Sebata Holdings Limited
(Registration number 1998/003821/06)

Annual Financial Statements
for the year ended 31 March 2026

Nexia SAB&T
Registered Auditors

These annual financial statements have been audited in compliance with the applicable requirements of
the Companies Act of South Africa No. 71 of 2008, as amended.

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Enterprise management, water management and ICT solutions as well as accounting and professional services
Directors	IG Morris (resigned 31 March 2026) DA Di Siena PH Duvenhage TW Hamill CA King RW King D Passmore DL Strydom RJ Viljoen
Registered office and business address	The Lodge - First Floor Hunts End - 38 and 42 Wierda Road West Wierda Valley Gauteng 2196
Postal address	The Lodge - First Floor Hunts End - 38 and 42 Wierda Road West Wierda Valley Gauteng 2196
Auditors	Nexia SAB&T Registered Auditors
Secretary	RB Smith
Company registration number	1998/003821/06
Tax reference number	9457323849
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa No. 71 of 2008, as amended.
Preparer	The annual financial statements were independently compiled by: T Kritsiotis Chartered Accountant (SA) Fourteen Ninety-Four (Pty) Ltd Prepared under the supervision of: RW King Executive Financial Officer

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The reports and statements set out below comprise the annual financial statements presented to the shareholders:

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of South Africa No. 71 of 2008, as amended to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB). The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with IFRS Accounting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

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

The directors have reviewed the company's cash flow forecast for the year to 31 August 2027 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 7 to 11.

The annual financial statements set out on pages 12 to 37, which have been prepared on the going concern basis, were approved by the board of directors on 28 August 2026 and were signed on their behalf by:

Approval of financial statements

DL Strydom

RJ Viljoen

RW King

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Sebata Holdings Limited for the year ended 31 March 2026.

1. Nature of business

Sebata Holdings Limited is domiciled in the Republic of South Africa. Sebata is a holding company with equity interests in a number of operating entities and is listed on the main board of the Stock Exchange operated by the JSE Limited ("JSE") under the computer services sector.

The entities within the group are primarily focused on the provision of information technology for enterprise management, water management and information and communication technology ("ICT") solutions, as well as accounting and professional services.

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

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa No. 71 of 2008, as amended. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

3. Share capital

Refer to note 8 of the annual financial statements for detail of the movement in authorised and issued share capital.

4. Dividends

No dividends were declared or paid during the year (2025: R nil).

5. Directorate

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

Directors	Nationality	Changes
IG Morris	(Non-executive Chairperson)*	Resigned 31 March 2026
DA Di Siena	(Independent Non-executive)	
PH Duvenhage	(Lead Independent Non-executive)	
TW Hamill	(Non-executive)	
CA King	(Non-executive Chairperson)*	
RW King	(Executive Financial Director)	
D Passmore	(Independent Non-executive)	
DL Strydom	(Joint Chief Executive Officer)	
RJ Viljoen	(Joint Chief Executive Officer)	

* Mr IG Morris resigned as the Non-executive Chairperson on 31 March 2026, whereafter Mr CA King was appointed as the Non-executive Chairperson on 27 May 2026.

6. Directors' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the company had an interest and which significantly affected the business of the company. Related party transactions are disclosed in the annual financial statements in note 24.

7. Borrowing powers

In terms of the Memorandum of Incorporation of the company, the directors may exercise all the powers of the company to borrow money, as they consider appropriate.

Directors' Report

8. Special resolutions

The company passed four special resolutions at each of the company's Annual General Meetings held on 24 October 2024 and 15 July 2026. The resolutions are effective for a two year period.

- Approving the remuneration of the non-executive directors.
- Approving financial assistance to related or inter-related companies and corporations.
- Approving loans or other financial assistance to directors.
- General approval to acquire shares.

Except for the above, no special resolutions, the nature of which might be significant to the shareholders in their appreciation of the state of affairs of the company were made by the company during the period covered by this report.

9. Events after the reporting period

Subsequent to the reporting date, the following events occurred:

- The company's shares were suspended from trading on the JSE on 1 October 2025 for failing to publish its audited financial results for the year ended 31 March 2025 within the prescribed period. The suspension was subsequently lifted on 9 July 2026 following the submission of all outstanding reports. There was no financial impact to the company as a result of the suspension.

- On 7 May 2026, the company released a cautionary announcement on SENS advising shareholders that it had entered into negotiations with a non-related third party regarding the potential disposal of certain assets which, if successfully concluded may have a material effect on the price of the company's securities. No binding agreement had been entered into at the reporting date and the conditions giving rise to the potential transaction did not exist at that date. As at the date of approval of these consolidated annual financial statements, the parties remain in the drafting phase of a sale and purchase agreement. Any transaction remains subject to the negotiation and conclusion of definitive transaction documents, the fulfilment of conditions precedent and such regulatory and shareholder approvals as may be required, including under the JSE Listings Requirements. The financial effect of the potential transaction cannot be reliably estimated at this time. Further announcements will be made to shareholders on SENS in accordance with the JSE Listings Requirements.

These were all considered non-adjusting events.

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

Directors' Report

10. Going concern

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

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

11. Auditors

Nexia SAB&T continued in office as auditors for the company for 2026.

12. Secretary

The company secretary is Mr RB Smith.

Nexia SAB&T

119 Witch-Hazel Avenue
Highveld Technopark
Centurion
0157
T: +27 (0) 12 682 8800
info@nexia-sabt.co.za
www.nexia-sabt.co.za

Independent Auditor's Report

To the Shareholders of Sebata Holdings Limited

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of Sebata Holdings Limited (the company) set out on pages 12 to 37, which comprise the separate statement of financial position as of 31 March 2026; and the separate statement of profit or loss and other 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 Sebata Holdings Limited as of 31 March 2026, 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), as applicable to audits of financial statements of public interest entities, 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

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the separate financial statements are free from material misstatement. Misstatements may arise due to fraud or error, and they are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the separate financial statements.

Our determination of materiality is a matter of professional judgement and is affected by our perception and understanding of the financial information needs of intended users, which is the quantitative and qualitative factors that determine the level at which relevant decisions taken by users would be affected by a misstatement. These factors helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the separate financial statements as a whole.

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

	Separate Financial statements
Final materiality	R 6 794 923 (2025: R 5 056 257)
Basis for determining materiality	2% of total Assets
Rationale for the materiality benchmark applied	We considered total assets to be the appropriate benchmark as the company is an investment entity and performance is determined by the growth in the Group's assets. The strategic focus is to deliver long-term shareholder returns through the Group's software business.

