



**BULA  
TSELA**

RETAIL SCHEME

**OLD MUTUAL BULA TSELA  
RETAIL SCHEME (RF)  
LIMITED**

**ANNUAL FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2025

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## INDEPENDENT JOINT AUDITORS:

Deloitte & Touche  
The Ridge  
6 Marina Road  
V&A Waterfront  
Cape Town  
8000

Motlanalo Chartered  
Accountants and Auditors  
Incorporated  
103 General Maritz Street  
Bendor  
Polokwane

## POSTAL ADDRESS:

PO Box 66  
Cape Town  
Western Cape  
8000  
South Africa

## PREPARED BY:

Jamie-Lee Pillay (CA)SA

## REGISTERED OFFICE:

Mutualpark  
Jan Smuts Drive  
Pinelands  
Western Cape 7405  
South Africa

## REGISTRATION NO.:

2021/474341/06



# STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for the preparation and fair presentation of the financial statements of Old Mutual Bula Tsela Retail Scheme (RF) Limited (the Company), comprising the statement of financial position as at 31 December 2025, the statement of comprehensive income, the statement of changes in equity and statement of cash flows for the year ended 31 December 2025 and notes to the financial statements which includes a summary of material accounting policies and other explanatory notes.

These financial statements have been prepared in accordance with IFRS Accounting Standards and Interpretations of IFRS standards, as issued by the International Accounting Standards Board (IASB), and the requirements of the Companies Act of South Africa 71 of 2008 (as amended).

The financial statements are based upon appropriate accounting policies consistently applied throughout the Company and supported by reasonable and prudent judgements and estimates. The financial statements are prepared on a going concern basis. The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Company and place considerable importance on maintaining a strong control environment.

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

The directors have made an assessment of the ability of the Company to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

The financial statements were audited in terms of the Companies Act. The auditor is responsible for reporting on whether the financial statements are fairly presented in accordance with the applicable financial reporting framework.

## APPROVAL OF FINANCIAL STATEMENTS

The financial statements of Old Mutual Bula Tsela Retail Scheme (RF) Limited, as identified in the first paragraph, were approved by all of the directors of the Company and are signed on its behalf by:

*Buyisiwe Makhunga*

Buyisiwe Makhunga  
Authorised Director  
23 April 2026

*Insaaf Dollie*

Insaaf Dollie  
Authorised Director  
23 April 2026

## COMPANY SECRETARY'S CERTIFICATION

I certify that, to the best of my knowledge and belief, that the Company has lodged with the Registrar of Companies all returns required of a public company in terms of the Companies Act, in respect of the year ended 31 December 2025, and that all such returns are true, correct and up to date.

*Yolandi Van Zweel*

Yolandi Van Zweel  
Old Mutual Limited - Company Secretary  
23 April 2026

# DIRECTORS' REPORT

The board of directors (the Board) of Old Mutual Bula Tsela Retail Scheme (RF) Limited (the Company) has pleasure in submitting its report on the financial statements for the year ended 31 December 2025 (the Reporting Period).

## BUSINESS ACTIVITIES

The Company was set up to subscribe for shares in Old Mutual Limited (OML) as part of the OML Bula Tsela (seSotho for “open or pave the way”) Broad-based Black Economic Empowerment (B-BBEE) transaction. The OML Bula Tsela transaction is a transformative B-BBEE ownership transaction that entailed an issue of 205.3 million new Old Mutual Limited shares, of which 63.6 million were issued to the Company, and which has resulted in an approximate 4% increase in the Black ownership in Old Mutual Limited at the time. The acquisition of shares was financed through subscriptions for ordinary shares in the Company by Black People, Black-owned Companies and Black-owned Entities, a cash contribution by Old Mutual Limited as well as an issue of preference shares by the Company to Old Mutual Limited.

## RESULTS FROM OPERATIONS

The financial results of the Company are set out in the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the accompanying notes.

## SHARE CAPITAL

The Company has 100 000 000 authorised no par value ordinary shares, 9 750 008 of which are in issue (2024: 9 750 008).

The Company has 20 000 authorised no par value cumulative redeemable non- participating class A preference shares, 4 550 of which are in issue (2024:4 550).

There have been no changes to share capital since the prior year.

## OWNERSHIP

The Company is a public company, and no single shareholder, or group of shareholders, controls the Company.

## DIVIDENDS

- The following ordinary and preference dividends were declared in respect of the year ended 31 December 2025:
- Final ordinary dividend of R 7 020 006 which amounted to 72 cents per share declared by the Company (2024: R 7 020 006, 72 cents per share)
- Preference share dividend of R24 277 748 declared by the Company to OML in April 2025 (2024: R26 489 749)
- Preference share dividend of R16 120 733 declared by the Company to OML in October 2025. (2024: R18 380 642)

## EXPENSES

For the current year under review, the Company paid for all its operating and administration expenses as originally intended. In the prior years, these operating and administration expenses were paid for by the Old Mutual Group on behalf of the Company.

## PUBLIC INTEREST SCORE

The Company's public interest score, as determined in accordance with the relevant provisions of the Companies Act at year end is 36 584 and 36 579 in the prior year.

## DIRECTORS' REPORT CONTINUED

### AUDIT, RISK AND COMPLIANCE COMMITTEE

There has been no changes to the audit, risk and compliance committee since the prior year.

### GOING CONCERN

The directors have satisfied themselves that the Company has adequate resources to continue in operation for the foreseeable future. The Company's financial statements have accordingly been prepared on a going concern basis.

### SUBSEQUENT EVENTS

There have been no events subsequent to the reporting period, which require disclosure.

