# Redington South Africa (Pty) Ltd
# (Registration number 2011/101022/07)
# Annual Financial Statements for the year ended 31st March 2026

The Annual Financial statements have been audited in compliance with the applicable requirement of the Companies Act 71 of 2008.

**Redington South Africa (Pty) Ltd**
**(Registration number 2011/101022/07)**
**Annual Financial Statements for the year ended 31st March 2026**

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The report and statements set out below comprise the annual financial statements presented to the shareholder:

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**(Registration number 2011/101022/07)**
**Annual Financial Statements for the year ended 31st March 2026**

## General Information

| | |
|---|---|
| **Country of incorporation and domicile** | South Africa |
| **Nature of Busniess and principal activities** | Information technology services |
| **Directors** | Serkan Celik<br>Sivanandam Balasubramanian |
| **Registered office** | Unit 9 & 10 Alphen, Square South<br>845 16th Road, Randjespark<br>Midrand<br>Gauteng<br>1685 |
| **Postal address** | Unit 9 & 10 Alphen, Square South<br>845 16th Road, Randjespark<br>Midrand<br>Gauteng<br>1685 |
| **Holding company** | Redington Gulf FZE incorporated in Dubai (UAE ) |
| **Bankers** | The Standard Bank of South Africa Limited |
| **Auditors** | D5BSG Incorporated<br>Registered Auditors |
| **Tax reference number** | 9788/469/15/4 |
| **Preparer** | The annual financial statements have been prepared by finance team of Redington South Africa (Pty) Ltd |
| **Reviewer** | Mr Sivanandam Balasubramanian, Head F&A, Africa, MBA Finance |
| **Issued** | 13th May 2026 |

**Redington South Africa (Pty) Ltd**
**(Registration number 2011/101022/07)**
**Annual Financial Statements for the year ended 31st March 2026**

## Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards for Small and Medium-sized Entities. The external auditors are engaged to express and independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

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

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

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements, The annual financial statements have been examined by the company's external auditors and their report is presented on pages 5 to 6.

The annual financial statements set out on pages 7 to 28, which have been prepared on the going concern basis, were approved by the board on 30 April 2026 and were signed on their behalf:

Signed by:
Serkan Celik
8C516ACAFF034BE...
**Serkan Celik**
**Director**

Signed by:
Sivanandam Balasubramanian
866221DA43B7424...
**Sivanandam**
**Balasubramaniam**
**Director**

**Redington South Africa (Pty) Ltd**
**(Registration number 2011/101022/07)**
**Notes to the Financial Statements**
**For the period from April 01, 2025 to March 31, 2026**

## Directors' report

The directors have pleasure in submitting their report on the annual financial statement of Redington South Africa (Pty) Ltd for the year ended 31 March 2026

### 1. Incorporation

The company was incorporated on 27th July 2011 and obtained its certificate to commence business on same day.

### 2. Nature of Business

Redington South Africa (Pty) Ltd was incorporated in South Africa with interests in the information technology industry. The company operates in South Africa.

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

### 3. Review of Financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the companies Act of South Africa.The accounting policies have been applied consistently to the prior year.

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

### 4. Share capital

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

### 5. Dividends

Given the current state of the global economic environment, the board believes that it would be more appropriate for the company to conserve cash and maintain adequate debit headroom to ensure that the company is best placed to withstand any prolonged adverse economic conditions. Therefore the board has resolved not to declare dividend for the financial year ended 31st March 2026.

No dividend was declared or paid during year ended 31st March 2026.

### 6. Directorate

The directors in Office at the date of this report are as follows:

| Directors | Nationality | Changes |
|---|---|---|
| Arun Srinivasan | Indian | Resigned on 8th October 2025 |
| Sivanandam Balasubramaniam | Indian | |
| Serkan Celik | Turkish | Appointed on 25th July 2025 |

Other than the above, there have been no changes to the directorate for the year under review.

### 7. Director's interests in contracts

During the financial year, no contracts were entered into which directors or officers of the company had interest and which significantly affected the business of the company.

### 8. Property, plant and equipment

There was no change in the nature of property, plant and equipment of the company or in the policy regarding their use.

**Redington South Africa (Pty) Ltd**
**(Registration number 2011/101022/07)**
**Notes to the Financial Statements**
**For the period from April 01, 2025 to March 31, 2026**

**Directors' report**

**9. Parent Company**
The company's parent company is Redington Gulf FZE which holds 100% of the company's equity. Redington Gulf FZE is incorporated in Dubai.