During the audit, we reassessed the initial materiality determination and revised our final materiality due to the adjustments processed in respect of the impairment of group loans.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Sebata Holdings Limited Annual Financial Statements for the year ended 31 March 2026" and the document titled "Sebata Holdings Limited Consolidated Annual Financial Statements", which includes the Directors' Report, the Audit Committee's Report and the Company Secretary's Certification, as required by the Companies Act of South Africa and the CEO and CFO Responsibility Statement on Internal Financial Controls as required by the JSE Limited Listing Requirements, which we obtained prior to the date of this report, and the Integrated Annual Report, which is expected to be made available to us after that date. The other information does not include the consolidated or the separate financial statements and our auditor's reports 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.

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 on the other information prior to the date of this auditor's report, 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.

When we do receive and read the Integrated Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, we may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

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.

Auditor's 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 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 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 auditor's 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 auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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.

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 be 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 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

Audit Tenure

In terms of the IRBA Rule published in Government Gazette No. 39475 dated 4 December 2015, we report that Nexia SAB&T has been the auditor of Sebata Holdings Limited for 15 years.

We confirm that the total fees do not exceed 15% of our total revenue.

Nexia SAB&T

Nexia SAB&T

Sophocles Kleovoulou

Director

Registered Auditor

28 August 2026

Statement of Financial Position as at 31 March 2026

Figures in Rand	Note(s)	2026	2025
Assets			
Non-Current Assets			
Property, plant and equipment		52,219	122,852
Intangible assets		-	124,387
Investments in subsidiaries	3	146,252,417	201,038,481
Deferred tax	5	18,596,573	-
		164,901,209	**201,285,720**
Current Assets			
Loans to group companies	6	143,878,441	48,181,663
Trade and other receivables	7	2,513,115	2,549,794
Cash and cash equivalents		602,399	795,669
		146,993,955	**51,527,126**
Total Assets		**311,895,164**	**252,812,846**
Equity and Liabilities			
Equity			
Share capital	8	185,836,140	185,836,140
Accumulated loss		(8,951,859)	27,857,719
Total Equity		**176,884,281**	**213,693,859**
Liabilities			
Non-Current Liabilities			
Deferred tax	5	-	1,576,682
Current Liabilities			
Trade and other payables	10	5,979,686	4,196,795
Loans from group companies	11	11,719,801	5,777,713
Borrowings	12	110,093,730	18,650,356
Current tax payable		203,741	1,903,516
Deferred vendor payments	13	7,013,925	7,013,925
		135,010,883	**37,542,305**
Total Liabilities		**135,010,883**	**39,118,987**
Total Equity and Liabilities		**311,895,164**	**252,812,846**

Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Note(s)	2026	2025
Revenue	14	17,958,444	30,158,889
Interest revenue	15	8,131,520	3,404
Revenue and investment income		**26,089,964**	**30,162,293**
Other operating (losses) gains	16	(260,881)	2,175,088
Movement in credit loss allowances	17	(59,342,337)	(7,872,379)
Operating expenses		(13,110,245)	(6,927,403)
Operating (loss) profit	17	**(46,623,499)**	**17,537,599**
Finance costs	18	(10,453,172)	(2,005,292)
(Loss) profit before taxation		**(57,076,671)**	**15,532,307**
Taxation	19	20,267,093	(764,565)
(Loss) profit for the year		**(36,809,578)**	**14,767,742**
Other comprehensive income		-	-
Total comprehensive (loss) income for the year		**(36,809,578)**	**14,767,742**

Statement of Changes in Equity

Figures in Rand	Share capital	Share premium	Total share capital	Share based payment reserve	Accumulated loss	Total equity
Balance at 01 April 2024	**1,149,151**	**184,686,989**	**185,836,140**	**2,348,661**	**10,741,316**	**198,926,117**
Total comprehensive income for the year	-	-	-	-	14,767,742	14,767,742
Transfer between reserves	-	-	-	(2,348,661)	2,348,661	-
Balance at 01 April 2025	**1,149,151**	**184,686,989**	**185,836,140**	**-**	**27,857,719**	**213,693,859**
Total comprehensive loss for the year	-	-	-	-	(36,809,578)	(36,809,578)
Balance at 31 March 2026	**1,149,151**	**184,686,989**	**185,836,140**	**-**	**(8,951,859)**	**176,884,281**
Note(s)	8	8	8	9		

Statement of Cash Flows

Figures in Rand	Note(s)	2026	2025
Cash flows from operating activities			
Cash used in operations	20	(21,385,787)	(7,092,526)
Interest income	15	8,078,289	-
Dividends received	15	5,500,000	-
Finance costs	18	(10,436,923)	(2,005,292)
Tax paid	21	(1,622,186)	(1,279,641)
Net cash from operating activities		**(19,866,607)**	**(10,377,459)**
Cash flows from investing activities			
Purchase of property, plant and equipment		-	(47,176)
Cash advanced on loans to group companies		(182,733,293)	(15,888,774)
Cash receipts on repayment of loans to group companies		108,997,948	32,467,838
Net cash from investing activities		**(73,735,345)**	**16,531,888**
Cash flows from financing activities			
Repayments of loans from group companies	22	(2,532,869)	(7,134,746)
Cash advances received on loans from group companies	22	4,498,177	2,150,555
Repayments of borrowings	22	(28,556,626)	(939,302)
Cash advances received on borrowings	22	120,000,000	-
Net cash from financing activities		**93,408,682**	**(5,923,493)**
Total cash movement for the year		**(193,270)**	**230,936**
Cash and cash equivalents at the beginning of the year		795,669	564,733
Cash and cash equivalents at the end of the year		**602,399**	**795,669**

Accounting Policies

1. Material accounting policies

Management has considered the amendments to IAS 1 and the principles of materiality in IFRS Practice Statement 2 Making Materiality Judgements, and only those accounting policies which are considered material have been presented in these annual financial statements.

1.1 Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS Accounting Standards and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these annual financial statements, the JSE Listings Requirements and the Companies Act of South Africa No. 71 of 2008, as amended.

The annual financial statements have been prepared on the historical cost convention, unless otherwise stated in the accounting policies which follow and incorporate the material accounting policies set out below. They are presented in Rands, which is the functional currency of the company.

These accounting policies are consistent with the previous period.

