

South African Securitisation Programme (RF) Limited

Annual Financial Statements

for the year ended 30 June 2025

South African Securitisation Programme (RF) Limited

(Registration number:1991/002706/06)

Annual Financial Statements for the year ended 30 June 2025

In terms of section 29(1)(e)(ii) of the South African Companies Act, No 71 of 2008, as amended (Companies Act), we confirm that these Annual Financial Statements were prepared under the supervision of Anisa Vallee CA(SA), Financial Director of Sasfin Bank Limited and Sasfin Holdings Limited, and have been audited in compliance with the requirements of sections 29(1)(e)(i) and 30(2)(a) of the Companies Act, No 71 of 2008 as amended.

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Legal entity terminology used in this report

| | |
|----------------------|---|
| Company: | South African Securitisation Programme (RF) Limited |
| Controlling Company: | Sasfin Bank Limited |
| Group: | Sasfin Holdings Limited and its subsidiaries |
| Administrator: | Sasfin Bank Limited |
| Servicer: | Sasfin Bank Limited |

Directors' responsibility statement

The Board of Directors (the Board) of South African Securitisation Programme (RF) Limited ("the Company") is responsible for the preparation and fair presentation of the Directors' report and the Annual Financial Statements of the Company including significant accounting policies and other explanatory notes.

The Annual Financial Statements are prepared in accordance with International Financial Reporting Standards (IFRS® Accounting Standards) as issued by the International Accounting Standards Board (IASB), the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act, No 71 of 2008, as amended (Companies Act).

The Board is also responsible for such internal controls as they deem necessary to enable the preparation of these Annual Financial Statements and for maintaining adequate accounting records and an effective system of risk management.

The Company has been established as a structured entity for Sasfin Bank Limited and is controlled by Sasfin Bank Limited ("Sasfin Bank") in accordance with IFRS Accounting Standards. Consequently, the day-to-day management and oversight of the Company is the responsibility of Sasfin Bank. The Board therefore place reliance on the management and governance by the Group in the execution of its duties and obligations towards the Company.

The Group is responsible for the controls and the security of Sasfin's website and, where applicable, for establishing and controlling the process for electronically distributing the Annual Financial Statements and other public financial information to shareholders and other key stakeholders. The examination of controls over the maintenance and integrity of the Sasfin's website is beyond the scope of the audit of the financial statements. However, we accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. However, if management does become aware of any subsequent amendments, management will notify the directors that the financial statements no longer correspond with the manually signed financial statements.

Based on its own monitoring and oversight as well as assurance obtained from management, the Board is of the view that an effective internal financial control environment exists to support the integrity of the Annual Financial Statements. Where weaknesses were identified, the adequacy and design of compensating controls instituted by management were considered and found to be adequate and effective.

The Board has a reasonable expectation that the Company will have adequate resources to continue in operational existence and as a going concern in the financial year ahead.

It is the responsibility of the independent auditor to report on the fair presentation of the Annual Financial Statements.

The Annual Financial Statements for the year ended 30 June 2025 were approved and authorised by the Board on 30 October 2025 and are signed on its behalf by:

Evelyn Deiner

E Deiner
Director

30 October 2025



DP Towers
Director

30 October 2025

Company Secretary's certification

We hereby certify, in terms of section 88(2)(e) of the Companies Act, that the Company has filed all returns and notices required by the Companies Act with the Companies and Intellectual Property Commission for the financial year ended 30 June 2025, and that all such returns and notices as required of a public company are true, correct and up to date.

Marian Griffin Kloot

TMF Capital Markets Services (South Africa) Proprietary Limited
Company Secretary

30 October 2025

Directors' report

The directors have pleasure in submitting their report on the Annual Financial Statements of the Company for the year ended 30 June 2025.

Nature of business

The Company is a securitisation structured entity created solely to acquire equipment finance agreements from the Sasfin Holdings Limited Group of Companies (Group).

Financial results

The Company posted a profit for the year of R49.6 million (2024: R70.8 million), this 29.94% decrease is mainly driven by an increase of 69.31% in credit impairments to R64.0 million (2024: R37.8 million) and an increase of 11.98% in non-interest expenses to R130.8 million (2024: R116.8 million) which is partly offset by a 38.54% decrease in tax expenses to R17.7 million (2024: R28.8 million), a 2.64% increase in net interest income to R279.5 million (2024: R272.3 million) and a 3.87% decrease in operating expenses to R17.4 million (2024: R18.1 million).

The Company disposed of its Capital Equipment finance Intercompany loans from securitised assets to the Controlling Entity at a value of R553.7 million, whereafter it was disposed of to African Bank Limited. The cash received was used in turn to early settle the Series 2 Noteholders at a value of R512.85 million.

Directors of the Company are:

| Members | | Date appointed | Date resigned |
|------------|---------------------------|-------------------|---------------|
| D Govender | Non-executive | 21/02/2019 | 30/06/2025 |
| H Heymans | Non-executive | 01/07/2025 | |
| MJ Ross | Alternative | 01/07/2025 | |
| DP Towers | Independent Non-executive | 01/11/2011 | |
| E Deiner | Independent Non-executive | 25/04/2017 | |
| B Harmse | Independent Non-executive | 31/01/2013 | |

Company Secretary

Maitland Group South Africa Limited was appointed as Company Secretary on 1 October 2011. Stonehage Fleming ("Stonehage") acquired the corporate services business of Maitland during the 2022 financial year with Stonehage continuing as Company Secretary. In the current year, Stonehage Fleming Corporate Services (Pty) Ltd name was changed to TMF Capital Markets Services (South Africa) Proprietary Limited.

Postal address PO Box 781396
Sandton
Johannesburg
2146

Business address 54 Glenhove Road
Melrose
Johannesburg
Gauteng
2196

Share capital

Ordinary share capital

There have been no changes to the authorised or issued ordinary share capital during the year under review.

Preference share capital

There have been no changes to the authorised or issued preference share capital during the year under review.

Directors' report *continued*

Ultimate holding entity

The Company is wholly owned by The South African Securitisation Issuer Owner Trust, a trust set up solely for the purposes of holding the ordinary shares of the Company. The trustee of the trust is TMF Capital Markets Services (South Africa) (Pty) Ltd.

The Company is controlled by Sasfin Bank Limited in accordance with IFRS. Sasfin Bank Limited is also responsible for administration and management of the Company.

The sole beneficiary of the trust is Sasfin Bank Limited.

Dividends

The Company declared, and paid preference share dividends of R70 million (2024: R25 million) during the current financial year.

Directors' emoluments

Three directors of the Company are employed by independent external service providers and are remunerated by their respective employers on a separate basis. The remaining directors are employed and remunerated by Sasfin Bank Limited. There was no remuneration or benefit paid directly to the directors or by any company within the Group for services provided in their capacity as directors of the Company, other than as disclosed in Note 21.1.

Economic events during the reporting period

Management has assessed that the current economic environment, which continues to be influenced by low economic growth, elevated unemployment levels, and the significant increases of United States tariffs on South African imports. While the strengthening of the South African Rand against the US Dollar and lower fuel prices have contributed to inflation easing to the lower end of the South African Reserve Bank's target range, the Monetary Policy Committee is expected to remain cautious in adjusting monetary policy. In addition, the reversal of the planned VAT increase demonstrates a prudent fiscal approach.

Special resolutions

No special resolutions were passed during the year.

Corporate governance

The principles of the King Report on Corporate Governance™ for South Africa, 2016 (King IV™)¹ as applied to all companies in the Group, are equally applied in the governance of the Company. An explanation of how the King IV™ principles are applied in the Group can be found on the Sasfin website, www.sasfin.com/investor-relations/#results-and-reports.

Subsequent events

The Board is not aware of any other material events that occurred after the reporting date and up to the date of this report, apart from those mentioned in Note 28 (Subsequent events) to the Annual Financial Statements.

Going concern

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 cash resources and 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 any pending changes to legislation which may affect the Company.

¹ Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.

Audit Committee report

Members of the Audit Committee

The members of the Audit Committee are all Independent Non-executive Directors of the Company and are:

| Members | Appointment date |
|------------------|-------------------|
| B Harmse (Chair) | 17/04/2013 |
| E Deiner | 25/04/2017 |
| DP Towers | 17/04/2013 |

The Committee is satisfied that the members thereof have the required knowledge and experience as set out in Section 94(5) of the Companies Act, Regulation 42 of the Companies Regulations, 2011 and principle 8.55 of King IV™.

Meetings held by the Audit Committee

The Audit Committee performs the duties laid upon it by Section 94(7) of the Companies Act by holding meetings with the key role players on a regular basis and by the unrestricted access granted to the external auditor.

For the period under review, the Committee met on 24 October 2024, 26 June 2025, and 17 October 2025.

Specific functions of the Committee

Financial reporting

- Have regard to all factors and risks that may impact on the integrity of the Annual Financial Statements, including factors that may predispose the Servicer and Administrator to present a misleading picture, significant judgements and reporting decisions made, monitoring or enforcement actions by a regulatory body, any evidence that brings into question previously published information, forward-looking statements or information;
- Evaluated the adequacy and effectiveness of the internal financial controls and reporting processes, supported by the work of the Internal Audit function and other assurance providers. Where weaknesses were identified, the adequacy and design of compensating controls instituted by Sasfin was considered. The Committee satisfied itself as to the overall adequacy and operating effectiveness of the internal financial control environment;
- Review the Annual Financial Statements, announcements, any trading statements and similar documents;
- Comment on the Annual Financial Statements, the accounting practices and the effectiveness of the internal financial controls;
- Recommend to the Board the engagement of an external assurance provider as may be provided for in the Transaction Documents; being the Memorandum of Incorporation of the Company, the trust deed of the legal owner and all contracts, agreements, addendums to contracts and agreements and other memorandums governing the rights and obligations of the Company and its counter parties; and
- Recommend the Annual Financial Statements for approval by the Board.

Audit Committee report *continued*

External audit

The Committee is responsible for recommending the appointment of the external auditor and to oversee the external audit process and in this regard the Committee must after consultation with the Servicer and Administrator:

- Nominate the external auditor for appointment by the shareholders;
- Approve the terms of engagement and remuneration for the external audit engagement;
- Monitor and report on the independence of the external auditor in the Annual Financial Statements;
- Pre-approve the contracts for non-audit services to be rendered by the external auditor;
- Ensure that there is a process for the Audit Committee to be informed of any Reportable Irregularities (as identified in the Auditing Profession Act, 2005) identified and reported by the external auditor in respect of the Company;
- Review the quality and effectiveness of the external audit process;
- Consider whether the audit firm and, where appropriate, the individual auditor that will be responsible for performing the functions of auditor, are registered with the Independent Regulatory Body for Auditor or the International Forum of Independent Audit Regulators as required by the JSE Limited Listings Requirements; and
- Recommend for re-election PricewaterhouseCoopers Inc (PwC) as the audit firm, with Costa Natsas as the engagement partner, for shareholder approval.

The Committee is satisfied that PwC is independent of the Company, and the partner who is responsible for signing the Company's Annual Financial Statements, as set out in section 94(8) of the Companies Act, has the requisite skills and expertise. This included consideration of:

- The representations by PwC to the Committee including the auditor's suitability assessment in terms of the JSE Listing Requirements;
- The independence of PwC not being impaired as set out by IRBA as well as other regulatory and internal processes within the audit firm; and
- Policies and controls regarding non-assurance services provided by PwC.

The Company's external auditor is PwC. Fees paid for audit and other services are approved by the Committee.

Internal audit

The Committee may, if deemed necessary interact with the internal audit function of the Servicer and Administrator in as far as same relates to and may impact the Company in respect of:

- Financial reporting risks;
- Internal financial controls;
- Fraud risks as it relates to financial reporting; and
- IT risks as it relates to financial reporting.

For clarity, the internal audit function does not report to the Committee, but forms part of the Servicer and Administrator's responsibilities in terms of their relevant appointments and related agreements.

Combined assurance

The Group has matured its Combined Assurance Programme. The Chief Risk Officer is accountable for the operation and ongoing improvement of the Programme and, as part of this, oversees and aligns the control and validation/assurance efforts of the first- (and one and a half-), second-, and third lines of assurance across the Group. The key focus of the Programme is coordinating the efforts of assurance providers to help the Group and its employees manage the organisational risk universe in a manner that is aligned with the Group's commitment to ethical behaviour, is compliant with relevant laws and regulations, and is both fit-for purpose and sustainable. The Company leverages off this Servicer-initiated Programme.

Audit Committee report *continued*

Financial risk management

The Company's financial risk management is governed by the financial risk management framework, policies and procedures implemented and maintained by the Group.

Annual confirmations of key functions for the year Financial control and financial reporting

The Committee reviews the Annual Financial Statements and dividend declarations and recommends those to the Board for approval. This role includes an assessment of the accounting policies and key assumptions applied in the preparation of the financial statements, as well as dealing in technical reporting matters. In doing so, the Committee also confirmed compliance of the Annual Financial Statements with IFRS and the JSE Debt Listings Requirements. Further, consideration has been given to the JSE Proactive Monitoring report to ensure the integrity of the financial information in the Annual Financial Statements. Lastly the Committee confirms that it has assessed and confirms the appropriateness of the going concern basis for the preparation of the Annual Financial Statements and the solvency and liquidity tests in support of financial assistance and distributions.

The Audit Committee can confirm that:

- Resources have been utilised efficiently;
- The internal controls have been effective in all material aspects throughout the year under review, and where weaknesses have been found adequate remedial action has been taken and/or compensating controls have been implemented;
- Proper accounting records have been maintained;
- Controls have ensured that the Company's assets are safeguarded; and
- The skills, independence, audit plan, reporting and overall performance of the external auditor is acceptable.

Annual Financial Statements

The Committee has:

- Reviewed and discussed the audited Annual Financial Statements with the external auditor and directors;
- Reviewed the external auditor's year-end audit findings report and management's response thereto; and
- Reviewed significant adjustments resulting from external audit queries and any unadjusted audit differences (where applicable).

The Audit Committee is satisfied with the work performed by the Administrator and Servicer, with which the day-to-day management and oversight of the Company resides.

On behalf of the Audit Committee



B Harmse
Audit Committee Chair

30 October 2025

Independent auditor's report

To the shareholder of South African Securitisation Programme (RF) Limited

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of South African Securitisation Programme (RF) Limited (the Company) as at 30 June 2025, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa.

What we have audited

South African Securitisation Programme (RF) Limited's financial statements set out on pages 12 to 68 comprise:

- the statement of financial position as at 30 June 2025;
- the statement of profit or loss and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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)*.

Our audit approach

Overview

Final materiality R41.7 million which represents 1% of total assets.

Key audit matters Valuation of expected credit losses ('ECL') on intercompany loans from securitised assets

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (EAR Rule), we report final materiality below.

Independent auditor's report *continued*

Final materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. 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 financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the final materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, 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 financial statements as a whole.

| Company financial statements | |
|--|---|
| Final materiality | R41.7 million |
| How we determined it | 1% of total assets. |
| Rationale for the materiality benchmark applied | We chose total assets as the benchmark because in our view, it is the benchmark against which the performance of the Company is measured by users, and is a generally accepted benchmark. We chose 1% which is consistent with quantitative materiality thresholds used for asset orientated entities in this sector. |

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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 ISA 701 *Communicating key audit matters in the independent auditor's report*/the EAR Rule (as applicable), we are required to report key audit matters and the outcome of audit procedures or key observations with respect to the key audit matters, and these are included below.

| Key audit matter | How our audit addressed the key audit matter |
|---|--|
| <p>Valuation of expected credit losses ('ECL') on intercompany loans from securitised assets</p> <p>Refer to the following accounting policies and notes to the financial statements for the disclosures as it relates to this key audit matter:</p> <ul style="list-style-type: none"> Note 1.6.8 (Financial instruments – Accounting policy); Note 2.2 (Critical estimates, judgements and assumptions – Credit impairment of financial assets); Note 6 (Intercompany loans from securitised assets); and Note 24 (Credit risk). <p>We considered the valuation of ECL on intercompany loans from securitised assets to be a matter of most significance to the current year audit due to:</p> <ul style="list-style-type: none"> The measurement of ECL on these loans being inherently complex and involves significant management judgement, particularly in the determination of the Loss Given Default (LGD). The complex model used in the determination of LGD may lead to usage of incorrect assumptions (e.g., cure rates, recovery timeframes), which could lead to material misstatements. The variability in collateral values, legal processes and borrower finances make recovery rates unpredictable, affecting recovery value assumptions and ultimately LGD; | <p>Our audit addressed this key audit matter as follows:</p> <p>Through inspection of underlying supporting documentation and discussions with management, we tested the design, implementation and operating effectiveness of the relevant key governance controls over the review and approval of the ECL assumptions (including LGD) by the Credit and Large Exposures Committee ('CLEC').</p> <p>Through discussions with management and inspection of policy documents, we obtained an understanding of the methodologies and assumptions used by management in the LGD model component and how the LGD was calibrated.</p> <p>Making use of our actuarial credit expertise, we assessed the reasonableness of the LGD assumption used by management in the credit loss allowance model by performing the following procedures:</p> <ul style="list-style-type: none"> We assessed the LGD recalibration results for overall reasonability based on the recovery data. |

Independent auditor's report *continued*

| Key audit matter | How our audit addressed the key audit matter |
|--|---|
| <ul style="list-style-type: none"> • The LGD is subject to semi-annual recalibration which incorporates both quantitative and qualitative factors, including the realisable value of security, and nature of legal process; and • The magnitude of these loans in relation to the financial statements. <p>As at 30 June 2025, the Company recognised intercompany loans from securitised assets of R4.8 billion which includes a credit loss allowance of R227 million.</p> <p>The Company applies judgement in determining the inputs used in the assessment of ECL on its intercompany loans from securitised assets.</p> <p>As described in note 6, the financial statements reflect the IFRS 9 – <i>Financial Instruments</i> accounting treatment of the securitised assets as an intercompany receivable from Sasfin Bank Limited that is representative of the cash flows expected to be received on the underlying participating securitised assets that are subject to the purchase agreements. The ECL on this intercompany receivable is calculated with reference to these underlying assets.</p> | <ul style="list-style-type: none"> • Due to the variability in collateral values, legal processes and borrower finances which make recovery rates unpredictable, we constructed an independent LGD curve from the separate loss given write off and probability of write off given default curves to compare to management's LGD estimate. • We assessed the quality of the write off data used in our independent calculations of LGD estimates. • We independently calculated the LGD estimates to derive a reasonable range of credit loss allowance values. <p>Management's calculation of the LGD assumption used in the ECL was not materially different to our independently calculated LGD assumption.</p> |

Independent auditor's report *continued*

Other information

The Directors are responsible for the other information. The other information comprises the information included in the document titled "South African Securitisation Programme (RF) Limited Annual Financial Statements for the year ended 30 June 2025", which include(s) the Directors' Report, the Audit Committee Report and the Company Secretary's Certification as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements¹

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

¹ The examination of controls over the maintenance and integrity of the Company's website is beyond the scope of the audit of the financial statements. Accordingly, we accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Independent auditor's report *continued*

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the 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 Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of South African Securitisation Programme (RF) Limited for eight years.



