the Participant has received the link, the onus to safeguard this information remains with the Participant.
- The application will only be deemed successful if this application form has been fully completed and signed by the Participant and delivered or emailed to TMS at proxy@tmsmeetings.co.za.

Shareholder name

Signature

Date

**Important: You are required to attach a copy of your identity document/driver's licence/passport when submitting the application.**

# Definitions

## Financial definitions

| | |
|---|---|
| **Basic earnings per share ("EPS") (cents)** | Earnings attributable to ordinary shareholders divided by the weighted average number of ordinary shares calculated in cents. |
| **Diluted basic earnings per share (cents)** | Earnings attributable to ordinary shareholders divided by the weighted average number of ordinary shares, adjusted for the potential dilutive ordinary shares resulting from share-based payments calculated in cents. |
| **Diluted headline earnings per share (cents)** | Headline earnings attributable to ordinary shareholders divided by the weighted average number of ordinary shares, adjusted for the potential dilutive ordinary shares resulting from share-based payments calculated in cents. |
| **Dividends per share (cents)** | Total dividends paid to ordinary shareholders divided by the number of ordinary shares issued calculated in cents. |
| **Headline earnings** | Determined in terms of the circular issued by the South African Institute of Chartered Accountants at the request of the JSE, by excluding from reported earnings specific separately identifiable re-measurements net of related tax and non-controlling interests. |
| **Headline earnings per share ("HEPS") (cents)** | Headline earnings divided by the weighted number of ordinary shares calculated in cents. |
| **Net asset value per share (cents)** | Equity attributable to equity holders of Vunani Limited, divided by the total shares in issue, including treasury shares calculated in cents. |
| **Return on equity (%)** | Net income after tax attributable to equity holders of Vunani divided by equity attributable to equity holders of Vunani Limited. |
| **Return on investment (%)** | Net income after tax attributable to the investment divided by the cost (equity and loans) of the investment. |
| **Shares in issue (number)** | The number of ordinary shares in issue as listed by the JSE. |
| **Tangible net asset value per share (cents)** | Equity attributable to equity holders of Vunani Limited, excluding goodwill and intangible assets divided by the total shares in issue, including treasury shares calculated in cents. |
| **Weighted average number of shares (number)** | The number of shares in issue at the beginning of a period, adjusted for shares cancelled, bought back, or issued during the period, multiplied by a time-weighting factor. |

## Subsidiaries and associates

| | |
|---|---|
| **Fairheads** | Fairheads International Holdings Proprietary Limited |
| **Oracle** | Oracle Insurance Eswatini Proprietary Limited |
| **Mandlalux** | Mandlalux Proprietary Limited |
| **Mandlamart** | Mandlamart Proprietary Limited |
| **Vunani** | Vunani Limited and its subsidiaries |
| **Vunani Capital** | Vunani Capital Proprietary Limited |
| **Vunani Capital Markets** | Vunani Capital Markets Proprietary Limited |
| **Vunani Fund Managers** | Vunani Fund Managers Proprietary Limited |
| **Vunani Fund Managers Botswana** | Vunani Fund Managers Proprietary Botswana Limited |
| **Vunani Mion Properties** | Vunani Mion Properties Proprietary Limited |
| **Vunani Property Asset Management or VPAM** | Vunani Property Asset Management Proprietary Limited |
| **VProp7 14** | VProp714 Proprietary Limited |
| **Vunani Securities** | Vunani Securities Proprietary Limited |
| **Vunani Limited** | A company incorporated in the Republic of South Africa, registration number 1997/020641/06 JSE code: VUN ISIN: ZAE000163382 Listed on the General segment on the JSE |

# Definitions continued

## Other definitions

| | |
|---|---|
| **Black** | African, Coloured, Indian and South African Chinese people (who fall within the ambit of the definition of black people in the relevant legislation as determined by court ruling) |
| **Broad-Based Black Economic Empowerment** | Socio-economic term concerning formalised initiatives and programmes to enable historically disadvantaged black individuals and groups to participate gainfully and equitably in the mainstream economy |
| **Companies Act** | The Companies Act of South Africa |
| **CPI (%)** | A South African index of prices used to measure the change in the cost of basic goods and services |
| **International Reporting Standards (IFRS)** | International Reporting Standards issued by the International Accounting Standards Board (IASB) |
| **The board** | Vunani Limited's board of directors |
| **The group** | Vunani Limited and its subsidiaries |
| **The company** | Vunani Limited and its subsidiaries |
| **Special purpose vehicle** | An entity created to accomplish a narrow and well-defined objective |