1.2 Significant judgements and sources of estimation uncertainty

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

The critical judgements and key sources of estimation uncertainty made by management in applying accounting policies, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

Taxation

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

Deferred tax assets arising from tax losses are recognised to the extent that it is probable that taxable income will be available in the future against which these can be utilised. The raising of deferred tax assets is a process that is based on certain assumptions about the ability of the company to generate future profits in order to utilise the future tax benefits. The assessment of the probability of future taxable income is based on the company’s latest approved budget forecast. The recognition of deferred tax assets is assessed individually by management based on the specific facts and circumstances. Details of deferred tax assets are provided in note 5 of the notes to the annual financial statements.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company’s past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

1.3 Investments in subsidiaries

Investments in subsidiaries are carried at cost less any accumulated impairment losses.

Accounting Policies

1.4 Financial instruments

Note 26 Financial instruments and risk management presents the financial instruments held by the company based on their specific classifications.

The specific material accounting policies for the classification, recognition and measurement of each type of financial instrument held by the company are presented below:

Initial recognition

The financial assets and financial liabilities are measured, at initial recognition, at fair value plus transaction costs, if any. The transaction costs for financial assets and liabilities measured at fair value are expensed on initial recognition.

Classification and subsequent measurement

Financial assets

Loans to group companies (note 6), cash and cash equivalents, and financial assets included in trade and other receivables (note 7), are classified as financial assets subsequently measured at amortised cost.

Financial liabilities

Loans from group companies (note 11), borrowings (note 12), deferred vendor payments (note 13) and financial liabilities included in trade and other payables (note 10) are classified as financial liabilities subsequently measured at amortised cost.

Impairment of financial assets held at amortised cost

The company recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are probability-weighted estimates based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate.

Other receivables and other financial assets

The ECLs for other receivables and other financial assets carried at amortised cost are determined in accordance with the general approach under IFRS 9 and are assessed on an individual basis based on a credit risk assessment of the borrower. ECLs on other financial assets are based on assumptions related to the risk of default by the counterparty and expected loss rates taking into consideration the company's past history of payments from counterparties and existing market conditions, as well as forward-looking estimates at the end of each reporting period. Forward looking information includes the credit risk assessment, consideration of historic defaults by the borrower, the payment history of the borrower, the borrowers ability to repay any outstanding debt based on prospective financial performance and, when applicable, the security in place over the debt.

The company applies the IFRS 9 rebuttable presumption that credit risk has increased significantly when amounts are more than 30 days past due, unless reasonable and supportable information demonstrates that credit risk has not increased significantly.

The company applies the following credit risk grading:

Stage 1 - applies when the counterparty has a low risk (strong financial position with adherence to payment requirements) of default and does not have any past-due amounts. 12-month ECL is used as basis for recognising ECL;

Stage 2 - applies when the receivable is more than 30 days past due or when there has been significant increase in credit risk (weakened solvency and liquidity position). The receivable is not credit-impaired and lifetime ECL is used as basis for recognising ECL; and

Stage 3 - applies when the receivable is 90 days past due or when there is evidence indicating that the receivable is credit impaired (significant deterioration in the financial position or performance). The receivable is credit-impaired and lifetime ECL is used as basis for recognising ECL.

Accounting Policies

1.4 Financial instruments (continued)

For purposes of internal credit risk management purposes, the company considers that a default event has occurred if there is either a breach of financial agreements by the counterparty, or if internal or external information indicates that the counterparty is unlikely to pay its creditors in full (without taking collateral into account where applicable). Irrespective of the above analysis, the company considers that default has occurred when a payment for a financial asset is more than 30 days past due unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Write off policy

The company's policy is to write-off all outstanding trade and other receivables only once all legal avenues have been exhausted.

1.5 Tax

Deferred tax assets and liabilities

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax base used for taxation purposes.

Deferred tax is not raised on the initial recognition of goodwill, but is raised on the initial recognition of an asset in a transaction which is a business combination.

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

1.6 Share capital and equity

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

1.7 Revenue from contracts with customers

Management fees

The company provides management and administration services to subsidiaries. The performance obligation is met, and the revenue recognised as the services are provided over time throughout the year. The transaction price is agreed annually between the companies in accordance with the services provided.

Notes to the Annual Financial Statements

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

There were no new relevant standards and interpretations adopted in the current financial period.

2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt any standards and interpretations. Standards will be implemented in the applicable year for which they are mandatory.

The impact of the implementation of IFRS 18 Presentation and Disclosure in Financial Statements has not yet been fully assessed by management and may result in material changes to the disclosure and presentation of information in the financial year ended 31 March 2028.

There is unlikely to be a material impact on the future implementation of any other standards.

3. Investment in subsidiaries

Name of company	% Holding 2026	% Holding 2025	Carrying amount 2026	Carrying amount 2025
Arbez Advanced Solutions and Services (Pty) Ltd	100.00 %	100.00 %	1	1
Freshmark Systems (Pty) Ltd	55.00 %	55.00 %	10,476,125	10,476,125
MICROmega Financial Services (Pty) Ltd	100.00 %	100.00 %	765	765
MICROmega H2O (Pty) Ltd	100.00 %	100.00 %	100	100
MICROmega Technologies (Pty) Ltd	100.00 %	100.00 %	30,552	30,552
MIS Consulting (Pty) Ltd	100.00 %	100.00 %	50	50
Stable-Net (Pty) Ltd	100.00 %	100.00 %	530,452	530,452
Inzalo Enterprise Management Systems (Pty) Ltd	100.00 %	100.00 %	135,244,804	135,244,804
R-data (Pty) Ltd	100.00 %	100.00 %	-	54,786,064
MICROmega Accounting & Professional Services (Pty) Ltd	100.00 %	100.00 %	120	120
Inzalo Utility Systems (Pty) Ltd	100.00 %	100.00 %	5,878,411	5,878,411
Other - dormant entities	100.00 %	100.00 %	2,445	2,445
			152,163,825	206,949,889
Impairment of MICROmega Technologies (Pty) Ltd			(30,552)	(30,552)
Impairment of Inzalo Utility Systems (Pty) Ltd			(5,878,411)	(5,878,411)
Impairment of dormant subsidiaries			(2,445)	(2,445)
			146,252,417	201,038,481

Disposal of subsidiary in current year

During the current year the company disposed of R-data (Pty) Ltd to Inzalo Enterprise Management Systems (Pty) Ltd. The disposal amount was the same as the carrying value resulting in no profit or loss on disposal. The consideration was effected through the loan accounts and did not result in any cash flows.