### DIRECTORS

The current directors are:

NAME	POSITION AS DIRECTOR	APPOINTMENT DATE
MCT Phillips	Non-Executive Chairperson	11 June 2025
R D Fenner	Independent Non-Executive Director	22 November 2022
S H Somdyala	Independent Non-Executive Director	22 November 2022
B Makhunga	Lead Independent Non-Executive Director	24 May 2023
I Dollie	Non-Executive Director	2 May 2024

### DIRECTORS RESIGNATIONS

C T Nethengwe resigned on the 20 February 2025.

### COMPANY SECRETARY

Old Mutual Limited

# AUDIT, RISK AND COMPLIANCE COMMITTEE REPORT

This Audit, Risk and Compliance Committee report has been prepared based on the requirements of the Companies Act, the King IV Code on Corporate Governance (King IV), and other applicable regulatory requirements. This report sets out how the Audit, Risk and Compliance Committee has satisfied its various statutory obligations during the Reporting Period.

## 1. ROLE AND MANDATE

The Audit, Risk and Compliance Committee's main role is to assist the Board in fulfilling its oversight responsibilities, in particular with regard to the integrity of the Company's financial statements, effectiveness of the systems of internal control, financial reporting and risk management.

## 2. COMMITTEE COMPOSITION

The Audit, Risk and Compliance Committee is comprised of three Independent Non-executive directors who all satisfy the requirements to serve as members of an Audit, Risk and Compliance Committee, as set out in section 94(4) of the Companies Act. Two out of the three Audit, Risk and Compliance Committee members are chartered accountants and all three members have risk management, finance and audit expertise.

The Chairperson of the Audit, Risk and Compliance Committee, Mr R D Fenner reports to the Board on the Audit, Risk and Compliance Committee's activities and all matters discussed, highlighting key issues requiring action and recommendations for resolution.

NAME	APPOINTMENT DATE	POSITION AS DIRECTOR	BOARD STATUS	SCHEDULED MEETING ATTENDANCE
Mr R D Fenner	9 February 2023	Independent Non-Executive	Active	4
Mr S H Somdyala	9 February 2023	Independent Non-Executive	Active	3
Ms B Makhunga	24 May 2023	Lead Independent Non-Executive	Active	4

## 3. AREAS OF FOCUS DURING THE YEAR

The Audit, Risk and Compliance Committee will routinely consider audit matters, as raised by the joint external auditors relating to the annual financial statements. There are no previous significant audit matters that were focused on during the year.

## 4. FINANCIAL STATEMENTS AND INTEGRATED REPORTING PROCESS

During the Reporting Period, the Audit, Risk and Compliance Committee

- Reviewed the audit matters identified by the joint external auditors and monitored the appropriateness of the management actions taken to address the audit matters.
- Reviewed and debated key accounting, valuation and tax judgements including external audit's Key Audit Matters and was satisfied with how these were addressed.
- Reviewed and assessed the audited financial statements for the Reporting Period and found the controls and financial reporting processes underpinning its compilation to be appropriate and effective.
- Recommended to the Board for approval, the financial statements for the Reporting Period.
- Assessed and confirmed the appropriateness of the going concern assumption in the financial statements for the Reporting Period.
- Assessed compliance with all other statutory requirements in terms of section 94(7) of the Companies Act, King IV, and for any other applicable regulatory requirements, and confirmed that no reportable irregularities were identified and reported by the joint external auditors in terms of the Auditing Profession Act No. 26 of 2005, as amended.

## AUDIT, RISK AND COMPLIANCE COMMITTEE REPORT CONTINUED

### 5. JOINT EXTERNAL AUDITORS

The Audit, Risk and Compliance Committee is responsible for the appointment, compensation and oversight of the joint external auditors for the Company, namely Motlanalo Chartered Accountants and Auditors Incorporated (“Motlanalo”) and Deloitte and Touche. Motlanalo has served as the joint auditor of the Company since 24 July 2025 and Deloitte and Touche have been the auditors for four years.

The Audit, Risk and Compliance Committee is satisfied with the appropriateness of the independence, expertise, experience and resources of the joint external auditors, the external audit partners and the quality of the joint external audit.

### 6. ASSESSMENT OF CONTROLS

The Committee reviewed the ISAE3402 report from the key outsourced service provider for the period January to December 2025.

### 7. AUDIT, RISK AND COMPLIANCE COMMITTEE TRAINING

The Audit, Risk and Compliance Committee is trained periodically on relevant matters, if required.

### 8. AUDIT, RISK AND COMPLIANCE COMMITTEE PERFORMANCE

The Audit, Risk and Compliance Committee was established in 2023 and conducted an annual self-evaluation for 2024 in Q4 2024 and overall, the evaluation results point to an effective Committee and Board discharging its duties well. The next self evaluation will be conducted in 2026.

### CONCLUSION

The Audit, Risk and Compliance Committee is satisfied that it has complied with all statutory duties for the Reporting Period. The Audit, Risk and Compliance Committee reviewed the Company’s Annual Financial Statements for the year ended 31 December 2025 and recommended them for approval to the Board.

On behalf of the Audit Risk and Compliance Committee.

Signature

A handwritten signature in cursive script that reads 'Raymond David Fenner'.

Raymond David Fenner

Chairperson of the Audit, Risk and Compliance Committee

## INDEPENDENT AUDITORS' REPORT

### TO THE SHAREHOLDERS OF OLD MUTUAL BULA TSELA RETAIL SCHEME (RF) LTD

### REPORT ON THE AUDIT OF THE SEPARATE FINANCIAL STATEMENTS

#### Opinion

We have audited the separate financial statements of Old Mutual Bula Tsela Retail Scheme (RF) Ltd (the company) set out on pages 14 to 31, which comprise the separate statement of financial position as at 31 December 2025; and the separate statement of comprehensive income; the separate statement of changes in equity; and the separate statement of cash flows for the year then ended; and notes to the separate financial statements, including material accounting policy information.