**10. Borrowing Powers**
In terms of the Memorandum of Incorporation, the borrowing powers of the company are unlimited. However all borrowings by the company are subject to board approval as required by the board delegation of authority.

**11. Special resolutions**
No special resolutions , the nature of which might be significant to the shareholder in its appreciation of the state of affairs of the company were made by the company during the period covered by this report.

**12. Events after the reporting period**
The directors confirm that there were no events subsequent to the year-end up to the date of this report that require either disclosure or adjustment in the financial statements. The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

**13. Going Concern**
The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business The directors believe that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the company is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company. The entity has access to sufficient future cash flows to be able to continue as a going concern. The Parent company (Redington Gulf FZE) will continue to provide financial support for the entity to continue the business in South Africa as a going concern despite the loss made in the 2026 financial year and any accumulated losses that may result in future.

**14. Litigation Statement**
The company is not currently involved in any claims or lawsuits, which individually or in the aggregate, are expected to have a material adverse effect on the business or its assets.

**15.Liquidity and solvency**
The directors have performed the required liquidity and solvency tests required by the Companies Act of South Africa.

**16. Auditors**
D5BSG Incorporated were appointed as auditors for the company for 2026

**17. Statement of disclosure to the company's auditor**
With respect to each person who is a director on the day that this report is approved:

a) there is, so far as the person is aware, no relevant audit information of which the company's auditors are unaware and;

b) the directors have taken all the steps that they ought to have taken as a director to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Directors' report**

**18. Date of authorization for issue of the financial statements**

The annual financial statements have been authorised for issue by the directors on 13th May 2026. No authority was given to anyone to amend the annual financial statements after the date of issue

**19. Acknowledgements**

Thanks and appreciation are extended to our shareholder, staff, suppliers and customers for their continued support of the company.

# Independent Auditor's Report

**To the Shareholder of Redington South Africa (Pty) Ltd**

**Report on the Audit of the Annual Financial Statements**

**Opinion**

We have audited the annual financial statements of Redington South Africa (Pty) Ltd (the company) set out on pages 7 to 28, which comprise the statement of financial position as at 31 March 2026; and the statement of profit or loss and other comprehensive income; the statement of changes in equity; and the statement of cash flows for the year then ended; and notes to the annual financial statements, including material accounting policy information.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Redington South Africa (Pty) Ltd as at 31 March 2026, and its financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

**Basis for Opinion**

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

**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the document titled "Redington South Africa (Pty) Ltd annual financial statements for the year ended 31 March 2026", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual 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 annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual 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.

# Independent Auditor's Report

**Responsibilities of the Directors for the Annual Financial Statements**

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities 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 annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual 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 Annual Financial Statements**

Our objectives are to obtain reasonable assurance about whether the annual 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 International Standards on Auditing 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 annual financial statements.

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

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual 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 annual financial statements, including the disclosures, and whether the annual 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.

**D5BSG Incorporated**
**Registered Auditors**

**Unit 6A**
**Levin and Steyn Building**
**383 Ontdekkers Road**
**Florida**
**1709**

**J Gardiner CA (SA) RA**
**13 May 2026**

**Redington South Africa (Pty) Ltd**
**(Registration number 2011/101022/07)**
**Annual Financial Statements for the year ended 31st March 2026**

**Statement of financial position**
**As at March 31, 2026**

| | *Notes* | March, 2026 Rand | March, 2025 Rand |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Property and equipment | 3 | 122,833 | 622,032 |
| Deferred tax asset | 4 | 1,754,282 | - |
| ***Total non-current assets*** | | ***1,877,115*** | ***622,032*** |
| **Current assets** | | | |
| Inventories | 5 | 44,903 | 226,310 |
| Due from related parties | 7 | 355,494 | 264,578 |
| Trade and other receivables | 6 | 477,462 | 4,543,793 |
| Cash and cash equivalents | 8 | 2,224,189 | 459,185 |
| Current tax receivable | 4 | - | 209,060 |
| ***Total current assets*** | | ***3,102,048*** | ***5,702,926*** |
| **Total assets** | | **4,979,163** | **6,324,958** |
| **Equity & Liabilities** | | | |
| **Equity** | | | |
| Share capital | 9 | 698,790 | 698,790 |
| Retained earnings | | 636,997 | 380,493 |
| ***Total Equity*** | | ***1,335,787*** | ***1,079,283*** |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 10 | 503,467 | 1,634,562 |
| Due to Related parties | 7 | 3,139,909 | 3,611,113 |
| ***Total current liabilities*** | | ***3,643,376*** | ***5,245,675*** |
| ***Total liabilities*** | | ***3,643,376*** | ***5,245,675*** |
| **Total equity and liabilities** | | **4,979,163** | **6,324,958** |