Acquisition of subsidiaries in the prior year formerly held as associates

Effective 1 July 2024, the company obtained 100% control of the Software Group and Water Group, concluding the Inzalo Transaction under which the company had disposed of a 60% interest in these businesses in the 2019 and 2020 reporting periods. No cash consideration changed hands. Under the original terms of the Inzalo Transaction, the 60% disposed of comprised a 5% donation of equity at inception and a 55% sale for a contingent receivable measured on an earn-out basis. The receivable was held at fair value through profit or loss; the retained 40% was accounted for as an investment in associate (refer note 4). On collapse of the Inzalo Transaction, the receivable and the donated 5% equity reverted to the company together with the disposed 55% equity interest, restoring the company's holding to 100%.

The investment in the Software Group is represented by MICROmega Accounting & Professional Services (Pty) Ltd, Inzalo Enterprise Management Systems (Pty) Ltd, R-data (Pty) Ltd and their underlying subsidiaries.

The investment in the Water Group is represented by Inzalo Utility Systems (Pty) Ltd and its underlying subsidiaries, which were previously held as associates indirectly through the subsidiary, MICROmega H2O (Pty) Ltd.

Disposal of dormant entities in the prior year

The company wound down and disposed of a number of dormant entities during the prior year. This resulted in a gain of R2,175,088 (refer note 16).

4. Investments in associates

	2026	2025
Reconciliation of carrying value		
Carrying value at beginning of year	-	8,384,535
Transferred to investment in subsidiaries*	-	(8,384,535)
Carrying value at end of year	-	-

* Refer to note 3 for changes in investments.

Notes to the Annual Financial Statements

Figures in Rand	2026	2025

5. Deferred tax

Deferred tax liability

Financial assets and investments	(13,414,710)	(33,239,437)
Prepayments	(52,766)	(46,114)
Total deferred tax liability	**(13,467,476)**	**(33,285,551)**

Deferred tax asset

Provisions and accruals	17,255	156,360
Tax losses available for set off against future taxable income	32,046,794	31,552,509
Total deferred tax asset	**32,064,049**	**31,708,869**

Deferred tax liability	(13,467,476)	(33,285,551)
Deferred tax asset	32,064,049	31,708,869
Total net deferred tax asset	**18,596,573**	**(1,576,682)**

Reconciliation of deferred tax asset / (liability)

At beginning of year	(1,576,682)	(1,093,447)
Increases (decrease) in tax loss available for set off against future taxable income	494,285	(1,125,292)
Taxable / (deductible) temporary difference movement on:		
- Financial assets and investments	19,824,727	526,398
- Provisions and accruals	(139,105)	161,773
- Prepayments	(6,652)	(46,114)
	18,596,573	**(1,576,682)**

Recognition of deferred tax asset

The deferred tax asset has been raised based on the assessment of the financial forecasts by management that there will be future taxable profits against which the associated tax losses and deductible temporary differences can be utilised.

6. Loans to group companies

The following tables set out the carrying amount, loss allowance and measurement basis of expected credit losses for group loans receivable by credit rating grade:

2026

Entity	Relationship	Basis of loss allowance	Gross Carrying amount	Loss allowance	Amortised cost
Non-interest bearing					
Inzalo Utility Management Systems (Pty) Ltd	Indirect subsidiary	Lifetime ECL (not credit impaired)	25,603,310	(24,640,697)	962,613
Inzalo Utility Systems (Pty) Ltd	Subsidiary	Lifetime ECL (not credit impaired)	35,806,154	(17,727,630)	18,078,524
MICROmega H2O (Pty) Ltd	Subsidiary	Lifetime ECL (not credit impaired)	77,125,791	(77,125,791)	-
MICROmega Technologies (Pty) Ltd	Subsidiary	12m ECL	2,363,006	-	2,363,006
Londoloza Utility Solutions (Pty) Ltd	Indirect subsidiary	12m ECL	7,741,162	-	7,741,162
Inzalo Enterprise Management Systems (Pty) Ltd	Subsidiary	12m ECL	51,289,508	-	51,289,508
MICROmega Financial Services (Pty) Ltd	Subsidiary	Lifetime ECL (not credit impaired)	7,450,289	(6,319,721)	1,130,568
Utilipay (Pty) Ltd		Lifetime ECL (not credit impaired)	23,901,186	(19,419,829)	4,481,357
Inzalo Amanzi Meters (Pty) Ltd	Indirect subsidiary	12m ECL	890,883	-	890,883
MICROmega Accounting & Professional Services (Pty) Ltd	Subsidiary	Lifetime ECL (not credit impaired)	4,232,062	(4,218,203)	13,859
Sebata Namibia (Pty) Ltd	Subsidiary	12m ECL	33,059	-	33,059
MICROmega Share Incentive Trust	Controlled entity	Lifetime ECL (not credit impaired)	14,125,200	(14,124,700)	500
Total non-interest bearing			250,561,610	(163,576,571)	86,985,039
Interest-bearing					
Inzalo Utility Systems (Pty) Ltd	Subsidiary	Lifetime ECL (not credit impaired)	61,057,421	(34,614,967)	26,442,454
Micromega Technologies (Pty) Ltd	Subsidiary	12m ECL	28,091,836	-	28,091,836
Inzalo Enterprise Management Systems (Pty) Ltd	Subsidiary	12m ECL	2,359,112	-	2,359,112
Total interest-bearing			91,508,369	(34,614,967)	56,893,402
			342,069,979	**(198,191,538)**	**143,878,441**

6. Loans to group companies (continued)

2025

Entity	Relationship	Basis of loss allowance	Gross Carrying amount	Loss allowance	Amortised cost
Non-interest bearing					
Inzalo Utility Systems (Pty) Ltd	Subsidiary	Lifetime ECL (not credit impaired)	28,137,577	(22,804,801)	5,332,776
Inzalo Empowerment Services (Pty) Ltd	Indirect subsidiary	12m ECL	1,401,352	-	1,401,352
MICROmega H2O (Pty) Ltd	Subsidiary	Lifetime ECL (not credit impaired)	77,125,791	(76,180,151)	945,640
MICROmega Technologies (Pty) Ltd	Subsidiary	12m ECL	4,868,097	-	4,868,097
Londoloza Utility Solutions (Pty) Ltd	Indirect subsidiary	12m ECL	4,047,162	-	4,047,162
Inzalo Enterprise Management Systems (Pty) Ltd	Subsidiary	12m ECL	28,500,121	-	28,500,121
MICROmega Financial Services (Pty) Ltd	Subsidiary	Lifetime ECL (not credit impaired)	7,324,666	(6,319,721)	1,004,945
Utilipay (Pty) Ltd		Lifetime ECL (not credit impaired)	21,501,399	(19,419,829)	2,081,570
MICROmega Share Incentive Trust	Controlled entity	Lifetime ECL (credit impaired)	14,123,200	(14,123,200)	-
			187,029,365	**(138,847,702)**	**48,181,663**

Non-interest bearing loans are unsecured and repayable on demand.

