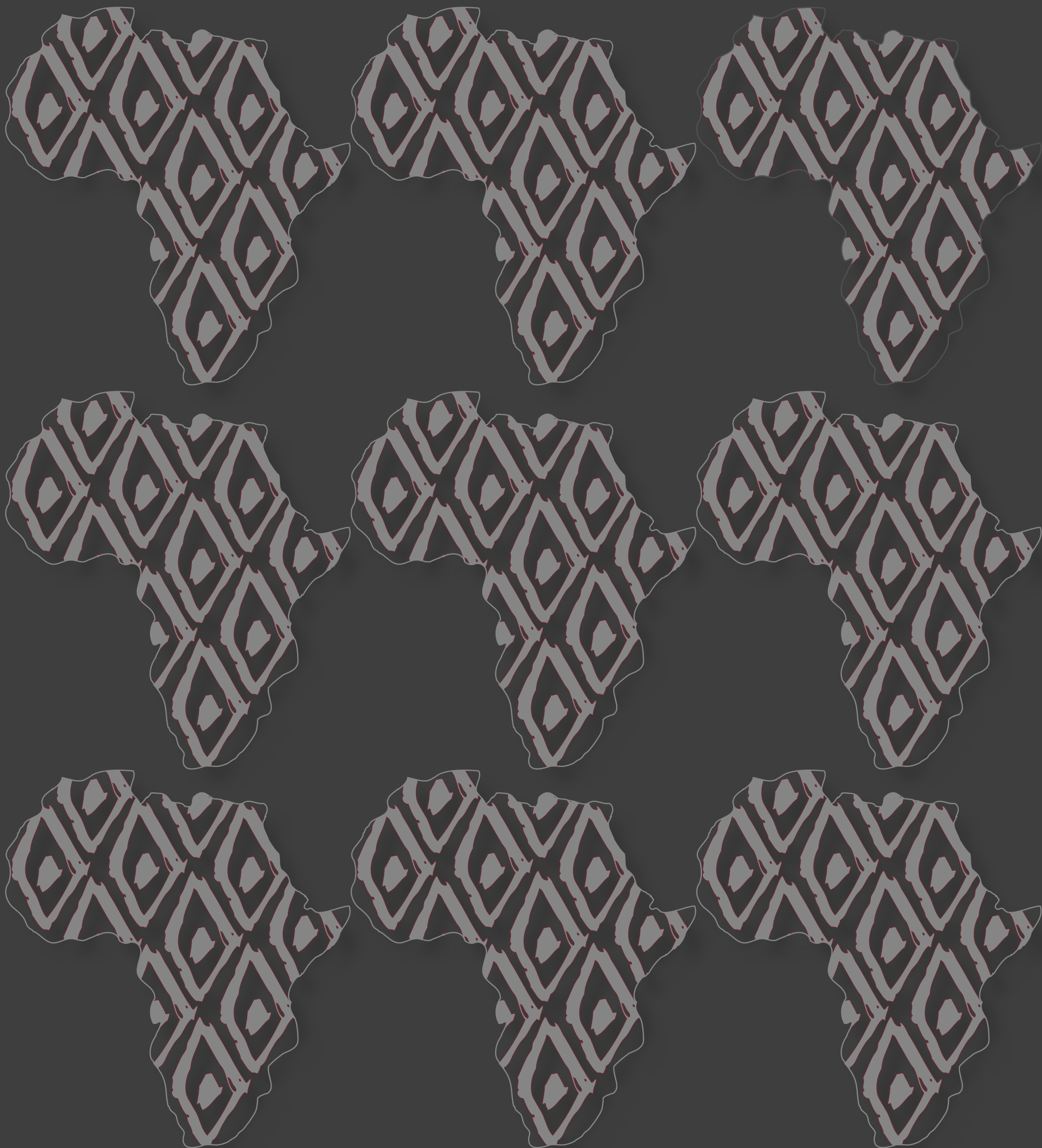
AFRICAN DAWN
CAPITAL LIMITED

Annual Report | 2024



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Definitions in this annual report

Definitions used in this Annual Report

Elite means Elite Group Proprietary Limited

Elite Two means Elite Group Two Proprietary Limited

Afdawn or the Company means African Dawn Capital Limited

YueDiligence means YueDiligence Proprietary Limited

Afdawn Group or Group means African Dawn Capital Limited and its subsidiary companies

Arvesco means Arvesco 153 Proprietary Limited

Gowin means Gowin Capital Proprietary Limited

Caleo means Caleo limited liability partnership

Slabcap means Slabcap Proprietary Limited

Caleo loan programme means Caleo loan programme and Caleo Private Equity Proprietary Limited

Chairman and CEO report

Dear Shareholders

I understand and acknowledge your concerns about your investment and current state of our company's performance and the underlying shareholder value. I want to assure you that I share your sense of urgency and am fully committed to addressing the challenges we face. Our company's current situation is critical, and I would describe it as being on a knife edge. However, I want to reassure you that we have and continue taking immediate and decisive action to stabilize our operations, address our liquidity issues, and secure long-term funding to restore our financial health.

I must be candid with you - the COVID-19 pandemic and the extended weak economic environment in South Africa have presented unprecedented challenges to our business. Despite our best efforts, we have found it difficult to recover from the devastating impact of these events. The pandemic has disrupted our funding ability, impacted our customer base, and reduced our revenue streams. The weak economic environment, especially due to the energy crisis in the country leading to a country downgrade to Junk status, has further exacerbated our challenges, making it difficult to access funding and invest in our business.

However, I want to assure you that we are taking a proactive approach to addressing our challenges and positioning our company for future success. Our top priority is to ensure the long-term sustainability of our business, and we are engaged in intense discussions with potential funding partners to secure the capital we desperately need. These discussions are complex and ongoing, but I am optimistic about our prospects for success. We are exploring various funding options, including debt and equity financing, to address our liquidity issues and provide a stable financial foundation for our future growth.

In parallel, we are conducting a comprehensive review of our operations to identify areas for improvement and implement necessary reforms. This includes streamlining our cost structure, enhancing our operational efficiency, and refocusing our strategic priorities. We have taken a rigorous approach to cost management, eliminating non-essential expenses, and investing in initiatives that drive growth and profitability.

I want to assure you that my team and I are working around the clock to address our challenges and restore our company's fortunes. We are committed to transparency and open communication and will keep you informed of our progress on our financial performance, strategic initiatives, and funding discussions.

I would like to thank you for your support and understanding during this challenging period. I believe that with our collective efforts, we can overcome our current difficulties and emerge stronger and more resilient. Your continued support is crucial to our success, and I appreciate your patience and understanding as we navigate these challenging times.

Additionally, I would like to provide more context on the measures we are taking to address our challenges. We are:

- Implementing cost-saving initiatives to reduce our expenses and improve our cash flow
- Exploring alternative funding options to address our liquidity issues
- Conducting a thorough review of our operations to identify areas for improvement
- Refocusing our strategic priorities to drive growth and profitability. We are focussed on growing our call centre business (Corporate Payroll deductions more aggressively
- Enhancing our risk management practices to mitigate potential risks

I want to assure you that we are doing everything in our power to restore our company's financial health and create long-term value for our shareholders. I am confident that with our collective efforts, we can overcome our current challenges and emerge stronger and more resilient.

Thank you for your continued support and understanding.

James Slabbert

26 September 2024

Key Indicators

Financial Performance	2024	2023	2022	2021
Revenue	15,435	14,764	13,168	8,324
Other Income	513	75	318	439
Total Income	15,948	14,839	13,486	8,763
Operational Expenses	(20,431)	(22,776)	(20,841)	(18,827)
Finance Costs	(10,143)	(7,862)	(5,539)	(2,687)
Income Tax expense	-	(353)	-	-
Net loss after tax - continued	(14,626)	(16,152)	(12,894)	(12,751)
Basic loss per share - Total comprehensive loss for the year (in cents per share)	(20.3)	(24.5)	(20.3)	(22,8)
Dividends	-	-	-	-

Balances on Reporting Date – Financial Position	2024	2023	2022	2021
Net recoverable debtors	9,505	11,276	13,326	8,547
Cash	730	1,106	1,375	682
Total Assets	13,604	14,550	16,103	10,987
Long-term Loans	24,841	18,465	31,120	15,029
Total Liabilities	67,838	55,558	42,868	24,858
Net Liability Value	(54,234)	(41,008)	(26,765)	(13,871)
Net liability value per share (in cents per share)	(74)	(59)	(42)	(22)
Share price trading at year-end (in cents per share)	6	13	23	13
Market Capitalisation	4,411	9,102	14,639	8,274
Number of shares in issue	73,512	70,012	63,647	63,647
Number of branches	10	11	10	10
Number of Group Employees	49	50	57	50

The term sheet referred to in note 3 and 31 was signed by the directors of African Dawn Capital Limited on 30 September 2024.

A detailed announcement was published in this regard on 1 October 2024.

The Board

The Board composition sometime during the financial year end

Mr. J Slabbert ("James")

Executive Chairman

James was appointed on 6 December 2018. He has over 30 years experience in the Banking, Investments and Financial Services Industries, being involved in major businesses and various corporate transactions locally and Internationally.

Prior to founding Gowin Capital (the holding company of Arvesco), James held the following positions:

- Executive Director of Group Strategy at Absa.
- Managing Executive of Absa Corporate & Business Bank at Barclays Africa Group Limited.
- Founder and Chief Executive Officer of First South Financial Services (Later Macquarie First South).
- Co-Head of Research for Southern Africa & Emerging Markets and Top-Rated Banks, Insurance and Financial Services.
- Analyst at Merrill Lynch, which later became Bank of America Merrill.

James is 61 years old.

Mr. G Hope ("Graham")

Chief Financial Officer

Graham was appointed as an executive director on 11 January 2016. Graham is a Chartered Accountant (SA) with over 20 years of experience in trading, banking and private equity investment, with NDH Bank (later part of Brait) and various other companies.

Graham is 63 years old.

The Board continued

Mr. B Stagman ("Brett")

Independent Non-Executive Director

Brett was appointed as an independent non-executive director of the Company on 30 October 2019. Brett holds a BCom (Hons) degree from the University of South Africa and is a Chartered Accountant (SA). Brett currently serves as the Chief Executive Officer of Vestcor Industries (Pty) Ltd. Prior to holding this position, Brett assumed the roles of Chief Financial Officer for Loreal's manufacturing division in South Africa as well as Group Chief Financial Officer for Africa Prepaid Services (Proprietary) Limited.

Brett is also a member of the Audit and Risk Committee as well as the Chair Remuneration Committee of the Company.

Brett is 50 years old.

Mr. S Blieden ("Selwyn")

Non-Executive Director

Selwyn was appointed as a non-executive director of the Company on 1 December 2020. Selwyn is a CFA charterholder and holds a PHD (Mathematics) from the University of Cambridge as well as a Bachelor of Arts degree (Economics and Mathematics) from the University of the Witwatersrand. He is also a former Research Fellow and member of the Faculty of Mathematics at the University of Cambridge. He currently serves as a Partner and co-Head of Caleo Private Equity ("Caleo"), an investment management and advisory firm that provides growth capital to start-ups and operating companies in South Africa and offshore. Prior to joining Caleo, Selwyn served as Principal at Absa (formerly known as Barclays Africa) and led Barclays Africa's commercial property finance business in Africa (ex-South Africa). Selwyn has also been appointed as a member of both the Audit and Risk Committee as well as the Remuneration Committee of the Company. Selwyn is 52 years old.

Statucor (Pty) Ltd represented by Mr Alun Rich ("Alun")

Company Secretary

Alun is a Fellow member of ICSA and gained his experience and knowledge of corporate governance as manager at Deloitte & Touché and as the founding partner of WilsonRich & Associates.

The Staff

The current year saw a small decrease in our workforce from 50 to 49. Afdawn strives to uplift and enable individuals of all backgrounds and thereto we are proud to report:

	2024	2023	2022	2021	2020	2019
Women (as % of total workforce)	73%	72%	70%	68%	70%	69%
Women of colour (as % of total women employed)	55%	52%	47%	48%	50%	47%
Total people of colour (as % of total workforce)	65%	62%	56%	56%	57%	55%

Afdawn's empowerment process is not just by way of employment but also through in-house training, knowledge-sharing and specialised external training, where needed.

Remuneration

The remuneration policy is one of simplicity with remuneration assessed to be in line with targets with additional incentives for performance. The remuneration aims to develop and retain talent currently employed in the Group. This helps to attract and retain people with the appropriate skills and knowledge to meet the present and future demands.

Afdawn itself is considered an Exempt Micro Enterprise under section 4 of the Revised Code of Good Practice given that the Company's turnover is less than R10 million and therefore it is deemed to have a B-BBEE Status of Level 4 and a B-BBEE recognition level of 100%.

	Male		Female		
	African	White	African	White	Total
Executive	0	2	0	1	3
Senior management	0	2	0	1	3
Middle management	0	0	0	0	0
Junior management	2	2	6	5	15
Skilled	3	2	21	2	28
Semi-skilled	0	0	0	0	0
Unskilled	0	0	0	0	0
Total permanent	5	8	27	9	49
Temporary employees	0	0	0	0	0
Total employees	5	8	27	9	49
	13		36		49

Corporate Governance

1. The Board

Purpose:

To lead the Group with integrity, through policies, strategic decisions, planning, governance, resource allocation, standards of conduct and stakeholder relationship management.

Composition:

The board of directors of the Company ('the Board") comprised the following directors at the financial year end:

Director	Office	Designation
Mr. J Slabbert	Chairman / Interim Chief Executive Officer (CEO)	Executive
Mr. G Hope	Chief Financial Officer (CFO)	Executive
Mr. B Stagman	Chair Audit and Risk and Remuneration Committee	Independent Non-executive
Mr. S Blieden	Chair Social and Ethics Committee	Non-executive

Changes to the Board during the current reporting period:

None

The Chairman is a permanent invitee to the Audit and Risk Committee. The Board members individually and collectively have the necessary skills,expertise and experience ensuring effective and ethical decision-making and strategy implementation.

The composition of the Board is the result of compliance with regulations, complexity of the Group, risks and skills needed. Each member deserves their position on the Board and their guidance and expertise are highly regarded. Collectively the Board acts as a strong and effective committee. The appointments in the period were important to closely align the skills required for the new vision on the Board. The appointment of new directors to the Board is a matter for the Board as a whole and is conducted in a formal and transparent manner.

Frequency of meetings:

The Board usually meets at least 4 times during the reporting period, 2 meetings were held during the current reporting period up to the financial year end. Actual meetings and attendance are set out in the table below. Ad-hoc informal meetings, including some or all of the members of the Board, were held on numerous occasions. Executives have regular scheduled meetings that include some non-Executive members of the board dealing with matters such as capital-raising and performance of subsidiaries. These are scheduled to occur at least every second week.

	Meeting dates	
Board member	26 July 2023	28 November 2023
Mr. J Slabbert (Chairperson)	Yes	Yes
Mr. G Hope	Yes	Yes
Mr. B Stagman	Yes	Yes
Mr. S Blieden	Yes	Yes

Roles and responsibilities:

The role of the Board remained to lead the Group towards accomplishing its purpose of creating wealth for its shareholders and stakeholders. The Board is able to fulfill its function as the members remain committed to the Group and with years of experience and specialised skills, are able to add value and make the required strategic decisions. The Board meet at least two times during the reporting period and when needed to facilitate any ad-hoc strategic input. The focus has been kept on Afdawn developing the new strategy of investment holdings in entrepreneurial companies and the re-alignment of the businesses in financial services, personal loans and managing/collection of debt. There is a clear division of responsibilities at Board level to ensure a balance of power and authority, such that no one individual has unfettered powers of decision-making. The Board is satisfied that its composition ensures such a balance of power and authority. The focus of the Committee was on maintaining stability despite being unable to remunerate executives appropriately.

The Group as an ethical corporate citizen:

The Board is ultimately responsible for leadership and governance of the Group, setting the tone at the top which promotes ethical behaviour. This remains a critical quality that vests in the Group's leaders. The Board has been able to maintain the Afdawn and Elite brands as credible names in an ever increasing and difficult market. This was accomplished with good governance built on a solid ethical foundation. The Board embraces the principles of the King IV™ Report on Governance™ for South Africa, 2016 ("King IV™"). The Board is of the opinion that the corporate governance is in line with the Group's size, complexity, risks and objectives. The Board along with management is evolving continuously to align it with King

Corporate Governance continued

IV™ compliance. The Board is of the opinion that the Group complies in all material respects with the principles embodied in King IV™ as well as the listings requirements of the JSE Limited ("JSE Listings Requirements") as it pertains to corporate governance. See King IV™ report on pages 15-19 of the annual report.

In determining the strategy and long-term sustainability, the members keep abreast of the concerns and consideration of the impact of its operations on the economy, society and the environment. It remains the Board's goal to positively improve the lives of its customers and other stakeholders. The current focus remains on shareholder and employees' upliftment and rolling out the new vision of the Company. This new vision encompasses investment in and the development of entrepreneurial companies.

The Board and our Shareholders:

The year under review was difficult and shareholder updates were given on the Stock Exchange News Service (**"SENS"**) of the JSE Limited.

Assessing and developing our Board:

Our newly appointed Board members are formally inducted through a programme comprising reading material, interviews with key personnel and an introduction to Afdawn and its operations. In line with the JSE Listings Requirements applicable to AltX listed companies, all Board members are required to attend the AltX Directors Induction Programme ("DIP") presented by the Institute of Directors of Southern Africa and formally held by WITS Business School. The performance of each individual Board member and Board as a whole is assessed internally on an annual basis. Directors are only nominated for re-election after satisfactory performance assessments and outcomes. If areas for additional development are identified, these are managed through either ad hoc internal training or specialised training provided by reputable training institutions. Directors' remuneration is aligned with the outcomes of the performance assessments; the performance assessments for 2023/2024 were informal. The assessment results were satisfactory. Appointments to the Board is a formal and transparent process and a matter for the Board as a whole.

The Board has adopted and approved a broad diversity policy and will, in identifying suitable candidates for appointment as directors, consider candidates on merit against objective criteria with due regard for the potential benefits of gender and race diversity. Aspects of diversity encompassed in the policy, include, but are not limited to, making good use of differences in skills, geographical and industry experience, background, race, gender and other distinctions between members of the Board. A target of 10% female representation and 10% black representation on the Board has been set in terms of the Gender and Race Diversity Policy.

Directors' dealings:

To ensure that there is no conflict of interest or threat to the independence of Board members, the directors are required to declare any and all interests in contracts entered into by them and the Group. Dealings in securities by directors, senior managers and employees with access to management reports or price sensitive information are controlled and need to be authorised for clearance by the Chairman. No trading is allowed during closed periods or when information that could affect the share price is not yet disclosed to the public. Any trading done by directors of the Group or subsidiary companies, or the Company Secretary is announced on SENS.

2. Remuneration Committee

Purpose:

To set a fair remuneration philosophy and apply a policy for the remuneration of Directors and employees of Afdawn.

Composition:

The Remuneration Committee consists of:

Mr. B Stagman (Chair) , Mr. S Blieden

Changes to Remuneration Committee

None

The Remuneration Committee held one meeting during the year, on 21 February 2024, attended by Mr B Stagman and Mr S Blieden and several ad-hoc meetings during the reporting period.

Due to the sensitivity and importance of remuneration, it is specifically managed by a separate Remuneration Committee assisted by the human resources department. The Remuneration Committee consists of one independent non- executive director and one non- executive director and the chairman of the committee is not the chairman of the Board. The main responsibility of the committee is to approve the remuneration of the executive Board members and any significant adjustments to employee remuneration. The executive directors suggest the remuneration of the non-executive directors remain unchanged and this is submitted to shareholders at the AGM for approval by special resolution. The Remuneration and Nomination Committee is combined.

Corporate Governance continued

The current salaries are limited by the financial constraints within the Company. Once the profit and cash flow situations have been resolved the salaries will be reviewed and aligned to market value.

Actual executive directors' remuneration paid is set out in the table below:

Director	Total remuneration 2024 Group (R000)	Total remuneration 2023 Group (R000)
Mr. J Slabbert	840	0
Mr. G Hope	480	480

Actual non-executive directors' remuneration is set out in the table below:

Director	Total remuneration 2024 Company (R000)	Total remuneration 2023 Company (R000)
Mr. B Stagman	144	144
Mr. S Blieden	144	144

Roles and responsibilities:

- determining, reviewing and approving the Group's policy on remuneration for both executives and managers;
- the finalisation of annual increases for the Group employees;
- the remuneration packages for the executive management team and financial director, including bonuses, incentive schemes and increases; and
- ensuring that the remuneration packages of non-executive directors of the Company are proposed at the AGM for shareholder approval.

The remuneration philosophy remains one of simplicity, practicality and sustainability which is aligned to market and industry trends. The policy ensures compensation for proven and sustainable performance both over the short- and long-term. The policies ensure that there are no incentives for risk taking and/or termination of contracts due to changes in management structure within the Group. The current focus remains on cost savings, strict management of cash and building on basics, resulting in no salary increases within the Group. The key focus area of the Remuneration Committee was to liaise with employees where no remuneration policies have been approved yet.

The current executive remuneration consists of:

- basic salary and suitable incentives for executive directors and executive management, and
- non-executive board fees based on prevailing market rates for similar businesses (using the PricewaterhouseCoopers annual publication on nonexecutive directors' remuneration) as a guide. This comprises a fixed annual fee not related to the number of meetings attended.

There is currently a share incentive schemes in place although no shares have been issued under the scheme . In the event that the remuneration policy is voted against by 25% or more of the voting rights exercised by shareholders at the AGM, the Company will formally engage with such dissenting shareholders to understand the reasons for the dissenting votes, and will consider amending the remuneration policy. As the non-binding vote at the AGM held on 29 September 2023 was passed by the requisite majority, there was no further engagement with shareholders in this regard.

During the reporting period the executive directors in good faith continued to forfeit their right to fixed salaries in order to relieve the Company of this expense. It is intended that this forfeit be reversed in the near future and that suitable incentives based on performance be introduced. Accordingly, given the current situation, the Company has not implemented a remuneration policy. The Board will consider implementing a remuneration policy when appropriate. Remuneration of non-executive directors is fixed and they are not paid per meeting attended due to the high number of ad-hoc meetings.

The Remuneration Committee is satisfied that they have fulfilled their responsibilities.

3. Group Executive Committees ("Exco")

Purpose:

To actively manage the Group on a day-to-day basis and align operations with Board strategies.

Corporate Governance continued

Composition:

The Exco Committee consists of:

Mr. J Slabbert, Mr. G Hope

Frequency of meetings:

Meetings are held monthly but more recently they were conducted on an ad hoc basis as and when required.

Every operational subsidiary has its own Exco and reports directly to the CEO.

The Group consists of three operating segments, segmented into:

- Investment advisory and investment management
- Micro finance
- Head office, which includes the holding Company together with other entities that previously operated in the bridging finance and vehicles finance industry.

The governance of the Group is set at Board level and a high standard is followed through to the Company level. The Company has one operating subsidiary company. This subsidiary company requires its own expert management and oversight. Exco meetings of that company are formally minuted and approved. The meetings deal with detailed operational events and practical solutions that are communicated to the Board. The Board membership of the subsidiary company comprises a combination of Exco members and additional directors. There is, therefore, direct Exco representation on the subsidiary board. The CEO of Afdawn reports and is accountable to the Afdawn Board.

The Group Executive Committee is satisfied that they have fulfilled their responsibilities.

4. Company Secretary

The Company Secretary is responsible for assisting the Board with administration, application of information regarding the Companies Act, No. 71 of 2008, as amended (**"the Companies Act"**), King IV™, JSE Listing Requirements, directors' responsibilities and powers. The Board is entitled to appoint and remove the Company Secretary. Statucor (Pty) Ltd is the Company Secretary of Afdawn. The Board has satisfied itself after a review, through discussion and assessment, the qualifications, experience and competence of the individuals employed by the Company Secretary. The Company Secretary has unfettered access to the Board. The Board is satisfied that an arm's length relationship exists.

5. Audit and Risk Committee

Purpose:

To assist the Board in overseeing the integrity of the financial statements, the effectiveness of internal controls over financial reporting, to assess the independence and qualifications of the independent registered auditor, to ensure the Company's compliance with legal and regulatory requirements and assessing the expertise of the financial director.

Changes to the Audit and Risk Committee:

None

Composition:

At the financial year end the committee consisted of:
Mr. B Stagman (Chair) , Mr. S Blieden

The Audit and Risk Committee originally comprised one independent non-executive director and one non-executive director. Due to the changes in the Companies Act and complexity of International Financial Reporting Standards (**"IFRS"**), specialised knowledge is needed from time to time and this is contributed by invitees attending meetings on an ad-hoc basis.