PricewaterhouseCoopers Inc.
Director: C Natsas
Registered Auditor
4 Lisbon Lane, Waterfall City, Jukskei View, 2090, South Africa

30 October 2025

Statement of financial position

at 30 June 2025

| | Accounting policy | Note | 2025 R'000 | 2024 R'000 |
|--|----------------------|------|------------------|---------------|
| Assets | | | | |
| Cash and cash equivalents | 1.5 | 4 | 443 763 | 379 997 |
| Trade and other receivables | 1.6 | 5 | 15 997 | 111 891 |
| Intercompany loans from securitised assets | 1.6 | 6 | 3 696 488 | 4 124 153 |
| Current taxation asset | 1.8 | | 15 563 | 1 399 |
| Total assets | | | 4 171 811 | 4 617 440 |
| Liabilities | | | | |
| Trading liabilities | 1.6 | 7.1 | 8 013 | 2 710 |
| Trade and other payables | 1.6 | 8 | 147 521 | 125 080 |
| Debt securities issued | 1.6 | 9 | 3 278 736 | 3 685 800 |
| Loans from entities in the Group | 1.6 | 21.2 | 354 865 | 393 670 |
| Deferred tax liability | 1.8 | 10 | 115 027 | 122 176 |
| Total liabilities | | | 3 904 162 | 4 329 436 |
| Equity | | | | |
| Ordinary share capital | 1.4 | 11 | 100 | 100 |
| Reserves | | | 267 549 | 287 904 |
| Preference share capital | 1.4 | 12 | – | – |
| Total equity | | | 267 649 | 288 004 |
| Total liabilities and equity | | | 4 171 811 | 4 617 440 |

Statement of profit or loss and other comprehensive income

for the year ended 30 June 2025

| | Accounting policy | Note | 2025 R'000 | 2024 R'000 |
|---|-------------------|--------|------------------|---------------|
| Interest income | 1.7 | 13 | 666 764 | 718 810 |
| Interest income calculated using the effective interest method | | | 666 764 | 718 810 |
| Interest expense | | 14 | (387 295) | (446 502) |
| Interest expense calculated using the effective interest method | 1.7 | | (387 295) | (439 953) |
| Other interest expense | | | – | (6 549) |
| Net interest income | | | 279 469 | 272 308 |
| Non-interest expense | | | (130 788) | (116 835) |
| Net fee and commission expense | 1.7 | 15 | (247 793) | (233 805) |
| Fee and commission income | | | 509 | 507 |
| Fee and commission expense | | | (248 302) | (234 312) |
| Gains and losses on financial instruments | 1.7 | | 5 533 | 6 668 |
| Net gains or losses on the derecognition of financial instruments at amortised cost | | 16 | 16 426 | 14 136 |
| Other gains or losses on financial instruments | | 16 | (10 893) | (7 468) |
| Other Income | | 17 | 111 472 | 110 302 |
| Total income | | | 148 681 | 155 473 |
| Credit impairment charges | 1.6 & 2.2 | 24.3.2 | (63 966) | (37 839) |
| Net income after impairments | | | 84 715 | 117 634 |
| Other operating expenses | | 18 | (17 399) | (18 115) |
| Profit for the year before income tax | | | 67 316 | 99 519 |
| Income tax expense | 1.8 | 19 | (17 671) | (28 752) |
| Profit for the year | | | 49 645 | 70 767 |
| Total comprehensive income for the year | | | 49 645 | 70 767 |

Statement of changes in equity

for the year ended 30 June 2025

| | Ordinary share capital ¹ R'000 | Reserves R'000 | Total ordinary shareholders' equity R'000 | Preference share capital ² R'000 | Total shareholders' equity R'000 |
|---|--|-------------------|--|--|---|
| 2025 | | | | | |
| Opening balance at 1 July 2024 | 100 | 287 904 | 288 004 | – | 288 004 |
| Total comprehensive income for the year | – | 49 645 | 49 645 | – | 49 645 |
| Profit for the year | – | 49 645 | 49 645 | – | 49 645 |
| Transactions with owners recorded directly in equity | | | | | |
| Transfer between reserves ³ | – | (70 000) | (70 000) | 70 000 | – |
| Dividends to preference shareholders ³ | – | – | – | (70 000) | (70 000) |
| Balance at 30 June 2025 | 100 | 267 549 | 267 649 | – | 267 649 |
| 2024 | | | | | |
| Opening balance | 100 | 242 137 | 242 237 | – | 242 237 |
| Total comprehensive income for the year | – | 70 767 | 70 767 | – | 70 767 |
| Profit for the year | – | 70 767 | 70 767 | – | 70 767 |
| Transactions with owners recorded directly in equity | | | | | |
| Dividends to preference shareholders | – | (25 000) | (25 000) | – | (25 000) |
| Balance at 30 June 2024 | 100 | 287 904 | 288 004 | – | 288 004 |

¹ Please refer to Note 11.

² Please refer to Note 12.

³ In the current year, to better reflect the nature of the transaction, management introduced a transfer between reserves and preference share capital to reflect the amount of dividends declared and paid to preference shareholders. The transfer was applied prospectively.

Statement of cash flows

for the year ended 30 June 2025

| | Note | 2025 R'000 | 2024 R'000 |
|--|------|------------------|---------------|
| Cash flows from operating activities | | | |
| Cash utilised from operating activities ¹ | 20.1 | (163 644) | (143 459) |
| Interest received | 20.2 | 674 487 | 691 291 |
| Interest paid | 20.3 | (397 492) | (440 085) |
| Taxation paid | 20.4 | (38 984) | (15 499) |
| Dividends paid | 20.5 | (70 000) | (25 000) |
| Cash flows from operating activities before changes in operating assets and liabilities | | 4 367 | 67 248 |
| Changes in operating assets and liabilities | | 495 072 | (80 154) |
| Decrease/(Increase) in Intercompany loans from securitised assets | | 372 402 | (48 305) |
| Decrease/(Increase) in trade and other receivables | | 95 895 | (16 502) |
| Increase in trading liabilities | | 4 334 | – |
| Increase/(Decrease) in trade and other payables | | 22 441 | (15 347) |
| Net cash from operating activities | | 499 439 | (12 906) |
| Net cash from investing activities | | – | – |
| Cash flows from financing activities | | (435 673) | (34 138) |
| Settlement of debt securities | 9 | (1 339 000) | (676 000) |
| Proceeds from issuance of debt securities | 9 | 941 000 | 642 000 |
| Advances of loans from entities in the Group | 20.6 | 12 791 | 1 855 |
| Repayments of loans from entities in the Group | 20.6 | (50 464) | (1 993) |
| Net increase/(decrease) in cash and cash equivalents | | 63 766 | (47 044) |
| Cash and cash equivalents at the beginning of the year | | 379 997 | 427 041 |
| Cash and cash equivalents at the end of the year | | 443 763 | 379 997 |

¹ In the current year, management revised its accounting policy on the presentation of the cash flow statement. Previously fee and commission income received (2024: R0.5 million), fee and commission expense paid (2024: Negative R234.3 million), net trading and other income (2024: R108.5 million), and cash payments to suppliers (2024: Negative R18.1 million) were presented on the face of the statement of cash flows. In the current year, the Company adopted a fully indirect method and consequently, the statement of cash flows starts with "Cash flows from operating activities" comprising profit for the period adjusted for non-cash items and separately disclosable items, as disclosed in Note 20.1. This was done to better reflect the presentation requirements of IAS 7.

Notes to the financial statements

for the year ended 30 June 2025

1. Accounting policies

The material accounting policies adopted in the preparation of the Annual Financial Statements are set out below.

1.1 Basis of preparation

The Annual Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board (IASB) and IFRS® Interpretations Committee, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the requirements of the Companies Act, No 71 of 2008, as amended, and the JSE Debt Listings Requirements.

The Annual Financial Statements were authorised for issue by the Board of Directors on the 30 October 2025.

The directors assess the Company's future performance and financial position on a continuous basis and have no reason to believe that the Company will not be a going concern in the reporting period ahead. Consequently, the Annual Financial Statements have been prepared on the going concern basis.

The Company has, in the preparation of the Annual Financial Statements, consistently applied the accounting policies with those applied in the previous financial year, unless otherwise stated.

The Annual Financial Statements are prepared on the historic cost basis, except as set out in the accounting policies which follow.

Assets and liabilities and income and expenses are not offset in the income statement or balance sheet unless specifically permitted by IFRS Accounting Standards.

1.1.1 Adoption of new and amended standards for the first time in the current financial year

The following amendments have been adopted without affecting the Company's previously reported financial results, disclosures or accounting policies. The items mentioned below are confirmed not to have had an impact on the Company's financial statements for the 2025 financial year-end.

Classification of liabilities as current or non-current and non-current liabilities with covenants (Amendments to IAS 1 *Presentation of Financial Statements*)

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the IASB has removed the requirement for a right to be unconditional and, instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

The amendments clarified that a company has a right to defer settlement of a liability if the company complies with those conditions at that date. As part of the amendment, it specified that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. For liabilities that a company is only required to assess compliance with covenants within twelve months after the reporting date (or further), it would have no effect on the classification of a liability. However, for such liabilities the amendment requires separate disclosure of the information about the covenants, the carrying amount of the related liabilities and the facts and circumstances, if any, that indicate the entity may have difficulty complying with the covenants in the Annual Financial Statements. It also clarified that an entity does not have a right to defer settlement (and therefore classify it as current), if the liability could become repayable within twelve months at the discretion of the counterparty or third party or depending on an uncertain future event or outcome that is unaffected by the company's future actions.

Lease liability in a sale-and-leaseback (Amendments to IFRS 16 *Leases*)

The amendment clarifies how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction. The amendment confirms that on initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognises no gain or loss relating to the right of use it retains. The amendment is to be applied retrospectively to sale-and-leaseback transactions entered into or after the date of initial application of IFRS 16.

Notes to the financial statements *continued*

for the year ended 30 June 2025

1. Accounting policies *continued*

1.1 Basis of preparation *continued*

1.1.1 Adoption of new and amended standards for the first time in the current financial year *continued*

Supplier finance arrangements (Amendment to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures)

The amendments made to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures* is to enhance the usefulness of information provided by entities in relation to supplier finance arrangements. The amendments are intended to assist the users of the financial statements to better understand the effect of such arrangements on the entity's liabilities, cash flows and exposure to liquidity risk. As part of the amendment, the amendment clarifies the characteristics of supplier finance arrangements and disclosure requirements. The disclosure requirements include the requirement for an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows.

Annual improvements to IFRS Standards (Amendments to guidance on implementing IFRS 7)

Amendments were made to the guidance on implementing IFRS 7 *Financial Instruments: Disclosures* to clarify, simplify, and remove inconsistencies in wording.

1.1.2 Interest rate benchmark and reference interest rate reform

The Financial Stability Board initiated a fundamental review and reform of the major interest rate benchmarks used globally by financial market participants. This review seeks to replace existing interbank offered rates (IBORs) with alternative risk-free rates (ARRs) to improve market efficiency and mitigate systemic risk across financial markets. The South African Reserve Bank ("SARB") has indicated their intention to move away from JIBAR and to create an alternative reference rate for South Africa. The SARB has indicated their initial preference for the adoption of the South African Rand Overnight Index Average (ZARONIA) as the preferred unsecured candidate to replace JIBAR in cash and derivative instruments.

In the prior year, the SARB published their transition plan. The transition plan defines the trajectory of the transition away from JIBAR, having considered the best practice recommendations that have emerged through similar offshore transitions and taking into account the structure of the South African financial markets. The transition plan can be defined in three key pillars:

- Pillar 1: Adoption in derivatives markets (new contracts/positions);
- Pillar 2: Adoption in cash markets (new contracts/positions); and
- Pillar 3: Transition of legacy positions

The SARB has indicated that JIBAR cessation is likely to take place at the end of 2026. It will confirm the cessation date in December 2025. There are several notable milestones in the lead-up to the cessation, which are contained in the industry timeline published by the SARB. These included ZARONIA first for derivatives in November 2024 (Pillar 1), ZARONIA first for the cash market in May 2025 (Pillar 2) and "No new JIBAR" scheduled for March 2026.

The Company currently has a number of contracts, including derivatives, which reference JIBAR. Based on the Company's assessment, it is expected that debt securities, loans from entities in the Group (subordinated debt) and trading liabilities will most likely be impacted by the transition to ZARONIA. The Company will monitor the transition plan to ensure readiness.

| | 2025 R'000 |
|---|---------------|
| Financial liabilities that are linked to JIBAR and therefore impacted by reference rate reform | |
| Trading liabilities – derivatives | 8 013 |
| Debt securities | 3 278 736 |
| Loans from entities in the Group | 354 865 |
| Total financial liabilities that are impacted by reference rate reform | 3 641 614 |

1.2 Currencies

Functional and presentation currency

The Annual Financial Statements are presented in South African Rand (ZAR) and all amounts, unless otherwise indicated, are stated in thousands of ZAR (R'000).

The Company operates in the Republic of South Africa with a functional currency of ZAR.

Notes to the financial statements *continued*

for the year ended 30 June 2025

1. Accounting policies *continued*

1.3 Commitments and contingent liabilities

Series guarantee and Series indemnity

The Series Security special purpose vehicle (SPV) has guaranteed the Issuer's obligation to the Noteholders and the other Series Secured Creditors in terms of the Series Guarantee. The issuer has, in terms of the Series Indemnity, indemnified the Series Security SPV in respect of claims made against the Series Security SPV under the Series Guarantee. In terms of the Series Issuer Security Agreement, the Issuer's obligation to the Series Security SPV under the Series Indemnity has been secured by: (i) a pledge and (ii) a pledge and cession in *securitatem debiti*, of the Series Assets relating to this Series, in favour of the Series Security SPV.

Legal proceedings

In the ordinary course of business, the Company is involved as both plaintiff and defendant in litigation, lawsuits and other proceedings. Management recognises the inherent difficulty of predicting the outcome of defended legal proceedings. Nevertheless, based on management's knowledge from investigation, analysis and after consulting with legal counsel, management believes that there are no individual legal proceedings that are currently assessed as being 'likely to succeed and material'.

1.4 Share capital

Ordinary share capital

Ordinary shares are classified as equity.

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

Dividends are accounted for as distributions from equity in the period in which they are payable to shareholders.

Preference share capital as equity

Preference share capital is classified as equity as it is non-redeemable and dividends payable are discretionary at the option of the Company.

Incremental costs directly attributable to the issue of preference shares are recognised as a deduction from equity, net of tax.

Preference dividends are accounted for as distributions from equity when they become payable to shareholders. Preference share capital of the Company, purchased by the Company is recognised as a reduction to equity at the amount of the consideration paid, including directly attributable costs, net of tax.

1.5 Cash and cash equivalents

Cash and cash equivalents are available for use by the Company unless otherwise stated and are accounted for at amortised cost in the Annual Financial Statements.

Cash and cash equivalents consist of funds on call and fixed deposits with Nedbank Limited and Sasfin Bank Limited.

1.6 Financial instruments

Financial instruments, as reflected on the Statement of financial position, include all financial assets, financial liabilities and derivative instruments.

Financial assets and financial liabilities are recognised on the date on which the Company becomes party to the contractual provisions of the contract that is a financial instrument.

Financial instruments are initially recognised at fair value.

Transaction costs directly attributable to the acquisition of a financial asset or financial liability are recognised in profit or loss for financial instruments measured at fair value through profit or loss and for all other financial instruments, against the financial instrument.

Subsequent to initial measurement, financial assets are either measured at fair value through profit or loss, or amortised cost, based on the business model in terms of which the financial instruments are acquired and managed, as well as the contractual cash flow characteristics thereof. Subsequent to initial measurement, financial liabilities are measured at amortised cost unless they are classified as held for trading or designated at fair value through profit or loss.

1.6.1 Amortised cost

Amortised cost financial assets and financial liabilities are measured at the amount determined on initial recognition, less principal repayments and cumulative amortisation using the effective interest method. Financial assets are further adjusted for any ECL allowance.

Notes to the financial statements *continued*

for the year ended 30 June 2025

1. Accounting policies *continued*

1.6 Financial instruments *continued*

1.6.2 Financial instruments at fair value through profit or loss (FVTPL)

The Company classifies financial assets at fair value through profit or loss when the business model is such that these financial assets are managed and measured on a fair value basis, since realisation of these is anticipated to be through sale. Financial liabilities are classified at fair value through profit or loss if they are classified as held for trading purposes or designated as such.

Financial assets and financial liabilities at fair value through profit or loss are measured at fair value, with fair value gains and losses reported in non-interest expense, as part of other gains or losses on financial instruments.

The fair value gains and losses on interest rate swaps are included in non-interest expense. Interest income and interest expense on instruments classified as at fair value through profit or loss are reported as other interest income and other interest expense respectively in profit or loss.

1.6.3 Classification and measurement of financial assets

Financial assets are classified and measured based on the Company's business model for managing it and the contractual cash flow characteristics of the financial assets.

Financial assets held by the Company in a business model that has the objective of holding the financial assets to collect contractual cash flows, and the contractual terms of the financial asset leads to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are classified and measured as 'measured at amortised cost'.

Financial assets held by the Company in a business model that has the objective of realising cash flows through sale of the assets and/or that is managed on a fair value basis, including those held for trading, are classified and measured as 'fair value through profit or loss (FVTPL)'.

1.6.4 Intercompany receivable

The Intercompany loans from securitised assets and intercompany receivable with entities in the Group are classified as a financial asset at amortised cost, and are initially measured at fair value plus transactions costs and subsequently measured at amortised cost using the effective interest method.

1.6.5 Business model assessment

The Company assesses the objective of a business model in which an asset is held at a portfolio level since this best reflects the way the business is managed, and information is provided to management. The following information is considered:

- The stated policies and objectives for the portfolio and the practical implementation of those policies. Specifically, whether management's strategy focuses on earning contractual interest revenue, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising profits and cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Company management;
- The risks that affect the performance of each portfolio and the strategy for how those risks are managed;
- How managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity. Information about sales activity is considered as part of the overall assessment of how Sasfin's stated objective for managing the financial assets is achieved and how cash flows are realised.

1.6.6 Assessment of whether contractual cash flows are solely payments of principal and interest

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

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

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Notes to the financial statements *continued*

for the year ended 30 June 2025

1. Accounting policies *continued*

1.6 Financial instruments *continued*

1.6.6 Assessment of whether contractual cash flows are solely payments of principal and interest *continued*

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets that are held for trading (i.e. acquired for the purpose of selling in the short-term) and those that the Company has elected to designate as at FVTPL are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

1.6.7 Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing those financial assets.

1.6.8 Impairments

The Company recognises loss allowances for ECL on the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments including trade and other receivables; and
- intercompany loans from securitised assets based on the change in impairment on the underlying loans it legally owns.

The Company measures loss allowances at an amount equal to lifetime ECL, except for those financial instruments on which credit risk has not increased significantly since their initial recognition, which are measured as 12-month ECL. The estimation involves complex models which incorporates assumptions around recovery rates and recovery timeframes. Management performs semi-annual model recalibrations to integrate recent recovery date and economic conditions.

For the intercompany loans from securitised assets related to the securitisation of deals (Refer to Note 6), the Company applies, in accordance with the allowed accounting policy choice in IFRS 9, to apply the general model for measuring loss allowance.

12-month ECL is the portion of ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which a 12-month ECL is recognised are referred to as 'Stage 1 financial instruments'.

Life-time ECL is the ECL that results from all possible default events over the expected life of the financial instrument. Financial instruments for which a lifetime ECL is recognised but which are not credit-impaired are referred to as 'Stage 2 financial instruments'. Financial instruments for which a lifetime ECL is recognised and which are credit-impaired, are referred to as 'Stage 3 financial instruments'.

1.6.9 Measurement of ECL

ECL is a probability-weighted estimate of credit losses. The ECL relating to the legally owned loans and advances recognised within intercompany loans from securitised assets is calculated as follows:

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive); and
- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows.

The key inputs for the measurement of ECL are the following variables:

- Probability of Default (PD);
- Loss Given Default (LGD);
- Exposure at Default (EAD);
- Time to Default (TTD);
- Expert judgement referred to below; and
- Forward-looking parameters.

Notes to the financial statements *continued*

for the year ended 30 June 2025

1. Accounting policies *continued*

1.6 Financial instruments *continued*

1.6.9 Measurement of ECL *continued*

Both qualitative and quantitative measurements are used in the process of calculating the ECL on the Performing, Underperforming and Non-Performing exposures.

ECL is a 'three stage' model for calculating impairment losses, based on changes in credit quality since initial recognition namely:

- 12-month ECLs are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.
 - Stage 1 includes exposures that have not had a Significant Increase in Credit Risk (SICR) (defined on the next page) since initial recognition. For these financial instruments, ECL is calculated based on the relevant 12-month PD, TTD, LGD and EAD.
- Lifetime ECLs are the ECL that result from all possible default events over the expected life of the financial instrument.
 - Stage 2 includes exposures that had a SICR since initial recognition but do not have objective evidence of impairment. For these financial instruments, ECL is calculated based on the relevant lifetime PD, TTD, LGD and EAD; and
 - Stage 3 includes exposures for which there is objective evidence of impairment at the reporting date. For these financial instruments, ECL is calculated based on a lifetime PD, TTD, LGD and EAD. The financial instrument must be classified as in 'Stage 3' when it is credit impaired.