Signed by:
Sivanandam Balasubramanian
866221DA43B7424...

**Director**

**Date:** 13/5/2026 | 08:17 PDT

The accompanying notes form an integral part of these financial statements.

**Redington South Africa (Pty) Ltd**
**(Registration number 2011/101022/07)**
**Annual Financial Statements for the year ended 31st March 2026**

**Statement of profit or loss and other comprehensive income**
**For the period from April 01, 2025 to March 31, 2026**

| | Notes | March, 2026 Rand | March, 2025 Rand |
|---|---|---|---|
| Revenue | 13 | 5,188,688 | 18,006,430 |
| Changes in inventories of finished goods | | (1,348,865) | (5,541,664) |
| Employee benefits expense | | (3,080,590) | (5,416,335) |
| Depreciation and amortisation expenses | 12 | (346,937) | (492,783) |
| Other (losses)/gains | 14 | 2,910,942 | 3,075,137 |
| Other expenses | 11 | (4,661,567) | (5,620,453) |
| Finance costs | | (2) | - |
| **(Loss) / Profit for the year** | | **(1,338,330)** | **4,010,332** |
| ***Taxation (benefit) / charges*** | 4 | (1,594,835) | - |
| **Total comprehensive income for the year** | | **256,504** | **4,010,332** |

Signed by:
Sivanandam Balasubramanian
866221DA43B7424...

**Director**

**Date:** 13/5/2026 | 08:17 PDT

The accompanying notes form an integral part of these financial statements.

**Redington South Africa (Pty) Ltd**
**(Registration number 2011/101022/07)**
**Annual Financial Statements for the year ended 31st March 2026**

**Statement of changes in equity**
**For the period from April 01, 2025 to March 31, 2026**

| | Share capital Rand | Retained earnings Rand | Total Rand |
|---|---|---|---|
| Balance as at 01 April 2024 | 698,790 | (3,629,839) | (2,931,049) |
| Profit for the year | - | 4,010,332 | 4,010,332 |
| Balance as at 31 March 2025 | 698,790 | 380,493 | 1,079,283 |
| Profit for the year | - | 256,504 | 256,504 |
| **Balance as at 31 March 2026** | **698,790** | **636,997** | **1,335,787** |

The accompanying notes form an integral part of these financial statements.

**Redington South Africa (Pty) Ltd**

**(Registration number 2011/101022/07)**
**Annual Financial Statements for the year ended 31st March 2026**

**Statement of cash flows**
**For the period from April 01, 2025 to March 31, 2026**

| | Notes | March, 2026 Rand | March, 2025 Rand |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| (Loss)/Profit for the year | | (1,338,330) | 4,010,332 |
| *Adjustments for:* | | | |
| Depreciation of property and equipment | 3 | 346,937 | 492,783 |
| Reversal of allowance for slow-moving and inventories | 11 | (91,971) | (73,353) |
| Impairment losses on financial assets | 11 | (7,449) | (2,684,320) |
| **Operating cash flows before movements in working capital** | | ***(1,090,813)*** | ***1,745,442*** |
| Decrease in inventories | | 273,379 | 1,045,168 |
| Decrease in trade and other receivables | | 4,073,774 | 6,162,610 |
| Increase in due from related parties | | (447,174) | (8,800) |
| Decrease in trade and other payables | | (1,131,094) | (1,615,787) |
| Decrease in due to related parties | | (114,945) | (7,435,987) |
| **Cash generated/ (used in) from operations** | | **1,563,127** | **(107,354)** |
| Tax paid | | 49,613 | (59,060) |
| **Net cash generated/ (used in) from operations** | | **1,612,740** | **(166,414)** |
| ***Cash flow from investing activities*** | | | |
| Purchase of property and equipment | 3 | 152,264 | - |
| **Net cash used in investing activities** | | **152,264** | **-** |
| **Net increase/(decrease) in cash and cash equivalents** | | **1,765,004** | **(166,414)** |
| Cash and cash equivalents at the beginning of the year | | 459,185 | 625,599 |
| **Cash and cash equivalents at the end of the year** | **8** | **2,224,189** | **459,185** |