Frequency of meetings:

Meetings took place two times during the period, and a minimum of two meetings per year are required. The Audit and Risk Committee has an independent role with accountability to both the shareholders and the Board as per its terms of reference that were approved by the Board. The committee does not assume the function of management which is vested in the executive directors, officers and members of the executive committee, but is notified of any material risks or disagreements with external auditors.

Corporate Governance continued

Audit and Risk Committee

Committee member	Meeting dates	
	26 July 2023	28 November 2023
Mr. B Stagman (Chairperson)	Yes	Yes
Mr. S Blieden	Yes	Yes

Roles and responsibilities

The key focus area of the Audit and Risk Committee was to support the Board in its aim of maintaining the stability of the Group and ensuring continuous effective internal control over the accounting records.

- Integrated and financial reporting;
- Review and comment on the annual financial statements, annual integrated report, annual condensed results, interim results, trading update announcement to ensure compliance with IFRS, the JSE Listings Requirements and the Companies Act;
- Review and approve the appropriateness of accounting policies, disclosures and the effectiveness of internal financial controls;
- Perform a review of the Group's integrated reporting function and progress and consider factors and risks that could impact on the integrity of the annual report;
- Recommend the annual report to the Board for approval; and
- Determine the levels of assurance required on integrated and financial reporting. It should be noted that Afdawn's focus for the reporting period was on improving the financial statements in order to improve the quality due to the JSE as sent in their annual update in their review process noted during the year. The integrated report will be a journey that the Group will embark on over the next few years.

- Finance function
    - Consider the expertise and experience of the financial director;
    - Consider the expertise, experience and resources of the Group's finance function; and
    - Consider the effectiveness of internal control over finance. External expertise was brought in to ensure that the skills were appropriate.
- Internal audit

Due to capital and resource constraints, the Group does not have a separate internal audit function. The oversight of internal controls remained with the Audit and Risk Committee and the required testing and investigation was performed in-house by competent financial staff. A separate internal audit division with qualified internal auditors will be formalised and implemented when the Group has the necessary capital and resources. The internal audit tasks remain with the Audit and Risk Committee for the time being until the internal audit department will take responsibility for all internal audit matters.

- External audit
    - Act as a liaison between the external auditor and the Board;
    - Obtain information in order to satisfy itself as to the competency of the external auditor and then nominate for appointment by shareholders;
    - Consider the scope of audit and non-audit services which the external auditor may provide to the Group;
    - Review letters from auditor stating points of improvement or control deficiencies;
    - Approve the fees of the external auditor and assess their performance; and
    - Annually assess the independence of the external auditors.
- Risk management

There is no separate risk committee and the Audit and Risk committee assumes these responsibility and tasks. The responsibilities include, ensuring that management's processes and procedures are adequate to identify, assess, manage and monitor, Company and Group risks.

The key focus areas are included in the Audit and Risk Committee reports;

- Financial / liquidity risks
- Information technology risk

Corporate Governance continued

- Human resources risk
- Operational risk
- Legal/compliance risk
- Strategic risk
- JSE Pro-active monitoring letters.

Managers are urged to identify, report and assist with mitigating controls and procedures to lower the risk to acceptable levels.

The Audit and Risk Committee is satisfied that they have fulfilled their responsibilities.

6. Risk Management

The Board is ultimately responsible for the management of risk. Due to the importance and need for good governance it is assisted by the Audit and Risk Committee. The management of risk has included a pro-active approach through an implemented system of effective internal controls maintained and constantly improved by competent ethical managers. The management of risk relies on well-established governance processes and relies on both individual responsibility and collective oversight, supported by comprehensive reporting. The risk approach is one of strong corporate oversight, with the executives having pro-active participation in managing the risks and are responsible for identifying and contributing to mitigating strategies to manage risk to an acceptable level. Risk management is seen as the responsibility of each and every employee.

The significant risks are formally communicated to the Board (via the Audit and Risk Committee), in minutes of meetings which ensure that risks taken are within acceptable tolerance and appetite levels. The risk appetite is the maximum residual risk that Afdawn is willing to take, the parameters being set by business strategies, business models, review and approving budgets, forecasts and monthly management packs. Risks pertaining to the Group as a whole, but especially focused on liquidity, asset management, credit risk, market risk and human resources, are noted and managed on an in-house risk register presented at monthly Exco meetings.

The identified risks, their likelihood of occurrence, severity if occurred, mitigating control and the risk management outcome are discussed on a monthly basis. Risks are ranked and prioritised to ensure swift response and intervention to risks outside the Board's tolerance levels. Liquidity risks are managed on a short term, and long term basis ensuring pairing of known cash in and outflows, with predictions of expected cash flows. Credit risk is formally managed by the credit committee, who is tasked with managing advances in such a way to ensure repayment of capital plus earnings, and to assess the outstanding value with expected repayment and manage collections of outstanding debts.

A description of all immediately identifiable risks which are specific to the Group, its industry and/or its ordinary issued shares are available at www.afdawn.co.za.

7. Social and Ethics Committee

The Afdawn Social and Ethics Committee (the committee) was established in 2013. The committee assists the board in monitoring that the Group maintains high levels of good corporate citizenship with all stakeholders and ensures that the business considers its social and environmental impact and performance. The majority of the members should be non-executive members however there were not enough Board members and this will be rectified in the future. The committee acts in terms of the delegated authority of the Board and assists the directors in monitoring the Group's activities relating to ethics, stakeholder engagement, including employees, customers, corporate social investment, environmental issues, and black economic empowerment.

The responsibilities of the committee are as follows:

- Monitor the Group's activities relating to social and economic development, good corporate citizenship, the environment, and health and public safety;
- Draw matters relating to these activities to the attention of the Board, as appropriate;
- Monitor functions required in terms of the Companies Act and its regulations; and
- Report annually to shareholders on matters within the committee's mandate.

Changes to Social and Ethics Committee

It was noted that the following members were nominated and appointed via a round-robin resolution dated 15 February 2024 by the Board of Directors of African Dawn Limited as the Social & Ethics Committee members:

Mr. S Blieden
Mr. J Slabbert
Ms. A van der Westhuizen
Mr. G Hope

Corporate Governance continued

Committee members

The committee comprised the following members at the end of the reporting period:

Director	Designation	26 February 2024
Mr. S Blieden (Chairperson)	Independent Non-executive	Yes
Mr. J Slabbert	AfDawn CEO	Yes
Ms. A van der Westhuizen	Elite Human Resources Manager	Yes
Mr. G Hope	Afdawn CFO	Yes

The focus was to embark on a process to ensure the ethical culture in the business was represented by appropriate policies.

The Committee has fulfilled its mandate as prescribed by the Companies Regulations to the Companies Act and that there were no instances of material non-compliance to disclose.

The Social and Risks Committee is satisfied that they have fulfilled their responsibilities in line with the appropriate policies.

8. Compliance with laws and regulations

The Afdawn directors have confirmed that, to the best of their knowledge, Afdawn

i) complied with the provisions of the Companies Act, save for the composition of the Audit and Risk Committee in terms of clause 94 of the Companies Act, and

ii) operated in accordance with its Memorandum of Incorporation during the year under review.

Application of principles in King IV™

REGISTER OF APPLICATION OF THE KING IV™ PRINCIPLES

The Application of principles in King IV™ report is also available on Afdawn's website at www.afdawn.co.za.

African Dawn Capital Limited ("AfDawn" or the "Company") is a listed company on the AltX of the Johannesburg Stock Exchange operated by the JSE Limited ("JSE"). The following table has been developed to provide a summary assessment of the application of the specific applicable recommendations of King IV, which shows that AfDawn applied all the principles of King IV during the financial year ended 29 February 2024.

Leadership, Ethics and Corporate Citizenship

Leadership

Principle 1: The Board should lead ethically and effectively.

The board of directors exercises effective leadership, adhering to the duties of a director. The board as a whole has the necessary competence and the directors act ethically in discharging their responsibility to provide strategic direction and control of the Company as provided for in the Board charter.

The Board charter outlines the policies and practices of the Board on various matters such as conflicts of interest and independence. The directors adhere to Afdawn's declarations of interest policy, which is based on the Companies Act and the JSE Listings Requirements. The Board takes note of the declarations of interest tabled and recuses members from all decisions that could be or are perceived as a conflict.

The Board is committed to driving the strategy and operations of Afdawn, based on an ethical foundation, to support a sustainable business, acting in the best interest of Afdawn, whilst considering the economy, society as a whole, environment and its stakeholders. This consists of considering risks in the business and the monitoring of how management has implemented Afdawn's strategy thereby ensuring accountability for the Company's performance.

The board exercises control through a framework of detailed reporting to the Board and its committees, Board reserved decision making authority and assurance on internal controls.

Organisational ethics

Principle 2: The Board should govern the ethics of the Company in a way that supports the establishment of an ethical culture.

The board determines and sets the tone of Afdawn's values, including principles of ethical business practice, human rights considerations and the requirements of being a responsible corporate citizen and through the Social and Ethics Committee approves the Company's code of ethics.

Management has been delegated the responsibility for implementation and execution of the code of ethics and the board, through the Social and Ethics Committee, exercises ongoing oversight of the management of ethics and ensuring it is integrated in the operations of the Company.

The ethics code guides interaction with all stakeholders of the Company and addresses the key ethical risks of the Company.

Responsible corporate citizenship

Principle 3: The Board should ensure that the Company is and is seen to be a responsible corporate citizen.

In accordance with its role of overseeing Afdawn's conduct as a good corporate citizen, the board approves the strategy of the business including matters relating to sustainability. Through stakeholder engagement the Board is committed to understanding and being responsive to the expectations of all stakeholders.

Afdawn is a values driven organisation and the Board is committed to ensuring that the Company fulfils its legal and moral obligations as a good corporate citizen.

Application of principles in King IV™ continued

Strategy, Performance and Reporting

Strategy and performance

Principle 4: The Board should appreciate that the Company's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.

In alignment with the purpose of AfDawn, the Board approves the company's strategy, value drivers and legitimate expectations of its stakeholders ensuring the business remains sustainable after considering all risk factors.

The Board oversees and monitors the implementation and execution by management of the policies that drive strategy and ensures that the Company accounts for its performance through transparent reporting and disclosures.

Reporting

Principle 5: The Board should ensure that reports issued by the Company enable stakeholders to make informed assessments of the Company's performance, and its short, medium and long-term prospects.

The annual report provides a consolidated view of Afdawns' financial, social and environmental performance, prospects and strategy in the context of its operating environment to enable stakeholders to make an informed assessment of the group's value creation in the short, medium and long-term.

The Board, through its Audit and Risk Committee, ensures that the necessary controls are in place to verify and safeguard the integrity of reports and other disclosures. Afdawn complies with all required disclosures.

The Audit and Risk Committee oversees the reporting process and reviews the audited financial statements

Governance Structures and Delegation

Primary role and responsibilities of the Board

Principle 6: The Board should serve as the focal point and custodian of corporate governance in the Company.

The Board of Afdawn is committed to the highest standards of corporate governance. Its role and responsibilities and the way it executes its duties and decision-making are set out in the board charter and terms of reference of its Committees.

Through the delegations of authority, the Board has set the direction and parameters for the powers which are to be reserved for itself, and those that are to be delegated to management via the Chief Executive Office.

Composition of the Board

Principle 7: The Board should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.

The board aims to ensure that its composition comprises a majority of independent non-executive directors. When considering appointments or re-election of directors the Board gives consideration to the knowledge, skills and resources required for conducting the business as well as considering its size, diversity and demographics to ensure effectiveness.

The Board has set gender and race diversity targets that it will seek to achieve as vacancies occur on the board.

The Board is satisfied that there is a balance of skills, experience, independence, diversity and knowledge required to discharge its role and responsibilities. The Chairman of the Board of directors is Mr. J Slabbert

Furthermore Mr. J Slabbert replaced Mr Danker as the interim CEO, effective from 1 March 2023, given his extensive knowledge of, and involvement in, the Group's business operations, and will continue in this role for the foreseeable future until the Board has identified a suitable permanent CEO for appointment.

In terms of King IV, the chairman of the Board should be an independent non-executive director. On 11 March 2021 Mr. B. Stagman was appointed as the lead independent non-executive director, to remedy this requirement.

The Board is in progress to appoint an additional independent non-executive director, to ensure that its composition comprises as majority of independent non-executive directors.

Application of principles in King IV™ continued

Committees of the Board

Principle 8: The Board should ensure that its arrangements for delegation within its own structure promote independent judgement and assist with balance of power and the effective discharge of its duties.

Committees have been established to assist the Board in discharging its responsibilities. The Committees of the Board comprise of an Audit and Risk Committee, Remuneration Committee and a Social and Ethics Committee, and members of the Committees are appointed by the Board.

External advisors, executive directors and members of management attend Committee meetings by invitation. Formal terms of reference are adopted by each Committee, which are reviewed annually.

Evaluation of the performance of the Board

Principle 9: The Board should ensure that the evaluation of its own performance and that of its committees, its chairperson and its individual members, support continued improvement in its performance and effectiveness.

The Chairperson of the Board assisted by the Company Secretary leads the evaluation process. The objective of the evaluation process is to improve the Board's performance and effectiveness.

The outcomes from this assessment are put to the attention of the Board.

The Board Chairperson also engages with individual directors to address any area of improvement highlighted in the assessment feedback.

Appointment and delegation to management

Principle 10: The Board should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities.

The role and function of the CEO are specified in the Board charter and the performance of the CEO is evaluated by the Board against these criteria. It is the responsibility of the Board to ensure that succession plans are in place for the position of the CEO.

The Board approves and regularly reviews the framework and top level delegation of authority in terms of which matters are delegated to the CEO and executive management

Application of principles in King IV™ continued

Governance Functional Areas
Risk governance
Principle 11: The Board should govern risk in a way that supports the Company in setting and achieving its strategic objectives.
The Board has direct responsibility for the governance of risk and has implemented a proactive approach to managing risks through its system of effective internal controls. Management continuously identify, assess, mitigate and manage risks within the existing operating environment. Mitigating controls are put in place to address these risks. Management of risks is an integral part of how the AfDawn Group conducts its business. To support the Board in ensuring risk management oversight, the Audit and Risk Committee is responsible for ensuring effective monitoring of the relevant top risks.
Technology and information governance
Principle 12: The Board should govern technology and information in a way that supports the Company setting and achieving its strategic objectives.
The Board is ultimately accountable for the governance of information technology management and has delegated this responsibility to the Audit and Risk Committee. Assurance is sought to ensure that the information management controls in place are effective and that any risk identified are addressed. The information management strategy is aligned to Afdawn's business needs and sustainability objectives. Measures to ensure that compliance to all relevant laws, information security and the protection of personal information are in place.
Compliance governance
Principle 13: The Board should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the Company being ethical and a good corporate citizen.
Afdawn's Code of Business Principles and Ethics Policy requires that all associated companies and their directors and employees comply with all applicable laws. Legal compliance systems and processes are continuously being put in place, to mitigate the risk of non-compliance with the laws in various jurisdictions in which Afdawn does business. A library of policies provides the necessary guidance to employees on the acceptable levels of conduct. The policy library is updated on a continuous basis with policies being amended to reflect the changes in the external environment. The Board has delegated the responsibility for implementing compliance to management. Afdawn management review the adequacy of controls to ensure full compliance coverage of legal and regulatory responsibilities.

Application of principles in King IV™ continued

Remuneration governance

Principle 14: The Board should ensure that the Company remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.

The Board has delegated responsibility for remuneration of executive management to the Remuneration Committee. As the Company has had significant challenges to overcome in order to ensure long term sustainability, remuneration and proper incentivisation of employees has not been possible.

Employees have forgone increases for a number of years and executives have adjusted their remuneration to ensure that the Company cashflow was not compromised.

The Company's ability to pay fair and market related remuneration is reviewed on a regular basis and is being addressed by the Board on an urgent basis.

Assurance

Principle 15: The Board should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the Company's external reports.

The Audit and Risk Committee is responsible for the quality and integrity of Afdawn's reporting. As Afdawn grows and the complexity of the business increases, the Audit and Risk Committee will ensure that additional appropriate systems are put in place to ensure the integrity of information.

Stakeholder Relationships

Stakeholders

Principle 16: In the execution of its governance role and responsibilities, the board should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of stakeholders in the best interests of the Company over time.

Afdawn strives to ensure a systematic and integrated approach to stakeholder engagement ensuring that all stakeholder issues are identified prioritised and appropriately addressed.

Responsible investment

Principle 17: The governing body of an institutional investor organisation should ensure that the responsible investment is practised by the organisation to promote the good governance and the creation of value by the companies in which it invests.

Afdawn strives to ensure a systematic and integrated approach to stakeholder engagement ensuring that all stakeholder issues are identified prioritised and appropriately addressed.

Conclusion: The Board subscribes to the principles of King IV™ and believes that the Company is on an appropriate journey to constantly improve and comply more fully with the requirements of King IV™.

Annual Financial Statements

For the year ended 29 February 2024

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

Level of Assurance

Annual Financial Statements for the year ended 29 February 2024

1. Level of Assurance

These consolidated and separate annual financial statements have been audited in compliance with the International Standards of Auditing. The preparation of the annual financial statements was supervised by:

G Hope CA(SA)
Chief Financial Officer

2. Preparer

Dylan Kohler Professional Accountant (SA)

Audit and Risk Committee Report

Annual Financial Statements for the year ended 29 February 2024

Introduction

The Audit Committee ("the Committee") has pleasure in submitting its report, as required by section 94 of the Companies Act, 2008, and by the JSE Listings Requirements. The Committee acts for Afdawn Group and is accountable to the Shareholders and the Board. It operates within its documented charter and complies with all relevant legislation, regulation and executes its duties in terms of substantially all the King IV requirements.

The Committee was re-appointed by the AGM on the 29 September 2023.

Committee report

The Committee continues to focus on ensuring effective operation, through sound control and compliance. In the period under review the Committee has focused its attention on the critical risks facing the Group and sustainability of the Group. It has been another difficult year and cash flow was a particular concern with the directors assisting the Group to remain liquid. The Group does not have an internal audit function and the policy is to obtain external specialists to review areas of concern.

The Committee has reviewed the going concern assessment on which the Board has confirmed that it concludes that the Group and the Company are both going concerns refer to note 3.1.1. The Committee agrees that this conclusion is appropriate and that the basis of accounting for the Group and the Company as a going concern is appropriate.

The Committee has reviewed the Key Audit Matters in the Auditors report and confirm that they agree with the issues that have been raised.

1. Purpose

The main purpose of the Committee is to assist the Board in the oversight of:

- the integrity of the financial statements;
- the effectiveness of internal control over financial reporting;
- independence and qualification of the independent registered auditor;
- the company's compliance with legal and regulatory requirements;
- approving the expertise of the financial director; and
- review of the Key Audit Matters and confirm that they concur with the issues the Committee believe are important.

2. Audit Committee Members and Attendance

The members of the Committee consist of one independent non-executive director and one is a non-executive director of the Group and includes:

Name	Qualification
Mr. B Stagman	CA(SA)
Mr. S Blieden	CFA

The Committee meetings were attended by invitees throughout the period. All the directors were invited to attend the meetings. The financial director was required to attend. 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 of 2008 and Regulation 42 of the Companies Regulation, 2011.

Audit and Risk Committee Report

Annual Financial Statements for the year ended 29 February 2024 continued

The Committee performs the duties laid upon it by Section 94(7) of the Companies Act of 2008 by holding meetings with the key role players on a regular basis and by the unrestricted access granted to the external auditors. The Committee held several meetings during the period. The attendance of the meetings is set out below:

Name of member	26 July 2023	28 November 2023
Mr. B Stagman	Present	Present
Mr. S Blieden	Present	Present

3. External auditor

PKF Octagon Inc. were reappointed as external auditor during the reporting period. The Committee has satisfied itself that the external auditor is independent of the Group, as set out in section 94(8) of the Companies Act, and suitable for appointment by considering, inter alia, the information stated in paragraph 3.84(g)(iii) of the JSE Ltd Listings Requirements. The information considered included the latest inspection reports, decisions letters and remedial actions to address IRBA's findings on PKF Octagon Inc. and the individual audit partner as well as a summary as approved by the audit firm's head of risk, of internal monitoring review procedures performed, conclusions drawn, together with a description of significant deficiencies and steps taken to resolve or amend them. Based on the review of these documents the audit committee is satisfied with the quality of the work performed by the external auditors.

The audit partner and designated auditor, Mr. W.M. Wasowicz, and the firm are independent as defined by the Companies Act and as per the standards stipulated by the auditing profession. The Committee in consultation with executive management, agreed to the terms of the engagement. The audit fee for the external audit has been considered and approved for the 2024 financial year end, taking into consideration such factors as the timing of the audit, the extent of the work required and the scope. The Committee has a non-audit services policy which determines the nature and extent of any non-audit services which PKF Octagon Inc. may provide to the Company. The policy allows for limited tax and corporate governance advice. PKF Octagon Inc. will continue to perform the audit this year.

The appointment of PKF Octagon Inc. as auditor will be tabled as a resolution at the annual general meeting of African Dawn pursuant to Section 61(8) of the Companies Act.

4. Annual Financial statements

The Committee has evaluated the annual financial statements for the year ended 29 February 2024 and, based on the information provided, considers that the Group complies in all material respects, with the requirements of the Companies Act, International Financial Reporting Standards (IFRS) and the Listing Requirements of the JSE. The requirements of King IV are continuously being assessed and compliance therewith being improved on. The Group substantially complies with the requirements of King IV except in respect of those principles highlighted in the corporate governance report. The King IV requirements will be reviewed in the coming reporting period.

5. Accounting practices and internal control

Based on the available and communicated information, together with discussions with the independent external auditor, the Committee is satisfied that there was no material breakdown in the internal accounting controls during the reporting period under review. The Committee reviewed the auditor's management letter and can report that there are no material issues requiring immediate additional attention. The value-added issues raised are receiving the appropriate attention to ensure increased effectiveness in all areas of financial and business systems and controls.

The Committee ensured that the appropriate financial reporting procedures exist and are operating as contemplated in paragraph 3.84(g)(ii) of the JSE Listings Requirements.

6. Financial director

The Committee satisfied itself in terms of paragraph 3.84(g)(i) of the JSE Ltd Listings Requirements that the financial director has the appropriate expertise and experience.

The Committee has also evaluated the capability of the finance team and believes that the appropriate skill, expertise and experience resides in the financial function.

Audit and Risk Committee Report

Annual Financial Statements for the year ended 29 February 2024 continued

7. Company Secretary

The Committee has evaluated the Company Secretary and are satisfied that the level of the secretary's experience, expertise and independence is in line with JSE requirements.

On behalf of the Committee

B Stagman
Chairperson of the Audit Committee

26 September 2024

Directors' Responsibilities and Approval

Annual Financial Statements for the year ended 29 February 2024

The directors are required by the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated and separate annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the consolidated and separate statement of financial position, results of operations and business of the group, and explain the transactions and financial position of the business of the group at the end of the financial year. The consolidated and separate annual financial statements are based upon appropriate accounting policies consistently applied throughout the group and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated and separate annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the directors have no reason to believe that the group will not be a going concern in the foreseeable future. The consolidated and separate annual financial statements support the viability of the group.

The consolidated and separate annual financial statements have been audited by the independent auditing firm, PKF Octagon Inc., who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the shareholder, the directors and committees of the directors. The directors believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 28 to 33.

The consolidated and separate annual financial statements set out on pages 34 to 92 which have been prepared on the going concern basis, were approved by the directors and were signed on 26 September 2024 on their behalf by:

Mr. J Slabbert

Mr. G Hope

Johannesburg
26 September 2024

Chief executive officer's & chief financial officer's responsibility statement

Annual Financial Statements for the year ended 29 February 2024

We the directors whose names are stated below hereby confirm that :

1. The consolidated and separate annual financial statements set out on pages 34 to 92, fairly present in all material respects the financial position, financial performance and cashflows of the issuer in terms of IFRS;

2. To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;

3. Internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the annual financial statements of the issuer;

4. the internal financial controls are adequate and effective and can be relied upon in compiling the consolidated and separate annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls; and

5. Where we are not satisfied, we have disclosed to the Audit and Risk committee and the auditors of the deficiencies in design and operational effectiveness of the internal financial controls and have taken the necessary remedial action.

6. We are not aware of any fraud involving directors.

Mr. J Slabbert

Mr. G Hope

Johannesburg
26 September 2024

Group Secretary's Certification

Statucor
COMPLIANCE • GOVERNANCE • SECRETARIAL

AFRICAN DAWN CAPITAL LIMITED
REGISTRATION NUMBER: 1998/020520/06

REPORT BY THE COMPANY SECRETARY

We, in our capacity as Company Secretary, hereby certify, in terms of S88(2)(e) of the Companies Act of South Africa, that for the year ended 29 February 2024, the Company has lodged with the Commissioner all such returns as are required in terms of the Act, and that all such returns are, to the best of my knowledge and belief, true, correct and up to date.