Objective evidence of impairment is defined as the occurrence of one or more events since the date of original recognition of the asset, which will have an impact on the expected future cash flow of the borrower e.g. insolvency and business rescue.

Forward-looking information is included in both the assessment of a SICR and the measurement of ECL by means of a 'High Care' classification.

An expert judgement approach is used to determine the LGD for Stage 3 exposures in the Rental and Capital Equipment Finance portfolios. This approach determines the expected loss for Stage 3 exposures based on an anticipated salvage calculation. The value of the anticipated salvage used in the determination of the ECL of credit impaired financial instruments is calculated taking the following factors into account:

- Realisable market value of security (e.g. stock, equipment, property) after taking account of costs associated with such sale;
- Stage and nature of legal process;
- Wherewithal of debtor to pay based on available credit data (e.g. financial statements, cash flows, third party credit bureau reports);
- Any supporting suretyships or guarantees;
- Financial standing/reputation of the client group and or related parties;
- Any recourse/warranty claim against a supplier or any other third party;
- Any applicable insurance claim;
- Any negotiated settlement agreements;
- Expected dividend in the case of a liquidation/sequestration; and
- Timing of expected recoveries.

1.6.10 Low credit risk

A financial instrument can have a low credit risk when:

- The financial instrument has a low risk of default;
- The borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Notes to the financial statements *continued*

for the year ended 30 June 2025

1. Accounting policies *continued*

1.6 Financial instruments *continued*

1.6.11 Significant Increase in Credit Risk (SICR)

Credit risk needs to be re-assessed at each reporting period, for each financial instrument, to determine whether there is a SICR. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of SICR since initial recognition.

The Company defines a SICR for the loans and advances as follows:

- When a debtor is flagged as High Care; or
- Once an account becomes past due/arrears for more than seven days and up to and including 90 days. This was based on statistical analysis of the historical behaviour of the portfolio which indicated that past due up to seven days did not provide an indication of financial stress, rather it could be due to administration issues or post month end payment cycles.

Clients defined as High Care are those that have shown signs of financial and cash flow pressure because of changes in operating environment, industry sector, and adverse financial health. These have, however, not defaulted.

Such signs referred to above could include any one or more of the following factors:

- Material deterioration, particularly over a period of time, in the cash flow generation of a business;
- Material and consistent financial losses;
- Material and/or consistent reduction in revenue and/or gross profit margins;
- Significant increases in interest bearing debt and related finance costs, such that there is a concern about the Company's ability to service and repay their financial obligations;
- Material increases in trade creditors out of line with the sales and business growth, indicating an inability to pay creditors on time and in line with credit terms;
- Material increases in trade debtors and/or stock which could place pressure on cash flow generation;
- Regular breaches in the terms and conditions of its financing arrangements, requests for extension of payment dates, excesses, extensions on repayment deadline, etc.;
- Material negative changes in the business, competitor and economic environment within which the business operates. This will include material negative changes in the businesses' supply chain;
- Difficulty in producing regular financial information;
- Deterioration in collateral value as a reduction in the value of collateral securing the financial instrument might suggest an increased risk of loss in the event of default; and
- Significant changes within key leadership with no meaningful succession planning.

1.6.12 Default and curing

A financial instrument is classified as being in default, which is aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria

The borrower is more than 90 days past due or in excess on its original contractual payments/margin/limits, excluding Immaterial Arrears as well as any extensions of more than 90 days from the original contractual payment date.

Immaterial Arrears is defined as an amount that is less than 5% of the next contractual instalment.

Qualitative criteria

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

- the client has been flagged as legal;
- significant financial difficulty of a borrower;
- default or delinquency by a borrower;
- distressed restructuring of credit obligations. Per IFRS 9, distressed restructures will be credit impaired;
- indications that a borrower would enter provisional or final liquidation or business rescue;
- repayment of the principal amount and/or accrued interest has been overdue for more than 90 days, and the net realisable value of security is insufficient to cover the payment of the principal amount and accrued interest;
- the principal amount and accrued interest are fully secured, but the repayment of the principal amount and/or accrued interest has been overdue for more than 12 months; and

Notes to the financial statements *continued*

for the year ended 30 June 2025

1. Accounting policies *continued*

1.6 Financial instruments *continued*

1.6.11 Significant Increase in Credit Risk (SICR) *continued*

Qualitative criteria *continued*

- significant deficiencies exist that threaten the obligor's business, cash flow or payment capability, which deficiencies may include the items specified below:
 - the credit history or performance record of the obligor is not satisfactory;
 - labour disputes or unresolved management problems may affect the business, production or profitability of the obligor;
 - increased borrowings are not in proportion with the obligor's business;
 - the obligor is experiencing difficulty with the repayment of obligations to other creditors; or
 - construction delays or other unplanned adverse events resulting in cost overruns are likely to require loan restructuring.

When a debtor has been classified as credit-impaired (Stage 3), it can be cured to Stage 1 subject to:

- the debtor being up to date;
- six consecutive payments are paid on or before due date; and
- no SICR exists.

Should the debtor be defined as a 'High Care' account, it will cure to Stage 2 and not Stage 1. Also, should the client still represent a SICR, curing may only take place to Stage 2. For distressed restructured loans that were in default, there must be at least six consecutive monthly payments under the revised terms to cure.

If the credit risk of the debtor improves to the extent that there is no longer a SICR since initial recognition, then the debtor can cure from Stage 2 to Stage 1 and a 12-month ECL is recognised. This distinguished between the qualitative and quantitative triggers for the debtor being in Stage 2. The debtor that is in Stage 2 due to quantitative factors will cure to Stage 1 once the quantitative factors are resolved. A debtor that is in Stage 2 due to qualitative reasons will cure to Stage 1 only once the qualitative triggers have improved to such an extent that the High Care status is resolved.

1.6.13 Write-offs

Financial assets are written off when there is no reasonable expectation of recovering a financial asset in its entirety. This is generally the case when the Company determines that there is no realistic prospect of recovering the monies owed. This assessment is carried out at the individual asset level.

Write-offs will be considered once all sources of recovery have been exhausted or no further reasonable expectation of further material recoveries exists. The assessment of when an exposure has no reasonable prospect of being recovered will be based on the financial standing of the borrower and the sureties/guarantors vs the outstanding exposure, the value of the security in a forced sale scenario vs the outstanding exposure, as well as the nature and tenor of the legal processes required to pursue recovery, the costs associated with recovery as well as the prospect of success of the legal case.

Recoveries of amounts previously written off are included in 'credit impairment charges' in the Statement of profit or loss and other comprehensive income.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

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

Credit loss allowances for ECL are presented in the Statement of financial position as follows:

- financial assets measured at amortised cost as a deduction from the gross carrying amount of the assets.

1.6.15 Classification and measurement of financial liabilities

The Company classifies its financial liabilities as measured at amortised cost or FVTPL.

1.6.16 Derecognition of financial assets and financial liabilities

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

Notes to the financial statements *continued*

for the year ended 30 June 2025

1. Accounting policies *continued*

1.6 Financial instruments *continued*

1.6.16 Derecognition of financial assets and financial liabilities *continued*

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

1.6.17 Offsetting financial instruments and income and expenses

Financial assets and liabilities are set-off and reported net in the Statement of financial position only when there is a legally enforceable right to do so and there is an intention and ability to settle or realise the asset or liability on a net basis or simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions such as in the Company's trading activity.

1.6.18 Trading assets and liabilities (derivative financial instruments)

A derivative is a financial instrument that changes value in response to an underlying variable, requires little or no initial net investment, and is settled at a future date. Derivatives are initially recognised at fair value on the date on which the derivatives are entered into and subsequently remeasured at fair value at each reporting date.

Gains and losses from changes in the fair value of derivatives that are classified as held for trading are recognised in profit or loss.

1.7 Total income

Net Interest Income

Net interest income comprises interest income less interest expense.

Interest income and interest expense on financial instruments and intercompany loans from securitised assets measured at amortised cost is recognised using the effective interest method.

The effective interest rate is the rate that discounts future cash payments or receipts over the expected life of the financial instrument to the carrying amount of the financial instrument.

In calculating the effective interest rate, the Company estimates expected cash flows considering all contractual terms of the financial instrument, excluding future credit losses but including all fees paid or received, transaction costs and all other premiums or discounts between parties to the contract.

For financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis. The reversal of interest income relating to credit impaired financial assets that have been cured, is recognised as reduction of the Impairment charges on financial assets.

The effective interest rate is established on initial recognition of the financial instrument not subsequently revised.

Interest income and expense on financial assets and financial liabilities at fair value through profit or loss are presented in other interest income and other interest expense respectively.

1.7.1 Net fee and commission expense

Net fee and commission expense comprises of fee and commission income (relating to administration fees and other fee income) and fee and commission expense described below.

Fee and commission income

Fee and commission income from contracts with customers is measured based on the consideration specified in a contract with a customer. The Company recognises the revenue when it transfers control over a service to a customer.

Fee and commission income is recognised net of any trade discounts, volume rebates and amounts received on behalf of third parties such as Value Added Tax. Furthermore, when the Company is acting as an agent amounts collected on behalf of the principal are not recognised as revenue.

Administration fees and other fee income relates to administration and service fees and the revenue is recognised over a period of time as performance obligations are met.

Notes to the financial statements *continued*

for the year ended 30 June 2025

1. Accounting policies *continued*

1.7 Total income *continued*

1.7.1 Net fee and commission expense *continued*

Gains and losses on financial instruments

Gains and losses on the derecognition of financial instruments at amortised cost consist of a margin charged for the settlement of lease contracts before contractual maturity date.

For financial instruments measured at FVTPL the fair value gains and losses are recognised as part of 'gains and losses on derivative instruments – realised and unrealised'.

Fee and commission expense

Net fee and commission income/expense is recognised net of the following expenses:

- Revenue share expense is a contractual term defined in the legal agreements between the Company, Sasfin Bank Limited and the holders of the debt securities in the form of an executory contract. The revenue share is recognised as an expense for the Company and the recognition and measurement of the expense is dependent on the Company's profit generating ability above a pre-set hurdle determined by a formula, and only to the extent that this is achieved and services being received does the expense become payable.
- Commission expense is recognised in terms of agreements with specified suppliers of office automation equipment as compensation for securing performing finance lease agreements for this office automation equipment.
- Administration fee expense is recognised in terms of servicer agreements with Sasfin Bank Limited for the usage of Sasfin Bank Limited's resources to manage the portfolio of finance lease agreements and pay administration and management fees to Sasfin Bank Limited in return for these services so rendered.

Other income

Income derived from:

- Income received on evergreen is recognised on a systematic basis beyond the lease contract's maturity date in the event where the end-user does not cancel the lease and elects to continue using the office automation equipment originally contracted for.

The Company recognises other income when it transfers control over a service to a customer and it's at a point in time.

1.8 Taxation

Income and capital gains tax comprise current and deferred taxation and are recognised in profit or loss.

1.8.1 Current tax

Current tax, comprising income tax and capital gains tax, is calculated on taxable income for the year based on current tax legislation.

1.8.2 Deferred tax

Deferred tax comprising deferred income tax and deferred capital gains tax is calculated using the existing tax rate. The legislation applied to temporary differences between the tax and accounting bases of assets and liabilities.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of the asset or liability and is not discounted.

Deferred tax resulting on items accounted for directly in the Statement of changes in equity or Statement of profit or loss and other comprehensive income are recognised in the Statement of changes in equity and Statement of profit or loss and other comprehensive income respectively.

1.9 Segment report

The Company has only one reportable segment relating to the acquisition of advances and issuing of notes to the market and all of these counterparties reside in the Republic of South Africa. The internal reporting provided on the Company's assets, liabilities, and performance is prepared on a consistent basis with the measurement and recognition principles of IFRS. There were no changes in the reportable segments during the year.

Notes to the financial statements *continued*

for the year ended 30 June 2025

2. Critical estimates and judgements

The preparation of the Annual Financial Statements in accordance with IFRS requires management to make certain judgements, estimates and assumptions in its calculation of the carrying value of assets and liabilities and the reported amounts of profit or loss.

The assumptions, judgements and estimates used are based on historical experience and other factors that are believed to be reasonable.

Assumptions, judgements and estimates are reviewed on an ongoing basis, with revisions recognised in the period in which the revision was made, or in future periods if applicable.

2.1 Impact of economic conditions

The current economic environment continues to be influenced by lower economic growth, elevated unemployment levels, and the imposition of United States tariffs on South African imports. While the strengthening of the South African Rand against the US Dollar and lower fuel prices have contributed to inflation easing to the lower end of the South African Reserve Bank's target range, the Monetary Policy Committee is expected to remain cautious in adjusting monetary policy. In addition, the reversal of the planned VAT increase demonstrates a prudent fiscal approach.

Various macro-economic factors have been considered as part of the credit impairments and are reflected in the use of an economic forecast that is blend of an expected scenario (79% (2024: 77%)), worst case scenario (15% (2024: 18%)) and best case scenario (6% (2024: 5%)) as referred to in Note 2.2 and fair value measurements in Note 2.3.

2.2 Credit impairment of financial assets (refer Note 6 and Note 24)

The Company assesses its intercompany loans from securitised assets for impairment monthly using the ECL model. Changes to the Intercompany loans from securitised assets are based on changes in the ECL of the underlying loans legally owned by the Company.

The Company applies judgement in the way in which it defines and applies a SICR, which is the driver in dividing the loans and advances portfolio between Stage 1 and Stage 2, with default being the driver for Stage 3. The 'three-stage model' for ECL is:

- Stage 1: 12-month expected credit losses for those financial assets where there has not been a significant increase in credit risk since initial recognition.
- Stage 2: Lifetime expected credit losses for those financial assets where there has been a significant increase in credit risk on a collective basis.
- Stage 3: Lifetime expected credit losses for all credit impaired financial assets.

Refer accounting policy Note 1.6 for more information on SICR.

The Company further applies judgement in determining the inputs used in the Expected Credit Loss (ECL) model, i.e. the PD, LGD, EAD and TTD that are used to determine the ECL for each of Stage 1, Stage 2 and Stage 3. In assessing the LGD, the calculation involves a comprehensive, collateral value variability, and the borrower financial health, which are done through complex modelling, adjusted semi-annually, to enhance accuracy.

The IFRS 9 ECL requires a forward-looking macro-economic factors to be incorporated into the calculated loan book ECL to ensure the timely recognition of expected future credit losses. To capture the effect of economic changes accurately and forecast the required levels of impairment provisions expected to be held, the Company uses statistical modelling.

Various macro-economic factors were statistically tested for the current and prior financial year to identify drivers in the context of power shortages, weak economic outlook, high inflation, and interest rates that have remained elevated for an extended period. The most significant drivers of the loan book were identified as GDP, Prime overdraft, Producer Price Index (PPI) of electricity, ZAR/USD exchange rate and investment to GDP and were used in the model. For each of the scenarios listed below for 2024 and 2025, the variables over the next 12 months and lifetime variables are disclosed. The average GDP, Prime overdraft %, PPI of electricity, ZAR/USD exchange rate and investment to GDP over the remaining forecast period, from 2025 to 2028 (2024: 2024 to 2026), were used in the statistical modelling.

Notes to the financial statements *continued*

for the year ended 30 June 2025

2. Critical estimates and judgements *continued*

2.2 Credit impairment of financial assets (refer Note 6 and Note 24) *continued*

A weighted probability scenario approach was applied to determine the model derived scalar as per the table below. Given the inherent risk in economic conditions that have been stressed for a prolonged period, a management overlay to account for this risk was applied to determine the final scalar.

| 2025 | Best | | Expected | | Worst | | Blended ¹ | |
|---|-------------|------------|-------------|------------|-------------|------------|----------------------|------------|
| | 12 Months % | Lifetime % | 12 Months % | Lifetime % | 12 Months % | Lifetime % | 12 Months % | Lifetime % |
| Factors | | | | | | | | |
| GDP (%) | 3.17 | 2.27 | 0.73 | 0.92 | -2.31 | -1.16 | 0.42 | 0.69 |
| Prime Overdraft (%) | 10.57 | 9.88 | 10.88 | 10.62 | 11.37 | 11.96 | 10.93 | 11.23 |
| PPI of electricity | 133.51 | 148.53 | 133.51 | 150.14 | 136.53 | 162.25 | 133.96 | 118.61 |
| Rand/USD exchange rate | 17.57 | 17.16 | 18.88 | 19.18 | 20.65 | 23.55 | 19.07 | 15.15 |
| Investment to GDP (%) | 14.42 | 14.5 | 14.19 | 14.23 | 14.21 | 14.16 | 14.21 | 11.24 |
| Scenario probability | 6% | | 79% | | 15% | | Combination | |
| Scalar | 1.08 | | 1.13 | | 1.21 | | 1.14 | |
| Weighted Scalar | 0.07 | | 0.89 | | 0.18 | | 1.14 | |
| | R'000 | | R'000 | | R'000 | | R'000 | |
| Impact on ECL – (Decrease)/ Increase² | (1 606) | | (0.267) | | 1 867 | | Base | |

¹ The blended scenario is the probability-weighted scenario made up of the following scenarios – best case (6%), expected case (79%) and a worst case (15%).

² The impact of forward-looking information on the IFRS 9 ECL provision is an increase of R3.49 million. This is depicted as the zero base case in the blended column in the above table as the impact is already included in the ECL for the current period. The percentage change of the total IFRS 9 provision is a 0.71% downward adjustment should a 100% best case scenario be assumed, a 0.12% downward adjustment should a 100% expected scenario be assumed and a 0.82% upward adjustment should a 100% worst-case scenario be assumed.

| 2024 | Best | | Expected | | Worst | | Blended ¹ | |
|---|-------------|------------|-------------|------------|-------------|------------|----------------------|------------|
| | 12 Months % | Lifetime % | 12 Months % | Lifetime % | 12 Months % | Lifetime % | 12 Months % | Lifetime % |
| Factors | | | | | | | | |
| GDP (%) | 2.92 | 2.39 | 1.29 | 1.39 | -2.96 | -2.94 | 0.61 | 0.66 |
| Prime Overdraft (%) | 10.58 | 9.60 | 11.39 | 10.69 | 12.44 | 12.69 | 11.54 | 11.00 |
| PPI of electricity | 180.60 | 195.18 | 191.96 | 216.01 | 204.35 | 250.92 | 193.62 | 221.25 |
| Rand/USD exchange rate | 16.80 | 16.82 | 18.24 | 19.15 | 22.87 | 25.45 | 19 | 20.17 |
| Investment to GDP (%) | 15.62 | 16.35 | 15.52 | 16.03 | 14.74 | 14.46 | 15.39 | 15.77 |
| Scenario probability | 5% | | 77% | | 18% | | Combination | |
| Scalar | 1.12 | | 1.22 | | 1.41 | | 1.25 | |
| Weighted Scalar ³ | 0.06 | | 0.94 | | 0.25 | | 1.25 | |
| | R'000 | | R'000 | | R'000 | | R'000 | |
| Impact on ECL – (Decrease)/ Increase² | (3 187) | | (735) | | 3 922 | | Base | |

¹ The blended scenario is the probability-weighted scenario made up of the following scenarios – best case (5%), expected case (77%) and a worst case (18%).

² The impact of forward-looking information on the IFRS 9 ECL provision is an increase of R10.418 million. This is depicted as the zero base case in the blended column in the above table as the impact is already included in the ECL for the current period. The percentage change of the total IFRS 9 provision is a 1.51% downward adjustment should a 100% best case scenario be assumed, a 0.35% downward adjustment should a 100% expected scenario be assumed and a 1.86% upward adjustment should a worst-case scenario be assumed.

³ Weighted scalar was added to the prior year for comparability and enhancement purposes.

Notes to the financial statements *continued*

for the year ended 30 June 2025

2. Critical estimates and judgements *continued*

2.3 Fair value (refer Note 22.1)

Fair value is the price that would be realised on the sale of an asset or paid to transfer a liability on an arm's length basis to an unrelated party.

The Company measures the fair value of a financial instrument using its quoted price in an active market. A market is regarded as active if transactions for the financial instrument take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The most accurate fair value of a financial instrument at initial recognition is normally the transaction price less the fair value of the consideration given or received. If the Company determines that the fair value of a financial instrument (measured at amortised cost) at initial recognition differs from the transaction price, and the fair value is evidenced neither by a quoted price in an active market for an identical financial instrument nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value with the difference between the fair value at initial recognition and the transaction price recognised in profit or loss over the life of the instrument, but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

'Bid' prices in an active market are used to measure financial assets held at fair value, while 'ask' prices in an active market are used to measure financial liabilities held at fair value.