**Redington South Africa (Pty) Ltd**
**(Registration number 2011/101022/07)**
**Accounting Policies to the Annual Financial Statements**
**For the period from April 01, 2025 to March 31, 2026**

## 1 Status and operations

Redington South Africa (Pty) Ltd (the "Company") is a limited liability company registered on 27 July 2011 in Gauteng, South Africa. The shareholder of the Company is Redington Gulf FZE (the "Parent Company"), a company incorporated in Jebel Ali Free Zone, holding 100% of the share capital. The Ultimate Parent and controlling party is Redington (India) Limited, India.

Redington South Africa (Pty) Ltd was incorporated in South Africa with interests in the Information technology industry.

## 2 Significant accounting policies

### Statement of compliance

The annual financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the companies Act of South Africa.

### Basis of preparation

The annual financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these annual Financial statements and the Companies Act of South Africa of South Africa, as amended.

The annual financial statements comply with the requirements of the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

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

These accounting policies are consistent with the previous period.

### Going concern

The financial performance of the company is set out in the Directors' report and in the statement of comprehensive income. The financial position of the company is set out in the statement of financial position.

Based on the financial performance and position of the company and its risk management policies, the directors are of the opinion that the company is well placed to continue in business for the foreseeable future and as a result the financial statements are prepared on a going concern basis.

The significant accounting policies adopted are set out below.

**2 Significant accounting policies (continued)**

**Revenue recognition**

Revenue is recognised to the extent that the company has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the company. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

**Foreign currencies**

The financial statements of the Company are presented in the currency of the primary economic environment in which the Company operates. For the purpose of the financial statements, the results and financial position of the Company are expressed in South African Rand (ZAR), which is the functional currency of the Company, and the presentation currency for the financial statements.

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Nonmonetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Nonmonetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss.

**Property and equipment**

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one year.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

**Redington South Africa (Pty) Ltd**
**(Registration number 2011/101022/07)**
**Accounting Policies to the Annual Financial Statements**
**For the period from April 01, 2025 to March 31, 2026**

## 2 Significant accounting policies (continued)

### Property and equipment (continued)

Property and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to profit or loss when incurred. The cost of property and equipment is depreciated using the straight-line method over their estimated useful lives as follows:

| | Useful lives |
|---|---|
| Furniture and fixtures | 4 - 5 |
| Motor Vehicles | 3 - 5 |
| Computers | 3 - 5 |
| Warehouse equipment | 5 |
| Office equipment | 5 - 8 |
| Networking Equipment | 3 - 5 |

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. No material changes were made.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired.

When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognized.

### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises purchase costs and other related expenses that have been incurred in bringing the inventories to their present location and condition.

Inventories are measured at the lower of cost and net realisable value on the weighted average cost basis.

Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

Inventories includes a "right to returned goods asset" which represents the company's right to recover products from customers where customers exercise their right of return. A corresponding adjustment is recognized against cost of sales

### Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

## 2 Significant accounting policies (continued)

### Provisions (continued)

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### Taxation

Tax expense comprises current and deferred income taxes.

Current income tax is based on taxable profit for the year, adjusted in accordance with the prevailing tax regulations in the country, as at the reporting date. Current tax is calculated using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is accounted for using the asset and liability method. Deferred tax assets and liabilities are recognized for temporary differences between carrying amounts of existing assets and liabilities and their respective tax bases. Recognition of deferred tax assets are, however, restricted to the extent that it is probable that sufficient taxable profit will be available against which the deductible temporary differences can be utilized. Deferred tax assets and liabilities are measured using tax rates (applicable to the Company) that are expected to apply to the period in which the asset is expected to be realized or the liability is expected to be settled.

### Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**2 Significant accounting policies (continued)**

**Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at amortised cost.

*i) Amortised cost and effective interest rate method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting year, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Company recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

*Impairment of financial assets*

The Company always recognises lifetime expected credit losses (ECL) for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired

**2 Significant accounting policies (continued)**

**Financial assets (Continued)**

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

*ii) Significant increase in credit risk*

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, 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. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Company's core operations.

The Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:
▪ 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

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

*iii) Definition of default*

The Company employs statistical models to analyse the data collected and generate estimates of probability of default ("PD") of exposures with the passage of time. This analysis includes the identification for any changes in default rates and changes in key macro-economic factors across various geographies of the Company.

*iv) Credit-impaired financial assets*

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:
▪ significant financial difficulty of the issuer or the borrower;
▪ a breach of contract, such as a default or past due event (see (ii) above);
▪ the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
▪ it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
▪ the disappearance of an active market for that financial asset because of financial difficulties.

**2 Significant accounting policies (continued)**

**Financial assets (Continued)**

*v) Write-off policy*

The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

*vi) Measurement and recognition of expected credit losses*

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

*Derecognition of financial assets*

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**Financial liabilities**

*Financial liabilities measured subsequently at amortised cost*

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

## 2 Significant accounting policies (continued)

### Financial liabilities (Continued)

*Derecognition of financial liabilities*

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### Share capital and equity

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

### Employee benefits

**Short-term employee benefits**

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal obligation to make such payments as a result of past performance.

### Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

### Leases

The company assesses whether a contract is, or contains a lease, at the inception of the contract.

*Company as lessee*

Operating lease payments are recognised as an expense on an invoice basis over the lease term. Any contingent rents are expensed in the period they are incurred.

### Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

## 3 Critical accounting judgments and key sources of estimation uncertainty

### Critical judgements in applying accounting policies

The following is the critical judgement (apart from those involving estimations, which are dealt with below) that the management has made in the process of applying the Company's accounting policies, which are described in Note 3 to the financial statements, and that has the most significant effect on the amounts recognised in the financial statements.

*Warranties*

The Company's Original Equipment Manufacturer ("OEM") generally warrants the products distributed by the Company and these are assurance warranties provided in the normal course of business relating to product performance. The Company generally does not independently warrant the products it distributes and therefore management does not consider that any provisions for warranties or claims are required.

## 3 Critical accounting judgments and key sources of estimation uncertainty (continued)

### Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

*Provision for impairment of trade receivables*

The Company reviews its receivables to assess adequacy of provisions at least on an annual basis. The Company's credit risk is primarily attributable to its trade receivables. In determining whether provisions should be recognised, the Company makes an estimate of the collectible amount when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision is applied according to the length of time past due, based on ECL on such receivables.

*Calculation of loss allowance*

When measuring ECL, the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

*Allowance for slow-moving inventories*

Inventories are stated at the lower of cost and net realisable value. Adjustments to reduce the cost of inventory to its realisable value, if required, are made at the product group level for estimated excess, obsolescence or impaired balances. Factors influencing these adjustments include changes in demand, rapid technological changes, product life cycle, product pricing, physical deterioration and quality issues. Based on the above factors, the Company has arrived at certain percentages for allowance for slow-moving and obsolete inventories. Revisions to these adjustments would be required if these factors differ from the estimates.

*Customer incentive*

The Company accrues for rebates for its customers based on contracted percentages on the total sales made during the year and based on fulfilment of the related obligations, which require management to ascertain whether these obligations have been met by its customers during the period of agreement. This requires management knowledge of all customers for whom these connected commitments are in place in order to ensure that the accrual is complete.