In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of Old Mutual Bula Tsela Retail Scheme (RF) Ltd as at 31 December 2025, and its separate financial performance and separate cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

#### Basis for Opinion

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

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 define materiality as the magnitude of misstatement in the separate financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the nature and extent of our audit work and in evaluating the results of our work.

## INDEPENDENT AUDITORS' REPORT CONTINUED

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

<p><b>Materiality</b></p>	<p>Company materiality: R8.8 million (2024: R6.4 million).</p> <p>The increase in materiality is driven by an increase in valuation of the in-substance option as reported at year end.</p>
<p><b>Basis for determining materiality</b></p>	<p>A key judgement in determining materiality is the appropriate benchmark to select, based on our perception of the needs of shareholders. We considered which benchmarks and key performance indicators have the greatest bearing on shareholder decisions. We determined that total assets remained the key benchmark.</p> <p>Based on our professional judgement, for the company, we determined materiality to be R8.8 million which is equal to 1.75% of total assets.</p>

### Key Audit Matter

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

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

## INDEPENDENT AUDITORS' REPORT CONTINUED

RETAIL SCHEME

<b>Valuation of in-substance option</b>	
<b>Refer to accounting policy 1.8 as well as notes 2, 9 and 14</b>	
<b>Key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p>In terms of a Broad-Based Black Economic Empowerment scheme 63.6 million share options were legally issued by Old Mutual Limited to the company and for accounting purposes are treated as an in-substance option.</p> <p>The in-substance option is an option the company participates in to purchase Old Mutual Limited shares at the end of the 10-year scheme.</p> <p>The in-substance option is valued at each reporting date using inputs that includes the current Old Mutual Limited share price, implied volatility of the Old Mutual Limited shares over the remaining term of the option, expected dividend yield and a risk-free interest rate.</p> <p>Accordingly, given the complexity and judgment involved we have identified the valuation of the in-substance option as a key audit matter.</p>	<p>Our procedures over the in-substance option included, amongst others:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding and evaluated the design and implementation of management's controls over the significant estimates and assumptions used in the determination of the carrying value of the in-substance option.</li> </ul> <p>To test the valuation of the option, our audit procedures were executed with the assistance of our valuation specialists:</p> <ul style="list-style-type: none"> <li>• Considered the appropriateness of the basis used to determine the fair value of the in-substance option at the reporting date.</li> <li>• Evaluated the inputs used in the valuation model which includes the current Old Mutual Limited share price, implied volatility of the Old Mutual Limited shares over the remaining term of the option, expected dividend yield and a risk-free interest rate as appropriate in light of the requirements of IFRS Accounting Standards.</li> <li>• Recalculated the carrying value of the in-substance option at year end.</li> <li>• Assessed and evaluated the presentation and disclosure in the financial statements in relation to the in-substance option and whether or not the disclosures are complete and accurate as required by IFRS Accounting Standards.</li> </ul>
<p><b>Key observations</b></p> <p>Based on the procedures performed over the valuation of the in-substance option, we did not identify any significant matters requiring further consideration in concluding on our procedures. The valuation is reasonable and the disclosures in notes 1.8, 2, 9 and 14 are appropriate.</p>	

### Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Old Mutual Bula Tsela Retail Scheme (RF) Limited Annual Financial Statements for the year ended 31 December 2025" which includes the Directors' Report and Audit, Risk and Compliance Committee report as required by the Companies Act of South Africa and the Statement of directors' responsibilities and Contents information. The other information does not include the separate financial statements and our auditor's report thereon.

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

## INDEPENDENT AUDITORS' REPORT CONTINUED

In connection with our audit of the 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 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 Separate Financial Statements**

The directors are responsible for the preparation and fair presentation of the 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 separate financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditors' Responsibilities for the Audit of the Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## INDEPENDENT AUDITORS' REPORT CONTINUED

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 communicate with them all relationships and other matters that may reasonably be brought 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 separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

### Audit Tenure

In terms of the IRBA Rule published in Government Gazette No. 39475 dated 4 December 2015, we report that Deloitte & Touche and Motlanalo Chartered Accountants and Auditors Incorporated ("Motlanalo") have been the auditors of Old Mutual Bula Tsela Retail Scheme (RF) Limited for four years and one year respectively.

**Deloitte & Touche**  
Registered Auditor  
**Per: Gerdus Dixon**  
Partner  
27 April 2026

The Ridge  
6 Marina Road  
Portwood District  
V&A Waterfront  
Cape Town 8000  
Docex 5 Claremont

**Motlanalo**  
Registered Auditor  
**Per: Victor Sitabule**  
Partner  
27 April 2026

103 General Maritz Street  
Bendor  
Polokwane

# STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

R'000	NOTES	31 DEC 2025	31 DEC 2024
Fair value gain/(loss) on the in-substance option		130 096	(21 624)
Fair value gain on unit trust		4	81
*Dividend income		16 206	7 918
*Interest income		1 003	932
<b>Revenue and fair value movements</b>		<b>147 309</b>	<b>(12 693)</b>
<b>Expenses</b>			
Operating and administration expenses	5	(7 507)	(206)
Profit/(loss) before tax		139 802	(12 899)
Income tax (expense)/credit	6	(32 927)	7 281
<b>Total comprehensive income/(loss) for the year</b>		<b>106 875</b>	<b>(5 618)</b>

Items marked with a \* represents revenue.

# STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 DECEMBER 2025

R'000	NOTES	31 DEC 2025	31 DEC 2024
<b>Assets</b>			
In-substance option	9	492 151	362 055
Investment and securities	7	4 615	7 126
Accrued interest		123	165
Cash and cash equivalents	8	6 251	923
<b>Total assets</b>		<b>503 140</b>	<b>370 269</b>
<b>Liabilities</b>			
Deferred tax liability	10	64 247	31 478
Provision	11	240	-
Other payables		3	8
Current tax payable		26	14
<b>Total liabilities</b>		<b>64 516</b>	<b>31 500</b>
<b>Net assets</b>		<b>438 624</b>	<b>338 769</b>
<b>Shareholders' equity</b>			
Share capital	12	97 500	97 500
Revaluation reserve		191 652	191 652
Accumulated gain		149 472	49 617
<b>Total shareholders' equity</b>		<b>438 624</b>	<b>338 769</b>

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

R'000

2025	SHARE CAPITAL	ACCUMULATED GAIN	REVALUATION RESERVE	TOTAL EQUITY
<b>Shareholders' equity at 1 January 2025</b>	<b>97 500</b>	<b>49 617</b>	<b>191 652</b>	<b>338 769</b>
Profit after tax	-	106 875	-	106 875
<b>Total comprehensive income for the financial year</b>	<b>-</b>	<b>106 875</b>	<b>-</b>	<b>106 875</b>
Ordinary dividends paid	-	(7 020)	-	(7 020)
<b>Transactions with shareholders</b>	<b>-</b>	<b>(7 020)</b>	<b>-</b>	<b>(7 020)</b>
<b>Shareholders' equity at 31 December 2025</b>	<b>97 500</b>	<b>149 472</b>	<b>191 652</b>	<b>438 624</b>

2024	SHARE CAPITAL	ACCUMULATED GAIN	REVALUATION RESERVE	TOTAL EQUITY
<b>Shareholders' equity at 1 January 2024</b>	<b>97 500</b>	<b>62 255</b>	<b>191 652</b>	<b>351 407</b>
Loss after tax	-	(5 618)	-	(5 618)
<b>Total comprehensive (loss) for the financial year</b>	<b>-</b>	<b>(5 618)</b>	<b>-</b>	<b>(5 618)</b>
Ordinary dividends paid	-	(7 020)	-	(7 020)
<b>Transactions with shareholders</b>	<b>-</b>	<b>(7 020)</b>	<b>-</b>	<b>(7 020)</b>
<b>Shareholders' equity at 31 December 2024</b>	<b>97 500</b>	<b>49 617</b>	<b>191 652</b>	<b>338 769</b>

# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

R'000	NOTES	31 DEC 2025	31 DEC 2024
<b>Cash flows from operating activities</b>			
Profit/(Loss) before tax		139 802	(12 899)
Non-cash movements and adjustments to profit/(loss) before tax	13.1	(147 069)	12 693
Changes in working capital	13.2	37	(114)
Interest received		1 003	811
Dividend income		16 206	7 918
Ordinary dividend paid		(7 020)	(7 020)
Tax paid	13.3	(146)	(32)
<b>Net cash from operating activities</b>		<b>2 813</b>	<b>1 357</b>
<b>Cash flows from investing activities</b>			
Investment in unit trust		(4 485)	(13 943)
Disinvestment in unit trust		7 000	7 020
<b>Net cash inflow/(outflow) from investing activities</b>		<b>2 515</b>	<b>(6 923)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>5 328</b>	<b>(5 566)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>923</b>	<b>6 489</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>6 251</b>	<b>923</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

## 1. ACCOUNTING POLICIES

### 1.1 STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB), including interpretations to IFRS as issued by the International Financial Reporting Interpretations Committee (IFRIC), the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the JSE listings Requirements and the requirements of the Companies Act, 71 of 2008 (Companies Act).

### 1.2 BASIS OF PREPARATION

The financial statements provide information about the financial position of the Company and have been prepared under historical cost convention with certain items presented on a fair value basis. The Company's functional and presentation currency is South African Rands.

### 1.3 REVENUE

Revenue includes investment income which comprises dividend and interest income.

#### 1.3.1 DIVIDEND INCOME

Dividend income is recognised when the right to receive payment is established on the ex-dividend date as investment income.

#### 1.3.2 INTEREST INCOME

Interest income is recognised in profit or loss using the effective interest method taking into account the expected timing and amount of cash flows. Interest income includes the amortisation of any discount or premium or other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity calculated on an effective interest basis.

### 1.4 TAXATION

The income tax charge for the year comprises current tax and deferred tax. Income tax is recognised in profit or loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred taxation is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base. The amount of deferred taxation provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates 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 other comprehensive income. The effect on deferred tax of any changes in tax rates is recognised in profit or loss, except to the extent that it relates to items previously charged or credited directly to other comprehensive income or equity.

## **1.5 FINANCIAL INSTRUMENTS**

Financial instruments comprise an in-substance option, including amounts due to group companies, cash and cash equivalents, accrued interest and other payables.

### **1.5.1 CLASSIFICATION AND MEASUREMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

In terms of IFRS 9 all financial instruments are initially measured at fair value plus or minus transaction costs.

### **1.5.2 INITIAL RECOGNITION OF FINANCIAL ASSETS**

Under IFRS 9, on initial recognition, a financial asset is classified as at:

- Fair Value Through Other Comprehensive Income (FVOCI) which may include debt or equity instruments; or
- Amortised cost; or
- Fair Value Through Profit and Loss (FVTPL).

Transaction costs that are directly attributable to the acquisition of financial assets are expensed in profit or loss for financial assets initially classified at FVTPL. For financial assets not classified at FVTPL, transaction costs are added to or deducted from the fair value at initial recognition.

### **1.5.3 SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS**

Financial instruments classified as at FVTPL are measured at fair value and net gains and losses (i.e. on the sale of investments and fair value gains and losses), interest and dividend income are recognised in profit or loss. Financial instruments classified as at amortised cost are measured at amortised cost using the effective interest method. Interest income, interest expense and losses and impairment are recognised in profit or loss. Any gain or loss or derecognition is also included in profit or loss.

Equity instruments held for trading or not designated as at FVOCI and derivative assets are mandatorily categorised as financial assets at FVTPL. In addition, the Company may designate financial assets and liabilities at FVTPL if it eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring the assets or liabilities or recognising the gains and losses on them on a different basis.