The fair value of a demand deposit will not be less than the amount payable by the Company on demand, discounted from the first date on which the amount could be required to be paid.

The fair value of financial instruments that are not quoted in active markets or trade infrequently with little price transparency, requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions, and other risks affecting the specific instrument, and is determined by using valuation techniques which are validated and independently reviewed by qualified and experienced senior personnel within and external to the Company.

Fair value estimates obtained from models are adjusted for factors such as liquidity risk or model uncertainties that the Company believes an independent market participant would take into account when pricing a valuation.

Fair value hierarchy

Valuation models

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements:

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Transfers between levels are recognised at the end of the reporting period during which the change has occurred.

2.4 Current and deferred taxation (refer Note 10 and Note 19)

The Company is subject to direct and indirect taxation charges. There are elements of uncertainty and resultant judgement involved in the ultimate determination of these tax balances and charges. Should the final outcome differ to that initially calculated, the impact is accounted for in the period in which this outcome is known.

Notes to the financial statements *continued*

for the year ended 30 June 2025

3. Standards/interpretations issued but not yet effective

There are new or revised accounting standards and interpretations in issue that are not yet effective for the year ended 30 June 2025 and have not been applied in preparing these Annual Financial Statements. The Company does not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated. These include the following standards and interpretations that have been issued, with an indication of the estimated impact on the future financial statements of the Company:

| Pronouncement | Title and details | Effective date |
|--|---|--|
| Amendment to IAS 21 <i>The Effects of Changes in Foreign Exchange Rates</i> | <p><i>Lack of exchangeability</i></p> <p>The amendments to IAS 21 <i>The Effects of Changes in Foreign Exchange Rates</i> aims to clarify how an entity should assess whether a currency is exchangeable, how to determine the spot exchange rate when exchangeability is lacking and disclosure in the financial statements to enable the financial users to understand the impact of a currency not being exchangeable. These amendments are not expected to have an impact on the Company.</p> | Annual periods beginning on or after 1 January 2025. |
| Amendments to IFRS 9 <i>Financial Instruments</i> and IFRS 7 <i>Financial Instruments: Disclosures</i> | <p><i>Amendments to the classification and measurement of financial instruments</i></p> <p>The amendments:</p> <ul style="list-style-type: none"> Clarify that a financial liability is derecognised on the 'settlement date'. The 'settlement date' is the date when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. The new exception permits companies to elect to derecognise certain financial liabilities settled via electronic payment systems earlier than the settlement date subject to meeting certain conditions; Clarify how to assess the contractual cash flow characteristics of financial assets, which apply to all contingent cash flows, including those arising from environmental, social, and governance (ESG)-linked features; Clarify the treatment of non-recourse assets and contractually linked instruments; and Require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference to contingent events (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income. <p>The Company is still assessing the impact of this amendment.</p> | Annual periods beginning on or after 1 January 2026. |
| Amendments to IFRS 9 <i>Financial Instruments</i> and IFRS 7 <i>Financial Instruments: Disclosures</i> | <p><i>Contracts referencing nature-dependant electricity</i></p> <p>The amendments:</p> <ul style="list-style-type: none"> Clarify the application of the 'own-use' requirements for in-scope contracts; Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts; and Add new disclosure requirements. <p>The amendment only applies to contracts that reference nature-dependent electricity. These are contracts that expose an entity to variability in an underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions, typically associated with renewable electricity sources such as sun and wind ('in-scope contracts').</p> <p>These amendments are not expected to have an impact on the Company.</p> | Annual periods beginning on or after 1 January 2026. |

Notes to the financial statements *continued*

for the year ended 30 June 2025

3. Standards/interpretations issued but not yet effective *continued*

| Pronouncement | Title and details | Effective date |
|---|--|---|
| IFRS 18 <i>Presentation and Disclosure in Financial Statements</i> | <p><i>Presentation and disclosure in financial statements</i></p> <p>IFRS 18 is set to replace IAS 1. The new Standard will assist companies to provide more useful information about their financial performance through their financial statements. Investors will benefit from greater consistency of presentation in the income and cash flow statements, and more disaggregated information. It is also requiring making certain 'non-GAAP' measures part of the audited financial statements as this will bring more credibility to management's key performance indicators.</p> <p>In conclusion, companies' net profit will not change but rather how results are presented on the face of the income statement and information disclosed in the notes.</p> <p>The Company is still busy assessing the impact of the newly published Standard on the Statement of Profit or Loss and other Comprehensive Income.</p> | Annual periods beginning on or after 1 January 2027 |
| IFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i> | <p><i>Subsidiaries without public accountability: disclosures</i></p> <p>The newly issued Standard allows for eligible entities to elect to apply IFRS 19's reduced disclosure requirements while still applying the recognition, measurement, and presentation requirements in other IFRS accounting Standards. The application of the Standard is optional for eligible entities.</p> <p>The criteria for eligible entities to apply the Standard is if at the end of the reporting period:</p> <ul style="list-style-type: none"> • It is a subsidiary as defined in IFRS 10 <i>Consolidated Financial Statements</i>; • It does not have public accountability; and • It has a parent (either ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting Standards. <p>An entity has public accountability if 'its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market' or 'holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses.'</p> <p>An entity that meets the requirements to apply IFRS 19, may apply the Standard on a voluntary basis. An entity may revoke its election to apply IFRS 19 at any time, in which case, it would be required to prepare financial statements providing the disclosures set out in the other IFRS Accounting Standards.</p> <p>These amendments are not expected to have an impact on the Company.</p> | Annual periods beginning on or after 1 January 2027 |

Notes to the financial statements *continued*

for the year ended 30 June 2025

4. Cash and cash equivalents¹

| | 2025 R'000 | 2024 R'000 |
|-------------------------------|----------------|---------------|
| Funds on call | 146 942 | 100 520 |
| Fixed deposits ^{2,3} | 296 821 | 279 477 |
| | 443 763 | 379 997 |

¹ The full balance of cash and cash equivalents have been ceded as security for debt securities issued. Refer to Note 9.

² The funds are easily accessible if required by the Company.

³ This includes a restricted cash amount of R179.2 million (2024: R148.1 million). The purpose of this cash is to provide additional credit protection against delinquent leases.

5. Trade and other receivables

| | 2025 R'000 | 2024 R'000 |
|---|---------------|---------------|
| Financial assets | 7 523 | 13 647 |
| Sundry receivables | 356 | 1 098 |
| Intercompany receivable within entities in the Group ¹ | 7 167 | 12 549 |
| Non-financial assets | 8 474 | 98 244 |
| Value added taxation ² | 8 474 | 98 244 |
| Trade and other receivables before impairments | 15 997 | 111 891 |
| Credit loss allowance | – | – |
| Net trade and other receivables | 15 997 | 111 891 |

¹ The receivables are unsecured, bear no interest and have no fixed repayment terms.

Receivables from companies in the Group decreased in the normal course of business. Please also refer to Note 21.2.2.

² The decrease is due to a R95.4 million refund received from SARS.

Notes to the financial statements *continued*

for the year ended 30 June 2025

6. Intercompany loans from securitised assets

Sasfin Bank legally sells a portion of equipment finance assets (recognised as part of loans and advances) to the Company. The sale of these loans and advances are regarded as a true sale from a legal perspective, however, it does not meet the derecognition principals as set out in IFRS 9 Financial Instruments from an accounting perspective, as Sasfin Bank retained substantially all the risks and rewards of ownership and continues to control the underlying assets. As a result, an intercompany loan from securitised assets from Sasfin Bank Limited is recognised for the consideration paid for these loans and advances that have been transferred. The cash flows arising from this asset are directly attributable to the transferred loans and advances and thus, the disclosure below has been made as the carrying amount of the receivable will fluctuate in line with the loans and advances balance. In terms of the ECL calculation, it considers the LGD on the underlying loans and advances transferred, with the model calibrated to reflect updated recovery information, and borrower financial shifts. This does not impact the balances or any of the underlying loans and advances key performance indicators.

| | Total R'000 | Year 1 R'000 | Year 2 R'000 | Year 3 R'000 | Year 4 R'000 | Year 5 R'000 | More than 5 years R'000 |
|---|------------------|------------------|------------------|------------------|-----------------|-----------------|-------------------------------|
| 2025 | | | | | | | |
| Gross investment in leases | 4 840 907 | 2 544 736 | 1 230 014 | 699 253 | 298 525 | 68 379 | - |
| Equipment finance | 4 840 907 | 2 544 736 | 1 230 014 | 699 253 | 298 525 | 68 379 | - |
| Capital Equipment finance ² | - | - | - | - | - | - | - |
| Less: Unearned finance income | (917 647) | (536 043) | (234 112) | (102 764) | (37 600) | (7 128) | - |
| Equipment finance | (917 647) | (536 044) | (234 112) | (102 764) | (37 600) | (7 128) | - |
| Capital Equipment finance ² | - | - | - | - | - | - | - |
| Net investment in leases | 3 923 260 | 2 008 693 | 995 902 | 596 489 | 260 925 | 61 251 | - |
| Equipment finance | 3 923 260 | 2 008 693 | 995 902 | 596 489 | 260 925 | 61 251 | - |
| Capital Equipment finance ² | - | - | - | - | - | - | - |
| Intercompany loans from securitised assets before expected credit losses | 3 923 260 | | | | | | |
| Credit loss allowance (Refer to Note 24) | (226 772) | | | | | | |
| Total Intercompany loans from securitised assets¹ | 3 696 488 | | | | | | |

¹ Intercompany loans from securitised assets with a carrying amount of R3.696 billion have been ceded as security for the debt securities issued. Refer to Note 9.

² In November 2024, the gross exposure of Capital Equipment Finance of R541.6 million was disposed of to Sasfin Bank Limited, whereafter it was disposed of to African Bank Limited. The credit loss allowance of R14.9 million for Capital Equipment Finance was derecognised.

Notes to the financial statements *continued*

for the year ended 30 June 2025

6. Intercompany loans from securitised assets *continued*

| | Total R'000 | Year 1 R'000 | Year 2 R'000 | Year 3 R'000 | Year 4 R'000 | Year 5 R'000 | More than 5 years R'000 |
|---|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------------------|
| 2024 | | | | | | | |
| Gross investment in leases | 5 473 018 | 2 235 720 | 1 597 518 | 1 019 086 | 493 786 | 125 739 | 1 169 |
| Equipment finance | 4 794 067 | 1 972 410 | 1 396 666 | 886 880 | 433 309 | 104 576 | 226 |
| Capital equipment finance | 678 951 | 263 310 | 200 852 | 132 206 | 60 477 | 21 163 | 943 |
| Less: Unearned finance income | (1 132 992) | (567 855) | (342 234) | (162 857) | (53 584) | (6 439) | (23) |
| Equipment finance | (996 793) | (501 916) | (300 061) | (142 542) | (46 833) | (5 436) | (5) |
| Capital Equipment finance | (136 199) | (65 939) | (42 173) | (20 315) | (6 751) | (1 003) | (18) |
| Net investment in leases | 4 340 026 | 1 667 865 | 1 255 284 | 856 229 | 440 202 | 119 300 | 1 146 |
| Equipment finance | 3 797 274 | 1 470 494 | 1 096 605 | 744 338 | 386 476 | 99 140 | 221 |
| Capital Equipment finance | 542 752 | 197 371 | 158 679 | 111 891 | 53 726 | 20 160 | 925 |
| Intercompany loans from securitised assets before expected credit losses | 4 340 026 | | | | | | |
| Credit loss allowance (Refer to Note 24) | (215 873) | | | | | | |
| Total Intercompany loans from securitised assets^{1,2} | 4 124 153 | | | | | | |

¹ Intercompany loans from securitised assets with a carrying amount of R4.124 billion have been ceded as security for the debt securities issued. Refer to Note 9.

² Gross exposure of Capital Equipment Finance of R542.7 million will be disposed of to Sasfin Bank Limited whereafter it will be disposed of to African Bank Limited. The credit loss allowance of R14.7 million for Capital Equipment Finance will also be transferred on disposal. Management in applying judgement, concluded that the disposal to Sasfin Bank Limited (and ultimately African Bank Limited) did not meet the definition of held for sale nor a discontinued operation. This is considering that the Intercompany loans from securitised assets is viewed as a homogenous loan it being highly unlikely that a single non-current asset shall be a component of a business and subsequently a discontinued operation.

³ The Intercompany loans from securitised assets have been bucketed as per their contractual cash flow.

| | 2025 R'000 | 2024 R'000 |
|--------------------------------------|---------------|---------------|
| 7. Trading liabilities | | |
| Derivatives | (8 013) | (2 710) |
| | (8 013) | (2 710) |
| 7.1 Total trading liabilities | | |
| Financial liabilities | (8 013) | (2 710) |
| | (8 013) | (2 710) |

The Company had no trading assets in the current or prior year.

Notes to the financial statements *continued*

for the year ended 30 June 2025

8. Trade and other payables

| | 2025 R'000 | 2024 R'000 |
|---|----------------|---------------|
| Financial liabilities | 143 082 | 124 253 |
| Accounts payables | 2 233 | 1 088 |
| Other payables ¹ | 6 153 | 8 899 |
| Payables to companies in the Group ² | 134 696 | 114 266 |
| Non-financial liabilities | 4 439 | 827 |
| Audit fees and other services | 4 439 | 827 |
| | 147 521 | 125 080 |

¹ The balance comprises of overpaid debtors and sundry creditors of R5.8 million (2024: R4.0 million) and R0.3 million (2024: R4.9 million) respectively.

² Payables to companies in the Group increased in the normal course of business. The payables are unsecured, bear no interest, and have no fixed repayment terms. Please also refer to Note 21.2.2.

9. Debt securities issued

| | 2025 R'000 | 2024 R'000 |
|--|--------------------|---------------|
| Category analysis | | |
| Rated | 3 278 736 | 3 685 800 |
| Debt reconciliation for the statement of cash flows | | |
| Opening balance | 3 685 800 | 3 720 138 |
| Proceeds from issuance of debt securities | 941 000 | 642 000 |
| Settlement of debt securities ¹ | (1 339 000) | (676 000) |
| Accrued interest ² | (9 064) | (338) |
| Closing balance | 3 278 736 | 3 685 800 |

¹ This comprises of the Company early settling the noteholders of Series 2 notes of R512.85 million after disposing of the Capital Equipment Finance to the Controlling Company with the remainder of the balance reflecting the settlement of debt securities during the normal course of business.

² The interest expense (refer to Note 14) was R332.3 million (2024: R377.3 million) whilst interest payments were R341.3 million (2024: R377.7 million).

The notes are secured by a cession of rentals and equipment underlying the instalment finance assets as well as bank accounts owned by the Company refer to Note 4 and 6.

Notes to the financial statements *continued*

for the year ended 30 June 2025

9. Debt securities issued *continued*

| Held at amortised cost | 2025 R'000 | 2024 R'000 |
|---|----------------|---------------|
| Class A notes (SLRA7) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 1.9000%. The maturity date was 15 August 2024. | – | 279 643 |
| Class A notes (SLRA8) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 1.8000%. Scheduled maturity date is 15 August 2025. | 326 851 | 327 222 |
| Class A notes (SLRA9) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.1000%. Scheduled maturity date is 15 August 2027. | 251 052 | 251 337 |
| Class A notes (SLRA10) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 1.9500%. Scheduled maturity date is 16 August 2026. | 326 913 | 327 284 |
| Class A notes (SLRA11) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 1.8500%. Scheduled maturity date is 15 August 2027 | 279 308 | – |
| Class A notes (LRFA4) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 1.9000%. Scheduled maturity date was 20 November 2025. This was however early settled as part of the Series 2 redemption of Notes on 20 November 2024. | – | 404 714 |
| Class A notes (ERSA29) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 1.7000%. The maturity date was 17 May 2025. | – | 436 336 |
| Class A notes (ERSA30) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.0000%. Scheduled maturity date is 17 May 2027. | 347 833 | 348 386 |
| Class A notes (ERSA31) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.2000%. Scheduled maturity date is 17 February 2028. | 391 403 | 392 030 |
| Class A notes (ERSA32) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 1.9000%. Scheduled maturity date is 17 August 2026. | 265 899 | 266 321 |
| Class A notes (ERSA33) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 1.9500%. Scheduled maturity date is 17 May 2028. | 421 622 | – |
| Class A notes (ERSA34) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 1.6000%. Scheduled maturity date is 17 November 2026. | 101 067 | – |

Notes to the financial statements *continued*

for the year ended 30 June 2025

9. Debt securities issued *continued*

| Held at amortised cost | 2025 R'000 | 2024 R'000 |
|--|---------------|---------------|
| Class B notes (ERSB10)* Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.4000%. Scheduled maturity date is 17 February 2028. | 46 534 | 46 609 |
| Class B notes (LRFB4) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.10000%. Scheduled maturity date was 20 November 2025. This was however early settled as part of the Series 2 redemption of Notes on 20 November 2024. | – | 75 901 |
| Class B notes (SLRB8) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.000%. Scheduled maturity date is 15 August 2025. | 18 219 | 18 240 |
| Class B notes (SLRB9) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.300%. Scheduled maturity date is 15 August 2027. | 82 018 | 82 111 |
| Class B notes (SLRB10) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.150%. Scheduled maturity date is 16 November 2026. | 31 384 | 31 419 |
| Class B (SLRB11) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.200%. Scheduled maturity date is 15 August 2027. | 45 560 | – |
| Class B notes (ERS3B8) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 1.9000%. Maturity date was 17 May 2025. | – | 46 581 |
| Class B notes (ERS3B9) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.200%. Scheduled maturity date is 17 May 2027. | 79 899 | 80 027 |
| Class B notes (ERSB11) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.100%. Scheduled maturity date is 17 May 2028. | 56 631 | – |
| Class C notes (ERS3C10) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.5500%. Scheduled maturity date is 17 February 2028. | 17 200 | 17 228 |
| Class C notes (SLRC7) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.45000%. Maturity date was 15 August 2024. | – | 20 278 |
| Class C notes (SLRC8) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.400%. Scheduled maturity date is 15 August 2025. | 30 381 | 30 415 |

* This security was disclosed as a class A security in the prior year in error and has been corrected in the current year to reflect that it is a class B security. No impact is noted on the primary financial statement.

Notes to the financial statements *continued*

for the year ended 30 June 2025

9. Debt securities issued *continued*

| Held at amortised cost | 2025 R'000 | 2024 R'000 |
|--|------------------|---------------|
| Class C notes (SLRC9) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.700%. Scheduled maturity date is 15 August 2027. | 61 798 | 61 868 |
| Class C notes (SLRC10) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.450%. Scheduled maturity date is 16 November 2026. | 25 319 | 25 348 |
| Class C notes (SLRC11) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.500%. Scheduled maturity date is 15 August 2027. | 20 256 | – |
| Class C notes (LRFC4) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.30000%. Maturity date was 20 November 2025. This was however early settled as part of the Series 2 redemption of Notes on 20 November 2024. | – | 25 306 |
| Class C notes (ERS3C8) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.0500%. Maturity date was 17 May 2025. | – | 21 269 |
| Class C notes (ERS3C9) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.3500%. Scheduled maturity date is 17 May 2027. | 24 277 | 24 316 |
| Class C notes (ERSC11) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.3500%. Scheduled maturity date is 17 May 2028. | 27 312 | – |
| Class B notes (SLRB7) Unsubordinated, secured, compulsory redeemable, asset-backed notes of R1 000 000 each. The notes bear interest at 3-month JIBAR plus 2.2000%. Maturity date was 15 August 2024. | – | 45 611 |
| Total | 3 278 736 | 3 685 800 |

Notes to the financial statements *continued*

for the year ended 30 June 2025

9. Debt securities issued *continued* Financial risk management

The company purchased, from Sasfin Bank, participating assets that are subject to the eligibility criteria and portfolio covenants. The Company funded the purchase on the first issue date by issuing notes to investors and drawing down on subordinated loans provided by Sasfin Bank. All claims against the issuer are settled in accordance with the priority of payments in the relevant transaction documents. This includes the noteholders, other creditors, and Sasfin Bank as the subordinated lender.