……………………………………
COMPANY SECRETARY
STATUCOR (PTY) LTD
Per: A Rich

26 September 2024

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Directors: HN Bhaga Muljee • AS Moosa • AJ Rich • L van der Westhuizen
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Independent Auditor's Report

To the shareholders of African Dawn Capital Limited

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Independent Auditor's Report

To the shareholders of African Dawn Capital Limited

Opinion

We have audited the consolidated and separate financial statements of African Dawn Capital Limited (the Group and Company) set out on pages 38 to 90 which comprise the consolidated and separate statement of financial position as at 29 February 2024, consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of African Dawn Capital Limited as at 29 February 2024, and its consolidated and separate financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) 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 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.

Material Uncertainty Related to Going Concern

We draw attention to note 32 of the consolidated and separate financial statements which indicates that the Group incurred a loss after tax of R 14.63 million (2023: R 16.15 million). As at year ended 29 February 2024, the Group had accumulated losses of R 383.47 million (2023: R 368.84 million), and the Company had accumulated losses of R 336.06 million (2023: R 330.48 million). Furthermore, the Group's total liabilities exceed its total assets by R 54.23 million (2023: R 41.01 million) and the Company's total liabilities exceed its total assets by R 6.82 million (2023: R 2.64 million). In addition, the Group's current liabilities exceed the current assets by R 31.52 million (2023: R24.13 million) and the Company's current liabilities exceed the current assets by R 4.31 million (2023: R1.86 million)

As stated in note 32, these events and conditions, along with other matters as set forth in this note, indicate that a material uncertainty exists that may cast significant doubt on the Group and the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Independent Auditor's Report

To the shareholders of African Dawn Capital Limited continued

Key Audit Matters

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

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

The key audit matters relate to the consolidated and separate financial statements.

Key Audit Matter	How our audit addressed the key audit matter
Valuation of Trade Receivables (note 8 & 35) As at February 2024, trade receivables amounting to R21.03 million (2023: R 27.42 million) were recognised in the consolidated financial statements prior to an impairment allowance of R12.55 million (2023: R18.05 million) being recognised. The trade receivables are individually significant and the expected credit losses impairment calculations are inherently judgemental in nature and require the use of statistical models incorporating data and assumptions which are not always observable. Management applies professional judgement in developing the credit impairment models. The areas of significant judgement applied by management in the expected credit losses calculation include the following: - Utilizing criteria for a significant increase in credit risk relating to Stage 1 and Stage 2 credit exposures; - Using techniques to determine the probability of default and loss given default; - Determining and weighting of assumptions used in the forward looking macro-economic model to account for the uncertainty - Incorporating the forward-looking macro-economic inputs into the significant increase in credit risk assessment and expected credit losses calculations - For Stage 3 exposure, the assumptions used for estimating the recoverable amounts and timing of future cash flows of individual exposures classified as non-performing loans. An independent expert was appointed by management to assist with the calculation of the IFRS 9 – Financial Instruments Expected Credit Losses relating to the valuation of trade receivables. We have determined this to be a key audit matter due to the signifi-cant judgement and uncertainty relating to determining the expected credit losses.	We have performed the following audit procedures to assess the reasonability of the expected credit losses impairment: - Gaining an understanding of management's criteria for a significant increase in credit risk and assessment of the three stages of credit risk - Assessing the appropriateness of the Group's approach for estimating expected credit losses and assessing its compliance with IFRS 9. - Evaluating the appropriateness of the use of the general approach in estimating the expected credit losses. - Assessing the relevance and reliability of the information produced by the management expert by: o Evaluating the competence, capabilities and objectivity of the management expert; o Obtaining an understanding of the work performed by the management expert; and o Evaluating the appropriateness of the management expert's work - Testing the work performed by the management expert by evaluating the reasonability of the inputs used specifically relating to: o Historical loss rates o Exposure at default o Probability of default o Credit conversion factor o Discount rate o Loss given default - Reperforming the calculations performed by the management expert to verify the mathematical accuracy thereof. Furthermore, we have assessed the adequacy of the disclosure of trade receivables and the related impairment allowance in terms of IFRS 9. In terms of our audit procedures performed we concluded that our audit procedures appropriately address the key audit matter.

Independent Auditor's Report

To the shareholders of African Dawn Capital Limited

Valuation of Investment in Subsidiaries (note 7) In terms of the requirements of IAS36: Impairment of Assets, the Company is required to annually assess the carrying value of the investments in subsidiaries for impairment when there is an indicator of impairment. In addition, management's assessment process for determining the recoverable amount is complex and highly judgmental and is based on assumptions, specifically related to forecasting future cashflows of the subsidiaries and applying the appropriate discount rate which are affected by expected future market or economic conditions. We have determined this to be a key audit matter due to the judgement required by management in preparing the discounted cash flow models to determine the recoverable amount of the investment in subsidiaries.	We have performed the following audit procedures to consider the appropriateness of management's judgement and estimation used in their annual impairment test: - Reviewed the model for compliance with IAS36: Impairment of Assets; - Verified the mathematical accuracy and appropriateness of the methodology applied in the underlying model and calculations; - Verified the accuracy and relevance of the input data provided by management based on our knowledge of the business and industry; - Evaluated the cash flow projections and the process by which they were developed, compared the cash flows to the latest Board approved budgets, and assessed the historical accuracy and reasonableness of the budgeting process; - Assessed the key assumptions applied by comparing them to historical results, economic and industry forecasts, and assessing the discount rate by reference to the cost of capital of each subsidiary; and - Performed a sensitivity analysis of the key assumptions applied in the model and considered the potential impact of reasonably possible downside changes in these key assumptions. Furthermore, we have assessed the adequacy of the disclosure relating to the assumptions which the outcome of the annual impairment test is most sensitive to. Accordingly, those disclosures that have the most significant effect on determinating the recoverable amount of the investments. In terms of our audit procedures performed we concluded that our audit procedures appropriately address the key audit matter.

Independent Auditor's Report

To the shareholders of African Dawn Capital Limited

Other matters

We draw attention to the matters below as disclosed in note 36 of the consolidated and separate financial statements. Our audit opinion is not modified in respect of these matters.

In terms of the JSE Listing requirements paragraph 3.15 & 3.16 every issuer is required to release a results announcement within 3 months and distribute an annual report (including the notice of annual general meeting) within 4 months of its financial year end. An announcement regarding the late publication and consequent suspension was published on SENS on 19 July 2024 by African Dawn Capital Limited.

In terms of the JSE Listing requirements paragraph 21.5(i) African Dawn Capital Limited must implement the King IV Code through application of the King IV Code disclosure and application regime. As at year end 29 February 2024, African Dawn Capital Limited has not complied with the requirements set out in Principle 7.8 of King IV which states that the governing body should consist of majority of non-executive members most of whom should be independent.

Emphasis of matter: Subsequent Event

We draw attention to note 31 of the financial statements, which indicates that a term sheet has been signed by an investor that will contribute R5 million in the form of subscription of 50% of the share capital in Elite Group (Pty) Ltd, as well as that Elite Group (Pty) Ltd and Elite Group Two (Pty) Ltd are non-compliant with Regulation 62 to 68 and section 52(5) of the National Credit Act. Our opinion is not modified in respect of this matter.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the document titled "African Dawn Capital Limited Consolidated and Separate Annual Financial Statements for the year ended 29 February 2024", which includes the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Consolidated and Separate Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and seperate financial statements in accordance with International Financial Reporting 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 consolidated and separate financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report

To the shareholders of African Dawn Capital Limited

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group’s and company’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group’s and the company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and / or company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Independent Auditor's Report

To the shareholders of African Dawn Capital Limited

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

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

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

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PKF Octagon Incorporated has been the auditor of African Dawn Capital Limited for 3 years.

PKF Octagon Inc
Director: WM Wasowicz
Registered Auditor
Johannesburg
26 September 2024

Directors' Report

The directors have pleasure in submitting their report on the consolidated and separate annual financial statements of Afdawn for the year ended 29 February 2024.

General information

Nature of business

Afdawn was formed in 1998 as a micro finance company which, following its listing on the Alternative Exchange of the JSE in 2004, grew into a niche finance provider. The Group, through its wholly owned subsidiaries, Elite Group (Pty) Ltd and Elite Group Two (Pty) Ltd, provides unsecured personal loans (micro finance).

Group details

The Group's place of domicile and country of incorporation is the Republic of South Africa and it has an AltX listing on the JSE Limited.

The registered office and principal place of business is: 3rd floor The Village at Horizon, Cnr Sonop & Ontdekkers Road Horizon View, Gauteng 1724.

Information relating to the subsidiaries of the Company is in note 7.

Review of operations

The operating results and the state of affairs of the Group are fully set out in the attached statements of financial position, statements of profit or loss and other comprehensive income, statements of changes in equity, statements of cash flows and the notes thereto.

The group generated a loss after tax for the year ended 29 February 2024 of R14.63million (2023: R16.15million).The net liability value increased to R54.23million (2023: R41.01million).

The company's loss amounted to R5.58million (2023: R2.87million). Net liability of the Company increased to R6.82million (2023: R2.64million).

2. Going concern

The consolidated and separate 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.

We draw attention to the consolidated and separate financial statements which indicates that the Group incurred a loss after tax of R14.63 million (2023:R 16.15million). As at 29 February 2024, the Group and Company had accumulated losses of, Group R383.47million (2023:R368.84million), Company R336.06million (2023:R330.48million). Furthermore, the Group's total liabilities exceed its total assets by R54.23million (2023: R41.01million) and the Company's total liabilities exceeds its total assets by R6.82million (2023: R2.64million). In addition, the Group's current liabilities exceed the current assets by R31.52 (2023:R24.13million) and the Company's current liabilities exceed the current assets by R4.31 million (2023: R1.86million).

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Directors' Report continued

UNCERTAINTY	ACTION	STATUS
Operating losses incurred by the group over the last four years and potential future operating losses in the future. Furthermore, the group's total liabilities exceed its total assets by R54.23million resulting in solvency issues.	Additional funding and equity investment to be obtained in the group.	The directors are in the process of raising additional capital to continue to fund growth across the group. A term sheet has been signed by an investor that will contribute R5million in the form of subscription for 50% of the share capital in Elite Group (Pty) Ltd and a R15million long term loan (with repayment starting after 7 years). The contract expires if not signed by the Board of directors of African Dawn Capital Limited before 30 September 2024. Afdawn does not anticipate losing control of Elite Group (Pty) Ltd once the term sheet is effective as they will be able to appoint the majority of the directors to the board. The bulk of the new funding will be utilised to significantly grow the business through expanding its loan book. This is expected to have a positive impact on revenue and cash flows of the business. The directors believe that this quantum of funding is sufficient to reverse the company's current loss-making position. With the new funding in place the Directors expects net cash flow received (Loans Paid Back Less Loans Extended) of the Elite business to increase by in the region of R25million over 12 months starting November 2024. The net cash flow received is expected to be in the region of R32m the following 12 months (in other words 24 months from November 2024). Management has already raised and received R5.9million after year end which is over and above the R20million noted above.
Afdawns ability to pay ongoing operational expenses.	Directors and various parties have provided and continue to provide funding and other ongoing operational expenses. Management are investigating other opportunities for revenue growth. With additional funding expanding the Elite debtors book.	The directors are currently sourcing additional funding for further growth within the Group. Afdawn's wholly owned subsidiary, Elite Group, will be able to grow its debtors book and generate cashflows to cover the Groups operating expenses including Afdawn. Four new clients were signed Post year end. Management of Afdawn are still exploring other business activities for further revenue generation. The group is expected to receive R506,851 as part of the TERS refund. R211,484 has already been received subsequent to year-end.
The group borrowers recalling loans in the short term.	Of the R33.51million borrowings that are due in the current period, management estimates R17.63 million not to be called by borrowers in short term period and to be renewed beyond the next financial year. Management are also engaged in getting new lenders with longer terms as well as negotiating with current lenders to extend short term borrowings for longer period.	A total of R17.63million of the loans have been approached to not recall loans before the next reporting date. This includes the Caleo loan program refer to note 17. New lenders have advanced funds of R3.8million post year end, and up until the date of this report. A total of R1.5 million has been called up until the reporting date. Based on the historic data on loan repayments, the repayments of the capital portion of the loans are expected to be within the range of 10%.

Having regard to the nature of the uncertainties, the actions being taken and also the current status of these uncertainties, the judgment of the management and board is that it is appropriate that the financial statements be prepared on the going concern basis.

Directors' Report continued

3. Events after reporting date

All events subsequent to the date of the consolidated and separate annual financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

A term sheet has been signed by an investor that will contribute R5 million in the form of a subscription for 50% of the share capital in Elite Group (Pty) Ltd and a R15 million long term loan (with a repayment starting in 7 years). The contract expires if not signed by the directors of African Dawn Capital Limited before 30 September 2024. Afdawn does not anticipate losing control of Elite Group (Pty) Ltd once the term sheet is effective as they will be able to appoint the majority of the directors to the board.

On 25 September 2024, Elite Group Two (Pty) Ltd received a notice from the National Credit Regulator (NCR), relating to non-compliance with the National Credit Act (NCA). The NCR stated that the entity has failed to comply with the legal obligations to submit the entity's statutory returns and reports to the NCR as required in terms of Regulation 62 to 68 of the NCA and the conditions of registrations, which must be complied with in terms of section 52(5) (c) of the Act.

The entity is required to submit all outstanding reports and returns to the NCR within a period of 10 working days from the date of the notice. Failure to comply may lead to the cancellation of the entity's registration with the NCR.

As at the date of the approval of the Annual Financial Statements by the Board of Directors, and as at the signing of the Auditors Report, Elite Group (Pty) Ltd has not yet received a notice from the NCR, however due to the company failing to submit the prescribed reports and returns it may also receive a similar notice.

The directors are engaging with the NCR for an extension in the submission deadline to avoid the cancellation of the registration and are putting remedies in place to address non-compliance. The directors are confident that the cancellation of the registration will be avoided.

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the company.

4. Directors' interests in shares

As at 29 February 2024, the directors of the company held direct and indirect beneficial interests in 39.37% (2023 40.25%) of its issued ordinary shares, as set out below.

Interests in shares

	2024 Direct	2023 Direct	2024 Indirect	2023 Indirect
J Slabbert #	190,200	190,200	28,050,000	27,300,000
G Hope	58,750	58,750	-	-
S Blieden ~	-	-	636,469	636,469
	248,950	**248,950**	**28,686,469**	**27,936,469**

At the date of this report, the directors of the Company held direct and indirect beneficial interests in the Company as indicated per the table below:

2024	**Direct**	**Indirect**	**Total**	**% Held**
J Slabbert #	190,200	28,050,000	28,240,200	38.42
G Hope	58,750	-	58,750	0.08
S Blieden ~	-	636,469	636,469	0.87
	248,950	**28,686,469**	**28,935,419**	**39.37**
2023	**Direct**	**Indirect**	**Total**	**% Held**
J Slabbert #	190,200	27,300,000	27,490,200	39.26
G Hope	58,750	-	58,750	0.08
S Blieden ~	-	636,469	636,469	0.91
	248,950	**27,936,469**	**28,185,419**	**40.25**

J Slabbert's shareholding is held indirectly through Arvesco 153 proprietary Limited.

~ S Blieden's shareholding is held indirectly through Caleo Afdawn Limited Liability Partnership.

There was no change in the director's interest between reporting date and the date of this report.

Directors contracts are disclosed in related parties note 29.

Directors' Report continued

5. Authorised and issued share capital

For details on the issue of new shares refer to note 15.

6. Borrowing limitations

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

7. Dividend

No dividend was declared or paid to the shareholder during the current or prior year.

8. Directors

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

Directors	Office	Designation
Mr. J Slabbert	Chair and Interim Chief Executive Officer (CEO)	Executive
Mr. G Hope	Chief Financial Officer (CFO)	Executive
Mr. S Blieden	Chair - Social and Ethics Committee	Non-executive
Mr. B Stagman	Chair Remunerations Committee and Audit and Risk Committee	Independent non-executive

Meetings held by the Board

Member	26 July 2023	28 November 2023
Mr. J Slabbert	Yes	Yes
Mr. G Hope	Yes	Yes
Mr. B Stagman	Yes	Yes
Mr. S Blieden	Yes	Yes

9. Secretary

The group's designated secretary is Statucor (Pty) Ltd.

Details of the company secretary is as follows:

Name: Statucor (Pty) Ltd
Secretary's business address:
2nd Floor, Block D
The Boulevard Office Park
Searle Street
Woodstock
7925

10. Major transactions, events and disclosure changes

The major transactions and events during the year were:
- The subsidiary YueDiligence (Pty) Ltd was disposed of for R280,000.
- Related party transactions note 29 of the financial statements.

11. Special resolutions

The special resolutions set out below were passed at the Annual General Meeting ("AGM") held on 29 September 2023:

- Non-executive directors' fees;
- General authority to acquire own shares;
- Loans or other financial assistance to inter-related companies within the Group; and
- Financial assistance for the subscription and/or purchase of shares in the Company or a related or inter-related Company.

12. Independent Auditors

We recommended to the shareholders that PKF Octagon Inc. be appointed in office as auditors of Afdawn in terms of the Companies Act. Refer to the Audit and Risk committee report.

Statement of Financial Position as at 29 February 2024

	Notes	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Assets					
Non-Current Assets					
Property, plant and equipment	5	2,181	1,351	-	-
Intangible assets	6	688	317	-	-
Investments in subsidiaries	7	-	-	5,745	7,460
Goodwill	11	500	500	-	-
Total non-current assets		**3,369**	**2,168**	**5,745**	**7,460**
Current Assets					
Trade and other receivables	8	8,672	9,610	-	-
Other Receivables	12	833	1,666	833	1,666
Loan to group companies	13	-	-	-	116
Cash and cash equivalents	14	730	1,106	-	16
Total current assets		**10,235**	**12,382**	**833**	**1,798**
Total Assets		**13,604**	**14,550**	**6,578**	**9,258**
Equity and Liabilities					
Equity					
Issued capital	15	29,438	28,038	29,438	28,038
Share premium	15	299,796	299,796	299,796	299,796
Accumulated loss		(383,468)	(368,842)	(336,055)	(330,478)
Total Equity		**(54,234)**	**(41,008)**	**(6,821)**	**(2,644)**
Liabilities					
Non-Current Liabilities					
Borrowings	17	24,841	18,465	8,260	8,247
Lease liabilities	18	1,244	584	-	-
Total non-current liabilities		**26,085**	**19,049**	**8,260**	**8,247**
Current Liabilities					
Trade and other payables	16	7,110	3,934	3,605	1,416
Current tax liabilities	10	270	390	270	390
Borrowings	17	33,511	30,874	1,226	1,150
Lease liabilities	18	824	612	-	-
Loan from director	19	38	699	38	699
Total current liabilities		**41,753**	**36,509**	**5,139**	**3,655**
Total Liabilities		**67,838**	**55,558**	**13,399**	**11,902**
Total Equity and Liabilities		**13,604**	**14,550**	**6,578**	**9,258**

Statement of Profit or Loss and Other Comprehensive Income

		Group		Company	
	Notes	2024	2023	2024	2023
		R'000	R'000	R'000	R'000
Operations					
Commission, Administration and other revenue	20	4,465	3,824	1,080	1,920
Interest income	20	10,970	10,940	1,598	1,450
Other income	21	233	75	-	6
Employee benefits expense	22	(7,240)	(8,429)	(989)	(1,044)
Depreciation	5	(876)	(714)	-	-
Amortisation	6	(118)	(51)	-	-
Impairment of investments	7	-	-	(1,715)	-
Impairment trade and other receivables reversed/(raised)	35	(2,780)	(4,477)	-	-
Impairment group loans	13	-	-	(1,182)	(880)
Other operating expenses	24	(9,417)	(9,105)	(2,579)	(1,834)
Impairment reversal	23	280	-	280	-
Loss from operating activities	24	**(4,483)**	**(7,937)**	**(3,507)**	**(382)**
Finance costs	25	(10,143)	(7,862)	(2,070)	(2,132)
Loss before tax		**(14,626)**	**(15,799)**	**(5,577)**	**(2,514)**
Income tax expense	26	-	(353)	-	(353)
Loss for the year		**(14,626)**	**(16,152)**	**(5,577)**	**(2,867)**
Loss per share from operations					
Basic and diluted loss per share (c)	27	**(20.3)**	**(24.5)**	**-**	**-**

Statement of Changes in Equity

Group

	Issued Capital R'000	Share Premium R'000	Total Share Capital R'000	Accumulated loss R'000	Total R'000
Balance at 1 March 2022	25,492	300,433	325,925	(352,690)	(26,765)
Changes in equity					
Loss for the year	-	-	-	(16,152)	(16,152)
Total comprehensive loss for the year	-	-	-	(16,152)	(16,152)
Issue of equity	2,546	(637)	1,909	-	1,909
Balance at 28 February 2023	**28,038**	**299,796**	**327,834**	**(368,842)**	**(41,008)**
Balance at 1 March 2023	28,038	299,796	327,834	(368,842)	(41,008)
Changes in equity					
Loss for the year	-	-	-	(14,626)	(14,626)
Total comprehensive loss for the year	-	-	-	(14,626)	(14,626)
Issue of equity	1,400	-	1,400	-	1,400
Balance at 29 February 2024	**29,438**	**299,796**	**329,234**	**(383,468)**	**(54,234)**
Notes	15	15	15		

Company

	Issued Capital R'000	Share Premium R'000	Total Share Capital R'000	Accumulated loss R'000	Total R'000
Balance at 1 March 2022	25,492	300,433	325,925	(327,611)	(1,686)
Changes in equity					
Loss for the year	-	-	-	(2,867)	(2,867)
Total comprehensive loss for the year	-	-	-	(2,867)	(2,867)
Issue of equity	2,546	(637)	1,909	-	1,909
Balance at 28 February 2023	**28,038**	**299,796**	**327,834**	**(330,478)**	**(2,644)**
Balance at 1 March 2023	28,038	299,796	327,834	(330,478)	(2,644)
Changes in equity					
Loss for the year	-	-	-	(5,577)	(5,577)
Total comprehensive loss for the year	-	-	-	(5,577)	(5,577)
Issue of equity	1,400	-	1,400	-	1,400
Balance at 29 February 2024	**29,438**	**299,796**	**329,234**	**(336,055)**	**(6,821)**
Note	15	15	15		

Statement of Cash flows

	Notes	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Cash flows from operating activities					
Net cash flows used in operations	33	(1,979)	(3,247)	(2,706)	(887)
Interest paid		(7,250)	(7,706)	(641)	(2,132)
Income taxes paid	34	(159)	(51)	(159)	(51)
Net cash flows used in operating activities		**(9,388)**	**(11,004)**	**(3,506)**	**(3,070)**
Cash flows from / (used in) investing activities					
Loan repayment		279	-	280	-
Proceeds from sales of property, plant and equipment		-	6	-	6
Purchase of property, plant and equipment		(18)	(116)	-	-
Purchase of intangible assets		(489)	-	-	-
Proceeds from other receivables		833	834	833	834
Business acquired		-	(1,700)	-	-
Loan advanced to group companies		-	-	(833)	(892)
Repayment of loan to group companies		-	-	2,607	2,221
Cash flows from / (used in) / investing activities		**605**	**(976)**	**2,887**	**2,169**
Cash flows from financing activities					
Proceeds from issuing shares	15	1,400	1,909	1,400	1,909
Proceeds from borrowings	17.2	14,656	19,040	-	75
Repayments of borrowings	17.2	(6,033)	(7692)	(100)	(300)
Repayment of lease liabilities	18.2	(773)	(603)	-	-
Repayment of lease interest	18.2	(146)	(156)	-	-
Loan received from director	19.2	224	44	224	44
Repayment of loan from director	19.2	(921)	(831)	(921)	(831)
Cash flows from financing activities		**8,407**	**11,711**	**603**	**897**
Net decrease in cash and cash equivalents		(376)	(269)	(16)	(4)
Cash and cash equivalents at beginning of the year		1,106	1,375	16	20
Cash and cash equivalents at end of the year	14	**730**	**1,106**	**-**	**16**

Accounting Policies

Accounting Policies

1. Summary of accounting policies

The consolidated and separate financial statements of the Group and company have been prepared in accordance with International Financial Reporting Standards (IFRS) the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the Companies Act of South Africa (Act 71 of 2008).

The consolidated and separate financial statements have been prepared using the historical cost basis, as modified for certain items measured at fair value. The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

In preparing these consolidated and separate financial statements, management has made judgments, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. These matters are addressed in note 3.