Interest-bearing loans bear interest at the prime interest rate, are unsecured and are repayable as and when the counterparty has the financial means to do so.

Exposure to credit risk

Loans receivable inherently expose the company to credit risk, being the risk that the company will incur financial loss if counterparties fail to make payments as they fall due.

In determining the amount of expected credit losses, the company has taken into account any historic default experience, the financial positions of the counterparties, future prospects of the industries in which the counterparties operate and the financial position of the Sebata group.

There has been no change in the estimation techniques made during the current reporting period.

Reconciliation of loss allowances

	2026	2025
Opening balance	(138,847,702)	(130,975,323)
Provision reversed due to reduction in loan	5,077,171	17,005,103
Additional provision raised	(64,421,007)	(24,877,482)
Closing balance	**(198,191,538)**	**(138,847,702)**

Fair value of group loans receivable

The fair value of group loans receivable approximates their carrying amounts due to the short term nature thereof.

Notes to the Annual Financial Statements

Figures in Rand	2026	2025

7. Trade and other receivables

Deposits	69,000	69,000
Loans to directors*	2,160,000	2,160,000
Staff advances	-	150,000
Non-financial instruments:		
Prepayments	284,115	170,794
Total trade and other receivables	**2,513,115**	**2,549,794**

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

At amortised cost	2,229,000	2,379,000
Non-financial instruments	284,115	170,794
	2,513,115	**2,549,794**

* Loans to directors were granted for the exercising of share options in the 2024 financial year. The loans are interest free with no fixed terms of repayment.

Management assessed all amounts receivable and determined that the credit risk was not significant to the company.

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts due to the short term nature thereof.

8. Share capital

Authorised		
200 000 000 Ordinary shares of R0.01 each	2,000	2,000
Issued		
114 915 100 Ordinary shares of R0.01 each	1,149,151	1,149,151
Share premium	184,686,989	184,686,989
	185,836,140	**185,836,140**

The directors are authorised, until the forthcoming annual general meeting, to dispose of the unissued shares for any purpose and upon such terms and conditions as they deem fit, subject to the provision of section 38 and 41 of the Companies Act of South Africa, as amended and Johannesburg Stock Exchange requirements.

9. Share-based payment reserve

Sebata Holdings Limited established the Micromega Share Incentive Trust in 2001 together with a detailed share incentive scheme. The purpose of this scheme is to provide employees of the Sebata group with the opportunity to acquire an interest in equity of Sebata Holdings Limited, thereby providing such employees with a further incentive to advance the group's interests, and promoting an identity of interests between such employees and the shareholders of the group. The share-based payment reserve was transferred to retained earnings during the prior year as all the share options had expired.

Reconciliation of number of ordinary share options	Number of share options	
	2026	2025
Outstanding at the beginning of the year	-	482,215
Expired during the year	-	(482,215)
Outstanding at the end of the year	-	-

Notes to the Annual Financial Statements

Figures in Rand	2026	2025

10. Trade and other payables

Financial instruments:		
Trade payables	3,359,393	57,060
Payroll accruals	21,443	21,443
Accrued audit fees	42,465	557,665
Sundry payables	185,315	201,781
Dividends payable	991,801	991,801
Non-financial instruments:		
VAT	1,379,269	2,367,045
	5,979,686	**4,196,795**

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

At amortised cost	4,600,417	1,829,750
Non-financial instruments	1,379,269	2,367,045
	5,979,686	**4,196,795**

Fair value of trade and other payables

The fair value of trade and other payables approximates their carrying amounts due to the short term nature thereof.

11. Loans from group companies

Entity	**Relationship**		
Inzalo Utility Management Systems (Pty) Ltd	Indirect subsidiary	-	5,777,593
Inzalo Empowerment Services (Pty) Ltd	Indirect subsidiary	925,787	-
Stable-Net (Pty) Ltd	Subsidiary	120	120
R-data (Pty) Ltd	Indirect subsidiary	10,793,894	-
		11,719,801	**5,777,713**

The loans are unsecured, interest free and repayable on demand. The loan from Inzalo Utility Management Systems (Pty) Ltd and Stable-Net (Pty) Ltd are interest free. The loan from R-data (Pty) Ltd bears interest at the prime interest rate.

Fair value of group loans payable

The fair value of group loans payable approximates their carrying amounts due to the short term nature thereof.

Figures in Rand	2026	2025

12. Borrowings

Laird Group (Pty) Ltd	110,093,730	13,982,689
Talacar Holdings (Pty) Ltd	-	2,919,580
Semantic Capital Ltd	-	1,748,087
	110,093,730	**18,650,356**

Refer to note 22 Changes in liabilities arising from financing activities for details of the movement in the borrowings during the reporting period and note 26 Financial instruments and financial risk management for the maturity analysis.

The group restructured its funding arrangements during the current year. Shareholder loans were advanced from Laird Group (Pty) Ltd to the company for R120 million and the proceeds were applied by the company and through loans to subsidiaries (refer note 6) to extinguish all external borrowings and outstanding third-party obligations across the group.

Laird Group (Pty) Ltd

The loan is unsecured and bears interest at the prime lending rate. The loan is repayable as and when the company and group are in a financial position to do so.

Talacar Holdings (Pty) Ltd

The loans was unsecured, had no fixed repayment terms and bore interest at the prime lending rate.

Semantic Capital Ltd

The loan comprised of a GBP denominated amount of GBP83,020 in the prior year which was unsecured, interest free and had no fixed repayment terms.

Fair value of borrowings

The fair value of borrowings approximates their carrying amounts due to the loans being short term in nature and interest terms being market related.

13. Deferred vendor payments

Deferred vendor payments	7,013,925	7,013,925

The amount due to vendors represents the balance of the purchase consideration owing in respect of acquisitions in prior years. The loans are settled through the issue of a variable amount of the company's own equity instruments or cash resources on the achievement of predetermined profit warranties. As the contractual profit warranties were attained in previous reporting periods, the consideration is no longer contingent on performance conditions and has therefore been measured at amortised cost in the current and prior year.

The deferred vendor payments have not been settled as yet, due to an ongoing legal dispute with the previous shareholders insofar as it relates to the settlement of the consideration due and payable.