The underlying equipment on the contracts of the participating assets serve as security on the loans. The notes issued to fund the purchase of the participating assets are rated by an external independent rating agency and provides support for the quality of the participating assets. The ratings are determined at inception of the structure and are re-assessed on every annual anniversary.

The Company has various unsubordinated, compulsory redeemable, asset back notes. These have varying debt covenant triggers for each of the issued note's series. The triggers per series at year end, namely net default rate and yield tests are disclosed below:

Series 1:

- The net default trigger level is 4% (2024: 4%). At June 2025 the average net default rate was at 2.152% (2024: 2.285%).
- The average yield of 26.25% (2024: 24.590%) remains above the required yield test of prime rate plus 5% (2024: prime plus 5.000%).
- The debt securities issued as at 30 June 2025 amount to R1 779 677 896 (2024: R1 679 103 442).

Series 2:

- The debt securities to the value of R512.85 million were early settled in November 2024.
- The debt securities issued as at 30 June 2025 amount to Rnil (2024: R505 921 261).

Series 3:

- The net default trigger level is 4.500% (2024: 4.500%). At June 2025 the average net default rate was at 1.560% (2024: 1.175%).
- The average yield of 23.68% (2024: 20.520%) remains above the required yield test of prime rate plus 4.000% (2024: prime plus 4.000%).
- The debt securities issued as at 30 June 2025 amount to R1 499 058 106 (2024: R1 500 775 668).

10. Deferred tax liabilities

Deferred tax liability

| | 2025 R'000 | 2024 R'000 |
|------------------------|------------------|---------------|
| Deferred tax liability | (115 027) | (122 176) |

Recognised deferred tax liabilities

Deferred tax liabilities are attributable to the following:

| | 2025 | | 2024 | |
|---|-----------------------------------|------------------|-----------------------------------|--------------|
| | (Liabilities)/ Assets R'000 | Net R'000 | (Liabilities)/ Assets R'000 | Net R'000 |
| Equipment finance (Intercompany receivable) | (122 457) | (122 457) | (132 350) | (132 350) |
| Provisions | 7 430 | 7 430 | 10 174 | 10 174 |
| Net tax liabilities | (115 027) | (115 027) | (122 176) | (122 176) |

Notes to the financial statements *continued*

for the year ended 30 June 2025

10. Deferred tax liabilities *continued* Recognised deferred tax liabilities *continued*

| | Balance at 1 July R'000 | Recognised in profit or loss R'000 | Balance at 30 June R'000 |
|---|-------------------------------|--|--------------------------------|
| 2025 | | | |
| Equipment finance (intercompany receivable) | (132 350) | 9 893 | (122 457) |
| Provisions | 10 174 | (2 744) | 7 430 |
| | (122 176) | 7 149 | (115 027) |
| 2024 | | | |
| Equipment finance (intercompany receivable) | (158 771) | 26 421 | (132 350) |
| Tax losses | 3 248 | (3 248) | – |
| Provisions | 11 151 | (977) | 10 174 |
| | (144 372) | 22 196 | (122 176) |

11. Ordinary share capital

| | 2025 R'000 | 2024 R'000 |
|--|----------------|----------------|
| Authorised | | |
| 100 000 (2024: 100 000) ordinary shares of R1 each | 100 | 100 |
| Issued | | |
| 100 000 (2024: 100 000) ordinary shares of R1 each | 100 | 100 |
| Balance at the beginning of the year | 100 | 100 |
| Balance at the end of the year | 100 | 100 |
| Reconciliation of the number of shares issued | | |
| Total shares in issue (number) | 100 000 | 100 000 |
| | 100 000 | 100 000 |

The issued ordinary share capital of the Company is held by The South African Securitisation Issuer Owner Trust. All shares issued are fully paid up.

12. Preference share capital

| | 2025 | 2024 |
|--|----------|----------|
| Authorised preference share capital | | |
| 100 (2024: 100) non-cumulative, non-redeemable preference shares of no par value | | |
| Issued preference share capital | | |
| 3 (2024: 3) non-cumulative, non-redeemable preference shares of no par value | 1 | 1 |
| Balance at the beginning of the year | 1 | 1 |
| Balance at the end of the year | 1 | 1 |

The issued preference share capital of R1 of the Company is held by Sasfin Bank Limited. All shares issued are fully paid up.

Notes to the financial statements *continued*

for the year ended 30 June 2025

13. Interest income

| | 2025 R'000 | 2024 R'000 |
|---|----------------|---------------|
| Interest income calculated using the effective interest method | | |
| Interest Income | 10 | 944 |
| Deposits with banks | 38 955 | 34 363 |
| Intercompany receivable – Equipment finance | 603 571 | 587 005 |
| Intercompany receivable – Capital Equipment finance | 24 228 | 96 498 |
| | 666 764 | 718 810 |
| Total interest income | | |
| Interest income on items measured at amortised cost | 666 764 | 718 810 |
| – Performing financial assets | 649 180 | 707 501 |
| – Credit impaired financial assets | 17 584 | 11 309 |

14. Interest expense

| | 2025 R'000 | 2024 R'000 |
|--|----------------|---------------|
| Interest expense calculated using the effective interest method | 387 295 | 439 953 |
| Loans from entities in the Group | 55 014 | 62 681 |
| Debt securities | 332 281 | 377 318 |
| Long-term loans | – | (46) |
| Other interest expense | – | 6 549 |
| Other ¹ | – | 6 549 |
| | 387 295 | 446 502 |

¹ In the prior year, this amount related to interest payable to SARS.

15. Net fee and commission expense

| | 2025 R'000 | 2024 R'000 |
|---------------------------------------|------------------|---------------|
| Fee and commission income | 509 | 507 |
| Administration fees | 152 | 110 |
| Other fee income | 357 | 397 |
| Fee and commission expense | (248 302) | (234 312) |
| Revenue share expense | (177 492) | (159 262) |
| Commission expense | (11 632) | (9 658) |
| Administration fee expense | (59 178) | (65 392) |
| Net fee and commission expense | (247 793) | (233 805) |

Notes to the financial statements *continued*

for the year ended 30 June 2025

16. Gains and losses on financial instruments

| | 2025 R'000 | 2024 R'000 |
|---|---------------|---------------|
| Net gains/losses on the derecognition of financial assets measured at amortised cost | 16 426 | 14 136 |
| Settlement profits | 16 426 | 14 136 |
| Other gains or losses on financial instruments ¹ | (10 893) | (7 468) |
| Losses on derivative instruments – realised | (9 924) | (1 841) |
| Losses on derivative instruments – unrealised | (969) | (5 627) |
| Total gains and losses on financial instruments | 5 533 | 6 668 |

¹ In the current year, as a disclosure enhancement, the categorisation between realised and unrealised gains and losses on derivative instruments has been introduced. Accordingly, the comparative disclosure has been updated, with the prior period reported total of R7.5 million now presented as R1.8 million realised and R5.6 million unrealised.

17. Other income

| | 2025 R'000 | 2024 R'000 |
|---------------------|----------------|---------------|
| Evergreen income | 107 994 | 109 770 |
| Sundry income | 3 478 | 532 |
| Other income | 111 472 | 110 302 |

18. Other operating expenses

| | 2025 R'000 | 2024 R'000 |
|---|---------------|---------------|
| The following items are included in operating expenses: | | |
| Total fees paid to PwC ¹ : | 6 680 | 848 |
| Audit fees – current year | 4 383 | 827 |
| Audit fees – under provision prior year | 2 222 | 21 |
| Non-audit fees | 75 | – |
| Management fees | 2 067 | 2 533 |
| Bank charges | 1 250 | 1 310 |
| Buildings, equipment and consumables | 48 | 47 |
| Consulting fees | 224 | 13 |
| Legal costs | 1 030 | 7 254 |
| Operational losses | 40 | 16 |
| Other charges | 5 243 | 5 123 |
| Tax related expenses | 817 | 971 |
| Other operating expenses | 17 399 | 18 115 |

¹ In the current year, the disclosures were enhanced. As a result, the audit fees were disaggregated between the amount paid to PwC for audit fees and non-audit fees. No impact is noted on the primary financial statements.

Notes to the financial statements *continued*

for the year ended 30 June 2025

19. Income tax expense

| | 2025 R'000 | 2024 R'000 |
|--|----------------|---------------|
| Current tax expense | 24 820 | 50 948 |
| Current year | 22 893 | 53 257 |
| Over provision | 1 927 | (2 309) |
| Deferred tax expense | (7 149) | (22 196) |
| Current year | (5 222) | (24 505) |
| Under provision | (1 927) | 2 309 |
| | 17 671 | 28 752 |
| Reconciliation of taxation rate | % | % |
| South African normal tax rate | 27.00 | 27.00 |
| Adjusted for: | (0.75) | 1.89 |
| Non-deductible expenses ¹ | 0.01 | 2.04 |
| Other ² | (0.76) | (0.15) |
| Effective rate | 26.25 | 28.89 |

¹ This primarily consisted of penalties and interest payable in the prior year that were non-deductible.

² This relates to the reversal of interest payable raised in the prior year (refer to footnote 1) that was subsequently waived.

20. Statement of cashflow note

| | 2025 R'000 | 2024 R'000 |
|---|------------------|---------------|
| 20.1 Cash utilised from operating activities¹ | | |
| Profit before income tax | 67 316 | 99 519 |
| Adjusted for: | | |
| Credit impairment charges | 63 966 | 37 839 |
| Fair value adjustment on financial instruments | 969 | 5 627 |
| Settlement profit | (16 426) | (14 136) |
| Interest income | (666 764) | (718 810) |
| Interest expense | 387 295 | 446 502 |
| | (163 644) | (143 459) |

¹ In the current year the note was amended to align to the accounting policy change related to the statement of cash flows. Refer to the statement of cash flows for further information.

Notes to the financial statements *continued*

for the year ended 30 June 2025

20. Statement of cashflow note *continued*

| | 2025 R'000 | 2024 R'000 |
|--|----------------|---------------|
| 20.2 Interest received¹ | | |
| Interest income per the statement of profit or loss and other comprehensive income | 666 764 | 718 810 |
| Movements in accrued interest | 7 723 | (27 519) |
| Interest received per statement of cash flows | 674 487 | 691 291 |

¹ This disclosure has been added in the current period for enhancement purposes to enable the financial users to understand the interest income received per the statement of cash flows. No impact is noted on the primary financial statements.

| | 2025 R'000 | 2024 R'000 |
|---|------------------|---------------|
| 20.3 Interest paid¹ | | |
| Interest expense per the statement of profit or loss and other comprehensive income | (387 295) | (446 502) |
| Movements in accrued interest | (10 197) | 6 417 |
| Interest paid per statement of cash flows | (397 492) | (440 085) |

¹ This disclosure has been added in the current period for enhancement purposes to enable the financial users to understand the interest income paid per the statement of cash flows. No impact is noted on the primary financial statements.

| | 2025 R'000 | 2024 R'000 |
|---------------------------------------|-----------------|---------------|
| 20.4 Taxation paid | | |
| Overpaid at the beginning of the year | 1 399 | 42 051 |
| Charge to the income statement | (24 820) | (50 948) |
| Non-cash adjustment | – | (5 203) |
| Overpaid at the end of the year | (15 563) | (1 399) |
| | (38 984) | (15 499) |

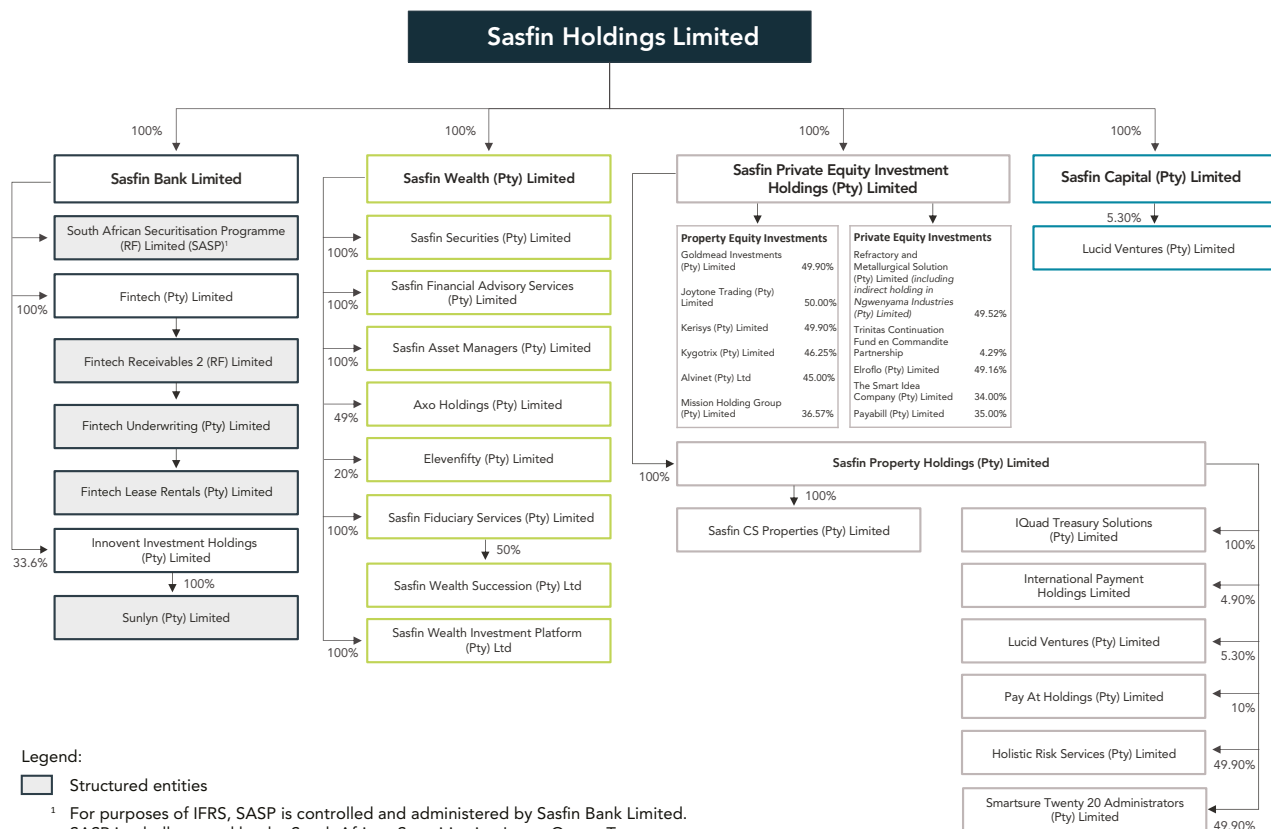
| | 2025 R'000 | 2024 R'000 |
|----------------------------------|-----------------|---------------|
| 20.5 Dividends paid | | |
| Charge to distributable reserves | (70 000) | (25 000) |
| Total dividends paid | (70 000) | (25 000) |

| | 2025 R'000 | 2024 R'000 |
|---|-----------------|---------------|
| 20.6 Loans from entities in the Group: Debt reconciliation | | |
| Opening balance | 393 670 | 393 649 |
| Advances of loans from entities in the Group | 12 791 | 1 855 |
| Repayments of loans from entities in the Group | (50 464) | (1 993) |
| Interest expense | 50 598 | 62 681 |
| Interest expense repayments | (51 730) | (62 522) |
| Closing balance | 354 865 | 393 670 |

Notes to the financial statements *continued*

for the year ended 30 June 2025

21. Related party transactions Subsidiaries and controlled structured entities



Notes to the financial statements *continued*

for the year ended 30 June 2025

21. Related party transactions *continued*

21.1 Key management personnel and related remuneration

Directors' and Prescribed Officer's remuneration

| | Cash package ¹ Rand | Other benefits ² Rand | Incentive bonus ³ Rand | Total Rand |
|---|-----------------------------------|-------------------------------------|--------------------------------------|------------------|
| 2025 | | | | |
| Non-executive Directors | | | | |
| D Govender ⁵ | 2 692 082 | 421 413 | 2 056 801 | 5 170 296 |
| | 2 692 082 | 421 413 | 2 056 801 | 5 170 296 |
| Board of director fees⁴ | 307 744 | – | – | 307 744 |
| | 307 744 | – | – | 307 744 |
| 2024 | | | | |
| Non-executive Directors | | | | |
| D Govender | 2 548 840 | 416 609 | 602 500 | 3 567 949 |
| | 2 548 840 | 416 609 | 602 500 | 3 567 949 |
| Board of director fees⁴ | 292 479 | – | – | 292 479 |
| | 292 479 | – | – | 292 479 |

¹ The remuneration of the director is paid by the Controlling Company for his full role to the Group and does not relate only to his responsibilities towards the Company.

² Other benefits comprise: provident fund, medical aid, group life, company car, cash-settled share options and sign-on bonuses.

³ Relate to the Group's and individual's performance in the prior financial year.

⁴ Director fees for DP Towers, E Deiner (from Quadridge Trust Services) and B Harmse (of TFM Capital Markets Services (South Africa) Proprietary Limited) are paid by their respective service providers.

⁵ Resigned on 30 June 2025.

Notes to the financial statements *continued*

for the year ended 30 June 2025

21. Related party transactions *continued*

21.2 Related party transactions

21.2.1 Loans from entities in the Group

| | 2025 R'000 | 2024 R'000 |
|---|------------------|------------------|
| Loans from Controlling Company | | |
| Sasfin Bank Limited (Series 1) ¹ | (224 073) | (211 461) |
| Sasfin Bank Limited (Series 2) | – | (50 796) |
| Sasfin Bank Limited (Series 3) | (130 792) | (131 413) |
| Total loans from entities in the Group | (354 865) | (393 670) |

¹ During September 2024, the Controlling Company sold a portion of the Company's Series 1 subordinated debt to an external party to the Sasfin Group. The balance that was disposed of at that point was R55 million. The balance disposed of continues to be presented as part of Loans from entities in the Group due to the substance of the transaction.

The loans are subordinated, secured and bear interest at rates 3-month JIBAR plus 5.5% for Series 1 and JIBAR plus 7.5% for Series 3. Series 2 was 3-month JIBAR +5.5% before the settlement thereof. These loans are repayable as and when cash is available, based on the priority of payments.

21.2.2 Intercompany (payables)/receivables with entities in the Group

| | 2025 R'000 | 2024 R'000 |
|---|------------------|------------------|
| (Payables to)/receivables from Controlling Company | (127 124) | (100 005) |
| Sasfin Bank Limited (Series 1) | (66 083) | 12 218 |
| Sasfin Bank Limited (Series 2) | (7 233) | (98 977) |
| Sasfin Bank Limited (Series 3) | (53 808) | (13 246) |
| Intercompany loans from securitised assets | 3 696 488 | 4 124 153 |
| Sasfin Bank Limited (Series 1) | 2 051 024 | 1 953 744 |
| Sasfin Bank Limited (Series 2) | – | 552 088 |
| Sasfin Bank Limited (Series 3) | 1 645 464 | 1 618 321 |
| | 3 569 364 | 4 024 148 |
| (Payables to)/receivables from fellow subsidiaries | (404) | (1 712) |
| Fintech (Pty) Ltd | – | (1 190) |
| Fintech Lease Rentals (Pty) Ltd | 873 | 331 |
| Fintech Underwriting (Pty) Ltd | (261) | (662) |
| Sunlyn (Pty) Ltd | (1 016) | (191) |
| Total receivables with entities in the Group | 3 568 960 | 4 022 436 |

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash, except for the intercompany loans from securitised assets and seller advance (R50.0 million (2024: R52.6 million)) that is included as a payable to the Controlling Company. The intercompany loans from securitised assets carry interest based on the underlying contract whilst the seller advance carry interest at 1-month JIBAR. There have been no guarantees provided or received for any related party receivables or payables.