2. Basis of preparation and material accounting policy information

The principal accounting policies applied in the preparation of these consolidated and separate annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of consolidation

Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related Non-controlling interest ("NCI") and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Accounting Policies continued

2.2 Property, plant and equipment

Property, plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss:

Item	Average useful life
Land and buildings - right of use assets	Per lease term
Furniture and fixtures	4 - 10 years
Motor vehicles	5 - 10 years
Office equipment	3 - 10 years
IT equipment	3 - 5 years

The depreciation method, residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

If the recoverable amount is less than the carrying amount then the carrying amount is impaired in line with the impairment policy – refer to note 2.7

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 derecognised.

2.3 Intangible assets

Computer software - internally generated

Costs associated with maintaining computer software programs are recognised as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product for use;
- there is an ability to use the software product;
- adequate technical, financial and other resources to complete the development and to use or;
- the software will be used in operations to generate income as it is developed; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Subsequent to initial recognition these intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognized, generally in profit or loss of the cost of the intangible assets, on a straight-line basis, to their estimated residual values over the estimated useful lives as follows:

Item	Average useful life
Micro finance software	5 -10 years

The amortisation method, residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Any gain or loss on disposal of an intangible asset is recognised in profit or loss.

Accounting Policies continued

2.4 Financial instruments

Loans advanced including group loans

Classification and measurement

Loans are initially recognised at fair value.

Loans for which repayment terms have been set are classified as financial assets subsequently measured at amortised cost, using the effective interest method. The loans are held to collect contractual cash flows on the principal amount and interest over the term of the loan.

Loans for which no repayment terms have been set are regarded as being repayable on demand. These loans are discounted at their effective interest rate of 0%.

Impairment

The group has established a policy to perform an assessment, at the end of each reporting period, of whether an advance's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the group splits its advances into Stage 1, Stage 2 and Stage 3, as described below (the advances can alternate between stages):

Stage 1 Performing: When advances are first recognised, the group recognises an allowance based on 12-month ECLs. Stage 1 advances also include facilities where the credit risk has improved, and the advance has been reclassified from Stage 2. The advances included within Stage 1 are those advances made to group companies with strong capability to repay the loans and that are in a sound financial position with assets exceeding liabilities.

Stage 2 Underperforming: When a loan has shown a significant increase in credit risk since origination, the group records an allowance for the life time ECL's. Stage 2 loans also include facilities, where the credit risk has improved, and the loan has been reclassified from Stage 3. Based on the history of the group, these might include advances where the company has not made payments, mainly due to deterioration in the financial health of the company, based on forecast information and the net asset value of the companies. This is considered to increase the credit risk of the company, but advances are still expected to be recovered through a debt management process.

Stage 3 Non-performing: Loans considered credit-impaired. The group records an allowance for the life time ECLs. This is where there has been defaults by the company or more advanced debt management processes is required.

The advances can move between stages based on their performance, i.e. an advance in Stage 2 in the current year can move to a Stage 1 loan in the next period if the lender's risk decreases, for example, the lender recovers and makes regular payments again.

The entity considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower enters advance debt management process.

Impairment of loans with no fixed terms of repayment:

For loans receivable with no fixed terms of repayment, expected credit losses are based on the assumption that repayment of the loan is demanded at the reporting date.

If the borrower has sufficient accessible highly liquid assets in order to repay the loan if demanded at the reporting date, the probability of default is usually small and the expected credit loss is immaterial as a result. If the borrower could not repay the loan if demanded at the reporting date, the group considers the expected manner of recovery to measure expected credit losses. This includes a 'repay over time' strategy.

If the recovery strategies indicate that the lender would fully recover the outstanding balance of the loan, the expected credit loss is limited to the effect of discounting the amount due on the loan (at the loan's effective interest rate, which is regarded as 0% if the loan is interest free) over the period until cash is realised. If the effective interest rate is 0%, and all strategies indicate that the lender would fully recover the outstanding balance of the loan, no impairment loss is recognised.

If the full balance of the loan cannot be recovered over time, a loss allowance is recognised.

Accounting Policies continued

Write off

Loans are written off when management in both companies agree the amount is no longer recoverable due to the company being wound-down. The loss on the derecognition of the loan is recognised in profit or loss.

Borrowings and other loans

Classification

The group recognises a financial liability once it becomes a party to the contractual terms of the financial instrument. Financial liabilities carried at amortised cost are recognised initially at fair value net of directly attributable transaction costs. Subsequently financial liabilities are stated at amortised cost using the effective interest rate method.

Recognition and measurement

Loans from group companies, borrowings and loans from directors are classified as financial liabilities at amortised cost. After initial recognition, borrowings are subsequently measured at amortised cost using the effective interest method.

Loans repayable on demand are discounted from the first day the loans can be demanded.
Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs.
Consulting fees directly linked to interest payments are included in the profit or loss in finance costs as the related interest is realised.
Debt raising fees are being amortized over the expected manner in which the directors believe the fee will be realised. The debt raising fees will be amortised over the estimated realisation period and included in finance costs in profit or loss.
Borrowings expose the company to liquidity risk and interest rate risk. Refer to note 35 for details of risk exposure and management thereof.

Derecognition

A financial liability, or part of a financial liability, is derecognised when the obligation under the liability is discharged or cancelled or expires.

Trade and other receivables

Trade receivables are grouped as indicated in note 35.

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the group's business model is to collect the contractual cash flows on trade and other receivables.

Recognition and measurement

Trade and other receivables are recognised when the group becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Derecognition

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition. Any gains or losses arising on the derecognition of trade and other receivables is included in profit or loss in the impairment trade and other receivables raised and reversed line.

Accounting Policies continued

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits. Cash and cash equivalents are stated at amortised cost which approximates fair value due to the short-term nature of these instruments.

Trade and other payables

Classification

Trade and other payables (note 16) excluding VAT and amounts received in advance, are classified as financial liabilities.

Recognition and measurement

They are recognised when the company becomes a party to the contractual provisions, and are measured, at initial.

They are subsequently measured at amortised cost using the effective interest method.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs - refer to note 25.

Trade and other payables expose the company to liquidity risk. For details of risk exposure and management thereof - refer to note 35.

2.5 Tax

Income tax

Income tax expense comprises current and deferred tax.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax

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

Deferred tax is not recognised for:
- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

Accounting Policies continued

2.6 Group as a lessee

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As Lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability plus any initial direct costs incurred.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise and lease payments on the optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate or if the Group changes its assessment of whether it will exercise a purchase or extension option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets in property, plant and equipment and lease liabilities separately in the statement of financial position.

2.7 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Intangible assets that are not ready for use are tested annually for impairment and when an indicator for impairment exists. Intangible assets that are subject to amortisation and other non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised in profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher amount of an asset's fair value less cost of disposal and value in use. Fair value less cost of disposal is determined by ascertaining the current market value of an asset and deducting any costs related to the realisation of the asset.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets that cannot be tested individually are grouped at the lowest levels for which there are separately identifiable cash inflows from continuing use (cash-generating units). Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amounts of the other assets in the unit on a pro rata basis.

Accounting Policies continued

2.8 Share Capital and share premium

The Group entered into an equity-settled shared-based payment arrangement in 2020 whereby a raising fee on borrowings advanced to the Group was settled by the issuing of equity in the Company. The equity instruments granted vested upon condition that the funding has been provided per the agreement, which it has, and the full value of the share-based payment was recognised shortly after grant date. The increase in equity was recognised immediately as share capital. The raising fee, as well as the corresponding increase in equity were measured at the fair value of the raising fee (service received) at grant date. No subsequent adjustments are made to the value of this share-based payment after grant date.

Ordinary shares and share premium are classified as equity.

Ordinary shares are recognised at par value and presented as "Share Capital". Any amount received from the issue of shares in excess of par value is presented as "Share Premium" in equity. Where shares are issued at less than par value the difference between par value and proceeds received is recognised and presented in "Share Premium".

Share-based payments to non-employees share based payments to non-employees are accounted for at the fair value of the identifiable goods or services received at the time of receiving those goods and services. If the fair value of the equity instruments issued materially exceed the value of the identifiable goods or services received, management considers whether unidentifiable goods or service has been or will be received as part of the share-based payment transaction. Unidentified goods and services received are measured at the grant date fair value of the equity instruments granted. Where unidentified goods or services are related to obtaining a loan, they are treated as part of the debt raising cost. Incremental cost directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

2.9 Revenue

Revenue comprises the following services rendered which have been recognised in accordance with IFRS 15:

- Commission income; and
- Income from the rendering of services and management fees;

All contracts are limited to a maximum length of 3 - 6 months so an estimate of the transaction price would not include an estimation of variable considerations that are constrained.

- Administration fees;
- Origination fees; and
- Interest income is recognised in accordance with IFRS 9.

Interest income on trade receivables and originating fees, which are considered to be an integral part of the financial asset, is recognised in accordance with IFRS 9 as it is an integral part of the financial instrument.

Revenue is measured at the amount that the group expects to be entitled and excludes amounts to be collected on behalf of third parties.

The Group has applied the practical expedient for the effect of a financing component where the Group expects, at contract inception, that the period between when the Group recognises revenue and when the customer pays for the good or service will be one year or less.

The Group applies the revenue recognition criteria set out below to each separately identifiable component of a revenue transaction. The consideration received from these multiple-component transactions is allocated to each separately identifiable component in proportion to their relative standalone selling prices.

Commission income

Commission income is derived from the sale of insurance premiums to micro-financing debtors as well as collection commission where the group earns commission from collecting debts.

For insurance commission the Group acts as an agent by offering insurance products under-written by an external party. The Group therefore receives a commission based on the number of premiums written by the external company and recognises only the commission earned, once under-written, per the agreement between the parties.
Collection commission relates to collecting services provided by the Group to external parties. The Group earns commission based on a fixed portion of collections by the Group. These commissions are earned as amounts are collected.

Revenue is recognised on insurance commission at a point in time when the insurance premiums are sold.

Revenue on collection commission is recognised when the services have been finalised.

Accounting Policies continued

Administration fee income

Monthly administration fees are charged on micro-finance debtors classified as trade receivables. Fees are recognised when the services are provided and determined as a fixed cost for each debtor for the period that their loan remains outside of default or in the legal book. No administration fees are charged on loans in default or in the legal book. Revenue is recognised the using the effective interest rate method over time as the services are rendered.

Interest income

Interest income is recognised in profit or loss using the effective interest method. Interest income is recognised on micro-financing debtors, which are measured at amortised cost and classified as trade receivables.

For financial assets that have become credit-impaired subsequent to initial recognition (categorised as stage 3), 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.

Origination fees on loans granted

These fees are charged upfront, are capitalised into the loan, and are primarily based on the cost of granting the loan to the individual. These origination fees are considered an integral part of the loan agreement and are accounted for over the shorter of the original contractual term and the actual term of the loan using the effective interest method. Related transaction costs are also deferred and recognised as an adjustment to the effective interest rate.

The Group does not capitalise any related operating costs which are not integral to the origination of micro-financing loans, as these costs are not directly attributable to individual transactions and are recognised in profit or loss as incurred.

Rendering of services and management fee

The Group generates revenue from consulting and advisory services. Consideration received for these services is recognised as the service is incurred, and is recognised as revenue in the period when the service is performed.

The Group determines the stage of completion by considering both the nature and timing of the services provided and its customer's pattern of consumption of those services, based on historical experience. The stage of completion is determined with reference to services provided in relation to the total services to be provided as agreed between the parties.

2.10 Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensation paid to employees for the rendering of services are recognised at the undiscounted amount paid or expected to be paid in the accounting period in which the services were rendered.

Where employees accumulate entitlement for paid absences, an expense is recognised as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. In the case of non-accumulating paid absences, the expense is recognised only when the absences occur.

The expected cost of profit-sharing and bonus payments are recognised when there is a present legal or constructive obligation to make such payments as a result of past events, and a reliable estimate of the obligation can be made. A present obligation exists when there is no realistic alternative but to make the payments.

Accounting Policies continued

2.11 Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in an acquisition of a business (acquiree) comprises the fair values of the assets transferred, the liabilities assumed, the equity interests issued by the group and the fair value of any contingent consideration arrangements. If the contingent consideration is classified as equity, it is not subsequently remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of contingent consideration are recognised in the income statement.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 Business Combinations are recognised at their fair value at the date of acquisition, except for:

- deferred taxation assets or liabilities, which are recognised and measured in accordance with IAS 12 Income Taxes and liabilities or assets related to employee benefit arrangements, which are recognised and measured in accordance with IAS 19 Employee Benefits
- liabilities or equity instruments that relate to the replacement, by the group, of an acquiree's share-based payment awards, which are measured in accordance with IFRS 2 Share-based Payments
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, which are measured in accordance with that standard.

Goodwill

Goodwill in a business combination is recognised at the acquisition date when the consideration transferred, and the recognised amount of non-controlling interests exceed the fair value of the net identifiable assets of the entity acquired. If the consideration transferred is lower than the fair value of the identifiable net assets of the acquiree (a bargain purchase), the difference is recognised in the income statement. The gain or loss arising on the disposal of an entity is calculated after consideration of attributable goodwill.

2.12 Borrowing costs

Interest expense is recognised in the income statement for all instruments measured at amortised cost using the effective interest rate method. Interest expense is recognised separately from other fair value movements.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating the interest expense over the relevant period. The original effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial liability. When calculating the original effective interest rate, the group estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options). The calculation includes all fees paid or received between parties to the agreement that are an integral part of the effective interest rate.

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Significant judgements and sources of estimation uncertainty

When preparing these consolidated and separate financial statements, management and the board make a number of judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. The following are the most significant judgements, estimates and assumptions that have been made in preparing the financial statements.

Accounting Policies continued

Significant judgements

3.1.1 Going concern

The consolidated and separate 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.
This judgement is based on a careful consideration of the following:

- Financial statements should be prepared on a going concern basis unless it is intended to liquidate the entity or to cease trading or there is no realistic alternative but to do so.
- In considering whether the going concern assumption is appropriate, all available information is taken into account, including information about the foreseeable future.
- Where there are material uncertainties relating to events or conditions which may cast doubt upon the ability to continue as a going concern, those uncertainties should be disclosed.
- The material uncertainties relating to events or conditions which may cast doubt upon the ability to continue as a going concern are outlined in the table included in the directors report. The table also outlines the actions being taken to manage these uncertainties and also the current status of these uncertainties and actions.

We draw attention to the consolidated and separate financial statements which indicates that the Group incurred a loss after tax of R14.63 million (2023:R 16.15million). As at 29 February 2024, the Group and Company had accumulated losses of, Group R383.47million (2023:R368.84million), Company R336.06million (2023:R330.48million). Furthermore, the Group's total liabilities exceed its total assets by R54.23million (2023: R41.01million) and the Company's total liabilities exceeds its total assets by R6.82million (2023: R2.64million). In addition, the Group's current liabilities exceed the current assets by R31.52 (2023:R24.13million) and the Company's current liabilities exceed the current assets by R4.31 million (2023: R1.86million).

Accounting Policies continued

UNCERTAINTY	ACTION	STATUS
Operating losses incurred by the group over the last four years and potential future operating losses in the future. Furthermore, the group's total liabilities exceed its total assets by R54.23million resulting in solvency issues.	Additional funding and equity investment to be obtained in the group.	The directors are in the process of raising additional capital to continue to fund growth across the group. A term sheet has been signed by an investor that will contribute R5 million in the form of subscription for 50% of the share capital in Elite Group (Pty) Ltd and a R15million long term loan (with repayment starting after 7 years). The contract expires if not signed by the directors of African Dawn Capital Limited before 30 September 2024. Afdawn does not anticipate losing control of Elite Group (Pty) Ltd once the term sheet is effective as they will be able to appoint the majority of the directors to the board. The bulk of the new funding will be utilised to significantly grow the business through expanding its loan book. This is expected to have a positive impact on revenue and cash flows of the business. The directors believe that this quantum of funding is sufficient to reverse the company's current loss-making position. With the new funding in place the Directors expects net cash flow received (Loans Paid Back Less Loans Extended) of the Elite business to increase by in the region of R25million over 12 months starting November 2024. The net cash flow received is expected to be in the region of R32m the following 12 months (in other words 24 months from November 2024). Management has already raised and received R5.9million after year end which is over and above the R20 million noted above.
Afdawns ability to pay ongoing operational expenses.	Directors and various parties have provided and continue to provide funding and other ongoing operational expenses. Management are investigating other opportunities for revenue growth. With additional funding expanding the Elite debtors book.	The directors are currently sourcing additional funding for further growth within the Group. Afdawn's wholly owned subsidiary, Elite Group, will be able to grow its debtors book and generate cashflows to cover the Groups operating expenses including Afdawn. Four new clients were signed Post year end. Management of Afdawn are still exploring other business activities for further revenue generation. The group is expected to receive R506,851 as part of the TERS refund. R211,484 has already been received subsequent to year-end.
The group borrowers recalling loans in the short term.	Of the R33.51million borrowings that are due in the current period, management estimates R17.63million not to be called by borrowers in short term period and to be renewed beyond the next financial year. Management are also engaged in getting new lenders with longer terms as well as negotiating with current lenders to extend short term borrowings for longer period.	A total of R17.63 million of the loans have been approached to not recall loans before the next reporting date. This includes the Caleo loan program refer to note 17. New lenders have advanced funds of R3.8million post year end, and up until the date of this report. A total of R1.5million has been called up until the reporting date. Based on the historic data on loan repayments, the repayments of the capital portion of the loans are expected to be within the range of 10%.

Accounting Policies continued

3.1.2 Share-based payments to non-employees

Determining the fair value of goods and services received in a share-based payment transaction with non-employees where the counterparty does not regularly provide such goods and services require management to make judgments in determining the fair value of the identifiable goods or services received. If the fair value of the equity instruments issued exceeds the value of the identifiable goods and services received, management considers whether unidentified goods or services are or will also be received as part of the transaction. Determining the nature and expected timing of receiving the unidentified goods or services requires significant judgment.

Where the judgements applied to the share-based payment are provided is detailed in note 15.

3.1.3 Impairment of non-financial assets

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair value less costs of disposal. These calculations require the use of estimates and assumptions. It is reasonably possible that certain key assumptions may change, which may then impact our estimations and may then require a material adjustment to the carrying amounts of assets.

The assets that have been tested for impairment and the specific estimates and assumptions included in the following notes:

- Investment in subsidiaries – refer to note 7.
- Right-of-use assets – refer to note 5.
- Property plant and equipment – refer to note 5.
- Intangible assets – refer to note 6.

3.1.4 Loss allowance of trade receivables in Elite

The impairment loss on receivables recognised by Elite requires the use of significant estimates and assumptions. The Group reviews its loans to assess impairment at least on a monthly basis.

In determining the loss allowance, the Group makes judgements as to whether there has been an adverse change in the payment status of borrowers in a Group, or national or local economic conditions that correlate with defaults on assets in the Group.

Management uses estimates based on historical loss experience for assets with similar credit risk characteristics to those in the portfolio when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing requires significant judgement and estimation.

For details on the accounting policy regarding the impairment of loans refer to note 35.

For further information on the specific estimates and assumptions used to assess the recoverability of trade receivables refer to note 35.

3.1.5 Modelling assumptions for trade and other receivables

In terms of IFRS 9, all loans and advances are assessed at each reporting date to determine whether there has been a significant increase in credit risk ("SICR") at each reporting date. In cases where SICR has occurred an impairment equal to the lifetime expected credit loss (ECL) is recognised. Loans are split into 12 month expected credit loss and lifetime expected credit loss categories.

The Company considers the following to be SICR events: An assessment of the credit quality of the client after inception of the loan indicates an increase in credit risk. For intercompany loans this might include advances where the counterparty has not made payments, mainly due to deterioration in the financial health of the company, based on forecast information and the net asset value of the companies. For trade receivables this occurs when a debtor is more than 75 days overdue. A SICR event is also noted if a trade receivables loan did not have a performing status for the last 6 months; at any time during the last 6 months, any one of the trade receivables loans were restructured or the trade receivable was referred to the debt review process; or subsequent to a claim made on the credit life insurance policy, the outstanding balances on the client's loans are not zero.

The trade receivables represent short term financing. An expected credit loss will therefore always be lifetime expected credit losses for trade receivables. Risk assessment is however applied in determining whether the debt falls into current receivables, collection receivables and legal receivables.

For a description of the trade receivables groupings refer to note 35.

The allocation of trade receivables to these groups result in shared credit characteristics within the groups.

Accounting Policies continued

Forward-looking information

It is a fundamental principle of IFRS 9 that the loss allowance recognised by the Group should take into account changes in the economic environment in the future. To capture the effects of changes to the economic environment management have taken into consideration market forward-looking impairment rates applied and benchmarked this against their own assessments. Three economic scenarios (negative, baseline and positive scenario) are taken into account when calculating future expected credit losses. The probability of each scenario is determined by management estimation, and are factored into the calculation of the probability of default ("PD"), exposure at default ("EAD"), and the loss given default ("LGD") within the ECL calculation.

3.1.6 Useful lives of property, plant and equipment and intangible assets

Property, plant and equipment is depreciated and intangible assets are amortised on a straight-line basis over its estimated useful life to residual value. Residual values and useful lives are based on management's best estimates and actual future outcomes may differ from these estimates.

When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation or amortisation charge. The residual values, useful lives and depreciation / amortisation methods applied to property, plant and equipment and intangible assets are reviewed by management on an annual basis, taking into account market conditions as well as historical trends.

4. Changes in accounting policies and disclosures

4.1 Standards and Interpretations effective and adopted in the current year

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1).

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Application of the above standards did not impact these consolidated and separate annual financial statements.

4.2 New standards and interpretations not yet adopted

The company has not applied the following new, revised or amended pronouncements that have been issued by the IASB as they are not yet effective for the annual financial year beginning 1 March 2023 (the list does not include information about new requirements that affect interim financial reporting or first-time adopters of IFRS since they are not relevant to the company). The directors anticipate that the new standards, amendments and interpretations will be adopted in the company's consolidated and separate annual financial statements when they become effective. The company has assessed, where practicable, the potential impact of all these new standards, amendments and interpretations that will be effective in future periods.

Notes to the Financial Statements

Annual Financial Statements for the year ended 29 February 2024

5. Property, plant and equipment

Balances at year end and movements for the year

	R'000				R'000	
	Leasehold property	Motor vehicles	Fixtures and fittings	Office equipment	Computer equipment	Total
Reconciliation for the year ended 29 February 2024 - Group Balance at 1 March 2023						
At cost	2,622	642	241	639	593	**4,737**
Accumulated depreciation	(1,561)	(479)	(229)	(601)	(516)	**(3,386)**
Carrying amount	**1,061**	**163**	**12**	**38**	**77**	**1,351**
Movements for the year ended 29 February 2024						
Additions from acquisitions	1,688	1	-	13	4	**1,706**
Depreciation	(807)	(4)	(8)	(18)	(39)	**(876)**
Property, plant and equipment at the end of the year	**1,942**	**160**	**4**	**33**	**42**	**2,181**
Closing balance at 29 February 2024						
At cost	2,602	616	241	648	578	**4,685**
Accumulated depreciation	(660)	(456)	(237)	(615)	(536)	(2,504)
Carrying amount	**1,942**	**160**	**4**	**33**	**42**	**2,181**
Reconciliation for the year ended 28 February 2023 - Group Balance at 1 March 2022						
At cost	1,708	642	348	596	523	**3,817**
Accumulated depreciation	(919)	(464)	(337)	(575)	(488)	(2,783)
Carrying amount	**789**	**178**	**11**	**21**	**35**	**1,034**
Movements for the year ended 28 February 2023						
Additions from acquisitions	914	1	3	42	71	**1,031**
Depreciation	(642)	(16)	(2)	(25)	(29)	**(714)**
Property, plant and equipment at the end of the year	**1,061**	**163**	**12**	**38**	**77**	**1,351**
Closing balance at 28 February 2023						
At cost	2,622	642	241	639	593	**4,737**
Accumulated depreciation	(1,561)	(479)	(229)	(601)	(516)	**(3,386)**
Carrying amount	**1,061**	**163**	**12**	**38**	**77**	**1,351**

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

6. Intangible assets

Reconciliation of intangible assets

	YueDilligence software	Micro finance software	Total
Reconciliation for the year ended 29 February 2024 - Group			
Balance at 1 March 2023			
At cost	332	1,113	**1,445**
Accumulated amortisation	(332)	(796)	**(1,128)**
Carrying amount	-	317	**317**
Movements for the year ended 29 February 2024			
Acquisitions through internal development	-	489	**489**
Amortisation	-	(118)	**(118)**
Disposals	-	-	**-**
Intangible assets at the end of the year	-	688	**688**
Closing balance at 29 February 2024			
At cost	-	1,452	**1,452**
Accumulated amortisation	-	(764)	**(764)**
Carrying amount	-	688	**688**
Reconciliation for the year ended 28 February 2023 - Group			
Balance at 1 March 2022			
At cost	332	1,113	**1,445**
Accumulated amortisation	(332)	(745)	**(1,077)**
Carrying amount	-	368	**368**
Movements for the year ended 28 February 2023			
Amortisation	-	(51)	**(51)**
Intangible assets at the end of the year	-	317	**317**
Closing balance at 28 February 2023			
At cost	332	1,113	**1,445**
Accumulated amortisation	(332)	(796)	**(1,128)**
Carrying amount	-	317	**317**

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

7. Investments in subsidiaries

7. 1 Investments in subsidiaries

The following table lists the entities which are controlled by the Group, either directly or indirectly through subsidiaries.
The principal place of business and incorporation for all subsidiaries is South Africa.
The carrying amounts of the subsidiaries are presented net of impairment losses.
The carrying amounts of investments in subsidiaries were assessed for impairment at the reporting date and impaired as indicated.
Any impairment loss recognised by the company is eliminated in consolidation so are not included in the segment report.