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## 3 Property and equipment

| | Furniture and fixtures | Computers | Networking Equipment | Motor vehicle | Warehouse equipment | Office Equipment | Total Rand |
|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | |
| At 01 April 2024 | 5,121,943 | 293,071 | 740,782 | 1,658,498 | 79,858 | 2,307,295 | 10,201,446 |
| Additions | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - |
| **At 31 March 2025** | **5,121,943** | **293,071** | **740,782** | **1,658,498** | **79,858** | **2,307,295** | **10,201,446** |
| Additions | - | - | - | - | - | - | - |
| Disposals | (517,789) | - | - | (511,295) | (55,600) | (919,281) | (2,003,965) |
| **At 31 March 2026** | **4,604,154** | **293,071** | **740,782** | **1,147,203** | **24,258** | **1,388,014** | **8,197,481** |
| **Accumulated depreciation** | | | | | | | |
| At 01 April 2024 | 4,380,220 | 293,071 | 605,381 | 1,503,879 | 79,858 | 2,224,222 | 9,086,631 |
| Charge for the year | 280,783 | - | 97,006 | 87,261 | - | **27,733** | 492,782 |
| Disposals | - | - | - | - | - | - | - |
| **At 31 March 2025** | **4,661,003** | **293,071** | **702,387** | **1,591,140** | **79,858** | **2,251,954** | **9,579,413** |
| | | | | | | | - |
| Charge for the year | 213,450 | - | 38,395 | 67,358 | - | 27,733 | 346,936 |
| Disposals | (365,525) | - | - | (511,295) | (55,600) | (919,281) | (1,851,701) |
| **At 31 March 2026** | **4,508,928** | **293,071** | **740,782** | **1,147,203** | **24,258** | **1,360,406** | **8,074,648** |
| ***Carrying amount*** | | | | | | | |
| **At 31 March 2026** | **95,226** | **-** | **-** | **-** | **-** | **27,608** | **122,833** |
| ***Carrying amount*** | | | | | | | |
| **At 31 March 2025** | **460,940** | **-** | **38,395** | **67,358** | **-** | **55,341** | **622,032** |

Registers with details of property, plant and equipment are available for inspection by the shareholder or its authorised representatives at the registered office of the company.

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| | March, 2026 Rand | March, 2025 Rand |
|---|---|---|
| **4 Taxation** | | |
| Current tax charge | - | - |
| Deferred tax (credit)/ charge | (118,074) | - |
| Prior year deferred tax | (1,636,208) | - |
| Prior year income tax | 159,447 | |
| **Tax Expense for the year** | **(1,594,835)** | **-** |
| **Reconciliation of accounting profit to taxable profit/(loss)** | | |
| Profit before tax as per Financial Statements | (1,338,330) | 4,010,332 |
| Tax on above at statutory tax rate | - | 1,082,790 |
| Tax effect of non-deductible expenses | (118,074) | (1,082,790) |
| Deferred tax relating to prior year | (1,636,208) | - |
| Income tax relating to prior year | 159,447 | |
| Tax effect of non-taxable income | - | - |
| **Total** | **(1,594,835)** | **-** |
| **Corporate tax payable/(recoverable)** | | |
| As on 1st April – (recoverable)/payable | (209,060) | (150,000) |
| Charge for the year | 159,447 | - |
| Refund from SARS | 49,613 | |
| Paid during the year | - | (59,060) |
| Movement for the year | 209,060 | (59,060) |
| As on 31st March – (recoverable)/payable | - | **(209,060)** |
| **Deferred tax** | | |
| Temporary Differences as at year end | 6,497,339 | - |
| **Deferred Tax (Liability) / Asset** | 1,754,282 | - |

The movement in the deferred tax (liability)/asset during the year is as follows:

| | | |
|---|---|---|
| As on 1st April | - | - |
| Credit/ (charge) for the year | 118,074 | - |
| Prior period adjustments | 1,636,208 | - |
| **As on 31st March** | 1,754,282 | - |

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## 5 Inventories

| | March, 2026 Rand | March, 2025 Rand |
|---|---|---|
| Goods held for sale | 84,575 | 386,706 |
| Allowance for slow moving and obsolete inventories | (68,425) | (160,397) |
| Goods in transit | 28,753 | - |
| | **44,903** | **226,310** |

Movement in allowance for slow moving and obsolete inventories:

| | | |
|---|---|---|
| Balance at the beginning of the year | 160,397 | 233,750 |
| Reversal of allowance for slow moving and obsolete inventories (Note no 11) | (91,971) | (73,353) |
| **Balance at the end of the year** | **68,426** | **160,397** |

## 6 Trade and other receivables

| | March, 2026 Rand | March, 2025 Rand |
|---|---|---|
| Trade receivables | 73,715 | 3,997,648 |
| Less: Impairment losses | (40,749) | (48,198) |
| | 32,966 | 3,949,450 |
| Prepayments | 32,049 | 146,420 |
| Refundable deposits | 365,624 | 421,468 |
| Other receivables | 46,823 | 26,455 |
| | **477,462** | **4,543,793** |

## 7 Related party transactions

The Company enters into transactions with the Parent Company, companies and entities that fall within the
a) At the end of the reporting period, amounts due from related parties were as follows:

| | March, 2026 Rand | March, 2025 Rand |
|---|---|---|
| **Due from related parties** | | |
| Proconnect Supply Chain Solutions | - | 10,085 |
| Ensure Gulf FZE | 355,494 | 254,492 |
| | **355,494** | **264,577** |

The management of the Company estimates the allowance on due from related party balances at each reporting date at an amount equal to lifetime ECL. None of the receivable balances from related parties at each reporting date are past due, and taking into account the historical default experience and the future prospects of the industries in which the related parties operate, management of the Company consider that no related party balances are impaired.