Notes to the financial statements *continued*

for the year ended 30 June 2025

21. Related party transactions *continued*

21.2 Related party transactions *continued*

21.2.3 Trading liabilities with entities in the Group

| | 2025 R'000 | 2024 R'000 |
|---|---------------|---------------|
| Trading liabilities with Controlling Company | | |
| Sasfin Bank Limited | – | (425) |
| Trading liabilities with fellow subsidiaries | | |
| Sasfin Private Equity Investment Holdings (Pty) Ltd | (709) | – |
| Total trading liabilities with entities in the Group | (709) | (425) |

In the current period, the Company has a prime/JIBAR interest rate swap with a fellow subsidiary of the Group, Sasfin Private Equity Investment Holdings Proprietary Limited (SPEIH). In the prior period, the swap was with Sasfin Bank Limited. This swap (both current and prior period) is measured at arm's length and outstanding balances at the year-end are settled in cash.

21.2.4 Transactions with holding companies, subsidiaries and fellow subsidiaries

| | 2025 R'000 | 2024 R'000 |
|---------------------------------------|----------------|----------------|
| Controlling Company | | |
| Interest received | 666 097 | 717 275 |
| Interest paid | (55 014) | (62 680) |
| Administration fees paid ¹ | (59 179) | (65 392) |
| Dividends paid | (70 000) | (25 000) |
| Management fees ¹ | (2 067) | (2 533) |
| Revenue share ² | (177 492) | (159 262) |
| Credit impairment charges | (63 966) | (37 893) |
| | 238 379 | 364 514 |

¹ These transactions are measured in terms of agreements between Sasfin Bank Limited and the Company and are based on the size of the overall equipment finance book.

² The transaction is measured in terms of agreements between Sasfin Bank Limited and the Company and is based on the performance of the overall equipment finance book.

21.2.5 Cash and cash equivalents with entities in the Group

| | 2025 R'000 | 2024 R'000 |
|---|----------------|----------------|
| Cash and cash equivalents with Controlling Company | | |
| Sasfin Bank Limited ¹ | 442 763 | 377 181 |
| Total cash and cash equivalents with entities in the Group | 442 763 | 377 181 |

¹ These transactions are entered into at arm's length and any interest earned on the balance is settled in cash. Refer to Note 4 for additional information.

Notes to the financial statements *continued*

for the year ended 30 June 2025

22. Classification of assets and liabilities Accounting classification and fair values

The tables below set out the Company's classification of each class of financial assets and liabilities, their fair values and carrying amounts.

| 2025 | Balance Sheet R'000 | Fair Value Through Profit or loss (mandatory) R'000 | Total Fair Value R'000 | Amortised cost R'000 | Outside scope of IFRS 9 R'000 | Total R'000 |
|--|------------------------|--|---------------------------|-------------------------|----------------------------------|------------------|
| Assets | | | | | | |
| Cash and cash equivalents | 443 763 | – | – | 443 763 | – | 443 763 |
| Trade and other receivables | 15 997 | – | – | 7 523 | 8 474 | 15 997 |
| Intercompany loans from securitised assets | 3 696 488 | – | – | 3 696 488 | – | 3 696 488 |
| Current taxation asset | 15 563 | – | – | – | 15 563 | 15 563 |
| Total Assets | 4 171 811 | – | – | 4 147 774 | 24 037 | 4 171 811 |
| Liabilities | | | | | | |
| Trading liabilities | 8 013 | 8 013 | 8 013 | – | – | 8 013 |
| Trade and other payables | 147 521 | – | – | 143 082 | 4 439 | 147 521 |
| Debt securities issued | 3 278 736 | – | – | 3 278 736 | – | 3 278 736 |
| Loans from entities in the Group | 354 865 | – | – | 354 865 | – | 354 865 |
| Deferred tax liability | 115 027 | – | – | – | 115 027 | 115 027 |
| Total liabilities | 3 904 162 | 8 013 | 8 013 | 3 776 683 | 119 466 | 3 904 162 |

| 2024 | Balance Sheet R'000 | Fair Value Through Profit or loss (mandatory) R'000 | Total Fair Value R'000 | Amortised cost R'000 | Outside scope of IFRS 9 R'000 | Total R'000 |
|--|------------------------|--|---------------------------|-------------------------|----------------------------------|------------------------------|
| Assets | | | | | | |
| Cash and cash equivalents | 379 997 | – | – | 379 997 | – | 379 997 |
| Trade and other receivables | 111 891 | – | – | 13 647 | 98 244 | 111 891 |
| Intercompany loans from securitised assets | 4 124 153 | – | – | 4 124 153 | – | 4 124 153 |
| Current taxation asset | 1 399 | – | – | – | 1 399 | 1 399 |
| Total Assets | 4 617 440 | – | – | 4 517 797 | 99 643 | 4 617 440¹ |
| Liabilities | | | | | | |
| Trading liabilities | 2 710 | 2 710 | 2 710 | – | – | 2 710 |
| Trade and other payables | 125 080 | – | – | 124 253 | 827 | 125 080 |
| Debt securities issued | 3 685 800 | – | – | 3 685 800 | – | 3 685 800 |
| Loans from entities in the Group | 393 670 | – | – | 393 670 | – | 393 670 |
| Deferred tax liability | 122 176 | – | – | – | 122 176 | 122 176 |
| Total liabilities | 4 329 436 | 2 710 | 2 710 | 4 203 723 | 123 003 | 4 329 436 |

¹ In the prior year the balance was incorrectly disclosed as R4.8 billion and has now been corrected to R4.6 billion. No impact is noted on the primary financial statements.

Notes to the financial statements *continued*

for the year ended 30 June 2025

22. Classification of assets and liabilities *continued*

22.1 Financial assets and liabilities measured at fair value

| | 2025 | | 2024 | |
|--|------------------|---------------------|------------------|---------------------|
| | Level 2 R'000 | Fair value R'000 | Level 2 R'000 | Fair value R'000 |
| Recurring fair value measurements | | | | |
| Trading liabilities | 8 013 | 8 013 | 2 710 | 2 710 |
| Trading liabilities ¹ | 8 013 | 8 013 | 2 710 | 2 710 |

¹ These were valued on a discounted basis using forward interest rates.

22.2 Financial assets and financial liabilities not measured at fair value

| 2025 | Fair value | | | Total Fair Value R'000 | Amortised cost R'000 |
|--|------------------|------------------|------------------|------------------------------|----------------------------|
| | Level 1 R'000 | Level 2 R'000 | Level 3 R'000 | | |
| Financial assets | – | 443 763 | 3 701 191 | 4 144 954 | 4 147 774 |
| Cash and cash equivalents ¹ | – | 443 763 | – | 443 763 | 443 763 |
| Trade and other receivables ¹ | – | – | 7 523 | 7 523 | 7 523 |
| Intercompany loans from securitised assets ² | – | – | 3 693 668 | 3 693 668 | 3 696 488 |
| Financial liabilities | 3 280 420 | – | 497 947 | 3 778 367 | 3 776 683 |
| Trade and other payables ¹ | – | – | 143 082 | 143 082 | 143 082 |
| Debt securities issued ² | 3 280 420 | – | – | 3 280 420 | 3 278 736 |
| Loans from entities in the Group ¹ | – | – | 354 865 | 354 865 | 354 865 |

¹ The fair value approximates the carrying value.

² The fair values of the respective items have been calculated using either quoted prices, observable inputs or unobservable inputs through a discounted cash flow which has been classified as level 1, level 2, and level 3 respectively.

| 2024 | Fair value | | | Total Fair Value R'000 | Amortised cost R'000 |
|--|------------------|------------------|------------------|------------------------------|----------------------------|
| | Level 1 R'000 | Level 2 R'000 | Level 3 R'000 | | |
| Financial assets | – | 379 997 | 4 151 978 | 4 531 975 | 4 517 797 |
| Cash and cash equivalents ¹ | – | 379 997 | – | 379 997 | 379 997 |
| Trade and other receivables ¹ | – | – | 13 647 | 13 647 | 13 647 |
| Intercompany loans from securitised assets ² | – | – | 4 138 331 | 4 138 331 | 4 124 153 |
| Financial liabilities | 3 687 862 | – | 517 923 | 4 205 785 | 4 203 723 |
| Trade and other payables ¹ | – | – | 124 253 | 124 253 | 124 253 |
| Debt securities issued ² | 3 687 862 | – | – | 3 687 862 | 3 685 800 |
| Loans from entities in the Group ¹ | – | – | 393 670 | 393 670 | 393 670 |

¹ The fair value approximates the carrying value.

² The fair values of the respective items have been calculated using either quoted prices, observable inputs or unobservable inputs through a discounted cash flow which has been classified as level 1, level 2 and level 3 respectively.

Notes to the financial statements *continued*

for the year ended 30 June 2025

23. Financial risk management

The Company's principal objectives are to ensure that it will be able to continue as a going concern and to provide value to its shareholders through a long-term sustainable real return on capital as a result of managing its business risks within an appropriate risk framework.

In common with all other businesses, the Company is exposed to financial risks. These risks are managed as part of the normal operations of the Company. In addition, the duties of the Group Audit Committee encompass the activities of the Company. The primary financial risks to which the Company is exposed are: credit risk (Note 24), liquidity risk (Note 25) and market risk (Note 26), which are described in the respective Notes.

The Company's risk management policies are established to identify and analyse the risks 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 to reflect changes in market conditions and the Company's activities.

The risk governance principles in respect of credit, market and liquidity risk have remained relatively unchanged from the prior year. Refer Note 24, Note 25 and Note 26 for more information.

24. Credit risk

Credit risk is the risk of a financial loss stemming from a borrower's failure to repay a loan or otherwise fail to meet a contractual obligation.

The Controlling Company legally sold a portion of its Equipment finance leases and Capital Equipment finance leases to the Company, as a result exposure to credit risk arises if the equipment finance leases and capital equipment finance leases customers partially fulfil contractual obligations. The Controlling Company has a credit risk policy in place and the exposure to credit risk is monitored on an ongoing basis. In the current year, the Company legally sold its Capital Equipment finance leases back to the Controlling Company, resulting in no remaining credit risk exposure at the end of the financial reporting period.

The Company is exposed to credit risks, which are managed by the Controlling Company by authorising credit limits based on a customer's risk profile and monitoring customer arrears and payment history. Credit risk arises from exposures to customer contracts, including outstanding receivables and cash and cash equivalents.

The Controlling Company's credit risk estimation involves a detailed analysis concerning LGD within the allowance for ECL. Due to the unpredictability of recovery rates, comprehensive recalibrations around LGD are conducted semi-annually, ensuring the credit loss provisions reflect the current credit risk exposure accurately.

Securitisation (Intercompany loans from securitised assets)

The Company uses securitisation primarily as a source of funding for its lending operations, by adding flexibility to structural liquidity risk and diversifying its funding base. All securitisable assets are subject to the Controlling Company's credit risk policies and procedures.

The Company fulfils a number of roles in the process of securitising these assets, including that of originator, sponsor, and administrator, and applies its Company credit risk policies and procedures to these functions.

Cash and cash equivalents

Reputable financial institutions are used for investing and cash handling purposes with no history of default.

Trade and other receivables

Given the nature that most of the receivables of the Company are receivables from entities within the Group, management does not expect any counterparty to default on meeting its obligations.

Notes to the financial statements *continued*

for the year ended 30 June 2025

24. Credit risk *continued*

Management of credit risk

Deposits with other banks

The Company places funds on a daily basis with other banks. These deposits are generally held on overnight call or on a short-term tenor and are available on demand or at maturity. The deposits are made in accordance with the mandates and directives provided by ALCO and GRCCM. In terms of these policies, deposits can only be made with banking institutions that are rated as investment grade by accredited global rating agencies and may not exceed internal risk limits. Deposits with other banks are reported to executive management on a daily basis, and to ALCO on a quarterly basis. Collateral is not held for deposits with other banks. At the reporting date the Company does not expect any losses from non-performance by the counterparties for these deposits.

Credit impairment

The Company determines an allowance for credit losses that represents its estimate of expected credit losses on its loan portfolio. These credit losses impact the intercompany and Trade & Other receivables amounts. Refer accounting policy Note 1.6 and Note 2.2 for more information.

Write-off policy

Loans and security balances (and any related allowances for impairment losses) are written off when it is determined that these loans and securities are uncollectible. This determination is reached after considering information such as the occurrence of significant changes in the borrower's or issuer's financial position resulting in the borrower/issuer no longer being in a position to pay the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure.

Credit risk measurement and determination

The Company uses internally developed models and practices to measure and manage credit risk, by utilising skilled resources to ensure it is properly managed and controlled. The Company has adopted the standardised approach in terms of Basel III to measure credit risk, and uses the regulatory risk buckets per the SARB as measurement criteria for assessing performing counterparties as follows:

| Classification of credit risk exposure | Categorisation of counterparty (IFRS 9) |
|--|---|
| A Good book | Stage 1 ¹ and Stage 2 ² |
| B Special mention | Stage 2 ³ |
| C Substandard | Stage 3 ⁴ |
| D Doubtful | Stage 3 |
| E Loss | Stage 3 |

¹ Up to date till 7 days overdue.

² More than 7 days overdue up to 30 days overdue. These accounts show signs of SICR.

³ More than 30 days overdue up to 90 days overdue. These accounts show signs of SICR.

⁴ Refer to Note 1.6, under heading default and curing, for the definition of credit-impaired.

Collateral for Intercompany loans from securitised assets

The Company holds collateral against the Intercompany loans from securitised assets in order to reduce credit risk. Although collateral is held, the Company's policy is to establish that Intercompany loans from securitised assets which is granted, is within the customer's (and therefore indirectly Sasfin Bank's Limited) capacity to repay the amount, rather than to rely on the collateral held against them. Estimates of the fair value of collateral are based on the value at the time of borrowing less wear and tear until the current year-end and are updated annually and assessed in detail if an account is individually assessed for impairment. Collateral includes general notarial bonds over fixed assets. Insurance taken out by the borrower on Intercompany loans from securitised assets is also viewed as collateral.

Concentration risk

This is the risk of a material exposure by the Company to a small number of borrowers, financial instruments, corporates, institutions or geographies. The Company did not consider there to be any significant concentration risk which has not been adequately provided for.

Notes to the financial statements *continued*

for the year ended 30 June 2025

24. Credit risk *continued* 24.1 Credit risk exposure analysis

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised. The gross carrying amount of financial assets below also represents the Company's maximum exposure to credit risk on these assets, by credit quality.

| 2025 | Credit risk grading ECL staging | Net amount R'000 | Total exposure R'000 | Total ECL R'000 | Coverage ratio % |
|---|---------------------------------|------------------|----------------------|-----------------|------------------|
| Maximum credit exposures of financial assets at amortised cost | | | | | |
| Cash and cash equivalents ¹ | | 443 763 | 443 763 | – | – |
| Intercompany loans from securitised assets | | 3 696 488 | 3 923 260 | 226 772 | 5.78 |
| Equipment finance | | 3 696 488 | 3 923 260 | 226 772 | 5.78 |
| Capital equipment finance | | – | – | – | – |
| Trade and other receivables ² | | 15 997 | 15 997 | – | – |
| Net carrying amount | | 4 156 248 | 4 383 020 | 226 772 | 5.17 |
| Total exposure to credit risk | | 4 156 248 | | | |

¹ Management has assessed these as high-quality liquid assets held with institutions with a low risk of default and hence no ECL allowance has been recognised for these, as it would be immaterial. Refer to Note 4 for significant changes in the balance.

² Includes non-financial assets of R8.5 million (2024: R98.24 million) that are not subject to credit risk exposure.

| 2024 | Credit risk grading ECL staging | Net amount R'000 | Total exposure R'000 | Total ECL R'000 | Coverage ratio % |
|---|---------------------------------|------------------|----------------------|-----------------|------------------|
| Maximum credit exposures of financial assets at amortised cost | | | | | |
| Cash and cash equivalents ¹ | | 379 997 | 379 997 | – | – |
| Intercompany loans from securitised assets | | 4 124 153 | 4 340 026 | 215 873 | 4.97 |
| Equipment finance | | 3 596 266 | 3 797 275 | 201 009 | 5.29 |
| Capital equipment finance | | 527 887 | 542 751 | 14 864 | 2.74 |
| Trade and other receivables ² | | 111 891 | 111 891 | – | – |
| Net carrying amount | | 4 616 041 | 4 831 914 | 215 873 | 4.47 |
| Total exposure to credit risk | | 4 616 041 | | | |

¹ Management has assessed these as high-quality liquid assets held with institutions with a low risk of default and hence no ECL allowance has been recognised for these, as it would be immaterial. Refer to Note 4 for significant changes in the balance.

² Includes non-financial assets of R98.244 million that is not subject to credit risk exposure.

| A Stage 1 12-month Exposure R'000 | ECL R'000 | Coverage ratio % | A and B Stage 2 Lifetime Exposure R'000 | ECL R'000 | Coverage ratio % | Default (C, D & E) Stage 3 Lifetime Exposure R'000 | ECL R'000 | Coverage ratio % |
|---|---------------|------------------------|---|--------------|------------------------|---|----------------|------------------------|
| 443 763 | - | - | - | - | - | - | - | - |
| 3 540 115 | 28 464 | 0.80 | 58 980 | 9 999 | 16.95 | 324 165 | 188 309 | 58.09 |
| 3 540 115 | 28 464 | 0.80 | 58 980 | 9 999 | 16.95 | 324 165 | 188 309 | 58.09 |
| - | - | - | - | - | - | - | - | - |
| 15 997 | - | - | - | - | - | - | - | - |
| 3 999 875 | 28 464 | 0.71 | 58 980 | 9 999 | 16.95 | 324 165 | 188 309 | 58.09 |

| A Stage 1 12-month Exposure R'000 | ECL R'000 | Coverage ratio % | A and B Stage 2 Lifetime Exposure R'000 | ECL R'000 | Coverage ratio % | Default (C, D & E) Stage 3 Lifetime Exposure R'000 | ECL R'000 | Coverage ratio % |
|---|--------------|------------------------|---|--------------|------------------------|---|--------------|------------------------|
| 379 997 | - | - | - | - | - | - | - | - |
| 3 810 401 | 32 325 | 0.85 | 205 895 | 9 550 | 4.64 | 323 730 | 173 998 | 53.75 |
| 3 331 920 | 29 498 | 0.89 | 174 000 | 6 734 | 3.87 | 291 355 | 164 777 | 56.56 |
| 478 481 | 2 827 | 0.59 | 31 895 | 2 816 | 8.83 | 32 375 | 9 221 | 28.48 |
| 111 891 | - | - | - | - | - | - | - | - |
| 4 302 289 | 32 325 | 0.75 | 205 895 | 9 550 | 4.64 | 323 730 | 173 998 | 53.75 |

Notes to the financial statements *continued*

for the year ended 30 June 2025

24. Credit risk *continued*

24.1 Credit risk exposure analysis *continued*

| Concentration risk of advances | 2025 R'000 | 2024 R'000 |
|--|-----------------------|---------------|
| Sectorial analysis | | |
| Agriculture | 80 783 | 140 897 |
| Community, social and personal services | 1 537 498 | 1 451 086 |
| Construction | 132 344 | 144 805 |
| Electricity and water | 16 694 | 22 050 |
| Finance, real estate and business services | 740 702 | 818 930 |
| Manufacturing | 404 459 | 534 937 |
| Mining | 42 705 | 64 121 |
| Trade and accommodation | 713 814 | 761 437 |
| Transport and communication | 244 805 | 390 530 |
| Other activities | 9 456 | 11 233 |
| Total | 3 923 260 | 4 340 026 |

24.2 Collateral and other security enhancements

24.2.1 Description of collateral for Intercompany loans from securitised assets

| Intercompany loans from securitised assets¹ | Security |
|---|--|
| Equipment finance | Sasfin Bank Limited retains full ownership of the assets and equipment financed throughout the duration of the contract. |
| Capital equipment finance | The primary collateral held for Capital Equipment Finance by Sasfin Bank Limited is the plant/equipment being financed. However, other security such as general notarial bonds over other assets and continuous covering mortgage bonds over property are sometimes taken to increase the collateral cover. This book was sold to Sasfin Bank Limited during the current year. |

¹ Please refer to Note 6 for additional information on the failed derecognition on securitisation by Sasfin Bank Limited.