7.1.1 Details of the group's material subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation and business
African Dawn Debt Management Proprietary Limited	Dormant	Gauteng
Elite Group Proprietary Limited	Unsecured lending	Gauteng
Elite Group Two Proprietary Limited	Dormant	Gauteng
YueDiligence Proprietary Limited*	Dormant	Western Cape
African Dawn Wheels Proprietary Limited**	Dormant	Gauteng

7.1.2 Voting rights and interest held for these subsidiaries are as follows:

	Interest 2024	Voting rights 2024	Interest 2023	Voting rights 2023
YueDiligence Proprietary Limited*	0.00 %	0.00 %	100.00%	100.00%
African Dawn Wheels Proprietary Limited**	100.00%	100.00%	100.00%	100.00%
African Dawn Debt Management Proprietary Limited	100.00%	100.00%	100.00%	100.00%
Elite Group Two Proprietary Limited	100.00%	100.00%	100.00%	100.00%
Elite Group Proprietary Limited	100.00%	100.00%	100.00%	100.00%

* - The subsidiary YueDiligence Proprietary Limited was sold during the year refer to note 30.

** - The subsidiary African Dawn Wheels Proprietary Limited which was dormant at year end and was subsequently deregistered.

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

7.1.3 Summarised financial information for investment in subsidiaries

At 29 February 2024

Name of company	Elite Group (Pty) Ltd	Elite Group Two (Pty) Ltd	African Dawn Debt Management (Pty) Ltd	Total
Cost	8,322	0	0	8,322
Accummulate impairment	-	-	-	-
Opening accumulated impairment	(862)	-	-	(862)
Impairments (raised)/reversed	(1,715)	-	-	(1,715)
Closing balance at 29 February	(2,577)	-	-	(2,577)
Book Value	**5,745**	**0**	**0**	**5,745**

At 28 February 2023

Name of company	Elite Group (Pty) Ltd	Elite Group Two (Pty) Ltd	African Dawn Debt Management (Pty) Ltd	YueDiligence (Pty) Ltd	Total
Cost	8,322	-	-	3,055	11,377
Accumulated impairment	-	-	-	-	-
Opening accumulated impairment	(862)	-	-	(3,055)	(3,917)
Impairments (raised)/reversed	-	-	-	-	-
Closing balance at 28 February	(862)	-	-	(3,055)	(3,917)
Book Value	**7,460**	**-**	**-**	**-**	**7,460**

The subsidiaries above with no cost or impairment were incorporated by Afdawn with a share capital of R100.

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

7.1.4 Impairment testing

Investments in subsidiaries are tested for impairment by analysing each investment's recoverable amount when there is an indication of impairment. As targeted revenue for the reporting period was not achieved the subsidiaries were tested for impairment.

The recoverable amount of the investments has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five- year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. This growth rate does not exceed the long-term average growth rate in which the businesses operates in.

YueDiligence was dormant and fully impaired before being sold so no impairment valuation has been performed.

Elite Group (Pty) Ltd did not perform to the budgeted growth after generating ongoing losses, and therefore management followed a conservative approach when testing for impairment. This resulted in the investment being impaired by R1.715 million (2023: Rnil) bring the asset value to R5,745million.

The group obtained additional funding which was used to increase the capacity of the Elite lending book.

The key assumptions, long-term growth rates & discount rates used in the value-in-use calculations are as follows:

Key Assumptions used for value in use calculations 2024	**Elite**
Compounded annual revenue increase %	10.60%
Long term loan growth rate %	9.00%
Compounded annual total operating costs increase %	6.00%
Pre-taxation discount rate (Weighted average cost of capital ("WACC") Rate)	32.88%

Key Assumptions used for value in use calculations 2023	
Compounded annual revenue increase %	8.60%
Long term loan growth rate %	6.00%
Compounded annual total operating costs increase %	5.50%
Pre-taxation discount rate (Weighted average cost of capital ("WACC") Rate)	31.80%

8. Trade and other receivables

Trade and other receivables comprise:

	Group		**Company**	
	2024	**2023**	**2024**	**2023**
	R'000	**R'000**	**R'000**	**R'000**
Trade receivables	21,025	27,422	-	-
Loss allowance	(12,545)	(18,047)	-	-
Trade receivables - net	8,480	9,375		
Deposits	191	185	-	-
VAT	1	50	-	-
Total trade and other receivables	**8,672**	**9,610**	**-**	**-**

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

Exposure to risk

Trade receivables inherently expose the Group to credit risk, being the risk that the Company will incur financial loss if customers fail to make payments as they fall due. There have been no significant changes in the credit risk management policies and processes since the prior reporting period. The loss allowance recognised on trade and other receivables was calculated using the general approach.

Details of credit risk are included in the financial instruments and risk management note 35.

Exposure to interest rate risk

Financial risk management details of interest rate risk management for amounts due from trade and other receivables are detailed in note 35.

Fair value of trade and other receivables

Trade and other receivables are measured at amortised cost, with their fair value being approximated by such value.

Trade receivable with a carrying amount of R19,256,000 (2023:R18,760,000) have been ceded in terms of borrowings agreements. Refer to note 35.

9. Deferred tax

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Reconciliation of movement in deferred tax:				
Temporary difference income received in advance	(29)	(11)		
Temporary difference on leave pay accrual	(34)	(198)	-	-
Deferred initiation fees	179	-	-	-
Impairment of Investments	-	-	(401)	-
Temporary difference on intangible assets	-	14	-	-
Temporary difference on other accruals	-	-	-	-
Temporary difference on ECL provision	(887)	337	-	-
Temporary difference right-of-use assets	(227)	(76)	-	-
Temporary difference lease payments	223	87	-	-
Temporary difference provisions	754	-		
Temporary difference on assessed losses	21	(153)	401	-
	-	-	-	-

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Deferred tax balances:				
Deferred tax liabilities				
Intangible assets	-	(89)	-	-
Right-of-use assets	(524)	(297)	-	-
Deferred tax assets				
Income received in advance	6	36	-	-
Leave pay accrual	154	189	30	30
Impairment on investments	-	-	696	1,097
Deferred initiation fees	179	-	-	-
Trade and other receivables loss allowance	2,050	2,008	-	-
Lease liability	558	335	-	-
Provisions	754			
Deferred tax asset not expected to be utilised	(3,177)	(2,182)	(726)	(1,127)
	-	-	-	-

Deferred tax assets amounting to R 28,895,098 (2023:R24,561,979) for the group and R 5,589,380 (2023:R4,883,754) for the company are not recognised above in the light of the losses in the current and prior reporting period

Notes to the Financial Statements continued

Annual Financial Statements For the year ended 29 February 2024

10. Current tax assets and liabilities

Current tax assets and liabilities comprise the following balances

	Group		Company	
	2024	**2023**	**2024**	**2023**
	R'000	**R'000**	**R'000**	**R'000**
Assessed tax				
Opening balance	390	-	390	-
Assessments	-	353	-	353
Interest and penalties on assessments	39	88	39	88
Less payments made	(159)	(51)	(159)	(51)
Sars income tax liabilities	**270**	**390**	**270**	**390**

The liability relates to income tax due to SARS in relation to a dispute over capital losses claimed in the 2016 assessment, that was under Alternative Dispute Resolution ("ADR") which has been resolved and resulted in an assessment for income tax of R352,749.

11. Goodwill

11.1 Goodwill comprise the following balances

The group acquired a branch in Port Shepstone from Alibiprops 1023 CC t/a L&I Financial Services as of 1 May 2022. The acquisition was structured as a purchase of assets rather than the purchase of shares. As at the effective date the group has taken over the operation of the Port Shepstone Branch as a credit provider. The acquisition had been accounted for as a business in terms of IFRS3. The branch was purchased for R1.7million and assets at fair value of R1.2million including the debtors book, other small assets and staff were taken over as at the date of acquisition. The month to month property lease was taken over by the group. The acquisition resulted in goodwill due to growth prospects through an expanded product range realised by merging the operations with the Elite Group systems, being broken down below:

	Group	**Group**
	2024	**2023**
	R'000	**R'000**
Cash paid for purchase	1,700	1,700
Assets acquired	(1,200)	(1,200)
	500	**500**

11.2 Movements in impairment of goodwill are as follows:

Impairment testing

For the purpose of annual impairment testing, goodwill is allocated to the operating segments expected to benefit from the operations of the branch in which the goodwill arises as set out below, and is compared to its recoverable value. The goodwill is in the Micro finance segment.

Key Assumptions used for value in use calculations (%)	**2024**	**2023**
Compounded annual revenue increase %	10.60%	8.60%
Long term growth rate %	9.00%	6.00%
Compounded annual total operating costs increase %	6.00%	5.50%
Pre-taxation discount rate (WACC Rate)	32.88%	31.80%

12. Other receivables

During the 2021 financial period the Group issued additional shares in the subsidiary Property Transfer Finance Proprietary Limited ("PTF2") ("PTF2") which made the company an associate company. There was a loan to PTF2 of R2.9 million. Repayments have been received on the loan as indicated below, in terms of the repayment plan which will result in the 20% shareholding reverting back to the majority shareholder on settlement.

Notes to the Financial Statements *continued*

Annual Financial Statements For the year ended 29 February 2024

12.1 Other receivables incorporates the following balances:

	Group		Company	
	2024	2023	2024	2023
	R'000	R'000	R'000	R'000
PTF2 loan receivable	**833**	**(1,666)**	**833**	**1,666**

12.2 Movements in net asset value of other receivables are as follows:

At the beginning of the year	**(1,666)**	**(2,900)**	**(1,666)**	**(2,900)**
Repayment received	**833**	**1,234**	**833**	**1,234**
At the end of the year	**(833)**	**(1,666)**	**(833)**	**(1,666)**

Other receivables credit risk is grouped as indicated in note 35 other receivables. Management have assessed the probability of default based on the repayment history and do not believe an impairment is necessary.

13. Loan to group companies

13.1 Loan to group companies comprises the following balances

Company 2024 R'000

Subsidiaries	**Gross carrying amount**	**Loss allowance**
YueDiligence (Pty) Ltd	-	653
African Dawn Wheels (Pty) Ltd	-	421
African Dawn Debt Management (Pty) Ltd	14,244	14,244
Elite Group (Pty) Ltd	30,998	29,932
	45,242	45,250
Expected Credit Loss ("ECL")	(45,242)	(45,134)
	-	**116**
Non-current assets	-	-
Current assets	-	116
	-	**116**

13.2 Movements in impairment of loan to group companies are as follows:

At the beginning of the year	45,134	44,254
Written off during the year	(1,074)	-
Net remeasurement	1,182	880
At the end of the year	**45,242**	**45,134**

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

Breakdown of net carrying amount

Company 2024 R'000

Subsidiaries	**Gross carrying amount**	**Loss allowance**	**Written off/ Sold**	**Net Carrying amount**
YueDiligence (Pty) Ltd	653	-	(653)	-
African Dawn Wheels (Pty) Ltd	421	-	(421)	-
African Dawn Debt Management (Pty) Ltd	14,244	(14,244)	-	-
Elite Group (Pty) Ltd	30,998	(30,998)	-	-
	46,316	**(45,242)**	**(1,074)**	**-**
Company 2023 R'000				
YueDiligence (Pty) Ltd	653	(653)	-	-
African Dawn Wheels (Pty) Ltd	421	(421)	-	-
African Dawn Debt Management (Pty) Ltd	14,244	(14,244)	-	-
Elite Group (Pty) Ltd	29,932	(29,816)	-	116
	45,250	**(45,134)**	**-**	**116**

All the loans are unsecured, interest free and have no fixed terms of repayment but remain repayable on demand, except as indicated below.

The loans are sub-ordinated to the extent that the subsidiaries' liabilities exceed the assets in favour of other creditors of the subsidiaries for as long as the subsidiaries' liabilities exceeds the assets limited to the loans actual balance.

Expected credit loss - loans to group companies

The recoverability of the loans has been assessed based on the net asset value of the subsidiary. The net asset value is calculated by deducting the subsidiary's total liabilities from its total assets. Where the liabilities of these companies exceed the assets, and the disposal of assets would not be sufficient to settle all the liabilities the loan has been fully impaired. The impairment loss was calculated by allocating the value of the assets to other creditors first in settlement of those liabilities. The remaining assets were allocated to African Dawn Capital Limited and the impairment was calculated by deducting the remaining value of the asset from the loan balance. The loans have been assessed as non performing.

All the above loans are classified as stage 2 and stage 3, under performing in both 2024 and 2023. The expected credit loss on stage 2 loans has been calculated based on the lifetime expected credit losses ("ECL"). The stage 3 loans and ECL of the entire loan balance .

The ECL is calculated taking into account the net asset value of the subsidiaries which take into account the ECL calculation of the subsidiary's financial assets.

The ECL on the financial assets of the subsidiaries took into account the same assumptions as disclosed in note 35. This is considered to increase the credit risk of the company, but advances are still expected to be recovered through a debt management process.

The assets of Elite are substantially the group's trade and other receivables whose characteristics are encompassed in note 35. In the other subsidiaries there are no substantial assets. Therefore these assets are not subject to frequent change.

14. Cash and cash equivalents

Cash and cash equivalents included in current assets:	**Group**		**Company**	
	2024	**2023**	**2024**	**2023**
	R'000	**R'000**	**R'000**	**R'000**
Cash	39	72	-	-
Cash on hand	572	1,034	-	16
Balances with banks	**611**	**1,106**	**-**	**16**
Other cash and cash equivalents	**119**	**-**	**-**	**-**
	730	**1,106**	**-**	**16**

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

15. Issued capital

Authorised and issued share capital

	Group		Company	
	2024	**2023**	**2024**	**2023**
Issued	**R**	**R**	**R**	**R**
125,000,000 Ordinary shares of 40c each	**50,000,000**	**50,000,000**	**50,000,000**	**50,000,000**

The total shares in issue as at 29 February 2024 amounted to 73,511,608 (2023: 70,011,608)

Reconciliation of number of shares in issue	**R'000**	**R'000**	**R'000**	**R'000**
Balance at 1 March	70,012	63,647	70,012	63,647
Share issue 17 May 2023*	1,500	-	1,500	-
Share issue 30 August 2023*	2,000	-	2,000	-
Share issue 20 October 2022	-	6,365	-	6,365
	73,512	**70,012**	**73,512**	**70,012**
Share value reconciliation R'000				
Balance at 1 March	327,834	325,925	327,834	325,925
Share issue 17 May 2023*	600	-	600	-
Share issue 30 August 2023*	800	-	800	-
Share issue 20 October 2022	-	1,909	-	1,909
Shares outstanding - closing	**329,234**	**327,834**	**329,234**	**327,834**
Share premium	299,796	299,796	299,796	299,796
Ordinary shares at 40c	29,438	28,038	29,438	28,038
	329,234	**327,834**	**329,234**	**327,834**

* The shares issued during the current year were done at 40c per share in terms of the directors general authority to issue shares.

The group has adopted a zero cost option plan which is a share incentive scheme to assist with the retention of senior management was passed at the AGM held on 29 September 2023. The scheme authorised the issue of 9,000,000 zero cost shares that at the Boards discretion will be issued to senior staff based on existing remuneration and strategic importance to the group, limited to a maximum of 4,000,000 shares per staff member. No shares have been issued as at the reporting date and no obligation has been recognised so no adjustments have been made to the earnings per share calculation.

16. Trade and other payables

	Group		Company	
	2024	**2023**	**2024**	**2023**
	R'000	**R'000**	**R'000**	**R'000**
Trade payables	3,577	1,428	3,469	1,152
Accrued leave pay	548	674	108	108
Accrued liabilities	1,362	1,687	10	11
Caleo loan interest accrual	1,527	-	-	-
Value added tax	96	145	18	145
Total trade and other payables	**7,110**	**3,934**	**3,605**	**1,416**

Notes to the Financial Statements continued

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17. Borrowings

17.1 Borrowings comprise

	Group		Company	
	2024 R'000	2023 R'000	2024 R'000	2023 R'000
Caleo Afdawn Limited Liability Partnership	8,247	8,237	8,247	8,237
Caleo advanced R10million in 2021, the transaction included a loan raising fee paid via the issue of shares with a value of R1.7million including costs. At initial recognition of the loan, a transaction cost (loan raising fee) was capitalised (deducted from) the value of the loan. The net value was subsequently recognised at amortised cost using the effective interest rate. The fees have been capitalised against the loan at original recognition and amortised using the effective interest rate method over the period of the loan. The loan terms are: interest is charged at 15.6% and a 2.4% consulting fees per annum which is an integral part of the effective interest rate, based on the cumulative balance, the loan is unsecured and is repayable after 20 years at the Company's discretion. Interest is paid monthly and if the company chooses to repay the loan within the 20 years, an "early termination penalty" amounting to the interest payable up to the full term of the loan, discounted at 4.5% will apply. Loan raising fee amortisation recognised through profit and loss.	13	10	13	10
Related Parties loans				
Related Parties - Unsecured * The loans bear Interest of 18% per annum. The loans are unsecured and are repayable within 12 months.	2,428	1,770	-	-
Related Parties – Unsecured on demand These loans bear Interest of between 10.5% - 18% per annum. The loans are unsecured and are repayable on demand.	5,296	4,600	1,226	1,150
Related Parties - Unsecured long-term The loans bear Interest of 18% per annum. The loans are unsecured and are repayable within 36 months.	700	-	-	-
Related Parties - Caleo loan program The loan bears interest at 15% per annum, is secured by ceded trade receivables of 1.2 times the loan value and are repayable within 3 months (2023: 6 months).	15,130	7,291	-	-
3rd Party loans				
Unrelated Parties – Unsecured short term These loans bear Interest between 10.5% and 18% per annum. The loans are unsecured and are repayable within 12 months.	18,005	26,431	-	-
Unrelated Parties – Secured single cover short term The loans bear Interest at 17% per annum. The loans are secured by trade receivables with a value of the initial capital and are repayable within 12 months.	1,100	1,000	-	-
Unrelated Parties - Unsecured long-term These loans bear Interest between 15% and 18% per annum. The loans are unsecured and are repayable between 24 and 36 months	7,433	-	-	-
	58,352	**49,339**	**9,486**	**9,397**
Non-current portion of borrowings	24,841	18,465	8,260	8,247
Current portion of borrowings	33,511	30,874	1,226	1,150
	58,352	**49,339**	**9,486**	**9,397**

* Included in related parties - unsecured is a loan from M Slabbert R1,840,000 (2023: R1,770,000) which was indicated as secured in 2023 but should have been classified as unsecured. The error is not material so no retrospective adjustment has been made.

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

17.2 Cashflow movement

	Group		Company	
	2024	2023	2024	2023
	R'000	R'000	R'000	R'000
Opening balance	49,339	37,555	9,397	9,556
Cash inflows	14,656	19,040	-	75
Cash outflows	(6,033)	(7,692)	(100)	(300)
Non-cash transactions	390	436	189	66
Closing balance	**58,352**	**49,339**	**9,486**	**9,397**

18. Lease liabilities

18.1 Lease liabilities comprise:

The Group leases several premises in commercial areas. With the exception of short-term leases and leases of low-value assets, each lease is reflected on the statement of financial position as a right-of-use asset and a lease liability.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to extend the lease for a further term.

The Group is prohibited from selling or pledging the underlying leased assets as security. For leases of premises the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group must incur maintenance costs on certain items in accordance with the lease contracts.

Some of the leases include a month-to-month commitment to pay water, electricity and parking. The expenses relating to short-term leases and leases of low-value assets are recognised in profit or loss as part of other operating expenses. Refer to note 24.

The Group has assessed whether lease extension options will be taken up and when it is likely to be renewed the extension has been included in the lease term calculation. There are no significant lease extension options that will be exercised.

The total value of leases that are expected to be extended and included in the lease calculation is R709,017. These relate to leases in Port Shepstone and Rustenburg.

The right-of-use assets have been included as part of property, plant and equipment. Refer to note 5.

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	Group		Company	
	2024	2023	2024	2023
	R'000	R'000	R'000	R'000
Lease obligation	2,068	1,196	-	-
Non current Liabilities	1,244	584	-	-
Current liabilities	824	612	-	-
	2,068	**1,196**	**-**	**-**

	Group		Company	
	2024	**2023**	**2024**	**2023**
	R'000	**R'000**	**R'000**	**R'000**
Opening balance	1,196	885	-	-
Additional leases entered into – Lago 128 cc - Port Shepstone	-	914	-	-
Leases extended	1,688	-	-	-
Lease cancelled - Krugersdorp	(43)	-	-	-
Interest expense	146	156	-	-
Lease payments	(919)	(759)	-	-
Closing balance	**2,068**	**1,196**	**-**	**-**
The maturity analysis for lease liabilities is as follows:				
Within 1 year	1,015	712	-	-
Within 2-5 years	1,371	663	-	-
Total undiscounted cashflows	**2,386**	**1,375**	**-**	**-**
The carrying amount payable which is in default at the end of the reporting period	-	-	-	-

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

19. Loan from director

19.1 Loan from director comprises:

	Group		Company	
	2024	2023	2024	2023
	R'000	R'000	R'000	R'000
G Hope	38	699	38	699
The loan bears interest of 15%, is unsecured and repayable on demand.				
Non-current liabilities	-	-	-	-
Current liabilities	38	699	38	699
	38	**699**	**38**	**699**

19.2 Cashflow movement

	Group 2024	Group 2023	Company 2024	Company 2023
Opening Balance	699	1,242	699	1,242
Cash inflows	224	44	224	44
Cash outflows	(921)	(831)	(921)	(831)
Non-cash transactions	36	244	36	244
Closing balance	**38**	**699**	**38**	**699**

20. Revenue

20.1 Revenue comprises:

	Group	Group	Company	Company
	2024	2023	2024	2023
	R'000	R'000	R'000	R'000
Commission income	1,940	1,128	-	-
Administration fee	2,525	2,694	-	-
Consulting and advisory services	-	2	1,080	1,920
Revenue recognised in terms of IFRS 15	**4,465**	**3,824**	**1,080**	**1,920**
Interest income using the effective interest rate method:				
Interest	4,025	4,106	1,598	1,450
Loan origination fee	6,945	6,834	-	-
Revenue recognised in terms of IFRS 9	**10,970**	**10,940**	**1,598**	**1,450**
Total Revenue	**15,435**	**14,764**	**2,678**	**3,370**

All the revenue streams recognised in terms of IFRS 15 are recognised over a period of time, except commission income. All revenue is earned within South Africa.

The following tables disaggregates revenue by major products and service lines. The tables also include a reconciliation of the disaggregated revenue with the Group's reportable segments - refer to note 28.

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000

20.2 Revenue disaggregated:

	Segments		
2024 Group R'000	**Micro finance**	**Head Office**	**Total**
- Insurance commission	1,738	-	1,738
- Other commission relating to insurance premiums	202	-	202
Administration fee income	2,525	-	2,525
Consulting and advisory services	-	-	-
Interest income	10,970	-	10,970
	15,435	-	**15,435**

2023 Group R'000		**Micro finance**	**Head Office**	**Total**
- Insurance commission	-	1,014	-	1,014
- Other commission relating to insurance premiums	-	114	-	114
Administration fee income	-	2,694	-	2,694
Consulting and advisory services	2	-	-	2
Interest	-	10,940	-	10,940
	-	**14,762**	**-**	**14,764**

Company	
2024	**R'000**
Interest income	1,598
Management fee	1,080
	2,678

Company	
2023	**R'000**
Interest income	1,450
Management fee	1,920
	3,370

Company revenue is generated within the Group and is therfore eliminated on consolidation and in the segment report.