Fair value of deferred vendor payments

The fair value of the deferred vendor payments approximates their carrying amounts. The impact of any discounting of the amount to the present value at 31 March 2026 is not considered material to the company.

Notes to the Annual Financial Statements

Figures in Rand	2026	2025

14. Revenue

Revenue from contracts with customers		
Management fees	12,158,444	15,648,604
Training fees	300,000	-
Total revenue from contracts with customers	**12,458,444**	**15,648,604**
Revenue other than from contracts with customers		
Dividends received	5,500,000	14,510,285
Total revenue	**17,958,444**	**30,158,889**

15. Interest revenue

Investments in financial assets:		
Bank and other cash	53,231	3,404
Loans to group companies:		
Subsidiaries	8,078,289	-
Total interest revenue	**8,131,520**	**3,404**

16. Other operating (losses) gains

Gain on disposal of dormant subsidiaries	-	2,175,088
Net foreign exchange loss	(260,881)	-
	(260,881)	**2,175,088**

17. Operating profit (loss)

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

Auditor's remuneration - external		
Audit fees	907,500	825,000
Remuneration, other than to employees		
Administrative and managerial services	-	158
Consulting and professional services	8,640,472	4,403,745
Secretarial services	825,385	784,475
	9,465,857	**5,188,378**
Employee costs		
Salaries, wages, bonuses and other benefits	1,556,920	2,987,673
Depreciation and amortisation		
Depreciation of property, plant and equipment	70,633	108,719
Amortisation of intangible assets	124,387	479,842
	195,020	**588,561**
Impairment losses		
Impairment of investments in associates	-	5,878,411
Movement in credit loss allowances		
Loans to group companies (refer note 6)	59,342,337	7,872,379

Notes to the Annual Financial Statements

Figures in Rand	2026	2025

18. Finance costs

Bank overdraft	2,842	3,078
Borrowings (refer note 12)	10,202,870	1,832,693
Group companies	-	169,521
Late payment of tax	247,460	-
Total finance costs	**10,453,172**	**2,005,292**

19. Taxation

Major components of the tax income

Current		
Local income tax - current period	-	281,330
Local income tax - prior period over provision	(93,838)	-
	(93,838)	**281,330**
Deferred		
Originating and reversing temporary differences	(9,973,209)	483,235
Arising from prior period adjustments	(10,200,046)	-
	(20,173,255)	**483,235**
	(20,267,093)	**764,565**

Reconciliation of the tax expense

Reconciliation between accounting profit and tax expense.

Accounting loss	(57,076,671)	15,532,307
Tax at the applicable tax rate of 27% (2025: 27%)	(15,410,701)	4,193,723
Tax effect of adjustments on taxable income		
Dividends not taxable	(1,485,000)	(3,917,777)
Loan impairments	16,022,836	2,125,542
Disallowed expenses	66,815	-
Deferred tax asset not previously recognised	(10,787,320)	(865,855)
Prior period adjustments	363,684	-
Reversal of deferred capital gains tax liability on financial assets and investments	(9,037,407)	(771,068)
	(20,267,093)	**764,565**

Notes to the Annual Financial Statements

Figures in Rand	2026	2025

20. Cash used in operations

	2026	2025
Profit (loss) before taxation	(57,076,671)	15,532,307
Adjustments for non-cash items:		
Depreciation and amortisation	195,020	588,561
Movement in credit loss allowances	59,342,337	7,872,379
Impairment of investments	-	5,878,411
Gain on disposal of dormant subsidiaries	-	(2,175,088)
Other income and expenses allocated to loan accounts	(22,540,926)	(22,012,615)
Dividends received allocated to loan accounts	-	(14,510,285)
Adjust for items which are presented separately:		
Interest income	(8,078,289)	-
Dividends received	(5,500,000)	-
Finance costs	10,453,172	2,005,292
Changes in working capital:		
Decrease in trade and other receivables	36,679	359,150
Increase in trade and other payables	1,782,891	(630,638)
	(21,385,787)	**(7,092,526)**

21. Tax paid

	2026	2025
Balance at beginning of the year	(1,903,516)	(2,901,827)
Current tax recognised in profit or loss	93,838	(281,330)
Interest accrued in tax liability at year end	(16,249)	-
Balance at end of the year	203,741	1,903,516
	(1,622,186)	**(1,279,641)**

22. Changes in liabilities arising from financing activities

Reconciliation of liabilities arising from financing activities - 2026

	Opening balance	Non-cash flow items	Cash inflows	Cash outflows	Closing balance
Borrowings	18,650,356	-	120,000,000	(28,556,626)	110,093,730
Deferred vendor payments	7,013,925	-	-	-	7,013,925
Loans from group companies	5,777,713	3,976,780	4,498,177	(2,532,869)	11,719,801
Total liabilities from financing activities	**31,441,994**	**3,976,780**	**124,498,177**	**(31,089,495)**	**128,827,456**

Reconciliation of liabilities arising from financing activities - 2025

	Opening balance	Other non-cash flow	Disposal of dormant subsidiaries	Cash inflows	Cash outflows	Closing balance
Borrowings	19,589,658	-	-	-	(939,302)	18,650,356
Deferred vendor payments	7,013,925	-	-	-	-	7,013,925
Loans from group companies	28,014,441	(15,077,349)	(2,175,188)	2,150,555	(7,134,746)	5,777,713
Total liabilities from financing activities	**54,618,024**	**(15,077,349)**	**(2,175,188)**	**2,150,555**	**(8,074,048)**	**31,441,994**

23. Contingencies

There were no significant contingent liabilities as at 31 March 2026.