There has been no change in estimation techniques or significant assumptions made during the current reporting period in assessing the allowance for balances due from related parties. The settlement of the related party balances is guaranteed by the ultimate controlling party through their centralised treasury process.

b) At the end of the reporting period, amounts due to related parties were as follows:

| **Due to related parties** | March, 2026 Rand | March, 2025 Rand |
|---|---|---|
| Redington Middle East LLC | - | 884,396 |
| Ensure Middle East Technology Solutions LLC | - | 1,318 |
| Cadensworth FZE | 3,139,909 | 2,725,398 |
| | **3,139,909** | **3,611,112** |

Balance with related parties are all current, interest-free, unsecured and have no fixed repayment terms.

c) Transactions

During the year, the Company entered into the following transactions with the related parties:

| | March, 2026 Rand | March, 2025 Rand |
|---|---|---|
| **Sales** | | |
| Redington Middle East LLC | 13,523 | 5,137 |
| Ensure Gulf FZE | 2,304,423 | 3,026,398 |
| Cadensworth FZE | - | 37,137 |
| Redington Limited Ghana | - | 10,704 |
| Redington South Africa Distribution | - | 37,550 |
| **Purchases** | | |
| Redington Middle East LLC | 80,270 | 211,202 |
| Cadensworth FZE | 407,262 | 1,193,052 |

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**7 Related party transactions (continued)**

d) Compensation of key management personnel

The Company is managed directly by the key management personnel of the Parent Company, which does not recharge key management remuneration to the Company.

| **8 Cash and cash equivalents** | **March, 2026 Rand** | **March, 2025 Rand** |
|---|---|---|
| Bank balances - current accounts | 2,224,189 | 459,185 |
| | **2,224,189** | **459,185** |

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries. Accordingly, the management of the Company estimates the loss allowance on balances with banks at the reporting date at an amount equal to lifetime ECL.

None of the balance with banks at the end of the reporting period are past due and taking into account the historical default experience and the management of the Company, we have assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

| **9 Share capital** | **March, 2026 Rand** | **March, 2025 Rand** |
|---|---|---|
| *Authorised, issue and paid up share capital* | | |
| *Issued* | | |
| 100 shares of R1 each | 100 | 100 |
| Share premium | 698,690 | 698,690 |
| | **698,790** | **698,790** |

| **10 Trade and other payables** | **March, 2026 Rand** | **March, 2025 Rand** |
|---|---|---|
| Trade payables | 92,262 | 612,526 |
| Accrued expenses | 372,847 | 665,779 |
| Value added tax | 38,358 | - |
| Other payables | - | 356,257 |
| | **503,467** | **1,634,562** |

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| **11 Other expenses** | **March, 2026 Rand** | **March, 2025 Rand** |
|---|---|---|
| Rent | 1,506,806 | 1,604,332 |
| Exchange loss | (176,511) | (123,232) |
| Consultancy fees | 317,802 | 227,181 |
| Insurance expense | 173,410 | 902,351 |
| Transportation expense | 603,437 | 401,837 |
| Impairment losses on financial assets | 452,131 | (2,684,320) |
| Reversal of allowance for slow-moving inventories (Note 5) | (91,971) | (73,353) |
| Electricity charges | 415,246 | 590,767 |
| Repairs and Maintenance | 510,071 | 191,714 |
| Communication expenses | 94,979 | 178,473 |
| Watch and ward | 522,484 | 1,219,160 |
| Legal and Professional | 34,063 | - |
| Bank charges | 69,440 | 28,454 |
| Other expenses | 230,180 | 3,157,089 |
| | **4,661,567** | **5,620,453** |

| **12 Depreciation and amortisation expenses** | **March, 2026 Rand** | **March, 2025 Rand** |
|---|---|---|
| Depreciation of property and equipment (Note 3) | 346,937 | 492,783 |
| | **346,937** | **492,783** |

| **13 Revenue** | **March, 2026 Rand** | **March, 2025 Rand** |
|---|---|---|
| **Revenue from Customers** | | |
| Sale of goods | 5,188,688 | 18,006,430 |
| | **5,188,688** | **18,006,430** |

| **14 Other gains** | **March, 2026 Rand** | **March, 2025 Rand** |
|---|---|---|
| Other gains | 2,910,942 | 3,075,137 |
| | **2,910,942** | **3,075,137** |