## Acronyms and abbreviations

| | |
|---|---|
| **AGM** | Annual general meeting |
| **AUA** | Assets under administration |
| **AUM** | Assets under management |
| **B-BBEE or BEE** | Broad-Based Black Economic Empowerment |
| **Bps** | Basis points |
| **CEO** | Chief executive officer |
| **CFA** | Chartered Financial Analyst |
| **CFD** | Contract for difference |
| **CFO** | Chief financial officer |
| **CPI** | Consumer price index |
| **DBSA** | Development Bank of Southern Africa |
| **EBITDA** | Earnings before interest, tax depreciation and amortisation |
| **EESE** | Equity Express Securities Exchange |
| **EPS** | Earnings per share |
| **ETF** | Exchange traded funds |
| **ETN** | Exchange traded notes |
| **FSB** | The Financial Services Board |
| **FCTR** | Foreign currency translation reserve |
| **GAI** | Governance Assessment Instrument |
| **GDP** | Gross domestic products |
| **IFRS** | International Financial Reporting Standards |
| **IoDSA** | Institute of Directors in Southern Africa |
| **<IR> Framework** | International Integrated Reporting Framework released by the International Integrated Reporting Council |
| **ISIN** | International Securities Identification Number |

## Acronyms and abbreviations

| | |
|---|---|
| **IT** | Information technology |
| **JSE** | The JSE Limited, a licensed securities exchange |
| **King IV** | The King IV Report on Corporate Governance in South Africa |
| **KPI** | Key performance indicator |
| **LSE** | London Stock Exchange |
| **LSM** | Living standards measure |
| **M&A** | Mergers and acquisitions |
| **MBA** | Master of Business Administration |
| **MD** | Managing director |
| **MOI** | Memorandum of incorporation |
| **NCI** | Non-controlling interest |
| **OCI** | Other comprehensive income |
| **PVAM** | Purpose Vunani Asset Management |
| **PAT/PBT** | Profit after tax/Profit before tax |
| **ROE** | Return on equity |
| **ROI** | Return on investment |
| **SANAS** | South African National Accreditation System |
| **SARS** | South African Revenue Service |
| **SENS** | Stock Exchange News Service |
| **The group** | Vunani Limited and all subsidiaries |
| **The company** | Vunani Limited |
| **VCF** | Vunani Corporate Finance, a division of Vunani Capital |
| **VFM** | Vunani Fund Managers |
| **VFMB** | Vunani Fund Managers Botswana |
| **VSIST** | Vunani Share Incentive Scheme Trust |

# GENERAL INFORMATION

| | |
|---|---|
| **Registration number** | 1997/020641/06 |
| **Country of incorporation and domicile** | Republic of South Africa |
| **Headquarters** | Sandton, South Africa |
| **JSE code** | VUN |
| **ISIN** | ZAE000163382 |
| **Primary listing** | General segment on the JSE |
| **Listing date** | 27 November 2007 |
| **Secondary listing** | A2X |
| **Shares in issue at 28 February 2025** | 161 155 915 |
| **Business address and registered office** | Vunani House<br>Vunani Office Park<br>151 Katherine Street<br>Sandown, Sandton<br>2196 |
| **Postal address** | PO Box 652419<br>Benmore<br>2010 |
| **Transfer secretaries** | Singular Systems Proprietary Limited<br>25 Scott Street<br>Waverley<br>Johannesburg<br>2090 |
| **JSE Sponsor** | Vunani Sponsors Proprietary Limited |
| **Website** | www.vunanilimited.co.za |
| **Telephone** | +27 11 263 9500 |

(Incorporated in the Republic of South Africa)
(Registration number: 1997/020641/06)
JSE code: VUN
ISIN: ZAE000163382
Listed on the general segment of the JSE Limited ("JSE") and secondary listing on A2X
("Vunani" or "the company" or "the group")

vunanilimited.co.za