Notes to the Annual Financial Statements

Figures in Rand	2026	2025

24. Related parties

Relationships

Subsidiaries	Refer to note 3
Associate of significant shareholder	Semantic Capital Ltd Talacar Holdings (Pty) Ltd
Significant shareholder	Laird Group (Pty) Ltd
Company controlled by director	Minzocron (Pty) Ltd Shimla Investment Holdings (Pty) Ltd
Company controlled by former director	Firethorn Investments (Pty) Ltd

Related party balances

Loan accounts owing by group companies - refer note 6

Loan accounts owing to group companies - refer note 11

	2026	2025
Loan accounts owing to related parties (refer note 12)		
Laird Group (Pty) Ltd	(110,093,730)	(13,982,689)
Talacar Holdings (Pty) Ltd	-	(2,919,580)
Semantic Capital Ltd	-	(1,748,087)
Loans owing by directors (refer note 7)		
DL Strydom	1,440,000	1,440,000
RJ Viljoen	720,000	720,000

Related party transactions

	2026	2025
Management fees received from related parties		
Inzalo Enterprise Management Systems (Pty) Ltd	4,606,087	7,834,829
Inzalo Utility Systems (Pty) Ltd	3,944,649	7,834,829
R-data (Pty) Ltd	1,669,901	-
Inzalo Utility Management Services (Pty) Ltd (indirect subsidiary)	837,055	-
Londoloza Utility Solutions (Pty) Ltd (indirect subsidiary)	315,157	-
Inzalo Empowerment Services (Pty) Ltd (indirect subsidiary)	302,482	-
UtiliPay (Pty) Ltd (indirect subsidiary)	231,021	-
MICROmega Technologies (Pty) Ltd	227,331	-
Sebata Namibia (Pty) Ltd	12,709	-
MICROmega Accounting & Professional Services (Pty) Ltd	12,051	-
Training fees received from related parties		
Inzalo Empowerment Services (Pty) Ltd (indirect subsidiary)	300,000	-
Consulting fees paid to related parties		
Minzocron (Pty) Ltd	(2,000,000)	-
Shimla Investment Holdings (Pty) Ltd	(300,000)	-
Semantic Capital Ltd**	(1,465,493)	-
Talacar Holdings (Pty) Ltd*	(2,538,000)	(2,538,000)
Firethorn Investments (Pty) Ltd	-	(600,000)
Dividends received from related parties		
Freshmark Systems (Pty) Ltd	5,500,000	825,000
NOSA Travel (Pty) Ltd (dormant subsidiary)	-	2,121,667
Stable-Net Solutions (Pty) Ltd	-	11,563,618
Expenses paid to related parties		
Inzalo Enterprise Management Systems (Pty) Ltd	(1,554,533)	(2,555,676)
Inzalo Utility Systems (Pty) Ltd	-	(6,597)
R-data (Pty) Ltd (indirect subsidiary)	(5,348)	-
Semantic Capital Ltd	(380,695)	-

Notes to the Annual Financial Statements

Figures in Rand	2026	2025
24. Related parties (continued)		
Expenses recovered from related parties		
Freshmark Systems (Pty) Ltd	34,784	41,213
Inzalo Empowerment Services (Pty) Ltd (indirect subsidiary)	609,475	-
Inzalo Enterprise Management Systems (Pty) Ltd	65,554	1,433,323
Inzalo Utility Management Systems (Pty) Ltd (indirect subsidiary)	24,081	22,514
Inzalo Utility Systems (Pty) Ltd	101,676	1,304,349
R-data (Pty) Ltd (indirect subsidiary)	41,473	54,295
UtiliPay (Pty) Ltd (indirect subsidiary)	922,852	-
Interest paid to related parties		
Freshmark Systems (Pty) Ltd	-	(169,521)
Laird Group (Pty) Ltd	(10,102,583)	(1,714,810)
Talacar Holdings (Pty) Ltd	(100,287)	(117,883)
Interest received from related parties		
Inzalo Utility Systems (Pty) Ltd	4,894,319	-
Inzalo Enterprise Management Systems (Pty) Ltd	802,503	-
MICROmega Technologies (Pty) Ltd	2,380,356	-
Inzalo Utility Management Systems (Pty) Ltd (indirect subsidiary)	1,111	-

* CA King, RW King and TW Hamill are indirect beneficiaries of Talacar Holdings (Pty) Ltd and Laird Group (Pty) Ltd. The consulting fees are not paid in relation to their services as directors.

** The amount paid to Semantic Capital Ltd is for the services as director by RW King.

25. Directors' emoluments

2026

Directors' emoluments	**Basic salary and allowances**	**Retirement benefits**	**Other benefits**	**Fees for services as non-executive director**	**Total**
Services as director or prescribed officer					
IG Morris	-	-	-	2,216,949	2,216,949
DA Di Siena	-	-	-	-	-
PH Duvenhage	-	-	-	-	-
TW Hamill	-	-	-	-	-
CA King	-	-	-	-	-
RW King*	-	-	-	-	-
D Passmore	-	-	-	-	-
DL Strydom	3,078,111	216,000	76,689	-	3,370,800
RJ Viljoen	2,413,643	127,058	57,685	-	2,598,386
	5,491,754	**343,058**	**134,374**	**2,216,949**	**8,186,135**

* An amount of R1,465,493 (2025: R nil) is included in the consulting fees paid to Semantic Capital Ltd for the services as director by RW King (refer note 24).

2025

Directors' emoluments	**Basic salary and allowances**	**Retirement benefits**	**Other benefits**	**Fees for services as non-executive director**	**Total**
Services as director or prescribed officer					
IG Morris	1,060,000	-	-	1,293,000	2,353,000
DA Di Siena	-	-	-	-	-
PH Duvenhage	-	-	-	-	-
TW Hamill	-	-	-	-	-
CA King	-	-	-	-	-
RW King**	-	-	-	-	-
D Passmore	-	-	-	-	-
DL Strydom***	2,953,602	66,000	70,298	-	3,089,900
RJ Viljoen***	1,920,551	102,025	46,319	-	2,068,895
	5,934,153	**168,025**	**116,617**	**1,293,000**	**7,511,795**

**Appointed 17 September 2024
*** Appointed 6 May 2024

Notes to the Annual Financial Statements

Figures in Rand

26. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

2026

	Note(s)	Amortised cost	Total	Fair value
Loans to group companies	6	143,878,441	143,878,441	143,878,441
Trade and other receivables	7	2,229,000	2,229,000	2,229,000
Cash and cash equivalents		602,399	602,399	602,399
		146,709,840	**146,709,840**	**146,709,840**

2025

	Note(s)	Amortised cost	Total	Fair value
Loans to group companies	6	48,181,663	48,181,663	48,181,663
Trade and other receivables	7	2,379,000	2,379,000	2,379,000
Cash and cash equivalents		795,669	795,669	795,669
		51,356,332	**51,356,332**	**51,356,332**

Categories of financial liabilities

2026

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	10	4,600,417	4,600,417	4,600,417
Loans from group companies	11	11,719,801	11,719,801	11,719,801
Other financial liabilities	12	110,093,730	110,093,730	110,093,730
Deferred vendor payments	13	7,013,925	7,013,925	7,013,925
		133,427,873	**133,427,873**	**133,427,873**

2025

	Note(s)	Amortised cost	Total	Fair value
Trade and other payables	10	1,829,750	1,829,750	1,829,750
Loans from group companies	11	5,777,713	5,777,713	5,777,713
Other financial liabilities	12	18,650,356	18,650,356	18,650,356
Deferred vendor payments	13	7,013,925	7,013,925	7,013,925
		33,271,744	**33,271,744**	**33,271,744**

26. Financial instruments and risk management (continued)

Capital risk management

The company's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a strong capital base to maintain creditor and shareholder confidence and to sustain future development of the business. The company monitors return on capital, which the company defines as net operating income divided by total shareholders equity. The company also monitors the level of dividends to ordinary shareholders. There were no changes in the company's approach to capital management during the year. The company is not subject to externally imposed capital requirements.