24.2.2 Description of collateral for Intercompany loans from securitised assets

Given the nature of the finance lease rental agreement, whereby the underlying assets are legally owned by the Company, management is comfortable that at inception of the agreement, the value of the underlying asset equates to the amount due. The value of the asset is not subsequently reassessed unless there is default. An estimate of the fair value of collateral and other security enhancements held is shown below.

| | Gross exposure R'000 | Fixed assets R'000 | Total R'000 | Unsecured R'000 |
|---|-------------------------------------|-------------------------------|------------------------|----------------------------|
| 2025 | | | | |
| Intercompany loans from securitised assets | | | | |
| Equipment finance | 3 923 260 | 3 261 884 | 3 261 884 | 661 376 |
| Capital equipment finance | – | – | – | – |
| | 3 923 260 | 3 261 884 | 3 261 884 | 661 376 |
| 2024 | | | | |
| Intercompany loans from securitised assets | | | | |
| Equipment finance | 3 797 275 | 3 175 771 | 3 175 771 | 621 504 |
| Capital equipment finance | 542 751 | 419 740 | 419 740 | 123 011 |
| | 4 340 026 | 3 595 511 | 3 595 511 | 744 515 |

Notes to the financial statements *continued*

for the year ended 30 June 2025

24. Credit risk *continued*

24.2 Collateral and other security enhancements *continued*

24.2.3 Collateral held against individually impaired assets

| | Gross exposure R'000 | Fixed assets R'000 | Total R'000 | Unsecured R'000 |
|---|-------------------------|-----------------------|----------------|--------------------|
| 2025 | | | | |
| Intercompany loans from securitised assets | | | | |
| Equipment finance | 324 165 | 105 599 | 105 599 | 218 565 |
| Capital equipment finance | – | – | – | – |
| | 324 165 | 105 599 | 105 599 | 218 565 |
| 2024 | | | | |
| Intercompany loans from securitised assets | | | | |
| Equipment finance | 291 355 | 110 180 | 110 180 | 181 175 |
| Capital equipment finance | 32 375 | 22 564 | 22 564 | 9 811 |
| | 323 730 | 132 744 | 132 744 | 190 986 |

24.3 Credit loss allowance analysis

24.3.1 Reconciliation of ECL on Intercompany loans from securitised assets at amortised cost by product

| | Stage 1 R'000 | Stage 2 R'000 | Stage 3 R'000 | Total R'000 |
|--|------------------|------------------|------------------|----------------|
| 2025 | | | | |
| Equipment finance¹ | | | | |
| Credit loss allowance balance beginning of the year ² | 29 498 | 6 734 | 164 777 | 201 009 |
| Transfers between stages | (1 155) | 2 829 | 37 464 | 39 138 |
| Stage 1 to Stage 2 | (399) | – | – | (399) |
| Stage 2 from Stage 1 | – | 7 127 | – | 7 127 |
| Stage 1 to Stage 3 | (912) | – | – | (912) |
| Stage 3 from Stage 1 | – | – | 35 202 | 35 202 |
| Stage 2 to Stage 1 | – | (2 338) | – | (2 338) |
| Stage 1 from Stage 2 | 80 | – | – | 80 |
| Stage 2 to Stage 3 | – | (2 057) | – | (2 057) |
| Stage 3 from Stage 2 | – | – | 7 450 | 7 450 |
| Stage 3 to Stage 1 | – | – | (4 856) | (4 856) |
| Stage 1 from Stage 3 | 76 | – | – | 76 |
| Stage 3 to Stage 2 | – | – | (332) | (332) |
| Stage 2 from Stage 3 | – | 97 | – | 97 |
| Changes in ECL | 121 | 436 | 28 231 | 28 788 |
| ECL on new exposure raised | 8 740 | 2 495 | 2 614 | 13 849 |
| Subsequent changes in ECL | (4 859) | (1 752) | 30 758 | 24 147 |
| Change in ECL due to derecognition | (3 760) | (307) | (5 141) | (9 208) |
| Impaired accounts written off | – | – | (42 163) | (42 163) |
| Credit loss allowance balance end of the year | 28 464 | 9 999 | 188 309 | 226 772 |

¹ The gross carrying amount of Equipment Finance changed as follows in relation to the ECL:

- Gross Equipment Finance exposure increased by R1.0 billion due to new business. This resulted in an increase in the expected credit loss allowance of R13.8 million. The subsequent ECL raised on the new exposure has been disclosed relative to the staging at year-end;
- The additional gross carrying amount of Impaired accounts written off amounted to R80.4 million;
- The gross carrying amount that were modified during the year that did not result in derecognition was Rnil;
- No Equipment Finance was sold during the current year; and
- Gross carrying amount of Equipment Finance that were transferred between stages were as follows:
 - o R181.5 million from Stage 1 to Stage 2;
 - o R101.2 million from Stage 1 to Stage 3;
 - o R17.3 million from Stage 2 to Stage 1;
 - o R15.3 million from Stage 2 to Stage 3;
 - o R14.7 million from Stage 3 to Stage 1; and
 - o R1.1 million from Stage 3 to Stage 2.

Notes to the financial statements *continued*

for the year ended 30 June 2025

24. Credit risk *continued*

24.3 Credit loss allowance analysis *continued*

24.3.1 Reconciliation of ECL on Intercompany loans from securitised assets at amortised cost by product *continued*

| | Stage 1 R'000 | Stage 2 R'000 | Stage 3 R'000 | Total R'000 |
|--|------------------|------------------|------------------|----------------|
| 2024 | | | | |
| Equipment finance¹ | | | | |
| Credit loss allowance balance beginning of the year | 34 854 | 8 262 | 188 810 | 231 926 |
| Transfers between stages | (1 242) | (1 270) | 40 357 | 37 845 |
| Stage 1 to Stage 2 | (427) | – | – | (427) |
| Stage 2 from Stage 1 | – | 6 812 | – | 6 812 |
| Stage 1 to Stage 3 | (1 074) | – | – | (1 074) |
| Stage 3 from Stage 1 | – | – | 35 522 | 35 522 |
| Stage 2 to Stage 1 | – | (4 880) | – | (4 880) |
| Stage 1 from Stage 2 | 205 | – | – | 205 |
| Stage 2 to Stage 3 | – | (3 255) | – | (3 255) |
| Stage 3 from Stage 2 | – | – | 9 082 | 9 082 |
| Stage 3 to Stage 1 | – | – | (4 010) | (4 010) |
| Stage 1 from Stage 3 | 54 | – | – | 54 |
| Stage 3 to Stage 2 | – | – | (237) | (237) |
| Stage 2 from Stage 3 | – | 53 | – | 53 |
| Changes in ECL | (4 114) | (258) | 13 606 | 9 234 |
| ECL on new exposure raised | 9 699 | 529 | 2 242 | 12 470 |
| Subsequent changes in ECL ² | (9 647) | (107) | 19 337 | 9 583 |
| Change in ECL due to derecognition | (4 166) | (680) | (7 973) | (12 819) |
| Impaired accounts written off | – | – | (77 996) | (77 996) |
| Credit loss allowance balance end of the year² | 29 498 | 6 734 | 164 777 | 201 009 |

¹ The gross carrying amount of Equipment Finance changed as follows in relation to the ECL:

- Gross Equipment Finance increased by R1.1 billion due to new business. This resulted in an increase in the expected credit loss allowance of R12.5 million. The subsequent ECL raised on the new exposure has been disclosed relative to the staging at year-end;
- The additional gross carrying amount of Impaired accounts written off amounted to R93.8 million;
- The gross carrying amount that were modified during the year that did not result in derecognition was Rnil;
- No Equipment Finance was sold during the current year; and
- Gross carrying amount of Equipment Finance that were transferred were as follows:
 - o R39.6 million from Stage 1 to Stage 2;
 - o R100.2 million from Stage 1 to Stage 3;
 - o R34.1 million from Stage 2 to Stage 1;
 - o R21.9 million from Stage 2 to Stage 3;
 - o R10.9 million from Stage 3 to Stage 1; and
 - o R0.7 million from Stage 3 to Stage 2.

² Subsequent changes in ECL were incorrectly disclosed as R2.9 million and R16.3 million for Stage 2 and Stage 3, respectively. These have now been corrected to negative R0.1 million and R19.3 million. As a result, the changes in ECL were revised from R2.7 million to negative R0.2 million for Stage 2, and from R10.6 million to R13.6 million for Stage 3. Accordingly, the closing balance was adjusted from R9.7 million to R6.7 million for Stage 2, and from R161.8 million to R164.8 million for Stage 3. There is no impact on the overall closing balance of R201.0 million, nor on the primary financial statements.

Notes to the financial statements *continued*

for the year ended 30 June 2025

24. Credit risk *continued*

24.3 Credit loss allowance analysis *continued*

24.3.1 Reconciliation of ECL on Intercompany loans from securitised assets at amortised cost by product *continued*

| | Stage 1 R'000 | Stage 2 R'000 | Stage 3 R'000 | Total R'000 |
|--|------------------|------------------|------------------|-----------------|
| 2025 | | | | |
| Capital equipment Finance | | | | |
| Credit loss allowance balance beginning of the year | 2 827 | 2 816 | 9 221 | 14 864 |
| Transfers between stages | - | - | - | - |
| Stage 1 to Stage 2 | - | - | - | - |
| Stage 2 from Stage 1 | - | - | - | - |
| Stage 1 to Stage 3 | - | - | - | - |
| Stage 3 from Stage 1 | - | - | - | - |
| Stage 2 to Stage 1 | - | - | - | - |
| Stage 1 from Stage 2 | - | - | - | - |
| Stage 2 to Stage 3 | - | - | - | - |
| Stage 3 from Stage 2 | - | - | - | - |
| Stage 3 to Stage 1 | - | - | - | - |
| Stage 1 from Stage 3 | - | - | - | - |
| Stage 3 to Stage 2 | - | - | - | - |
| Stage 2 from Stage 3 | - | - | - | - |
| Changes in ECL | (2 827) | (2 816) | (9 221) | (14 864) |
| ECL on new exposure raised | - | - | - | - |
| Subsequent changes in ECL | - | - | - | - |
| Change in ECL due to derecognition | (2 827) | (2 816) | (9 221) | (14 864) |
| Impaired accounts written off | - | - | - | - |
| Credit loss allowance balance end of the year | - | - | - | - |

¹ The gross carrying amount of Capital Equipment Finance changed as follows in relation to the ECL:

- In the current year, the Company disposed of its Capital Equipment Finance book at a book value of R526.7 million to its Controlling Company. This amount was net of R14.9 million expected credit loss allowance. Refer to Note 6 for additional information.

Notes to the financial statements *continued*

for the year ended 30 June 2025

24. Credit risk *continued*

24.3 Credit loss allowance analysis *continued*

24.3.1 Reconciliation of ECL on Intercompany loans from securitised assets at amortised cost by product *continued*

| | Stage 1 R'000 | Stage 2 R'000 | Stage 3 R'000 | Total R'000 |
|--|------------------|------------------|------------------|----------------|
| 2024 | | | | |
| Capital equipment finance | | | | |
| Credit loss allowance balance beginning of the year | 2 626 | 552 | 4 918 | 8 096 |
| Transfers between stages | (160) | 2 101 | 5 780 | 7 721 |
| Stage 1 to Stage 2 | (112) | – | – | (112) |
| Stage 2 from Stage 1 | – | 2 535 | – | 2 535 |
| Stage 1 to Stage 3 | (67) | – | – | (67) |
| Stage 3 from Stage 1 | – | – | 5 331 | 5 331 |
| Stage 2 to Stage 1 | – | (61) | – | (61) |
| Stage 1 from Stage 2 | 6 | – | – | 6 |
| Stage 2 to Stage 3 | – | (373) | – | (373) |
| Stage 3 from Stage 2 | – | – | 912 | 912 |
| Stage 3 to Stage 1 | – | – | (463) | (463) |
| Stage 1 from Stage 3 | 13 | – | – | 13 |
| Stage 3 to Stage 2 | – | – | – | – |
| Stage 2 from Stage 3 | – | – | – | – |
| Changes in ECL | 361 | 163 | (1 443) | (919) |
| ECL on new exposure raised | 669 | 171 | 32 | 872 |
| Subsequent changes in ECL | (122) | 14 | (880) | (988) |
| Change in ECL due to derecognition | (186) | (22) | (595) | (803) |
| Impaired accounts written off | – | – | (34) | (34) |
| Credit loss allowance balance end of the year | 2 827 | 2 816 | 9 221 | 14 864 |

¹ The gross carrying amount of Capital Equipment Finance changed as follows in relation to the ECL:

- Gross Capital Equipment Finance increased by R117.3 million due to new business. This resulted in an increase in the expected credit loss allowance of R0.9 million. The subsequent ECL raised on the new exposure has been disclosed relative to the staging at year-end;
- The additional gross carrying amount of Impaired accounts written off amounted to R0.7 million;
- The gross carrying amount that were modified during the year that did not result in derecognition was Rnil;
- No Capital Equipment Finance was sold during the current year; and
- Gross carrying amount of Capital Equipment Finance that were transferred were as follows:
 - o R30.3 million from Stage 1 to Stage 2;
 - o R18.3 million from Stage 1 to Stage 3;
 - o R1.5 million from Stage 2 to Stage 1;
 - o R7.3 million from Stage 2 to Stage 3;
 - o R3.3 million from Stage 3 to Stage 1; and
 - o Rnil from Stage 3 to Stage 2.

Notes to the financial statements *continued*

for the year ended 30 June 2025

24. Credit risk *continued*

24.3 Credit loss allowance analysis *continued*

24.3.1 Reconciliation of ECL on Intercompany loans from securitised assets at amortised cost by product *continued*

| | Stage 1 R'000 | Stage 2 R'000 | Stage 3 R'000 | Total R'000 |
|---|------------------|------------------|------------------|-----------------|
| 2025 | | | | |
| Total Intercompany loans from securitised assets | | | | |
| Credit loss allowance balance beginning of the year | 32 325 | 9 550 | 173 998 | 215 873 |
| Transfers between stages | (1 155) | 2 829 | 37 464 | 39 138 |
| Stage 1 to Stage 2 | (399) | – | – | (399) |
| Stage 2 from Stage 1 | – | 7 127 | – | 7 127 |
| Stage 1 to Stage 3 | (912) | – | – | (912) |
| Stage 3 from Stage 1 | – | – | 35 202 | 35 202 |
| Stage 2 to Stage 1 | – | (2 338) | – | (2 338) |
| Stage 1 from Stage 2 | 80 | – | – | 80 |
| Stage 2 to Stage 3 | – | (2 057) | – | (2 057) |
| Stage 3 from Stage 2 | – | – | 7 450 | 7 450 |
| Stage 3 to Stage 1 | – | – | (4 856) | (4 856) |
| Stage 1 from Stage 3 | 76 | – | – | 76 |
| Stage 3 to Stage 2 | – | – | (332) | (332) |
| Stage 2 from Stage 3 | – | 97 | – | 97 |
| Changes in ECL | (2 706) | (2 380) | 19 010 | 13 924 |
| ECL on new exposure raised | 8 740 | 2 495 | 2 614 | 13 849 |
| Subsequent changes in ECL | (4 859) | (1 752) | 30 758 | 24 147 |
| Change in ECL due to derecognition | (6 587) | (3 123) | (14 362) | (24 072) |
| Impaired accounts written off | – | – | (42 163) | (42 163) |
| Credit loss allowance balance end of the year | 28 464 | 9 999 | 188 309 | 226 772 |

It is the Company's practice to transfer the ECL between stages, by comparing the ECL stage for an exposure at the beginning of the reporting period to the ECL stage of that exposure at the end of the reporting period, for those exposures that have not yet been settled.

Notes to the financial statements *continued*

for the year ended 30 June 2025

24. Credit risk *continued*

24.3 Credit loss allowance analysis *continued*

24.3.1 Reconciliation of ECL on Intercompany loans from securitised assets at amortised cost by product *continued*

| | Stage 1 R'000 | Stage 2 R'000 | Stage 3 R'000 | Total R'000 |
|---|------------------|------------------|------------------|----------------|
| 2024 | | | | |
| Total Intercompany loans from securitised assets | | | | |
| Credit loss allowance balance beginning of the year | 37 480 | 8 811 | 193 731 | 240 022 |
| Transfers between stages | (1 402) | 831 | 46 137 | 45 566 |
| Stage 1 to Stage 2 | (539) | – | – | (539) |
| Stage 2 from Stage 1 | – | 9 347 | – | 9 347 |
| Stage 1 to Stage 3 | (1 141) | – | – | (1 141) |
| Stage 3 from Stage 1 | – | – | 40 853 | 40 853 |
| Stage 2 to Stage 1 | – | (4 941) | – | (4 941) |
| Stage 1 from Stage 2 | 211 | – | – | 211 |
| Stage 2 to Stage 3 | – | (3 628) | – | (3 628) |
| Stage 3 from Stage 2 | – | – | 9 994 | 9 994 |
| Stage 3 to Stage 1 | – | – | (4 473) | (4 473) |
| Stage 1 from Stage 3 | 67 | – | – | 67 |
| Stage 3 to Stage 2 | – | – | (237) | (237) |
| Stage 2 from Stage 3 | – | 53 | – | 53 |
| Changes in ECL | (3 753) | (92) | 12 160 | 8 315 |
| ECL on new exposure raised | 10 368 | 700 | 2 274 | 13 343 |
| Subsequent changes in ECL | (9 769) | (93) | 18 457 | 8 595 |
| Change in ECL due to derecognition | (4 352) | (699) | (8 571) | (13 622) |
| Impaired accounts written off | – | – | (78 030) | (78 030) |
| Credit loss allowance balance end of the year | 32 325 | 9 550 | 173 998 | 215 873 |

It is the Company's practice to transfer the ECL between stages, by comparing the ECL stage for an exposure at the beginning of the reporting period to the ECL stage of that exposure at the end of the reporting period, for those exposures that have not yet been settled.

24.3.2 Credit impairment charges recognised in profit or loss

| | 2025 R'000 | 2024 R'000 |
|---|-----------------|---------------|
| Net ECL recognised | 75 431 | 45 635 |
| Intercompany loans from securitised assets ¹ | 75 431 | 45 689 |
| Trade and other receivables | – | (54) |
| Recoveries of Intercompany loans from securitised assets previously written off | (11 465) | (7 796) |
| | 63 966 | 37 839 |

¹ The impact of Interest in Suspense (ISP) of R19.2 million (2024: R25.9 million) is included in interest income (refer to Note 13).

Notes to the financial statements *continued*

for the year ended 30 June 2025

25. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty meeting obligations from its financial liabilities when they fall due. The risk is inherent in all financial services operations and can be impacted by a range of industry-specific and market-wide events.

Management of liquidity risk

To manage the liquidity risk arising from financial liabilities, the Company holds enough high-quality assets comprising of cash and cash equivalents and from a legal perspective the underlying assets of the intercompany loans from securitised assets.

The priority of payments is prepared each month. This sets out the creditor payment requirement per month. Any excess is made available to purchase eligible assets. Any payments due with a longer term than 30 days is provided for. This includes provisional tax, noteholder and subordinated debt interest.

The Company has credit enhancements that include Level 1 enhancements through the Arrear Reserve, Level 2 through the Reserve Fund (refer to Note 4) and Level 3 through subordinated debt.

Exposure to liquidity risk

Key measures used by the Company for managing liquidity risk are *inter alia*:

- Excess cash available after priority of payments; and
- Current ratio.

The most material liquidity risk relating to the Company relates to refinance risk on maturity date of the issued notes. This is actively managed through the Debt capital markets capability within the Group, who actively manages funder relationships, investor information and pro-active market engagement prior to maturity date. To date all refinance cycles have been materially refinanced and/or oversubscribed on maturity date.

Notes to the financial statements *continued*

for the year ended 30 June 2025

25. Liquidity risk *continued*

The maturity profit is presented below.

25.1 Contractual maturity analysis

| | Carrying amount R'000 | Gross inflow/ outflow R'000 | Less than 1 month R'000 |
|---|--------------------------|-----------------------------------|-------------------------------|
| 2025 | | | |
| Discounted maturity | | | |
| Assets | | | |
| Cash and cash equivalents | 443 763 | 443 763 | 443 763 |
| Trade and other receivables | 15 997 | 7 523 | 7 523 |
| Intercompany loans from securitised assets ² | 3 696 488 | 3 673 089 | 165 076 |
| Current taxation asset | 15 563 | – | – |
| Total assets | 4 171 811 | 4 124 375 | 616 362 |
| Undiscounted maturity | | | |
| Liabilities | | | |
| Trading liabilities ³ | 8 013 | 9 555 | – |
| Trade and other payables | 147 521 | 143 082 | 143 082 |
| Debt securities issued | 3 278 736 | 3 844 111 | – |
| Loans from entities in the Group | 354 865 | 478 022 | – |
| Deferred tax liability | 115 027 | – | – |
| Total liabilities | 3 904 162 | 4 474 770 | 143 082 |

The Company's liquidity risk reporting is based on a contractual maturity basis as opposed to a business-as-usual maturity basis, which is preferred by the ALCO. The liquidity mismatches forecast is highly improbable to occur. The Company closely manages its liquidity positions by including various buffers into its daily liquidity monitoring reports.