## **1.6 IMPAIRMENT OF FINANCIAL ASSETS**

The Expected Credit Loss (ECL) impairment loss allowance is an unbiased, probability-weighted amount determined by evaluating a range of possible outcomes that reflects reasonable and supportable information that is available without undue cost or effort of past events, current conditions and forecasts of forward-looking economic conditions. The ECL model is dependent on the availability of relevant and accurate data to determine whether a significant increase in credit risk occurred since initial recognition, the Probability of Default (PD), the Loss Given Default (LGD) and the possible Exposure At Default (EAD). Of equal importance is sound correlation between these parameters and forward-looking economic conditions.

## **1.7 SHARE CAPITAL**

Ordinary share capital is classified as equity if they are non-redeemable by the holder, and if dividends are discretionary.

## **1.8 IN-SUBSTANCE OPTION**

The in-substance option is an option purchased by the Company to participate in Old Mutual Limited shares. The in-substance option is valued in accordance with IFRS 9 designated at fair value through profit or loss.

## **2. SIGNIFICANT JUDGEMENTS AND ESTIMATES**

The in-substance option uses the Geometric Brownian Motion (GBM) to model the share price of OML over the life of the option, by generating multiple sample trajectories the share price could take, accounting for any Old Mutual Limited dividend payments. The fair value of the option is then the present value of the expected future value of the difference between the OML share price and the debt funding. The following assumptions were used in calculating the fair value of the in-substance option:

- The OML share price used for the Retail scheme at year end was R14.90 per share (2024: R12.51 per share).
- The implied volatility of 31.11% over the remaining term of the option (2024: 31.52%).
- The expected dividend yield of 5.87% (2024: 6.38%).
- The risk-free interest rate was based on the nominal swap curve.

## **3. NEW STANDARDS AND INTERPRETATIONS**

### **3.1 New standards and interpretations effective in the current year**

The Company has adopted the following standards for the first time in the annual reporting period commencing 1 January 2025:

- Lack of exchangeability – Amendments to IAS 21 effective date 1 January 2025

This standard had no material impact on the financial statements.

### **3.2 New standards and interpretations not yet effective in the current year**

The following standards and amendment were issued but not effective for the period commencing 1 January 2025.

- Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 effective date 1 January 2026;
- Annual Improvements to IFRS Accounting Standards—Volume 11 effective date 1 January 2026;
- IFRS 18 – Presentation and Disclosure in Financial Statements effective date 1 January 2027; and
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures effective date 1 January 2027.

Other than IFRS 18, these standards and amendments will not have a material impact on the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

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**4. FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

**CATEGORIES OF FINANCIAL INSTRUMENTS**

The analysis of assets and liabilities into their categories as defined in IFRS 9 "Financial Instruments: Recognition and Measurement" (IFRS 9) is set out in the following table. For completeness, assets and liabilities of a non-financial nature, or financial assets and liabilities that are specifically excluded from the scope of IFRS 9, are reflected in the non-financial assets and liabilities category.

The analysis of assets and liabilities into their categories is set out in the following table.

31 DEC 2025	MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS	DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS	ASSETS AT AMORTISED COST	NON-FINANCIAL ASSETS AND LIABILITIES	TOTAL
Cash and cash equivalents	-	-	6 251	-	6 251
Investment and securities	4 615	-	-	-	4 615
In-substance option	-	492 151	-	-	492 151
Accrued interest	-	-	123	-	123
<b>Total assets</b>	<b>4 615</b>	<b>492 151</b>	<b>6 374</b>	<b>-</b>	<b>503 140</b>
Deferred tax liability	-	-	-	64 247	64 247
Current tax payable	-	-	-	26	26
Other payables	-	-	3	-	3
Provision	-	-	-	240	240
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>64 513</b>	<b>64 516</b>

31 DEC 2024	MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS	DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS	ASSETS AT AMORTISED COST	NON-FINANCIAL ASSETS AND LIABILITIES	TOTAL
Cash and cash equivalents	-	-	923	-	923
Investment and securities	7 126	-	-	-	7 126
In-substance option	-	362 055	-	-	362 055
Accrued interest	-	-	165	-	165
<b>Total assets</b>	<b>7 126</b>	<b>362 055</b>	<b>1 088</b>	<b>-</b>	<b>370 269</b>
Deferred tax liability	-	-	-	31 478	31 478
Current tax payable	-	-	-	14	14
Other payables	-	-	8	-	8
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>31 492</b>	<b>31 500</b>

**4. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)**  
**FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES**

**DETERMINATION OF FAIR VALUE**

All financial instruments are initially recorded at fair value. The fair value of a financial instrument on initial recognition is normally the transaction price, that is, the fair value of the consideration given or received. In certain circumstances, however, the initial fair value may be based on other observable current market transactions in the same instrument, without modification or repackaging, or on a valuation technique whose variables include only observable data.

Subsequent to initial recognition, the fair values of financial instruments measured at fair value that are quoted in active markets are based on bid prices for assets, which in certain circumstances includes using quotations from independent third parties such as brokers and pricing services, and offer prices for liabilities. When quoted prices are not available, fair values are determined by using valuation techniques that refer as far as possible to observable market data. These include comparison with similar instruments where market observable prices exist, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants. A number of factors such as bid-offer spread, credit profile, servicing costs and model uncertainty are taken into account, as appropriate, when values are calculated using a valuation technique. Changes in the assumptions used in such valuations could impact the reported value of such instruments.

In general, none of the carrying amounts of financial assets and liabilities carried at amortised cost have a fair value significantly different to their carrying amounts. Such assets and liabilities are primarily comprised of variable-rate financial assets and liabilities that reprice as interest rates change, short-term deposits or current assets.