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## 15 Financial instruments and risk management

### Significant accounting policies

Details of significant policies and methods adopted including the criteria for recognition for the basis of measurement in respect of each class of financial assets and financial liabilities are disclosed in accounting policies to the financial statements.

| Categories of financial instruments | March, 2026 Rand | March, 2025 Rand |
|---|---|---|
| ***Financial assets*** | | |
| Cash and cash equivalents | 2,224,189 | 459,185 |
| Due from related parties | 355,494 | 264,577 |
| Trade and other receivables | 445,413 | 4,397,373 |
| ***Financial liabilities*** | | |
| Due to related parties | 3,139,909 | 3,611,112 |
| Trade and other payables | 92,262 | 968,783 |

### Fair value of financial instruments

The Management determined that the carrying values of financial assets and financial liabilities approximate their fair values in the statement of financial position as at the reporting date.

### Financial risk management objectives

The Company's overall financial risk management program which relies on the involvement of senior management, seeks to minimise potential adverse effects of financial performance of the Company. The management provides guidelines for overall financial risk management covering specific areas, such as market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. Periodic reviews are undertaken to ensure that the management's guidelines are complied with.

### Interest risk

The Company does not have any significant exposure to interest rate risk as there are no interest-bearing financial instruments.

### *Foreign currency risk*

The carrying amounts of the Company's financial assets and liabilities denominated in foreign currencies at the reporting date are as follows:

| | March, 2026 Rand | March, 2025 Rand |
|---|---|---|
| **Financial assets** | | |
| Due from related parties | 355,494 | 264,577 |
| | **355,494** | **264,577** |
| **Financial liabilities** | | |
| Due to related parties | 3,139,909 | 3,611,112 |
| | **3,139,909** | **3,611,112** |
| **Currency gap** | **(2,784,415)** | **(3,346,535)** |

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## 15 Financial instruments and risk management (continued)

The following table details the Company's sensitivity to a 10% increase and decrease in the exchange rate of South African Rand (RAND) against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates:

| | March, 2026 Rand | |
|---|---|---|
| | **10% increase** | **10% decrease** |
| Effect on Profit | (278,442) | 278,442 |

| | March, 2025 Rand | |
|---|---|---|
| | **10% increase** | **10% decrease** |
| Effect on Profit | (334,654) | 334,654 |

### Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from credit exposure to outstanding trade receivables. The management of the Company has implemented centralised procedures for credit control. Credit risk is minimised through a conservative credit policy. Individual counter-party limits are set in accordance with the credit policy.

The Company's exposure to credit risk is closely monitored and the aggregate value of transactions.

Ongoing credit evaluation is performed on the financial condition of trade receivable. Further details of credit risk on trade receivables are discussed in Note 6 to the financial statements.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

**15 Financial instruments and risk management (continued)**

**Liquidity risk**

Ultimate responsibility for liquidity risk management rests with the General manager which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and financial liabilities.

All of the Company's financial assets and financial liabilities are due to be settled within one year from the reporting date.

**16 Capital risk management**

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from 2022.

Having considered the structure and magnitude of the Company, the management has decided that the capital structure should be limited to equity comprising issued capital, reserve and retained earnings.

**17 Contingent liabilities**

The Company does not have any contingent liabilities as at the reporting date

**18 Dividends**

The company has not declared any dividend to the shareholders during the year.

**19 Events after the reporting period**

The directors confirm that there were no events subsequent to the year-end up to the date of this report that require either disclosure or adjustment in the financial statements

**20 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 concernbasis. The directors have satisfied themselves that the company is in a sound financial position and this it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are notaware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

**21 Approval of financial statements**

The financial statements for the year ended 31 March 2026 were approved and signed by the Directors on behalf of the shareholders on 13th May 2026.