- ¹ Non-contractual refers to non-financial instruments, the ECL on the financial assets, and non-performing loans on which legal proceedings have been initiated.
- ² In the current year, management has revised the bucketing of the intercompany loans from securitised assets to reflect the contractual cash flows in each maturity bucket (aligning to disclosure in Note 6) rather than reflecting all loan cash flows in the bucket that corresponded to the contractual end date. The basis on which the prior year has been presented is on a contractual maturity basis as opposed to a business-as-usual maturity basis. The Intercompany loans from securitised assets have thus been bucketed as per their contract end date. For the prior year, please refer to Note 6 for the contractual cash flow expectations of the Intercompany loans from securitised assets.
- ³ The interest rate swaps the Company enters have a contractual term of 3-months. On expiry of the interest rate swap held at year-end, a new contract will be entered into.

| | Carrying amount R'000 | Gross inflow/ outflow R'000 | Less than 1 month R'000 |
|---|--------------------------|-----------------------------------|-------------------------------|
| 2024 | | | |
| Discounted maturity | | | |
| Assets | | | |
| Cash and cash equivalents | 379 997 | 379 997 | 379 533 |
| Trade and other receivables | 111 891 | 13 647 | 13 647 |
| Intercompany loans from securitised assets ^{2,3} | 4 124 153 | 4 015 458 | 10 982 |
| Current taxation asset | 1 399 | – | – |
| Total assets | 4 617 440 | 4 409 102 | 404 162 |
| Undiscounted maturity | | | |
| Liabilities | | | |
| Trading liabilities | 2 710 | 2 710 | 2 710 |
| Trade and other payables | 125 080 | 124 252 | 124 252 |
| Debt securities issued ² | 3 685 800 | 4 372 108 | – |
| Deferred tax liability | 122 176 | – | – |
| Loans from entities in the Group | 393 670 | 564 021 | – |
| Total liabilities | 4 329 436 | 5 063 091 | 126 962 |

¹ Non-contractual refers to non-financial instruments and the net exposure on non-performing loans (after considering the related ECL) on which legal proceedings have been initiated.

² As at 30 June 2024, the Company's intention was to early settle the Series 2 notes subject to the successful disposal of the CEF Business to African Bank. The above contractual maturities for Series 2 reflect management's expectation of the realisation of the disposal of the CEF Business to African Bank. Refer to Note 9 for additional information.

³ The Intercompany loans from securitised assets have been bucketed as per their contract end date. Please refer to Note 6 for the contractual cash flow expectations of the Intercompany loans from securitised assets.

| 1 – 3 months R'000 | 4 – 12 months R'000 | 1 – 2 years R'000 | 2 – 3 years R'000 | 3 – 4 years R'000 | 4 – 5 years R'000 | More than 5 years R'000 | Non-contractual ¹ R'000 | Total R'000 |
|-----------------------|------------------------|----------------------|----------------------|----------------------|----------------------|----------------------------|---------------------------------------|----------------|
| - | - | - | - | - | - | - | - | 443 763 |
| - | - | - | - | - | - | - | 8 474 | 15 997 |
| 252 040 | 1 375 643 | 972 720 | 587 439 | 258 948 | 61 223 | - | 23 399 | 3 696 488 |
| - | - | - | - | - | - | - | 15 563 | 15 563 |
| 252 040 | 1 375 643 | 972 720 | 587 439 | 258 948 | 61 223 | - | 47 436 | 4 171 811 |
| 9 555 | - | - | - | - | - | - | - | 9 555 |
| - | - | - | - | - | - | - | 4 439 | 147 521 |
| 447 992 | 203 971 | 1 413 398 | 1 778 750 | - | - | - | - | 3 844 111 |
| 11 968 | 35 747 | 47 820 | 382 487 | - | - | - | - | 478 022 |
| - | - | - | - | - | - | - | 115 027 | 115 027 |
| 469 515 | 239 718 | 1 461 218 | 2 161 237 | - | - | - | 119 466 | 4 594 236 |

| 1 – 3 months R'000 | 4 – 12 months R'000 | 1 – 2 years R'000 | 2 – 3 years R'000 | 3 – 4 years R'000 | 4 – 5 years R'000 | More than 5 years R'000 | Non-contractual ¹ R'000 | Total R'000 |
|-----------------------|------------------------|----------------------|----------------------|----------------------|----------------------|----------------------------|---------------------------------------|----------------|
| 464 | - | - | - | - | - | - | - | 379 997 |
| - | - | - | - | - | - | - | 98 244 | 111 891 |
| 13 460 | 204 196 | 725 267 | 1 178 059 | 1 066 718 | 813 192 | 3 584 | 108 695 | 4 124 153 |
| - | - | - | - | - | - | - | 1 399 | 1 399 |
| 13 924 | 204 196 | 725 267 | 1 178 059 | 1 066 718 | 813 192 | 3 584 | 208 338 | 4 617 440 |
| - | - | - | - | - | - | - | - | 2 710 |
| - | - | - | - | - | - | - | 828 | 125 080 |
| 436 763 | 1 224 823 | 581 719 | 1 242 524 | 886 279 | - | - | - | 4 372 108 |
| - | - | - | - | - | - | - | 122 176 | 122 176 |
| 14 283 | 88 482 | 49 039 | 49 151 | 363 066 | - | - | - | 564 021 |
| 451 046 | 1 313 305 | 630 758 | 1 291 675 | 1 249 345 | - | - | 123 004 | 5 186 095 |

Notes to the financial statements *continued*

for the year ended 30 June 2025

25. Liquidity risk *continued*

25.2 Discounted maturity analysis: Current and non-current

| | 2025 | | | 2024 | | |
|--|-------------------------------|-----------------------------------|------------------|------------------|-----------------------------------|----------------|
| | Current ¹ R'000 | Non-current ¹ R'000 | Total R'000 | Current R'000 | Non-current ¹ R'000 | Total R'000 |
| Assets | | | | | | |
| Cash and cash equivalents | 443 763 | – | 443 763 | 379 997 | – | 379 997 |
| Trade and other receivables | 15 997 | – | 15 997 | 111 891 | – | 111 891 |
| Intercompany loans from securitised assets | 1 792 759 | 1 903 729 | 3 696 488 | 228 638 | 3 895 515 | 4 124 153 |
| Current taxation asset | 15 563 | – | 15 563 | 1 399 | – | 1 399 |
| Total assets | 2 268 082 | 1 903 729 | 4 171 811 | 721 925 | 3 895 515 | 4 617 440 |
| Liabilities | | | | | | |
| Trading liabilities | 8 013 | – | 8 013 | 2 710 | – | 2 710 |
| Trade and other payables | 147 521 | – | 147 521 | 125 080 | – | 125 080 |
| Debt securities issued | 408 736 | 2 870 000 | 3 278 736 | 1 385 800 | 2 300 000 | 3 685 800 |
| Loans from entities in the Group | 5 841 | 349 024 | 354 865 | 57 437 | 336 233 | 393 670 |
| Deferred tax liability | – | 115 027 | 115 027 | – | 122 176 | 122 176 |
| Total liabilities | 570 111 | 3 334 051 | 3 904 162 | 1 571 027 | 2 758 409 | 4 329 436 |

¹ For financial assets that have an ECL balance at the reporting date, the maturity analysis reflects the net exposure (i.e., after considering the ECL balance exposure) rather than only the gross exposure.

26. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's activities expose it primarily changes in interest rates. The Company seeks to minimise the effects of interest rate risks by using the derivative financial instruments (see note below).

Derivative financial instruments (refer to Note 26.3)

Derivatives are entered into in the normal course of business and no material losses are anticipated other than those which have been accounted for in profit or loss. All commitments or contingent commitments under derivative financial instruments are settled in cash.

Notional principal

Represents the gross notional value of all outstanding contracts as at year-end. The gross notional value is the sum of the absolute value of all purchases and sales of derivative instruments. This value will not affect the amount receivable or payable under a derivative contract due to the cash-settled nature of the various contracts. The gross notional value represents only the measure of involvement by the Company in derivative contracts and not its exposure to market or credit risks arising from such contracts.

Interest rate swaps

Interest rate swaps are used to hedge the Company's exposure to changes in the fair values of its notes and certain Intercompany loans from securitised assets attributable to changes in market interest rates. Interest rate swaps are matched to specific issuance of notes or Intercompany loans from securitised assets.

Notes to the financial statements *continued*

for the year ended 30 June 2025

26. Market risk *continued*

26.1 Market risks

The tables summarise the Company's exposure to interest rate risk through categorisation of assets and liabilities into time buckets, determined as being the earlier of the contractual repricing date or maturity. The below table is not indicative of when the assets or liabilities are due for settlement but rather when repricing of the interest rate will occur. The net pricing gap is therefore not a reflection of the Company's liquidity risk nor its ability to settle liabilities as it become due. Refer to Note 25 for the Company's liquidity risk.

| | Up to 1 month R'000 | 1 – 3 months R'000 | 4 – 12 months R'000 | 1 – 5 years R'000 | More than 5 years R'000 | Total R'000 |
|---|---------------------------|--------------------------|---------------------------|-------------------------|-------------------------------|--------------------|
| 2025 | | | | | | |
| Assets | | | | | | |
| Non-trading portfolios | | | | | | |
| Cash and cash equivalents | 443 763 | – | – | – | – | 443 763 |
| Intercompany loans from securitised assets | 3 525 104 | 1 594 | 28 099 | 368 463 | – | 3 923 260 |
| Total assets | 3 968 867 | 1 594 | 28 099 | 368 463 | – | 4 367 023 |
| Liabilities | | | | | | |
| Non-trading portfolios | | | | | | |
| Trade and other payables | (50 090) | – | – | – | – | (50 090) |
| Debt securities issued | – | (3 278 736) | – | – | – | (3 278 736) |
| Loans from entities in the Group | – | (354 865) | – | – | – | (354 865) |
| Total liabilities | (50 090) | (3 633 601) | – | – | – | (3 683 691) |
| Net pricing gap | 3 918 777 | (3 632 007) | 28 099 | 368 463 | – | 683 332 |
| Cumulative repricing gap | 3 918 777 | 286 770 | 314 869 | 683 332 | 683 332 | 683 332 |
| A 100 basis point interest rate change will have the following effect on profit/loss: | | | | | | |
| 100 bp parallel shock interest rate increase | 3 269 | 483 | 2 276 | – | – | 6 028 |
| 100 bp parallel shock interest rate decrease | (1 497) | 3 063 | 13 783 | – | – | 15 350 |

Notes to the financial statements *continued*

for the year ended 30 June 2025

26. Market risk *continued*

26.1 Market risks *continued*

| | Up to 1 month R'000 | 1 – 3 months R'000 | 4 – 12 months R'000 | 1 – 5 years R'000 | More than 5 years R'000 | Total R'000 |
|---|---------------------------|--------------------------|---------------------------|-------------------------|-------------------------------|--------------------|
| 2024 | | | | | | |
| Assets | | | | | | |
| Non-trading portfolios | | | | | | |
| Cash and cash equivalents | 379 997 | – | – | – | – | 379 997 |
| Intercompany loans from securitised assets | 4 115 915 | 2 099 | 16 381 | 205 628 | – | 4 340 023 |
| Total assets | 4 495 912 | 2 099 | 16 381 | 205 628 | – | 4 720 020 |
| Liabilities | | | | | | |
| Non-trading portfolios | | | | | | |
| Trade and other payables | (52 570) | – | – | – | – | (52 570) |
| Debt securities issued | – | (3 685 800) | – | – | – | (3 685 800) |
| Loans from entities in the Group | (393 670) | – | – | – | – | (393 670) |
| Total liabilities | (446 240) | (3 685 800) | – | – | – | (4 132 040) |
| Net pricing gap | 4 049 672 | (3 683 701) | 16 381 | 205 628 | – | 587 980 |
| Cumulative repricing gap | 4 049 672 | 365 971 | 382 352 | 587 980 | 587 980 | 587 980 |
| A 100 basis point interest rate change will have the following effect on profit/loss: | | | | | | |
| 100 bp parallel shock interest rate increase | 3 370 | 595 | 2 691 | – | – | 6 656 |
| 100 bp parallel shock interest rate decrease | (1 453) | 3 238 | 14 559 | – | – | 16 344 |

26.2 Currency risk

The Company operates exclusively in ZAR, meaning that all the assets and liabilities of the Company are also denominated in ZAR. As a result, the Company is not exposed to currency risk.

26.3 Derivative financial instruments

| | Within 1 year R'000 | Net fair value R'000 | Positive fair value R'000 | Negative fair value R'000 | Notional principal R'000 |
|--------------------------|---------------------------|----------------------------|---------------------------------|---------------------------------|--------------------------------|
| 2025 | | | | | |
| Interest rate swaps | (8 013) | (8 013) | – | (8 013) | 1 161 122 |
| Total derivatives | (8 013) | (8 013) | – | (8 013) | 1 161 122 |
| 2024 | | | | | |
| Interest rate swaps | (2 710) | (2 710) | – | (2 710) | 1 892 826 |
| Total derivatives | (2 710) | (2 710) | – | (2 710) | 1 892 826 |

Notes to the financial statements *continued*

for the year ended 30 June 2025

27. Capital management

The Company's capital management reflects the capital management of the Company rather than the Group's. There have been no changes to what the Company manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group's management takes responsibility for the pricing of products and services so as to provide superior returns commensurate with the level of risk.

The capital structure of the Company consists of debt and cash and cash equivalents as presented in the statement of financial position. Debt includes the borrowings disclosed in Notes 9 and Note 21.2.1, whilst cash and cash equivalents are as disclosed in Note 4. The Company defines capital as equity funding provided by shareholders and debt funding from external parties. Shareholder funding comprises permanent paid up capital and share premium.

The Company monitors capital on the basis of the following ratios:

| 2025 | Series 1 | | Series 2 ¹ | | Series 3 | |
|---------------------------------|---------------------|--------|-----------------------|--------|---------------------|--------|
| | Minimum requirement | Actual | Minimum requirement | Actual | Minimum requirement | Actual |
| First tranche loss ² | 4.46% | 4.77% | – | – | 1.00% | 1.00% |
| Second loss loan ² | 12.54% | 13.45% | – | – | 8.00% | 8.66% |

¹ Series 2 was early settled in November 2024.

² The Applicable Subordinated Loan and the Applicable First Loss Loan will be utilised to partially fund the Reserve Fund. The Applicable Subordinated Loan and the Applicable First Loss Loan are governed by the Applicable Subordinated Loan Agreement and the Applicable First Loss Loan Agreement. Each agreement includes a provision that the outstanding capital and interest shall not amortise until all the Notes in issue have been fully redeemed.

| 2024 | Series 1 | | Series 2 | | Series 3 | |
|---------------------------------|---------------------|--------|---------------------|--------|---------------------|--------|
| | Minimum requirement | Actual | Minimum requirement | Actual | Minimum requirement | Actual |
| First tranche loss ¹ | 4.46% | 4.79% | 2.50% | 2.50% | 1.00% | 1.00% |
| Second loss loan ¹ | 12.54% | 12.54% | 10.00% | 10.00% | 8.00% | 8.66% |

¹ Refer to footnote 2 in the table above for an explanation.

Throughout the reporting period, the Company has complied with the required levels of credit enhancement, which is defined in the transaction documentation establishing the securitisation vehicle.

Notes to the financial statements *continued*

for the year ended 30 June 2025

28. Subsequent events and going concern

Subsequent events

Refinancing of SASP notes

The Company successfully re-financed Class A, Class B and Class C notes to the value of R371 million in August 2025.

Disposal of the subordinated debt by the Controlling Company

As at 30 June 2025, the total subordinated debt liability in:

- Series 1 was R224.1 million (Capital: R220.7 million and Accrued Interest due of R3.4 million) which was owed to the Controlling Company. During September 2025, the Controlling Company sold R165.7 million of its subordinated debt, of which R121 million was to an external party and R44.7 million to a fellow subsidiary of the Group, namely, SPEIH.
- Series 3 was R130.8 million (Capital: R128.3 million and Accrued interest due of R2.5 million) which was owed to the Controlling Company. During September 2025, the Controlling Company sold R128.3 million of its subordinated debt, of which R80 million was to an external party and R48.3 million to a fellow subsidiary of the Group, namely, SPEIH.

Strategic reset

In October 2024, the Group announced its intention to exit the banking business by the end of the 2025 calendar year and will emerge as an unlisted entity with its Rentals and Wealth businesses at the core. Below are events that occurred during the events after reporting date period that relate to this strategic reset.

FUN appointed as primary originator

In October the process commenced but has not yet concluded to appoint FUN as the primary originator of deals in Series 1 of the Company. FUN is already the primary originator of deals in Series 3 of the Company.

Revision of legal agreements by the Controlling Company

The Controlling Company is currently reassessing the legal agreements in regards to it being the Servicer, Administrator, and being the holder of the preference shares. At the date of signing the Annual Financial Statements this was still work in progress.

Going concern

The directors believe that the Company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the Company is in sound financial position and that it has access to sufficient cash resources and 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 any pending changes to legislation which may affect the Company.

Glossary of terms

| Term | Definition |
|------------------------------|---|
| ALCO | Asset, and Liability and Investment Committee |
| GRCMC | Group Risk and Capital Management Committee |
| Priority of Payment | The order in which payments will be made to the Company's creditors and the holders of debt securities |
| Sasfin Group | Sasfin Holdings Limited Group |
| SASP | South African Securitisation Programme (RF) Limited |
| Series guarantee | Series guarantee is the written deed executed by Series Security SPV Incorporated in favour of Series Secured Creditors |
| Series Indemnity | This is the written agreement entered between the issuer and the Series Security SPV incorporated in favour of Series Secured Creditors |
| Series Issuer | South African Securitisation Programme (RF) Limited |
| Series Secured Creditors | Creditors of the issuer as set out in the Priority of Payments that are party to Series Transaction Agreement |
| Series Security SPV | Security SPV Propriety Limited is the SPV incorporated in respect of SASP for the benefit of the noteholders |
| Series Transaction Agreement | Agreements entered between, among others, the issuer and one or more parties |
| SICR | Significant Increase in Credit Risk |
| SPEIH | Sasfin Private Equity Investment Holdings (Proprietary) Limited |
| Treasury | Sasfin Bank Limited's Treasury |

Corporate details

| | |
|--|--|
| Country of incorporation and domicile | South Africa |
| Directors | DP Towers (Chair) E Deiner D Govender ¹ B Harmse H Heymans ² |
| Alternative Directors | MJ Ross ³ |
| Registered office | 140 West Street 6th Floor Sandton Johannesburg 2196 |
| Postal address | PO Box 95104 Grant Park Johannesburg 2051 |
| Controlling entity | Sasfin Bank Limited |
| Ultimate holding entity | The Company is wholly owned by The South African Securitisation Issuer Owner Trust, a trust set up solely for the purposes of holding the ordinary shares of the Company. The trustee of the trust is TMF Capital Markets Services (South Africa) (Pty) Ltd. The Company is controlled by Sasfin Bank Limited in accordance with IFRS. Sasfin Bank Limited is also responsible for administration and management of the Company. |
| Auditor | PricewaterhouseCoopers Inc. (PwC) |
| Company Secretary | TMF Capital Markets Services (South Africa) (Pty) Ltd |
| Company registration number | 1991/002706/06 |
| Tax reference number | 9664004711 |
| Debt sponsor | Sasfin Bank Limited |
| Calculation agent | Sasfin Bank Limited |
| Transfer agent | Sasfin Bank Limited |
| Paying agent | Sasfin Bank Limited |
| Publish date | 30 October 2025 |

¹ Resigned 30 June 2025.

² Appointed 1 July 2025.

³ Appointed 1 July 2025.

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