**FAIR VALUE HIERARCHY**

Fair values are determined according to the following hierarchy:

**Level 1** – quoted market prices: financial assets and liabilities with quoted prices for identical instruments in active markets.

**Level 2** – valuation techniques using observable inputs: quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial assets and liabilities valued using models where all significant inputs are observable.

**Level 3** – valuation techniques using significant unobservable inputs: financial assets and liabilities valued using valuation techniques where one or more significant inputs are unobservable.

The best evidence of fair value is a quoted price in an active market. In the event that the market for a financial asset or liability is not active, a valuation technique is used.

The judgement as to whether a market is active may include, for example, consideration of factors such as the magnitude and frequency of trading activity, the availability of prices and the size of bid/offer spreads. In inactive markets, obtaining assurance that the transaction price provides evidence of fair value or determining the adjustments to transaction prices that are necessary to measure the fair value of the asset or liability requires additional work during the valuation process.

The majority of valuation techniques employ only observable market data, and so the reliability of the fair value measurement is high. However, certain financial assets and liabilities are valued on the basis of valuation techniques that feature one or more significant market inputs that are unobservable and, for them, the derivation of fair value is more judgemental. A financial asset or liability in its entirety is classified as valued using significant unobservable inputs if a significant proportion of that asset or liability's carrying amount is driven by unobservable inputs. In this context, 'unobservable' means that there is little or no current market data available for which to determine the price at which an arm's length transaction would likely occur. It generally does not mean that there is no market data available at all upon which to base a determination of fair value.

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2025

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### 4. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

Furthermore, in some cases the majority of the fair value derived from a valuation technique with significant unobservable inputs may be attributable to observable inputs.

Consequently, the effect of uncertainty in determining unobservable inputs will generally be restricted to uncertainty about the overall fair value of the asset or liability being measured.

#### FAIR VALUE HIERARCHY FOR FINANCIAL ASSETS

31 DEC 25	LEVEL 1	LEVEL 2	LEVEL 3
Investment and securities	-	4 615	-
In-substance option	-	-	492 151
<b>Financial assets at fair value through profit or loss</b>	<b>-</b>	<b>4 615</b>	<b>492 151</b>

31 DEC 24	LEVEL 1	LEVEL 2	LEVEL 3
Investment and securities	-	7 126	-
In-substance option	-	-	362 055
<b>Financial assets at fair value through profit or loss</b>	<b>-</b>	<b>7 126</b>	<b>362 055</b>

Refer to market risk in note 14 for sensitivities performed.

#### LEVEL 3 FAIR VALUE HIERARCHY DISCLOSURE

	31 DEC 2025	31 DEC 2024
Opening balance	362 055	383 679
Total net fair value gain/(loss) recognised in profit or loss	130 096	(21 624)
<b>Total level 3 financial assets closing balance</b>	<b>492 151</b>	<b>362 055</b>

### 5. OPERATING AND ADMINISTRATION EXPENSES

	31 DEC 2025	31 DEC 2024
<b>Operating and administration expenses include:</b>		
Audit fees - for audit service CY	240	-
Audit fees - for audit service PY	129	-
Assurance fees - non audit service	493	-
Bank charges	2	1
Custody fees	4	4
Directors' fees	1 021	-
Other administration expenses	259	14
Professional service fees <sup>1</sup>	5 359	187
	<b>7 507</b>	<b>206</b>

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2025

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### 5. OPERATING AND ADMINISTRATION EXPENSES (CONTINUED)

For the current year under review, the Company paid for all its operating and administration expenses as originally intended. In the prior years, these operating and administration expenses were paid for by the Old Mutual Group on behalf of the Company.

1 Professional service fees relate to the following costs: share administration fees, service level agreement fee for services rendered, compliance fees, annual general meeting fees and the black economic empowerment assurance fees.

### 6. INCOME TAX EXPENSE/(CREDIT)

	31 DEC 2025	31 DEC 2024
Current tax - current year	158	257
Deferred tax expense/(credit) - current year	32 769	(7 538)
	<b>32 927</b>	<b>(7 281)</b>

### RECONCILIATION OF TAXATION RATE ON PROFIT/(LOSS) BEFORE TAX

	31 DEC 2025	31 DEC 2024
Profit/(loss) before tax	139 802	(12 899)
Tax at South African tax rate	37 747	(3 483)
<b>Adjusted for:</b>		
The difference between the movement in the fair value of the in-substance option and underlying Old Mutual Limited shares at capital gains inclusion rate	(2 293)	(1 717)
Non-taxable income/gains	-	(4)
Exempt income - dividends	(4 376)	(2 138)
Non-deductible expenses	1 847	50
Income and gains tax at other than corporate tax rate	2	11
<b>Income tax expense/(credit) in the statement of comprehensive income</b>	<b>32 927</b>	<b>(7 281)</b>

### 7. INVESTMENT AND SECURITIES

	31 DEC 2025	31 DEC 2024
Investment in unit trust	4 615	7 126

The investment and securities balance represents units in the Old Mutual Institutional Interest Bearing Fund, a unit trust managed by Futuregrowth Asset Management (Pty) Ltd and administered by Old Mutual Unit Trust Managers (RF) Proprietary Limited. The split of the underlying assets in the unit trust are as follows: floating rate notes 76.02%, bonds 8.49%, treasury bill 11.92%, corporate call account 0.18%, cash 1.12%, negotiable certificate of deposit 2.27% (2024: floating rate notes - 79.39%, bonds - 1.07%, corporate call account - 0.19%, treasury bill - 10.06%, cash - 1.44%, negotiable certificate of deposit - 7.24%, and unlisted portfolio - 0.61%.)