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

21. Other income

Other income comprises:

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Sundry income	126	1	-	-
Profit on sale of Property, plant and equipment	-	6	-	6
Bad debts recovered	107	68	-	-
Total other income	**233**	**75**	**-**	**6**

22. Employee benefits expense

Employee benefits expense comprises:

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Salaries	6,871	8,051	701	684
Wages	27	-	-	-
Directors	288	360	288	360
Casual wages	54	18	-	-
Total employee benefits expense	**7,240**	**8,429**	**989**	**1,044**

23. Impairment reversal

Impairment reversal comprise:

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Impairment reversal on loan	**280**	**-**	**280**	**-**

24. Loss from operating activities

Loss from operating activities includes the following separately disclosable items

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Other operating expenses				
Auditors remuneration	1,449	1,089	1,015	609
Consulting fees	2,256	2,151	1,014	789
Short term leases expensed	1,180	1,345	-	27
Commissions	1,312	697	-	-

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

25. Finance costs

Finance costs included in profit or loss:

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Caleo Afdawn limited liability partnership	1,815	1,678	1,815	1,678
Lease obligations	146	156	-	-
Borrowings	8,107	5,761	180	187
Loans from directors	36	170	36	170
Taxation payables	39	97	39	97
Total finance costs	**10,143**	**7,862**	**2,070**	**2,132**

26. Income tax expense

26.1 Income tax recognised in profit or loss:

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Current tax				
Current year	**-**	**353**	**-**	**353**

26.2 The income tax for the year can be reconciled to the accounting loss as follows:

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Loss before tax from operations	(14,626)	(15,799)	(5,577)	(2,514)
Income tax calculated at 27.0%(2023: 28%)	(3,949)	(4,424)	(1,506)	(704)
Tax effect of				
Non-deductible expenses debt raising fee	3	2	-	2
Non-deductible equity accounting	-	27	-	27
Non-deductible impairment reversal	(76)	-	(76)	247
Tax raised on prior year reassessment*	-	353	-	353
Deferred tax asset not recognised	4,022	4,395	1,582	428
Tax charge	**-**	**353**	**-**	**353**

The estimated tax loss available for set off against future taxable income for all companies in the Group amounted to R107,232,037 (2023: R 90,970,292). The Company estimated tax loss available for set off against future taxable income is R20,701,409 (2023: R17,902,792).

* The SARS dispute that was under ADR has been resolved and resulted in an assessment for income tax in 2016 of R352,749. Interest on the assessment has been recognised under finance cost note 25.

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

27. Earnings per share

27.1 Basic earnings per share

	2024 c	2023 c
From continued operations (c per share)	**(20.3)**	**(24.5)**
Reconciliation of loss for the year to basic loss:	**R'000**	**R'000**
Loss from continued operations	(14.626)	(16.152)
Basic loss from operations	(14.626)	(16.152)

27.2 Headline earnings per share

Reconciliation of weighted average number of ordinary shares used for basic loss per share and headline and diluted headline loss per share

	2024 '000	2023 '000
Number of actual ordinary shares in issue (refer to note 15)	70,012	63,647
Ordinary share issue on 20 October 2022	-	2,302
Ordinary share issue on 17 May 2023	1,188	-
Ordinary share issue on 30 August 2023	1,008	-
Weighted average number of shares used for loss and headline loss per share	**72,208**	**65,949**

	2024 c	2023 c
Headline loss per share	(20.3)	(24.5)
Headline loss per share continued operations	**(20.3)**	**(24.5)**

Headline loss from continued operations 2024 R'000	**Gross**	**Tax**	**Net**
Loss from continued operations	(14,626)	-	(14,626)
Headline loss from operations	**(14,626)**	**-**	**(14,626)**

Headline loss from continued operations 2023 R'000	**Gross**	**Tax**	**Net**
Loss from continued operations	(16,152)	-	(16,152)
Sales of Property, plant and equipment	(6)	2	(4)
Loss from continued operations	**(16,158)**	**2**	**(16,156)**

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

28. Segment Report

28.1 General information

The Group discloses its operating segments according to the components regularly reviewed by the chief operating decision makers, being the executive directors. These amounts have been reconciled to the consolidated financial statements. The measures reported by the Group are in accordance with the accounting policies applied in preparing and presenting the consolidated financial statements.

Segment revenue includes inter-segment revenue which amounted to R2,678million (2023:R3,370million).

Net revenue represents segment revenue from which inter-segment revenue has been eliminated. Sales between segments are made on a commercial basis. Segment operating loss before capital items represents segment revenue less segment expenses. Segment expenses consisting of operating expenses, depreciation, amortisation and impairment losses have been allocated to the segments to which they relate.

The segment assets comprise all assets of the different segments that are employed by the segment and that are either directly attributable to the segment, or can be allocated to the segment on a reasonable basis. The Group's reportable segments are based on the following lines of business:

a.Investment advisory and management - This segment consists of the YueDiligence. YueDiligence provides investment advisory and management services to entrepreneurial and innovative companies. YueDiligence was sold during the current period.

b. Micro finance - This segment consists of Elite Group (Pty) Ltd and Elite Group Two (Pty) Ltd. These companies are involved in micro finance in the unsecured lending industry and have a wide base of customers (mostly individuals).

c. Head office - Head office consists of the head office expenses in the Company together with other entities that previously operated in the bridging finance and vehicles finance industry. The entities have become dormant and the collection of outstanding balances is managed by head office.

All the segments operate only in South Africa, largely in the Gauteng and Western Cape provinces therefore no geographical information is provided. Similarly, all non-current assets are in South Africa.

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

28.2 Segment revenues

		Micro finance	Head office	Total
Year ended 29 February 2024				
Revenue		15,435	-	15,435
Other income		233	-	233
Impairment reversal		-	280	280
Finance costs		(8,073)	(2,070)	(10,143)
Impairment trade and other receivables		(2,780)	-	(2,780)
Employee costs		(6,251)	(989)	(7,240)
Depreciation		(876)	-	(876)
Other operating expenses		(6,971)	(2,563)	(9,534)
Loss before tax		(9,283)	(5,342)	(14,625)
Tax		-	-	-
Total comprehensive loss		(9,283)	(5,342)	(14,625)
Segment total assets		12,770	834	13,604
Segment total liabilities		54,440	13,398	67,838
Property, plant and equipment acquired		18	-	18
Intangible assets acquired		489	-	489
Lease assets acquired		1,688	-	1,688
Year ended 28 February 2023				
Revenue	2	14,762	-	14,764
Other income	-	68	7	75
Finance costs	-	(5,827)	(2,035)	(7,862)
Credit losses	-	(1,047)	-	(1,047)
Impairment trade and other receivables	-	(3,430)	-	(3,430)
Employee costs	-	(7,385)	(1,044)	(8,429)
Depreciation	-	(714)	-	(714)
Other operating expenses	(48)	(7,188)	(1,920)	(9,156)
Loss before tax	(46)	(10,761)	(4,992)	(15,799)
Tax	-	-	(353)	(353)
Total comprehensive loss	(46)	(10,761)	(5,345)	(16,152)
Segment total assets	-	12,867	1,683	14,550
Segment total liabilities	-	43,658	11,900	55,558
Property, plant and equipment acquired	-	116	-	116
Goodwill	-	500	-	500
Intangible assets acquired	-	-	-	-

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

29. Related parties

29.1 Group companies

Subsidiaries	Refer to note 7.1
Fellow Subsidiary	Elite Group Three Proprietary limited

29.2 Other related parties

Nature of relationship	Entity name
Company controlled by a director providing services to the Group	Slabcap Proprietary Limited Arvesco 153 Proprietary Limited Gowin Capital Proprietary Limited Slabcap Investments Proprietary Limited Caleo Private Equity Proprietary Limited Caleo Property Investments Proprietary Limited Caleo Hospitality Investments Proprietary Limited Caleo Finance Investments Proprietary Limited Caleo USA Finance Proprietary Limited Caleo Construction Proprietary Limited Caleo Consumer Products Proprietary Limited Caleo SA Finance Proprietary Limited Caleo Special Situations Proprietary Limited Caleo Living Proprietary Limited Caleo Experience Proprietary Limited CPE Opportunities Proprietary Limited CPE Investment Portfolio Proprietary Limited Caleo Renewables Proprietary Limited Caleo 4PL Proprietary Limited Pocketworld Proprietary Limited Piercore Capital Proprietary Limited Piercore Capital Investments Proprietary Limited Renovar Renewables Group Proprietary Limited Renovar Energy Generation Proprietary Limited Elite Group Three Proprietary Limited EXG Partner Proprietary Limited Nassau Property Investments Proprietary Limited Piercore Group Holdings Proprietary Limited Port Shepstone Brick and Tile Company Proprietary Limited
Director is a member	Apostolic church
Key management	AS Van Der Westhuizen
Key management (resigned 2023/11/22)	DD Breedt
Director (resigned 2023/02/28)	DS Danker
Key management - close relative	R Blieden, S Blieden, A Hudson, M Slabbert, PJ Slabbert
Key management - Close relative (resigned 2023/02/28)	SM Danker
Key management - Close relative (resigned 2023/11/22)	JC Breedt
Loan from director	Refer to note 19.
Executive and non-executive directors	Refer to directors report

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

29.3 Related parties balances and transactions

Related party balances Entity name	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Loan accounts - Owing (to) by related parties				
Arvesco 153 Proprietary Limited	(225)	(240)	(225)	(240)
Slabcap Proprietary Limited	(1,199)	(919)	(1,014)	(919)
G Hope	(38)	(699)	(38)	(699)
DS Danker	-	(200)	-	-
SM Danker	-	(150)	-	-
D Breedt	-	(200)	-	-
JC Breedt	-	(700)	-	-
M Slabbert	(1,840)	(1,770)	-	-
R Blieden	(400)	(400)	-	-
S Blieden	(1,800)	(1,800)	-	-
Investor Piercore Capital (Pty) Ltd	(800)	-	-	
Investor Tiberias Investment Holdings (Pty) Ltd	(320)	-	-	
PJS Investment Holdings (Pty) Ltd	(225)	-	-	
PJ Slabbert	(50)	-	-	
AS vd Westhuizen	(848)	-		
Caleo Private Equity Proprietary Limited	(10,000)	(10,000)	(10,000)	(10,000)
Elite Group Proprietary Limited	-	-	30,998	29,932
Elite Group Two Proprietary Limited	(237)	(221)	-	-
Apostolic Church	(1,900)	(1,800)		
Related parties included in trade payables				
Caleo – Finance costs	(1,394)	(272)	(1,394)	(272)
Non-executive directors fees payable	(742)	(529)	(742)	(529)

Related party transactions	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Administration fees paid to/(received from) related parties				
Elite Group (Pty) Ltd	-	-	(1,080)	(1,920)
JC Breedt	-	76	-	-
D Breedt	-	6	-	-
Interest paid to/(received from) related parties				
Elite Group (Pty) Ltd	-	-	(1,598)	(1,450)
G Hope	36	170	36	170
DS Danker	-	42	-	-
SM Danker	-	44	-	-

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

D Breedt	-	26	-	-
JC Breedt	-	88	-	-
M Slabbert	321	250	-	-
R Blieden	27	72	-	-
S Blieden	325	108	-	-
Arvesco 153 (Pty) Ltd	35	33	35	33
Slabcap (Pty) Ltd	147	154	144	154
Caleo Afdawn Limited Liability Partnership	1,815	1,678	1,815	1,678
Employee cost paid to key management including directors - Short term benefits	2,148	1,697	768	840

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000

29.4 Salaries paid to Executive directors and prescribed officers

2024 R'000 Group

J Slabbert	840	-	-	-
D Danker	-	857	-	-
G Hope	480	480	480	480
AS vd Westhuizen	540	-	-	-
Total compensation paid to key management personnel	**1,860**	**1,337**	**480**	**480**

29.5 Salaries paid to Non-Executive directors

2024 R'000 Company

S Blieden	144	144	144	144
B Stagman	144	144	144	144
SM Roper	-	72	-	72
	288	**360**	**288**	**360**

Directors do not receive any other form of compensation.

30. Disposal of controlled entities

30.1 Controlled entities disposed in the current year

100% of the subsidiary YueDiligence Proprietary Limited was sold on 2 March 2023 for R280,000.

30.2 Net cash flow from disposal of subsidiaries

Consideration received in cash	280	-	280	-
Less: cash and cash equivalents over which control was lost	(1)	-	-	-
Total net cash flow from disposal of subsidiaries	**279**	**-**	**280**	**-**

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

31. Events after the reporting date

All events subsequent to the date of the consolidated and separate annual financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

A term sheet has been signed by an investor that will contribute R5 million in the form of a subscription for 50% of the share capital in Elite Group (Pty) Ltd and a R15 million long term loan (with a repayment starting in 7 years). The contract expires if not signed by the directors of African Dawn Capital Limited before 30 September 2024. Afdawn does not anticipate losing control of Elite Group (Pty) Ltd once the term sheet is effective as they will be able to appoint the majority of the directors to the board.

On 25 September 2024, Elite Group Two (Pty) Ltd received a notice from the National Credit Regulator (NCR), relating to non-compliance with the National Credit Act (NCA). The NCR stated that the entity has failed to comply with the legal obligations to submit the entity's statutory returns and reports to the NCR as required in terms of Regulation 62 to 68 of the NCA and the conditions of registrations, which must be complied with in terms of section 52(5) (c) of the Act.

The entity is required to submit all outstanding reports and returns to the NCR within a period of 10 working days from the date of the notice. Failure to comply may lead to the cancellation of the entity's registration with the NCR.

As at the date of the approval of the Annual Financial Statements by the Board of Directors, and as at the signing of the Auditors Report, Elite Group (Pty) Ltd has not yet received a notice from the NCR, however due to the company failing to submit the prescribed reports and returns it may also receive a similar notice.

The directors are engaging with the NCR for an extension in the submission deadline to avoid the cancellation of the registration and are putting remedies in place to address non-compliance. The directors are confident that the cancellation of the registration will be avoided.

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the company.

32. Going concern

The consolidated and separate 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.

We draw attention to the consolidated and separate financial statements which indicates that the Group incurred a loss after tax of R14.63million (2023:R 16.15million). As at 29 February 2024, the Group and Company had accumulated losses of, Group R383.47million (2023:R368.84million), Company R336.06million (2023:R330.48million). Furthermore, the Group's total liabilities exceed its total assets by R54.23million (2023: R41.01million) and the Company's total liabilities exceeds its total assets by R6.82million (2023: R2.64million). In addition, the Group's current liabilities exceed the current assets by R31.52 (2023:R24.13million) and the Company's current liabilities exceed the current assets by R4.31 million (2023: R1.86million).

Uncertainty	ACTION	STATUS
Operating losses incurred by the group over the last four years and potential future operating losses in the future. Furthermore, the group's total liabilities exceed its total assets by R54.23million resulting in solvency issues.	Additional funding and equity investment to be obtained in the group.	The directors are in the process of raising additional capital to continue to fund growth across the group. A term sheet has been signed by an investor that will contribute R5 million in the form of subscription for 50% of the share capital in Elite Group (Pty) Ltd and a R15million long term loan (with repayment starting after 7 years). The contract expires if not signed by the directors of African Dawn Capital Limited before 30 September 2024. Afdawn does not anticipate losing control of Elite Group (Pty) Ltd once the term sheet is effective as they will be able to appoint the majority of the directors to the board. The bulk of the new funding will be utilised to significantly grow the business through expanding its loan book. This is expected to have a positive impact on revenue and cash flows of the business. The directors believe that this quantum of funding is sufficient to reverse the company's current loss-making position. With the new funding in place the Directors expects net cash flow received (Loans Paid Back Less Loans Extended) of the Elite business to increase by in the region of R25m over 12 months starting November 2024. The net cash flow received is expected to be in the region of R32m the following 12 months (in other words 24 months from November 2024). Management has already raised and received R5.9million after year end which is over and above the R20 million noted above.

Notes to the Financial Statements continued

Annual Financial Statements For the year ended 29 February 2024

Afdawns ability to pay ongoing operational expenses.	Directors and various parties have provided and continue to provide funding and other ongoing operational expenses. Management are investigating other opportunities for revenue growth. With additional funding expanding the Elite debtors book.	The directors are currently sourcing additional funding for further growth within the Group. Afdawn's wholly owned subsidiary, Elite Group, will be able to grow its debtors book and generate cashflows to cover the Groups operating expenses including Afdawn. Four new clients were signed Post year end. Management of Afdawn are still exploring other business activities for further revenue generation. The group is expected to receive R506,851 as part of the TERS refund. R211,484 has already been received subsequent to year-end.
The group borrowers recalling loans in the short term.	Of the R33.51million borrowings that are due in the current period, management estimates R17.63million not to be called by borrowers in short term period and to be renewed beyond the next financial year. Management are also engaged in getting new lenders with longer terms as well as negotiating with current lenders to extend short term borrowings for longer period.	A total of R17.63million of the loans have been approached to not recall loans before the next reporting date. This includes the Caleo loan program refer to note 17. New lenders have advanced funds of R3.8million post year end, and up until the date of this report. A total of R1.5million has been called up until the reporting date. Based on the historic data on loan repayments, the repayments of the capital portion of the loans are expected to be within the range of 10%.

33. Cash flows from operating activities

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Loss for the year	(14,626)	(16,152)	(5,577)	(2,867)
Adjustments for:				
Income tax expense	-	353	-	353
Profit on disposal of Property, plant and equipment	-	(6)	-	(6)
Finance costs	10,143	7,862	2,070	2,132
Depreciation and amortisation expense	994	765	-	-
Other Impairment losses	2,764	3,430	1,182	880
Share-based payments	-	1,200	-	-
Investments Impairment losses	-	-	1,715	-
Non-cash directors loans	36	244	36	244
Non-cash Borrowings	200	436	-	66
Impairment reversal	(280)	-	(280)	-
Non-cash group loans - management fees*	-	-	(1,242)	(2,323)
Non-cash group loans - Interest*	-	-	(1,598)	-
Non-cash SARS interest	39	89	39	89
Change in operating assets and liabilities:				
Adjustments for increase in trade accounts receivable	(1,872)	(2,254)	-	-
Adjustments for decrease in other receivables	5	38	-	-
Adjustments for increase in trade accounts payable	909	748	1,077	545
Adjustments for decrease in other operating payables	(291)	-	(128)	-
Net cash flows from operations	**(1,979)**	**(3,247)**	**(2,706)**	**(887)**

* The prior figures have split into a more detailed non-cashflow categories

Notes to the Financial Statements continued

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34. Income tax paid

Income tax paid

Amounts payable at the beginning of the year	(390)	9	(390)	9
Amounts payable at the end of the year	270	390	270	390
Taxation expense	-	(353)	-	(353)
Interest expense	(39)	(97)	(39)	(97)
	(159)	**(51)**	**(159)**	**(51)**

35. Risk Management

Risk Management definitions

For the purposes of risk management, the following definitions are applicable:

* Credit risk - the risk that one party to a financial instrument will cause a loss for the other party by failing to pay for its obligation (debit balances - receivables, bank, debit loans).
* Liquidity risk - the risk that an entity will have difficulties in paying its financial liabilities.
* Market risk - the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk reflects interest rate risk.
* Capital risk management - the risk that the company maintains a manageable gearing ratio.

Concentrations of risk - There is a concentration of risk as the majority of the groups lending is to the middle and lower income market,which may affect the credit risk. However, management has somewhat mitigated this by diversifying the granting of loans to individuals, as well as to corporate clients.

Exposure

The Group is exposed to credit risk, market risk and liquidity risk as follows:

Financial instrument	**Credit Risk**	**Liquidity risk**	**Cashflow interest rate risk**
Loans to Group companies	Yes	Yes	No
Trade receivables	Yes	No	No
Other receivables	Yes	No	No
Cash and cash equivalents	No	No	Yes
Borrowings	No	Yes	No
Loans from Group companies	No	Yes	No
Loans from directors	No	Yes	No
Trade payables	No	Yes	No

Management of risk

Cashflow is monitored very closely on a continuous basis.

Credit risk is very closely managed in through an inhouse system developed to assess each applicant credit worthiness beyond the NCA requirements by checking previous credit records from all lenders, with preference for automated debit order processing of repayments.

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

Analysis of the statement of financial position

The statement of financial position is analyzed in the table below:

Group 2024 R'000	Financial assets at amortised cost	Financial assets at cost less impairment	Financial liabilities at amortised costs	Not a financial instrument	Total
Property, plant and equipment	-	-	-	2,181	2,181
Intangible assets	-	-	-	688	688
Goodwill	-	-	-	500	500
Trade and other receivables	8,671	-	-	1	8,672
Other receivables	833	-	-	-	833
Cash and cash equivalents	730	-	-	-	730
Issued capital	-	-	-	(29,438)	(29,438)
Share premium	-	-	-	(299,796)	(299,796)
Accumulated loss	-	-	-	383,468	383,468
Borrowings - Non-current	-	-	(24,841)	-	(24,841)
Leases liabilities - Non-current	-	-	(1,244)	-	(1,244)
Trade and other payables	-	-	(6,466)	(644)	(7,110)
Current tax liabilities	-	-	-	(270)	(270)
Borrowings	-	-	(33,511)	-	(33,511)
Lease liabilities	-	-	(824)	-	(824)
Loan from director	-	-	(38)	-	(38)

Group 2023 R'000	Financial assets at a amortised cost	Financial assets at cost less impairment	Financial liabilities at amortised costs	Not a financial instrument	Total
Property, plant and equipment	-	-	-	1,351	1,351
Intangible assets	-	-	-	317	317
Goodwill	-	-	-	500	500
Trade and other receivables	9,560	-	-	50	9,610
Other receivables	1,666	-	-	-	1,666
Cash and cash equivalents	1,106	-	-	-	1,106
Issued capital	-	-	-	(28,038)	(28,038)
Share premium	-	-	-	(299,796)	(299,796)
Accumulated loss	-	-	-	368,842	368,842
Borrowings - Non-current	-	-	(18,465)	-	(18,465)
Leases liabilities - Non-current	-	-	(584)	-	(584)
Trade and other payables	-	-	(3,115)	(819)	(3,934)
Current tax liabilities	-	-	-	(390)	(390)
Borrowings	-	-	(30,874)	-	(30,874)
Lease liabilities	-	-	(612)	-	(612)
Loan from director	-	-	(699)	-	(699)

Notes to the Financial Statements *continued*

Annual Financial Statements for the year ended 29 February 2024

Company 2024 R'000	Financial assets at amortised cost	Financial assets at cost less impairment	Financial liabilities at amortised costs	Not a financial instrument	Total
Investments in subsidiaries	-	5,745	-	-	5,745
Other receivables	833		-	-	833
Issued capital	-		-	(29,438)	(29,438)
Share premium	-			(299,796)	(299,796)
Accumulated loss	-		-	336,055	336,055
Borrowings non-current	-		(8,260)	-	(8,260)
Trade and other payables	-		(3,479)	(126)	(3,605)
Current tax liabilities	-		(270)	-	(270)
Borrowings	-		(1,226)	-	(1,226)
Loan from director	-		(38)	-	(38)

Company 2023 R'000	Financial assets at a amortised cost	Financial assets at cost less impairment	Financial liabilities at amortised costs	Not a financial instrument	Total
Investments in subsidiaries	-	7,460 *	-	-	7,460
Other receivables	1,666		-	-	1,666
Loan to group company	116		-	-	116
Cash and cash equivalents	16		-	-	16
Issued capital	-		-	(28,038)	(28,038)
Share premium	-		-	(299,796)	(299,796)
Accumulated loss	-		-	330,478	330,478
Borrowings non-current	-		(8,247)	-	(8,247)
Trade and other payables	-		(1,163)	(253)	(1,416)
Current tax liabilities	-		(390)	-	(390)
Borrowings	-		(1,150)	-	(1,150)
Loan from director	-		(699)	-	(699)

*The Investment in subsidiaries has been reclassified to Financial assets at cost from Financial asset at amortised cost.

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

Analysis of the statement of profit or loss and other comprehensive income ("SOCI")

Group 2024 R'000	Financial assets at amortised cost	Financial assets at cost less impairment	Not a financial instrument	Total
Interest income	10,970	-	-	10,970
Finance costs	-	(10,104)	(39)	(10,143)
Bad debts written off	-	-	-	-

Group 2023 R'000	Financial assets at amortised cost	Financial assets at cost less impairment	Not a financial instrument	Total
Interest income	10,940	-	-	10,940
Finance costs	-	(7,765)	(97)	(7,862)
Bad debts written off	-	-	-	-

Company 2024 R'000	Financial assets at amortised cost	Financial assets at cost less impairment	Not a financial instrument	Total
Interest income	1,598	-	-	1,598
Finance costs	-	(2,031)	(39)	(2,070)
Impairments financial assets	(1,182)	(1,715)	-	(2,897)

Company 2023 R'000	Financial assets at amortised cost	Financial liabilities at amortised costs	Not a financial instrument	Total
Interest income	1,450	-	-	1,450
Finance costs	-	(2,229)	(97)	(2,326)
Impairments financial assets	(880)	-	-	(880)

Credit risk

Maximum exposure

The amount that best represents the Group's maximum exposure to credit risk is as follows:

- Granting of loans and receivables to customers and other parties - the maximum exposure to credit risk is the carrying amount of the related financial assets. I.e., net of any loss allowance.
- Placing deposits with banks - the maximum exposure to credit risk is the carrying amount of the related financial assets.