		2026	2025
Loans from group companies	11	11,719,801	5,777,713
Borrowings	12	110,093,730	18,650,356
Trade and other payables	10	5,979,686	4,196,795
Total borrowings		**127,793,217**	**28,624,864**
Cash and cash equivalents		(602,399)	(795,669)
Net borrowings		**127,190,818**	**27,829,195**
Equity		176,884,281	213,693,859
Net operating (loss) income		(46,623,499)	17,537,599
Gearing ratio		72 %	13 %
Return on capital		(26)%	8 %

Financial risk management

Overview

The company is exposed to the following risks from its use of financial instruments:
- Credit risk;
- Liquidity risk; and
- Market risk (currency risk and interest rate risk).

The board of directors has overall responsibility for the establishment and oversight for the company’s risk management framework. The directors are responsible for developing and monitoring the company’s risk management policies.

The company’s risk management policies are established to identify and analyse the risk faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly.

The board of directors oversees how management monitors compliance with the company’s risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the company.

Credit risk

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

The company is exposed to credit risk on loans to group companies (note 6), trade and other receivables (note 7) and cash and cash equivalents.

The management of credit risk is outlined in the individual notes.

Notes to the Annual Financial Statements

Figures in Rand

26. Financial instruments and risk management (continued)

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

		2026			2025		
		Gross carrying amount	**Credit loss allowance**	**Amortised cost**	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost**
Loans to group companies	6	342,069,979	(198,191,538)	143,878,441	187,029,365	(138,847,702)	48,181,663
Trade and other receivables	7	2,513,115	-	2,513,115	2,549,794	-	2,549,794
Cash and cash equivalents*		602,399	-	602,399	795,669	-	795,669
		345,185,493	**(198,191,538)**	**146,993,955**	**190,374,828**	**(138,847,702)**	**51,527,126**

Liquidity risk

The company is exposed to liquidity risk, which is the risk that the company will encounter difficulties in meeting its obligations as they become due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash/ liquid assets to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

Typically the company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the company's statement of financial position remains low geared and thus the directors are comfortable with the ability to receive lines of credit.

The maturity profile of contractual cash flows financial liabilities are presented in the following table. The cash flows are undiscounted contractual amounts.

Due to the repayment terms of borrowings not being fixed, the undiscounted cash flows are not determinable and have been disclosed as including 12 months of interest.

2026

		Less than 1 year	**Total**	**Carrying amount**
Current liabilities				
Trade and other payables	10	4,600,417	4,600,417	4,600,417
Loans from group companies	11	11,719,801	11,719,801	11,719,801
Borrowings	12	122,226,395	122,226,395	110,093,730
Deferred vendor payments	13	7,013,925	7,013,925	7,013,925
		145,560,538	**145,560,538**	**133,427,873**

* Refer to notes 27 and 28 for management of liquidity risk and changes in liabilities subsequent to the year end.

Notes to the Annual Financial Statements

Figures in Rand	2026	2025

26. Financial instruments and risk management (continued)

2025

		Less than 1 year	Total	Carrying amount
Current liabilities				
Trade and other payables	10	1,829,750	1,829,750	1,829,750
Loans from group companies	11	5,777,713	5,777,713	5,777,713
Borrowings	12	20,606,259	20,606,259	18,650,356
Deferred vendor payments	13	7,013,925	7,013,925	7,013,925
		35,227,647	**35,227,647**	**33,271,744**

Foreign currency risk

The company is exposed to foreign currency risk as a result of certain transactions and borrowings which are denominated in foreign currencies. Apart from the foreign denominated borrowings in the prior year, the company was not exposed to any material foreign exchange risk at year end. Refer to note 12 for details of foreign-denominated loans and foreign currency sensitivity analysis.

Interest rate risk

The company's exposure on fair value interest rate risk mainly arises from its interest bearing financial assets and financial liabilities. It also has exposure on cash flow interest rate risk which is mainly arising from its deposits with banks and interest-bearing borrowings with the banks.

In order to manage the interest rate risk, the company will repay borrowings when it has surplus funds.

Sensitivity analysis based on balances at reporting date:

		2026	2025
Interest-bearing borrowings	(refer note 12)	(110,093,730)	(16,902,269)
Interest-bearing loans to group companies	(refer note 6)	91,508,369	-
Cash and cash equivalents		602,399	795,669
Net interest-bearing liabilities		**(17,982,962)**	**(16,106,600)**
Interest rate change		1.50 %	2.00 %
Potential after tax impact on retained earnings		(196,912)	(235,156)

The sensitivity analysis has been prepared with the assumption that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for the relevant financial instruments in existence at that date. The changes in interest rate represent management's assessment of a reasonably possible change in interest rates.

27. Going concern

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

The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

28. Events after the reporting period

Subsequent to the reporting date, the following events occurred:

- The company's shares were suspended from trading on the JSE on 1 October 2025 for failing to publish its audited financial results for the year ended 31 March 2025 within the prescribed period. The suspension was subsequently lifted on 9 July 2026 following the submission of all outstanding reports. There was no financial impact to the company as a result of the suspension.

- On 7 May 2026, the company released a cautionary announcement on SENS advising shareholders that it had entered into negotiations with a non-related third party regarding the potential disposal of certain assets which, if successfully concluded may have a material effect on the price of the company’s securities. No binding agreement had been entered into at the reporting date and the conditions giving rise to the potential transaction did not exist at that date. As at the date of approval of these consolidated annual financial statements, the parties remain in the drafting phase of a sale and purchase agreement. Any transaction remains subject to the negotiation and conclusion of definitive transaction documents, the fulfilment of conditions precedent and such regulatory and shareholder approvals as may be required, including under the JSE Listings Requirements. The financial effect of the potential transaction cannot be reliably estimated at this time. Further announcements will be made to shareholders on SENS in accordance with the JSE Listings Requirements.

These were all considered non-adjusting events.

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