**NOTES TO THE FINANCIAL STATEMENTS CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2025**
**R'000**
**8. CASH AND CASH EQUIVALENTS**

	31 DEC 2025	31 DEC 2024
Current account	651	567
Short-term deposits	5 600	356
	<b>6 251</b>	923

The fair value of cash and cash equivalents approximates their carrying amount, as the impact of discounting is not significant. The interest earned on the cash balance amounted to R 438 000 during the current year (2024: R 244 000).

**9. IN-SUBSTANCE OPTION**

	31 DEC 2025	31 DEC 2024
Current account	<b>492 151</b>	362 055

Under the Bula Tsela transaction, 63.6 million shares were legally issued by Old Mutual Limited to the Company but for accounting purposes were treated as an in-substance option. The in-substance option is an option the Company participates in to purchase Old Mutual Limited shares at the end of the 10 year scheme.

**RECONCILIATION OF IN-SUBSTANCE OPTION**

	31 DEC 2025	31 DEC 2024
Opening balance	<b>362 055</b>	383 679
Fair value gain/(loss) on the in-substance option	<b>130 096</b>	(21 624)
Closing balance	<b>492 151</b>	362 055

**10. DEFERRED TAX LIABILITY**

	31 DEC 2025	31 DEC 2024
Deferred tax liability	<b>64 247</b>	31 478

The deferred tax represents the potential capital gains tax the Company will pay on any disinvestment on the unit trust and on the sale of any Old Mutual Limited shares to repay any vendor funding that may still be due at the end of the 10 year scheme.

**RECONCILIATION OF DEFERRED TAX**

	31 DEC 2025	31 DEC 2024
Opening balance	<b>31 478</b>	39 016
Income statement charge/(credit)	<b>32 769</b>	(7 538)
Closing balance	<b>64 247</b>	31 478

**NOTES TO THE FINANCIAL STATEMENTS CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**11. PROVISION**

	31 DEC 2025	31 DEC 2024
Audit fees	240	-

**12. SHARE CAPITAL**

	31 DEC 2025	31 DEC 2024
<b>Authorised share capital</b>		
100 000 000 ordinary shares at no par value		
20 000 no par value variable rate cumulative redeemable non participating class A preference shares		
<b>Issued share capital</b>		
9 750 008 ordinary shares at no par value	97 500	97 500
<b>Issued preference share capital</b>		
4 550 non participating class A preference shares	4 550	4 550

**13. NOTES TO THE CASH FLOW STATEMENT**

	31 DEC 2025	31 DEC 2024
<b>13.1 Non-cash movements and adjustments to profit/(loss) before tax consists of:</b>		
Interest income	(1 003)	(932)
Dividend income	(16 206)	(7 918)
Unrealised gain on unit trust	(4)	(81)
Fair value (gain)/loss on in-substance option	(130 096)	21 624
Audit fees	240	-
<b>13.2 Changes in working capital</b>		
Decrease/(increase) in accrued interest	42	(122)
(Decrease)/increase in other payables	(5)	8
	<b>37</b>	(114)
<b>13.3 Tax paid</b>		
Payable/(receivable) at beginning of the year	14	(211)
Current tax expense	158	257
Payable at end of the year	(26)	(14)
<b>Paid</b>	<b>146</b>	32

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2025

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### 14. FINANCIAL RISK MANAGEMENT

The Company is exposed to financial risk through its financial assets. In particular, the key financial risk is that the proceeds from its financial assets are not sufficient to fund the obligations arising from its financial liabilities. The most important components of financial risk that are relevant to the Company are market risk, liquidity risk and credit risk.

#### SENSITIVITIES

The Company has both qualitative and quantitative risk management procedures to monitor the key risks and sensitivities of the business. This is achieved through scenario analyses and risk assessments. From an understanding of the principal risks, appropriate risk limits and controls are defined.

For further details of the management of specific financial risks, refer to the relevant sections of this note.

#### CREDIT AND COUNTERPARTY RISK

Credit and Counterparty risk refers to the risk of loss, or of adverse change in the financial situation resulting from fluctuations in the credit standing of issuers of securities, counterparties and any other debtors to which the Company is exposed, in the form of counterparty default risk, or spread risk, or credit risk concentrations.

#### CREDIT RATINGS

	CREDIT RATINGS	31 DEC 25	31 DEC 2024
Cash and cash equivalents <sup>1</sup>	BB,BB	6 251	923
Investment and securities	AA+,AA+	4 615	7 126

<sup>1</sup> During the current financial year, the Company refined its credit rating methodology for local issuers, including the application of a sovereign-cap to relevant balances. To ensure consistency and comparability with the current-year disclosures, the prior-year comparative information has been restated to align with the updated methodology.

## NOTES TO THE FINANCIAL STATEMENTS CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2025

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### 14. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### MARKET RISK

Market risk is the potential impact on earnings of unfavourable changes in foreign exchange rates; equity prices and interest rates, on its financial position, financial performance and cash flows. The Company is exposed to market risks through its investment in the in-substance option and the unit trust.

31 DECEMBER 2025			
	5% INCREASE IN SHARE PRICE	1% INCREASE IN INTEREST RATE	1% INCREASE IN VOLATILITY
In-substance option	40 663	166	695
	5% DECREASE IN SHARE PRICE	1% DECREASE IN INTEREST RATE	1% DECREASE IN VOLATILITY
In-substance option	(40 330)	(166)	(692)
31 DECEMBER 2024			
	5% INCREASE IN SHARE PRICE	1% INCREASE IN INTEREST RATE	1% INCREASE IN VOLATILITY
In-substance option	30 634	183	935
	5% DECREASE IN SHARE PRICE	1% DECREASE IN INTEREST RATE	1% DECREASE IN VOLATILITY
In-substance option	(30 224)	(161)	(916)

#### INTEREST RATE RISK

Interest rate risk is the risk that fluctuating interest rates will unfavourably affect the Company's earnings and the value of its assets and liabilities.