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

Collateral and receivables pledged as security

Collateral and receivables pledged as security amounts to R19,256,000 (2023: R18,760,000)

The Group and Company did not hold any collateral in 2024 or 2023.

Loss allowance for each class of financial asset:

Group R'000	Carrying amount 2024	Carrying amount 2023
Trade receivables refer to note 8	12,545	18,047
Other receivables - refer to note 12.	-	-

Company R'000	Carrying amount 2024	Carrying amount 2023
Loans to group companies - refer to note 13.	45,242	45,134
Other receivables - refer to note 12.	-	-

Trade and other receivables - Loss allowance reconciliation

The movement in the loss allowance for impairment in respect of trade receivables was as follows:

Group	2024 R'000	2023 R'000
Balance on 1 March	18,047	14,617
Net expected credit loss movement	2,780	3,682
Amounts written off	(8,282)	(252)
Balance at 28 February	**12,545**	**18,047**

The ECL has been calculated for each stage of the trade receivables as below:

2024 R'000	Balance at 1 March	Increased ECL	Amount written off	Reversal of ECL	Balance at 29 February
Current receivables	681	493	-	(311)	863
Collections and under-performing receivables	9,521	4,342	(95)	(2,123)	11,645
Legal receivables	7,845	379	(8,187)	-	37
Total	**18,047**	**5,214**	**(8,282)**	**(2,434)**	**12,545**

2023 R'000	Balance at 1 March	Increased ECL	Amount written off	Reversal of ECL	Balance at 29 February
Current receivables	789	-	-	(108)	681
Collections and under-performing receivables	5,827	8,380	(209)	(4,477)	9,521
Legal receivables	8,001	158	(43)	(271)	7,845
Total	**14,617**	**8,538**	**(252)**	**(4,856)**	**18,047**

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

Analysis of financial assets

Trade receivables are grouped in terms of the accounting policy into:

- Current receivables - This includes debtors that are paying within their credit terms as well as those that are up to 90 days overdue. Generally, when contractual payments are more than 75 days overdue the debtor is transferred to the collections book. Debtors whose accounts are more than 30 days past due or when a SICR event has occurred are deemed to have undergone a significant increase in credit risk however these generally remain in 'current receivables' until they are 75 days overdue or where another default event occurs.

- Collections and under-performing receivables - When contractual payments are more than 75 days overdue or where another default event occurs debtors are generally transferred from current receivables to collections and under-performing receivables. These debtors are in default and are considered to be credit-impaired (stage 3). It is the Group's policy to consider a receivable as 'cured' once all outstanding amounts have been settled. The Group will continue to recognise a loss allowance for the debtors in terms of the policy, until all outstanding amounts have been paid. A debtor remains within the relevant category once classified, and cannot move between categories. If there has been subsequent improvement in terms of settlement, the debtor will move between the different aging brackets in the category, however classification doesn't change subsequently.

Credit-impaired debtors will remain in Collections and under-performing receivables' unless they meet the criteria of a "legal receivable", in which case these debtors are transferred to "legal receivable" (refer below). Debtors whose balances are below R2,500 or are currently unemployed are not transferred to the legal book as the legal cost would exceed the value of the loan and are maintained in this category but are handed to an external debt collector until they are 3 years old at which point in time they will be written off. Debtors which are placed under sequestration or are deceased are written off immediately.

- Legal receivables - This includes debtors transferred from the Collections book when the debtors have the following legal status:

* A debt pack has been signed that would lead to an emolument attachment order; or
* The debtor is placed under administration; or
* The debtor is placed under debt review.

The trade receivables constitute short-term receivables. The advances are for a 3-6 months period and therefore lifetime ECLs will always apply.

The group uses an independent third party to evaluate the ECL. The following was noted in relation to each of the categories of trade receivables as addressed above.

- On the current book, the ECLs as a percentage of balance increased from 7.26% from 9.85% since the previous reporting period. We believe this is a result of data volatility and it is appropriate to maintain this overall allowance as a percentage of outstanding balance in line with the previous reporting period. This resulted in an upward adjustment to the overall loss allowance of R182,000.
- We note a relatively big movement in total balance distribution from the current to the collection book over the last reporting period. This is large enough to be concerning and required the necessary review. These statistics suggest that the overall default probability on the book has become higher over the last reporting period.
- Within the collections book itself, the model is responding to a deteriorating payment experience that may follow in future. This pushed the average ECL as a percentage of outstanding balance on the collections category up to 95.31% (2023: 94.79%). This resulted in an upward adjustment to the overall loss allowance of R2,124,000. This is the main reason for the overall increase in the impairment losses compared to the previous financial reporting period.
- Within the legal book itself, the model is responding to a potentially deteriorating payment experience that may follow in future. This kept the average ECL as a percentage of outstanding balance on the collections category at 98.00% (2023: 98.00%). This observation is not contradicting to management observations around the financial health statistics and it is reassuring to witness the model responding to the updated data in this manner. The ECLs model appears to be suggesting that there is a possibility that collections on accounts that already form part of the collections book may decline, even though the probability of default may remain stable.

The forward-looking information applied in the ECL determination includes allowances for macro-economic factors and asymmetric risk on the loan book. The Group incorporates future changes in respect of the Consumer Price Index, the petrol price, the unemployment rate, the real wage rate and the real credit extension to households to link these scenarios to probability of default and used to derive a forward-looking ECL.

Notes to the Financial Statements *continued*

Annual Financial Statements For the year ended 29 February 2024

Elite has specific percentages that are used to calculate the loss allowance on trade receivables based on the ageing of the debtors. These are outlined below:

Analysis of trade receivables:

	2024			2023		
	% Loss Allowance	Estimated gross carrying amount at default	Loss Allowance	% Loss Allowance	Estimated gross carrying amount at default	Loss Allowance
Current receivables						
Current	4.7	7,976	(376)	4.5	8,690	(395)
30 days	20.6	234	(48)	19.1	396	(76)
60 days	72.5	403	(292)	74.6	246	(183)
90 days	91.4	85	(78)	68.1	29	(20)
120+ days	97.0	71	(69)	57.5	13	(7)
Collections and under-performing receivables						
Current	31.6	415	(131)	31.6	334	(105)
30 days	46.1	53	(24)	46.1	124	(57)
60 days	87.1	147	(128)	87.1	143	(124)
90 days	92.1	155	(143)	92.1	332	(306)
120 days	98.0	174	(171)	98.0	267	(262)
120+ days	98.0	11,274	(11,048)	98.0	8,844	(8,667)
Legal receivables						
Current	100.0	2	(2)	98.0	260	(255)
30 days	97.8	36	(35)	98.0	15	(15)
60 days	0.0	0	0)	98.0	22	(22)
90 days	0.0	0	(0)	98.0	29	(29)
120 days	0.0	0	(0)	0	0	(0)
120+ days	0.0	0	(0)	98.0	7,678	(7,524)
		21,025	**(12,545)**		**27,422**	**(18,047)**
Analysis of other receivables:						
PTF2 loan receivable	-	**833**	-	-	**1,666**	**-**

Current receivables:

Current receivables include stage 1 and stage 2 debtors. Debtors accounts that are more than 30 days overdue (significant increase in credit risk – Stage 2) and are included in 'current receivables' have a gross carrying amount of R559,000 (2023: R288,000) and ECLs on this balance have been recognised at R439,000 (2023: R210,000).

Collections:

Collections and under-performing receivables: include stage 2 and stage 3 debtors. Stage 2 debtors included in 'Collections and under-performing receivables' have a gross carrying amount of R944,000 (2023: R1,200,000) and ECLs on this balance have been recognised for at R597,000 (2023: R854,000). Credit-impaired (Stage 3) debtors included in 'Collections and under-performing receivables' have a gross carrying amount of R11,274,000 (2023: R8,844,000) and ECLs on this balance have been provided for at R11,048,000 (2023: R8,667,000). Loans reflected in Collection and under-performing receivables for 120 days and 120+ days represent specific loans made with counterparties loans from the group's micro-lending business. The 120+ day loan has seen a credit deterioration during the current reporting period and therefore a higher loss allowance has been recognised.

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

Legal receivables:

All debtors in legal receivables have defaulted and are credit-impaired (stage 3). The loans included as part of legal receivables are stage 3 loans and therefore share similar characteristics in terms of probability of default, loss given default and time expected to recover the debtors. Given that these loans have similar characteristics management have applied a constant ECL loss rate to these loans.

Other receivables:

The debtor has remained within the terms of the repayment agreement and there have been no other indicators of a significant increase in credit risk.

The above loss allowance percentages were calculated based on the last two years credit history in the debtor's book increased for forward-looking information. This forward-looking information adjustment is based on industry factors for similar short-term finance arrangements.

Credit quality information for financial assets not impaired:

	2024		2023	
Group R'000	**Carrying amount**	**Credit quality**	**Carrying amount**	**Credit quality**
Cash and cash equivalents	730	High	1,106	High
Other receivables	833	Moderate	1,666	Moderate

	2024		2023	
Company R'000	**Carrying amount**	**Credit quality**	**Carrying amount**	**Credit quality**
Cash and cash equivalents	-	High	16	High
Other receivables	833	Moderate	1,666	Moderate

At the reporting date the credit rating was BB- for the long-term local currency and foreign currency deposit ratings of the major banks in South Africa.

Risk on South African banks is considered negligible as all cash deposits are guaranteed by the SA Reserve Bank and banks are financially sound.

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

Liquidity risk

Management fund the business by entering into borrowing agreements at a fixed rates with as long repayment terms as possible. The terms are set at rates higher than market rates and are renewed frequently in order make the transaction more attractive.

Group 2024 R'000	Not later than 1 month	1 month to 3 months	3 to 12 months	1 year to 3 years	Total	Indefinite interest payments*
Borrowings	1,101	1,326	47,166	9,615	**59,208**	-
Borrowings - Caleo*	150	300	1,350	5,400	**7,200**	1,800
Loan from director	38	-	-	-	**38**	-
Trade and other payables	379	35	6,053	-	**6,467**	-
SARS Income tax payable	23	45	207	9	**284**	-
Lease liabilities	81	162	726	1,099	**2,068**	-
	1,772	**1,868**	**55,502**	**16,123**	**75,265**	**1,800**

Group 2023 R'000	Not later than 1 month	1 month to 3 months	3 to 12 months	1 year to 3 years	Total	Indefinite interest payments*
Borrowings	965	1,215	43,316	876	**46,372**	-
Borrowings - Caleo*	150	300	1,350	5,400	**7,200**	1,800
Loan from director	-	-	743	-	**743**	-
Trade and other payables	555	284	2,276	-	**3,115**	-
SARS Income tax payable	-	-	414	-	**414**	
Lease liabilities	69	140	503	663	**1,375**	-
	1,739	**1,939**	**48,602**	**6,939**	**59,219**	**1,800**

Company 2024 R'000	Not later than 1 month	1 month to 3 months	3 to 12 months	1 year to 3 years	Total	Indefinite interest payments*
Borrowings	-	-	1,226	-	**1,226**	-
Borrowings - Caleo*	150	300	1,350	5,400	**7,200**	1,800
Loan from director	38	-	-	-	**38**	-
Trade and other payables	10	18	3,576	-	**3,604**	-
SARS Income tax payable	23	45	207	9	**284**	-
	221	**363**	**6,359**	**5,409**	**12,352**	**1,800**

Company 2023 R'000	Not later than 1 month	1 month to 3 months	3 to 12 months	1 year to 3 years	Total	Indefinite interest payments*
Borrowings	-	-	1,150	-	1,150	-
Borrowings - Caleo*	150	300	1,350	5,400	7,200	1,800
Loan from director	-	-	699	-	699	-
Trade and other payables	-	-	414	-	414	-
SARS Income tax payable	11	145	1,260		1,416	
	161	**445**	**4,873**	**5,400**	**10,879**	**1,800**

The short-term liquidity obligations will be met through a combination of operations and funding raised.
* The Caleo loan does not have a fixed capital repayment obligation so repayments consist of annual R1,80 million interest payments with no capital payment included until management include it in cashflow budgeting.

Refer to note 3.1.1 going concern for details on the short-term liquidity obligations.

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

Market risk - Interest rate risk

The Group is exposed to interest rate risk on transaction linked to the prime lending rate. The Group fixes the interest rates on all lending to customers in terms of the ("NCA") National Credit Act so revenue will not be affected. The Group mitigates interest rate risk by using fixed interest rates at a higher rate than market rate. The borrowings interest rates are fixed on all borrowings to mitigate the risk on finance costs. As such there is only interest rate risk on the current bank accounts.

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole period. A 100 (2023: 100) basis points increase or decrease is used when reporting interest rate risk internally to management and represents management's assessment of the reasonably possible change in interest rates. If interest rates had been 100 (2023: 100) basis points higher or lower and all other variables were held constant, the Groups loss for the period would change by R7,300 (2023: 11,060) Company: R- (2023: R200).

The carrying amount of the net cash and cash equivalents for the Group and Company was R730,000 (2023: R1,106,000) and R0 (2023: R16,000) respectively.

Capital risk management

The group's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the group's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.

The group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain the capital structure, the group may adjust the amount of dividends paid to the shareholder, return capital, repurchase shares currently issued, issue new shares, issues of new debt, issues of new debt to replace existing debt with different characteristics and/or sell assets to reduce debt.

The capital structure and gearing ratio of the group and company at the reporting date was as follows:

	Group 2024 R'000	Group 2023 R'000	Company 2024 R'000	Company 2023 R'000
Borrowings	58,352	49,339	9,486	9,397
Lease liabilities	2,068	1,196	-	-
Loans from directors	38	699	38	699
SARS income tax liability	270	390	270	390
Trade and other payable	7,110	3,934	3,605	1,416
Total borrowings	67,838	55,558	13,399	11,902
Less cash held	(730)	(1,106)	-	(16)
Net borrowings	67,108	54,452	13,399	11,886
Equity	(54,234)	(41,008)	(6,821)	(2,644)
Gearing Ratio	-124%	**-133**%	-196%	-449%

The borrowings include a loan from Caleo Afdawn Limited Liability Partnership which has a number of terms that place restrictions and requirements on the group these are detailed below:

- The full loan of R10 million will become immediately due if either Caleo or the subsidiary Elite are liquidated, restructured (more than 50% shareholding or voting rights change)or a breach of contract occurs.
- The full loan of R10 million will become immediately due if the group liquidates
- The group is required to take out a key man insurance to cover the loan and costs
- The group is required to change the dividend policy when there is sufficient capital to meet agreed budgeting requirements to two times cover of distributable proceeds.

Management reviews the above covenants on a monthly basis and there has been no breach of the covenant and no indication that they will be breached. Refer to note 3.1.1

Notes to the Financial Statements continued

Annual Financial Statements for the year ended 29 February 2024

36. Non-compliance

In terms of the JSE listing requirements paragraph 3.15 & 3.16 every issuer is required to release a results announcement within 3 months and distribute an annual report (including the notice of annual general meeting) within 4 months of its financial year end. An announcement: regarding the late publication and consequent suspension was published on SENS on 19 July 2024 by African Dawn Capital Limited.

In terms of the JSE Listing requirements paragraph 21.5(i) African Dawn Capital Limited must implement the King IV Code through application of the King IV Code disclosure and application regime. As at year end 29 February 2024, African Dawn Capital Limited has not complied with the requirements set out in Principle 7.8 of King IV which states that the governing body should consist of majority of non-executive members most of whom should be independent.

This has affected the ability of the group to maintain some of the critical committee's including the audit and risk committee and the remuneration committee.

Considering the size of African Dawn Capital Limited and the nature of operations it was not possible for the members to be independent. The governing body is in progress to appoint an additional independent non-executive member. In this process the board will consider the skills experience, diversity and independence of the current applicants to ensure that an appropriate balance is maintained.

Shareholders' Analysis

Register date: 24 February 2024
Issued Share Capital: 73,511,608 shares

1. Shareholder spread	No. of shareholders	%	No. of Shares	%
1 - 1 000 shares	9 407	89,15	1 250 719	1,70
1 001 - 10 000 shares	918	8,70	2 747 759	3,74
10 001 - 100 000 shares	184	1,74	5 666 566	7,71
100 001 - 1 000 000	34	0,32	8 538 531	11,61
1 000 001 and over	9	0,09	55 308 033	75,24
Total	**10 552**	**100**	**73 511 608**	**100**

2. Distribution of shareholders	No. of shareholders	%	No. of Shares	%
Banks	3	0,03	72 032	0.10
Brokers	16	0.15	568 748	0,77
Close Corporations	13	0,12	100 154	0,14
Endowment Funds	4	0,04	1 305 786	1,78
Individuals	10 426	98,81	22 026 933	29,96
Investment Companies	1	0,01	2 506	0,00
Nominees And Trusts	40	0,38	983 302	1,34
Other Corporations	14	0,13	5 074 995	6,91
Pension Funds	2	0,02	8 529	0,01
Private Companies	31	0.29	43 367 985	58,99
Public Companies	2	0,02	638	0,00
Total	**10 552**	**100**	**73 511 608**	**100**

3. Public / non - public shareholders	No. of shareholders	%	No. of Shares	%
Non - Public Shareholders	**6**	**0,06**	**41 160 485**	**55,99**
Directors of the Company	3	0.03	1 498 950	2,04
Shares held by associates of directors	1	0,01	132 152	0,18
Strategic Holdings (10% or more)	2	0,02	39 529 383	53,77
Public Shareholders	**10 546**	**99,94**	**32 351 123**	**44,01**
Total	**10 552**	**100**	**73 511 608**	**100**

4. Beneficial shareholders holding of 2% or more	No. of Shares	%
Arvesco 153 Pty Ltd	26 800 000	36,46
Caleo Afdawn Limited Liability Partnership	12 729 383	17,32
Independent Municipal and Allied Trade Union	4 764 692	6,48
Mokuoane, M	4 123 799	5,61
Bus Ven Invest No 1499 (Pty) Ltd	2 000 000	2,72

Shareholders' Analysis continued

5. Breakdown of Non-Public Holdings

Directors of the Company	No. of Shares	% of Shares
Slabbert, JL	**1 440 200**	**1,96**
The Apostolic Church (Apostle Unity)	1 250 00	1,70
Slabbert, JL	190 200	0,26
Hope, GB	**58 750**	**0,08**
Hope, GB	58 750	0,08
Total	**1 498 950**	**2,04**

Shares held by associates of directors	No. of Shares	% of Shares
Slabbert, PJ	**132,152**	**0,18**
Slabbert, PJ	132,152	0,18
Total	**132,152**	**0,18**

Notice of Annual General Meeting of Shareholders

African Dawn Capital Limited
Incorporated in the Republic of South Africa
(Registration number: 1998/020520/06)
Share code: ADW
ISIN: ZAE000223194

Notice is hereby given of the annual general meeting of shareholders of African Dawn Capital Limited ("the Company or "Afdawn") to be held at the offices of Elite Group, Horizon Shopping Centre, 3rd Floor, Corner Sonop and Ontdekkers Roads, Horizon View, Roodepoort on **Thursday, 28 November 2024** at 10h00 ("the Annual General Meeting").

If you are in any doubt as to what action you should take in respect of the following resolutions, please consult your central securities depository participant ("CSDP"), broker, banker, attorney, accountant or other professional adviser immediately.

The date on which shareholders must be recorded as such in the share register maintained by the transfer secretary of the Company for purposes of being entitled to receive this notice is **Friday, 25 October 2024.** Furthermore, the date on which shareholders must be recorded in the securities register for purposes of being entitled to attend and vote at the Annual General Meeting is **Friday, 22 November 2024** with the last day to trade being **Tuesday, 19 November 2024**.

Purpose

The purpose of the Annual General Meeting is to transact the business set out in the agenda below.

Agenda

- Presentation of the audited annual financial statements of the Company, including the remuneration report and the reports of the directors and the audit and risk committee for the year ended 29 February 2024. The annual report, of which this notice forms part, contains the summarised group financial statements and the aforementioned reports. The annual financial statements, including the unmodified audit opinion, are available on the Company's website at www.afdawn.co.za, and electronic copies may be requested and obtained, at no charge, from the company secretary at alun@statucor.co.za.

1. ORDINARY RESOLUTIONS

- To consider and, if deemed fit, approve, with or without modification, the following ordinary resolutions:

Note:
For any of the ordinary resolutions numbers 1 to 6 to be adopted, more than 50% of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof. For ordinary resolution number 7 to be adopted, at least 75% of the voting rights exercised on such ordinary resolution must be exercised in favour thereof.

1.1 ORDINARY RESOLUTION NUMBER 1 - RE-ELECTION OF MR B STAGMAN AS AN INDEPENDENT NON EXECUTIVE DIRECTOR

"Resolved that Mr B Stagman who, in terms of Article 29.3.6 of the Company's memorandum of incorporation, retires by rotation at the Annual General Meeting and, being eligible to do so, offers himself for re-election, be and is hereby re-elected as an independent non-executive director of the Company."

Summary curriculum vitae of Mr Brett Stagman ("Brett"):

Brett holds a BCom (Hons) degree from the University of South Africa and is a Chartered Accountant (SA). Brett currently serves as the Chief Executive Officer of BluChip Retail Solutions (Proprietary) Limited.

Prior to the current position, Brett assumed the roles of Chief Financial Officer for Loreal's manufacturing division in South Africa as well as Group Chief Financial Officer for Africa Prepaid Services (Proprietary) Limited.

1.2 ORDINARY RESOLUTION NUMBER 2 - RE-ELECTION OF MR S BLIEDEN AS A NON EXECUTIVE DIRECTOR

"Resolved that Mr S Blieden who, in terms of Article 29.3.6 of the Company's memorandum of incorporation, retires by rotation at the Annual General Meeting and, being eligible to do so, offers himself for re-election, be and is hereby re-elected as a non-executive director of the Company."

Notice of Annual General Meeting of Shareholders continued

Summary curriculum vitae of Mr Selwyn Blieden ("Selwyn"):

Selwyn is a CFA charter holder and holds a PHD (Mathematics) from the University of Cambridge as well as a Bachelor of Arts degree (Economics and Mathematics) from the University of the Witwatersrand. He is also a former Research Fellow and member of the Faculty of Mathematics at the University of Cambridge. He currently serves as a Partner and co-Head of Caleo Private Equity ("Caleo"), an investment management and advisory firm that provides growth capital to start-ups and operating companies in South Africa and offshore. Prior to joining Caleo, Selwyn served as Principal at Absa (formerly known as Barclays Africa) and led Barclays Africa's commercial property finance business in Africa (ex-South Africa).

The reason for ordinary resolution numbers 1 and 2 is that the memorandum of incorporation of the Company, the JSE Listings Requirements and, to the extent applicable, the Companies Act, require that a component of the non-executive directors retire at every annual general meeting of the Company and, being eligible, may offer themselves for re-election as directors.

1.3 ORDINARY RESOLUTION NUMBER 3 – RE-APPOINTMENT OF MR B STAGMAN TO THE AUDIT AND RISK COMMITTEE

"Resolved that, subject to his re-election in terms of ordinary resolution number 1 above, and pursuant to the requirements of section 94(2) of the Companies Act, Mr Brett Stagman, an independent non-executive director of the Company, be and is hereby re-appointed as a member of the audit and risk committee as recommended by the Board, until the next annual general meeting of the Company."

Summary curriculum vitae of Mr B Stagman is included above.

1.4 ORDINARY RESOLUTION NUMBER 4 – RE-APPOINTMENT OF MR S BLIEDEN TO THE AUDIT AND RISK COMMITTEE

"Resolved that, subject to his re-election in terms of ordinary resolution number 2 above, and pursuant to the requirements of section 94(2) of the Companies Act, Mr Selwyn Blieden, a non-executive director of the Company, be and is hereby re-appointed as a member of the audit and risk committee as recommended by the Board, until the next annual general meeting of the Company."

Summary curriculum vitae of Mr Selwyn Blieden is included above.

The reason for ordinary resolutions numbers 3 and 4 is that the Company, being a public listed company, must appoint an audit committee and the Companies Act requires that the members of such audit committee be appointed, or re-appointed, as the case may be, at each annual general meeting of such company. As noted in note 31 of the Annual Financial Statements, the Board is in the process of appointing an additional independent non-executive director.

1.5 ORDINARY RESOLUTION NUMBER 5 – APPOINTMENT OF THE INDEPENDENT REGISTERED AUDITOR

Resolved that pursuant to the requirements of section 90(1) read with section 61(8)(c) of the Companies Act, and as nominated by the Company's Audit and Risk Committee, PKF Octagon Incorporated be and is hereby appointed as the independent auditor of the Company for the ensuing financial year or until the next Annual General Meeting of the Company, whichever is later, with Mr Waldemar Marek Wasowicz being the individual registered auditor and partner in the firm who has undertaken the audit of the Company for the ensuing financial year."