The Company is exposed to interest rate risk through its cash balances held and the unit trust. The effective interest rate on the current account is 6.15% (2024: 7.15%) and cash on call is 6.55% (2024: 7.55%). The Company is also exposed to interest rate risk through its investment in the unit trust which is an interest bearing unit trust, any changes to the interest rate impacts the return on investment. Distributions are made quarterly and the weighted average interest rate is 8.21% (2024: 8.54%).

An interest rate sensitivity was calculated on the bank balance as well as the unit trust. Should the bank interest rate increase or decrease by 1%, the profit before tax will increase by R62 510 or decrease by R62 510 respectively (2024: R9 231). At 31 December 2025 6.7% investments underlying the unit trust had maturity terms of 12 months or more. The unit trust is therefore not exposed to significant risk that the fair value or future cash flows of the financial instrument will fluctuate because of changes in market interest rates. A change in interest rates will therefore predominantly impact the interest income that the Company earn on the investment. If interest rates increase or decrease by 1% the interest income on the unit trust is expected to change by R67 660 (2024: R 71 265).

**NOTES TO THE FINANCIAL STATEMENTS CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

R'000

**14. FINANCIAL RISK MANAGEMENT (CONTINUED)**

**LIQUIDITY RISK**

IFRS 7 defines liquidity risk as the risk that the entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The following table analyses the Company's maturity profile of financial assets and liabilities:

2025	BETWEEN 1 YEAR AND 5 YEARS	MORE THAN 5 YEARS	TOTAL
In-substance option	-	492 151	492 151
Investments and securities	4 615	-	4 615
Cash and cash equivalents	6 251	-	6 251
Accrued interest	123	-	123
Other payables	(3)	-	(3)
	<b>10 986</b>	<b>492 151</b>	<b>503 137</b>

2024	BETWEEN 1 YEAR AND 5 YEARS	MORE THAN 5 YEARS	TOTAL
In-substance option	-	362 055	362 055
Investments and securities	7 126	-	7 126
Cash and cash equivalents	923	-	923
Accrued interest	165	-	165
Other payables	(8)	-	(8)
	<b>8 222</b>	<b>362 055</b>	<b>370 261</b>

**NOTES TO THE FINANCIAL STATEMENTS CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**15. RELATED PARTY DISCLOSURES**

**TRANSACTIONS AND BALANCES WITH OTHER GROUP COMPANIES**

	31 DEC 2025	31 DEC 2024
<b>Masthead Pty Ltd</b>		
Nature of transaction		
Compliance fees	115	58
<b>Old Mutual Warehouse Trust<sup>1</sup></b>		
Nature of balances		
Investment in Retailco	1 943	1 829
<b>Futuregrowth Asset Management (Pty) Ltd</b>		
Nature of balances		
Investment and securities	4 615	7 126
<b>Old Mutual Limited<sup>2</sup></b>		
Nature of balances		
In-substance option	492 151	362 055
<b>Old Mutual Limited<sup>2</sup></b>		
Nature of balances		
Fair value gain/(loss) on in-substance option	130 096	(21 624)
<b>Old Mutual Limited<sup>2</sup></b>		
Nature of balances		
Dividend income	16 206	7 918
<b>Old Mutual Life Assurance Company of South Africa Limited</b>		
Nature of balances		
Service level agreement fee	651	-
<b>Directors' emoluments</b>	1 021	-

<sup>1</sup>The Warehouse Trust holds 194 267 of the Company's shares at the end of 2025. When a shareholder becomes non-compliant because they are no longer BEE compliant, the Warehouse Trust will repurchase these shares from the affected shareholders.

<sup>2</sup>The prior year amount has been amended to include the in-substance option, fair value on the in-substance option and dividend income which was omitted from this note.

**16. GOING CONCERN**

The directors have satisfied themselves that the Company has adequate resources to continue in operation for the foreseeable future. The Company's financial statements have accordingly been prepared on a going concern basis

**17. SUBSEQUENT EVENTS**

There have been no events subsequent to the reporting period, that require disclosure or adjustments to amounts reported at year end.

**NOTES TO THE FINANCIAL STATEMENTS CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

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**18. DIRECTORS' REMUNERATION**

2025	FEES	SALARY	BONUS	RETIREMENT AND OTHER BENEFITS	TOTAL EXCLUDING SHARE-BASED PAYMENTS	IFRS 2 FAIR VALUE OF UNVESTED SHARES AT YEAR END OWED TO DIRECTOR
Raymond Fenner	323	-	-	-	323	-
Buyisiwe Makhunga	329	-	-	-	329	-
Simpiwe Somdyala	254	-	-	-	254	-
Insaaf Dollie <sup>1</sup>	-	86	34	4	124	30
Mosala Phillips <sup>1</sup>	-	36	13	3	52	56
	<b>906</b>	<b>122</b>	<b>47</b>	<b>7</b>	<b>1 082</b>	<b>86</b>

2024	FEES	SALARY	BONUS	RETIREMENT AND OTHER BENEFITS	TOTAL EXCLUDING SHARE-BASED PAYMENTS	IFRS 2 FAIR VALUE OF UNVESTED SHARES AT YEAR END OWED TO DIRECTOR
Raymond Fenner	323	-	-	-	323	-
Buyisiwe Makhunga	329	-	-	-	329	-
Simpiwe Somdyala	254	-	-	-	254	-
Insaaf Dollie <sup>1</sup>	-	25	11	2	37	5
Clarence T Nethengwe <sup>1</sup>	-	112	28	5	146	243
	<b>906</b>	<b>137</b>	<b>39</b>	<b>7</b>	<b>1 089</b>	<b>248</b>

<sup>1</sup>The directors emoluments of the non-executive directors represent an apportionment of their total remuneration paid by the Old Mutual Group for their services as a director of the Company.

All amounts are presented exclusive of VAT.



# BULA TSELA

RETAIL SCHEME