The reason for ordinary resolution number 5 is that the Company, being a public listed company, must have its annual financial statements audited and such auditor must be appointed or re-appointed each year at the annual general meeting of the Company as required by the Companies Act and the JSE Listings Requirements.

1.6 ORDINARY RESOLUTION NUMBER 6 – NON- BINDING ADVISORY VOTE ON AFDAWN'S REMUNERATION POLICY

"Resolved that the shareholders endorse, by way of on a non-binding advisory vote, the Company's remuneration policy as set out on page 9 of the annual report to which this notice forms part."

The reason for ordinary resolution number 6 is that the King IV Report on Corporate Governance™ for South Africa, 2016 ("King IV™") recommends and the JSE Listings Requirements require, that the remuneration policy of the Company be tabled for a non-binding advisory vote by shareholders at each annual general meeting of the Company. This enables shareholders to express their views on the remuneration policy adopted. The effect of ordinary resolution number 6, if passed, will be to endorse the Company's remuneration policy. Ordinary resolution number 6 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration agreements. However, the Board will take the outcome of the vote into consideration when considering amendment to the Company's remuneration policy.

Should 25% or more of the votes exercised in respect of ordinary resolution number 6 be against the resolution, the Company will issue an invitation to those shareholders who voted against ordinary resolution number 6 to engage with the Company.

Notice of Annual General Meeting of Shareholders continued

1.7 ORDINARY RESOLUTION NUMBER 7 – GENERAL AUTHORITY TO ISSUE ORDINARY SHARES FOR CASH

"Resolved that the directors of the Company from time to time be and are hereby authorised, by way of a general authority, to issue all or any of the authorised but unissued ordinary shares in the capital of the Company, or to allot, issue and grant options to subscribe for, all or any of the authorised but unissued ordinary shares in the capital of the Company, for cash, as and when they in their sole discretion deem fit, subject to the provisions of the Companies Act, the memorandum of incorporation of the Company and the JSE Listings Requirements, provided that:

- this general authority will be valid until the earlier of the Company's next annual general meeting or the expiry of a period of 15 (fifteen) months from the date that this authority is given;
- the ordinary shares which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such ordinary shares or rights that are convertible into a class already in issue;
- any such issue may only be made to "public shareholders" as defined in the JSE Listings Requirements and not to related parties, save therefor that related parties may participate in a general issue for cash through a bookbuild process provided that (i) related parties may only participate with a maximum bid price at which they are prepared to take-up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price the relevant related party will be "out of the book" and not be allocated shares; and (ii) equity securities must be allocated equitably "in the book" through the bookbuild process and the measures to be applied must be disclosed in the SENS announcement launching the bookbuild;
- the ordinary shares which are the subject of a general issue for cash may not exceed 15% (fifteen percent) of the listed ordinary shares in issue, excluding treasury shares, as at the date of this notice, being 73 511 608 (with such 15% being 11 026 741) ordinary shares. Any ordinary shares issued under this authorisation during the period of 15 (fifteen) months from the date that this authorisation will be deducted from the aforementioned listed ordinary shares. In the event of a sub-division or a consolidation during the period contemplated above the authority will be adjusted to represent the same allocation ratio;
- in determining the price at which ordinary shares may be issued in terms of this authority, the maximum discount permitted will be 10% (ten percent) of the weighted average traded price of such ordinary shares measured over the 30 (thirty) business days prior to the date that the price of the issue is agreed in writing between the Company and the party/ies subscribing for the ordinary shares. The JSE will be consulted for a ruling if the ordinary shares have not traded in such 30-business-day period;
- in the event that the ordinary shares issued represent, on a cumulative basis, 5% or more of the number of ordinary shares in issue prior to that issue, an announcement containing the full details of such issue shall be published on the Stock Exchange News Service of the JSE ("SENS"); and
- whenever the Company wishes to use repurchased shares, held as treasury stock by a subsidiary of the Company, such use must comply with the JSE Listings Requirements as if such use was a fresh issue of ordinary shares.

For listed entities wishing to issue shares for cash (other than issues by way of rights offers, in consideration for acquisitions and/or to duly approved share incentive schemes), it is necessary for the Board to obtain the prior authority of the shareholders in accordance with the JSE Listings Requirements and the memorandum of incorporation of the Company. Accordingly, the reason for ordinary resolution number 7 is to obtain a general authority from shareholders to issue shares for cash in compliance with the JSE Listings Requirements and the memorandum of incorporation of the Company.

For this resolution to be adopted, at least 75% (seventy five percent) of the shareholders present in person or by proxy and entitled to vote on this resolution at the Annual General Meeting must cast their votes in favour of this resolution.

2. SPECIAL RESOLUTIONS

• To consider and if deemed fit, to pass, with or without modification, the following special resolutions:

Note:
For special resolutions numbers 1 to 4 (inclusive) to be adopted, at least 75% of the voting rights exercised on the applicable special resolution must be exercised in favour thereof.

2.1 SPECIAL RESOLUTION NUMBER 1 – APPROVAL OF THE NON-EXECUTIVE DIRECTORS' FEES

"Resolved, in terms of section 66(9) of the Companies Act, that the Company be and is hereby authorised to remunerate its non-executive directors for their services as directors (plus any value-added tax, to the extent applicable), provided that this authority will be valid until the next annual general meeting of the Company:

Notice of Annual General Meeting of Shareholders continued

Position	Proposed fee for the year ended 28 February 2025 R
Committee and Board Member	144 000.00

The reason for special resolution number 1 is for the Company to obtain the approval of shareholders by way of a special resolution for the payment of remuneration to its non-executive directors in accordance with the requirements of the Companies Act.

The effect of special resolution number 1, if passed, is that the Company will be able to pay its non-executive directors for the services they render to the Company as directors without requiring further shareholder approval until the next Annual General Meeting of the Company.

2.2 SPECIAL RESOLUTION NUMBER 2 - GENERAL APPROVAL TO ACQUIRE OWN SHARES

"Resolved, as a special resolution, that the Company and the subsidiaries of the Company be and are hereby authorised, as a general approval, to repurchase any of the shares issued by the Company, upon such terms and conditions and in such amounts as the directors may from time to time determine, but subject to the provisions of sections 46 and 48 of the Companies Act, the memorandum of incorporation of the Company and the JSE Listings Requirements, including, inter alia, that:

- the general repurchase of the shares may only be implemented through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);
- this general authority shall only be valid until the next Annual General Meeting of the Company, provided that it shall not extend beyond 15 (fifteen) months from the date of this resolution;
- an announcement must be published as soon as the Company has acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue on the date that this authority is granted, containing full details thereof, as well as for each 3% in aggregate of the initial number of shares acquired thereafter;
- the general authority to repurchase is limited to a maximum of 10% in the aggregate in any one financial year of the Company's issued share capital at the time the authority is granted;
- a resolution has been passed by the Board approving the purchase, that the Company and its subsidiaries ("the Group") have satisfied the solvency and liquidity test as defined in the Companies Act and that, since the solvency and liquidity test was applied, there have been no material changes to the financial position of the Group;
- the general repurchase is authorised by the Company's memorandum of incorporation;
- repurchases must not be made at a price more than 10% above the weighted average of the market value of the shares for the five business days immediately preceding the date that the transaction is effected. The JSE will be consulted for a ruling if the Company's securities have not traded in such five business day period;
- the Company may at any point in time only appoint one agent to effect any repurchase(s) on the Company's behalf; and
- the Company may not effect a repurchase during any prohibited period as defined in terms of the JSE Listings Requirements unless there is a repurchase programme in place, which programme has been submitted to the JSE in writing prior to the commencement of the prohibited period and executed by an independent third party, as contemplated in terms of paragraph 5.72(h) of the JSE Listings Requirements."

The reason for and effect, if passed, of special resolution number 2 is to grant the directors a general authority in terms of its memorandum of incorporation and the JSE Listings Requirements for the acquisition by the Company or by a subsidiary of the Company of shares issued by the Company on the basis reflected in special resolution number 2. This authority will provide the Board with the necessary flexibility to repurchase shares in the market, should a favourable opportunity arise and it be in the interests of the company to do so.

In terms of section 48(2)(b)(i) of the Companies Act, subsidiaries may not hold more than 10%, in aggregate, of the number of the issued shares of a Company. For the avoidance of doubt, (i) a pro rata repurchase by the Company from all its shareholders and (ii) intra-group repurchases by the Company of its shares from wholly-owned subsidiaries, share incentive schemes pursuant to Schedule 14 of the JSE Listings Requirements and/or nondilutive share incentive schemes controlled by the Company, where such repurchased shares are to be cancelled, will not require shareholder approval, save to the extent as may be required by the Companies Act.

2.3 SPECIAL RESOLUTION NUMBER 3: INTER-COMPANY FINANCIAL ASSISTANCE

"Resolved, in terms of section 45(3)(a)(ii) of the Companies Act, as a general approval, that the Board be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in section 45(1) of the Companies Act) that the Board may deem fit to any company or corporation that is related or inter-related ("related" or "inter-related" will herein have the meanings attributed to such terms in section 2 of the Companies Act) to the Company, on the terms and conditions and for amounts that the Board may determine, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the Company."

Notice of Annual General Meeting of Shareholders continued

The reason for and effect, if passed, of special resolution number 3 is to grant the directors of the Company the authority, until the next annual general meeting of the Company, to provide direct or indirect financial assistance to any company or corporation which is related or inter-related to the Company. This means that the Company is, *inter alia*, authorised to grant loans to its subsidiaries and to guarantee the debt of its subsidiaries.

2.4 SPECIAL RESOLUTION NUMBER 4: FINANCIAL ASSISTANCE FOR THE SUBSCRIPTION AND/OR PURCHASE OF SHARES IN THE COMPANY OR A RELATED OR INTER-RELATED COMPANY

"Resolved, in terms of section 44(3)(a)(ii) of the Companies Act, as a general approval, that the Board be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in sections 44(1) and 44(2) of the Companies Act) that the Board may deem fit to any company or corporation that is related or inter-related to the Company ("related" or "inter-related" will herein have the meanings attributed to such terms in section 2 of the Companies Act) and/or to any financier who provides funding by subscribing for preference shares or other securities in the Company or any company or corporation that is related or inter-related to the Company, on the terms and conditions and for amounts that the Board may determine for the purpose of, or in connection with the subscription of any option, or any shares or other securities, issued or to be issued by the Company or a related or inter-related company or corporation, or for the purchase of any shares or securities of the Company or a related or inter-related company or corporation, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the Company."

The reason for and effect, if passed, of special resolution number 4 is to grant the directors the authority, until the next annual general meeting of the Company, to provide financial assistance to any person, including any company or corporation which is related or inter-related to the Company and/or to any financier for the purpose of or in connection with the subscription or purchase of options, shares or other securities in the Company or any related or inter-related company or corporation. This means that the Company is authorised, inter alia, to grant loans to its subsidiaries and to guarantee and furnish security for the debt of its subsidiaries where any such financial assistance is directly or indirectly related to a party subscribing for options, shares or securities in the Company or its subsidiaries. A typical example of where the Company may rely on this authority is where a wholly-owned subsidiary raises funds by way of issuing preference shares and the third-party funder requires the Company to furnish security, by way of a guarantee or otherwise, for the obligations of its wholly-owned subsidiary to the third-party funder arising from the issue of the preference shares. The Company has no immediate plans to use this authority and is simply obtaining same in the interests of prudence and good corporate governance should the unforeseen need arise to use the authority.

In terms of and pursuant to the provisions of sections 44 and 45 of the Companies Act, the directors of the Company confirm that the Board will satisfy itself, after considering all reasonably foreseeable financial circumstances of the Company, that immediately after providing any financial assistance as contemplated in special resolution numbers 3 and 4 above:

- the assets of the Company (fairly valued) will equal or exceed the liabilities of the Company (fairly valued) (taking into consideration the reasonably foreseeable contingent assets and liabilities of the Company); and
- the Company will be able to pay its debts as they become due in the ordinary course of business for a period of 12 months.

In addition, the Board will only approve the provision of any financial assistance contemplated in special resolutions numbers 3 and 4 above, where:

- the Board is satisfied that the terms under which any financial assistance is proposed to be provided, are fair and reasonable to the Company; and
- all relevant conditions and restrictions (if any) relating to the granting of financial assistance by the Company as contained in the Company's memorandum of incorporation have been met.

3. OTHER BUSINESS

To transact such other business as may be transacted at an annual general meeting or raised by shareholders with or without advance notice to the Company.

INFORMATION RELATING TO THE SPECIAL RESOLUTIONS

1. The directors of the Company or its subsidiaries will only utilise the general authority to repurchase shares of the Company as set out in special resolution number 2 to the extent that the directors, after considering the maximum number of shares to be purchased, are of the opinion that the position of the Group would not be compromised as to the following:

- the Group's ability in the ordinary course of business to pay its debts for a period of 12 months after the date of the Notice of Annual General Meeting and for a period of 12 months after the repurchase;
- the consolidated assets of the Group (fairly valued) will at the date of the Annual General Meeting and at the time of making such determination be in excess of the consolidated liabilities of the Group (fairly valued). The assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited annual financial statements of the Company;

Notice of Annual General Meeting of Shareholders continued

- the ordinary capital and reserves of the Group after the repurchase will remain adequate for the purpose of the business of the Group for a period of 12 months after the notice of Annual General Meeting and after the date of the share repurchase; and
- the working capital available to the Group after the repurchase will be sufficient for the Group's ordinary business purposes for a period of 12 months after the date of the notice of the Annual General Meeting and for a period of 12 months after the date of the share repurchase.

2. General information in respect of major shareholders, material changes since the 2024 financial year end and the share capital of the Company is contained in the annual report of which this notice of Annual General Meeting forms part, as well as the full set of annual financial statements, being available on the Company's website at www.afdawn.co.za or which may be requested and obtained in person, at no charge, at the registered office of the Company during office hours.
3. The directors, whose names appear on pages 5 and 6 of the annual report of which this notice forms part, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, that all reasonable enquiries to ascertain such facts have been made and that this notice of Annual General Meeting contains all information required by law and the JSE Listings Requirements.
4. Other than the facts and developments disclosed in the annual report, there have been no material changes in the financial or trading position of the company and the Group subsequent to the publication of the Company's audited financial statements for the year ended 29 February 2024.

ATTENDANCE AND VOTING BY SHAREHOLDERS OR PROXIES

1. Shareholders who have not dematerialised their shares or who have dematerialised their shares with "own name" registration are entitled to attend and vote at the Annual General Meeting and are entitled to appoint a proxy or proxies (for which purpose a form of proxy is attached hereto) to attend, speak and vote in their stead. The person so appointed as proxy need not be a shareholder of the Company. Forms of proxy must be lodged with the transfer secretaries of the Company, Computershare Investor Services Proprietary Limited, Rosebank Towers,15 Biermann Avenue, Rosebank, 2196, South Africa, or posted to the transfer secretaries at Private Bag X9000, Saxonwold, 2132, South Africa, or emailed to proxy@computershare.co.za to be received by no later than 10h00 on **Tuesday, 26 November 2024**, (or 48 (forty eight) hours before any adjournment of the Annual General Meeting, provided that any form of proxy not delivered to the transfer secretary by this time may be handed to the chairman of the Annual General Meeting at any time prior to the appointed proxy exercising any shareholder rights at the Annual General Meeting.

2. Forms of proxy must only be completed by shareholders who have not dematerialised their shares or who have dematerialised their shares with "own name" registration.

3. On a show of hands, every person present and entitled to exercise voting rights shall be entitled to one vote, irrespective of the number of votes that person would otherwise be entitled to exercise. On a poll, every holder of ordinary shares shall be entitled to one vote per ordinary share held.

4. Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with "own name" registration, should contact their CSDP or broker in the manner and time stipulated in their agreement:

- to furnish them with their voting instructions; or
- in the event that they wish to attend the Annual General Meeting, to obtain the necessary authority (i.e. letter of representation) to do so.

5. Shareholders or their proxies may participate in the Annual General Meeting by way of a teleconference call and, if they wish to do so:

- must contact the Company Secretary at: alun@statucor.co.za by no later than 10h00 on **Tuesday, 26 November 2024**;
- will be required to provide reasonably satisfactory identification; and
- will be for the shareholders' own expense and will be billed separately by their own telephone service providers for their telephone call to participate in the Annual General Meeting.

6. Please note that shareholders or their proxies will not be entitled to exercise voting rights at the Annual General Meeting by way of teleconference call and have to be physically present at the Annual General Meeting in order to vote. Should such shareholders wish to vote, they must either:

- complete the proxy form and return it to the transfer secretary in accordance with paragraph 1 above; or
- contact their CSDP or broker in accordance with paragraph 4 above.

Notice of Annual General Meeting of Shareholders *continued*

7. The Company cannot guarantee there will not be a break in communication which is beyond the control of the Company.

8. The participant acknowledges that the telecommunication lines are provided by a third-party and indemnifies the Company against any loss, injury, damage, penalty or claim arising in any way from the use of the telecommunication lines, whether or not the problem is caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against the Company, whether for consequential damages or otherwise, arising from the use of the telecommunication lines or any defect in it or from total or partial failure of the telecommunication lines and connections linking the telecommunication lines to the Annual General Meeting.

VOTING EXCLUSIONS

Equity securities held by a share trust or scheme, and unlisted securities will not have their votes taken into account at the Annual General Meeting for the purposes of resolutions proposed in terms of the JSE Listings Requirements.

PROOF OF IDENTIFICATION REQUIRED

In terms of the Companies Act, any shareholder or proxy who intends to attend, participate and/or vote at the Annual General Meeting must be able to present reasonably satisfactory identification at the Annual General Meeting for such shareholder or proxy to attend, participate and/or vote at the Annual General Meeting. A green bar-coded identification document issued by the South African Department of Home Affairs, a driver's licence or a valid passport will be accepted at the Annual General Meeting as sufficient identification. If in doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the transfer secretary for guidance.

By order of the Board

STATUCOR (PROPRIETARY) LIMITED
Represented by AJ Rich Company Secretary
31 October 2024

Annexure A

Participation in the Annual General Meeting via electronic communication

CAPITALISED TERMS USED IN THIS ANNEXURE A SHALL BEAR THE MEANINGS ASCRIBED THERETO IN THE NOTICE TO WHICH THIS ANNEXURE A IS ATTACHED

1. **Shareholders or their duly appointed proxy(ies) that wish to participate in the Annual General Meeting via electronic communication ("Participants"), must apply to the Company's transfer secretary, Computershare Investor Services Proprietary Limited ("Computershare"), by delivering the duly completed application form below to:**

   Rosebank Towers, First Floor, 15 Biermann Avenue, Rosebank, 2196, or posting it to Private Bag X9000, Saxonwold 2132 or sent via email to proxy@computershare.co.za (at the risk of the Participant), so as to be received by Computershare by no later than **Tuesday, 26 November 2024.**

2. **Important notice**

   2.1 We will have 1 conference call line, if required.

   2.2 Each Participant will be contacted between 13h00 and 17h00 on **Tuesday, 26 November 2024**, via email and/or SMS with a code and the relevant telephone number to allow them to dial in.

   2.3 The cut-off time to participate in the Annual General Meeting via electronic communication will be at 10h00 on **Thursday, 28 November 2024**. No late dial-in will be accommodated.

   2.4 The Company cannot guarantee there will not be a break in communication which is out of the control of the Company.

   2.5 The Company shall be entitled to request reasonably satisfactory identification in terms of section 63(1) of the Act in order to confirm the Participant is a current shareholder of the Company. The Company shall exclude any Participant that does not provide same to the satisfaction of the Company.

Application form		
Full name of Participant:		
ID number:		
Email address:		
Phone number:		
Telephone number:	(code):	(number):
Name of CSDP or broker (if shares are held in dematerialised format):		
Contact number of CSDP/broker:		
Contact person of CSDP/broker:		

Terms and conditions for participation in the Annual General Meeting via electronic communication

1. The cost of dialling in using a telecommunication line to participate in the Annual General Meeting, is for the expense of the Participant and will be billed separately by the Participant's own telephone service provider.

2. The Participant acknowledges that the telecommunication lines are provided by a third party and indemnifies the Company against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, the Participant acknowledges that he/she will have no claim against the Company, whether for consequential damages or otherwise, arising from the use of the telecommunication lines or any defect in it or from total or partial failure of the telecommunication lines and connections linking the telecommunication lines to the Annual General Meeting.

Annexure A continued

3. Participants should note that they will not be able to vote during the Annual General Meeting telephonically. Should Participants wish to vote, they must either:

   3.1 complete the proxy form and return it to the transfer secretary in accordance with paragraph 1 on page 98; or

   3.2 contact their CSDP or broker as set out in accordance with paragraph 4 on page 98.

4. The application to participate in the Annual General Meeting electronically will only be deemed successful if this application form has been completed fully, signed by the Participant and delivered in accordance with paragraph 1 on page 98.

Participant's name ______________________________

Signature ______________________ Date ______________________

Form of proxy

AFRICAN DAWN CAPITAL LIMITED
Incorporated in the Republic of South Africa
Registration number 1998/020520/06
Share code: ADW
ISIN: ZAE000223194
("Afdawn" or "the Company")

For the use of shareholders who:

1. are registered as such and who have not dematerialised their Afdawn ordinary shares; or
2. hold dematerialised African Dawn ordinary shares in their own name, at the Afdawn Annual General Meeting to be held at the offices of Elite Group, Horizon Shopping Centre, 3rd Floor, Corner Sonop and Ontdekkers Roads, Horizon View, Roodepoort, on **Thursday, 28 November 2024** at 10h00 **("the Annual General Meeting")**.

Dematerialised shareholders holding shares other than with "own name" registration, must inform their central securities depository participant ("CSDP") or broker of their intention to attend the Annual General Meeting and request their CSDP or broker to issue them with the necessary letter of representation to attend the Annual General Meeting in person and to vote or provide their CSDP or broker with their voting instructions should they not wish to attend the Annual General Meeting in person. These shareholders must not use this form of proxy.

I/We (please print name in full) ____

of (address) ____

being a shareholder(s) of Afdawn and holding ____________________ ordinary shares hereby appoint (name in block letters)

1. him/her, ____ or failing,

2. him/her, ____ or failing,

3. the Chairman of the Annual General Meeting as my/our proxy to attend, speak and vote on my/our behalf at the Annual General Meeting for the purposes of considering and, if deemed fit, passing with or without modification, the resolutions to be proposed thereat and at each adjournment or postponement thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares in the issued share capital of the Company registered in my/our name(s) in accordance with the following instructions (see note 2).

		Number of votes (one vote per ordinary share)		
Ordinary Resolutions	Agenda Item	For	Against	Abstain
Ordinary resolution 1	Re-election of Mr B Stagman as an independent non-executive director			
Ordinary resolution 2	Re-election of Mr S Blieden as a non executive director			
Ordinary resolution 3	Re-appointment of Mr B Stagman to the audit and risk committee			
Ordinary resolution 4	Re-appointment of Mr S Blieden to the audit and risk committee			
Ordinary resolution 5	Appointment of the independent registered auditor			
Ordinary resolution 6	Non-binding endorsement of the Company's remuneration policy			
Ordinary resolution 7	General authority to issue ordinary shares for cash			
Special Resolutions	Agenda item	For	Against	Abstain
Special resolution 1	Approval of the non-executive directors' fees			
Special resolution 2	General approval to acquire own shares			
Special resolution 3	Inter-company financial assistance			
Special resolution 4	Financial assistance for the subscription and/or purchase of shares in the Company or a related or inter-related company			

Form of proxy continued

Please indicate your voting instruction by inserting the number of shares (or an "X" should you wish to vote all of your shares) in the space provided. Unless otherwise instructed, my/our proxy may vote as he/she thinks fit.

Signed at ______________________________ on ______________________________ 2024

Signature ______________________________

Assisted by (where applicable) (state capacity and full name) ______________________________

Number of shares ______________________________

Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder of the Company) to attend, speak and vote in place of that shareholder at the Annual General Meeting.

Please read the notes below.

NOTES TO PROXY

1. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space(s) provided, with or without deleting "the Chairman of the Annual General Meeting" but any such deletion must be initialled by the shareholder. The person whose name appears first on the form of proxy and who is present at the Annual General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.

2. A shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the space provided. Failure to comply with the above will be deemed to authorise the proxy to vote or abstain from voting at the Annual General Meeting as he/she deems fit in respect of all the shareholder's votes exercisable thereat. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or his proxy, or cast them in the same way, but the total of the votes cast and in respect whereof abstentions are recorded may not exceed the total of the votes exercisable by the shareholder or his/her proxy.

3. An alteration or correction made to this form of proxy must be initialled by the signatory/ies.

4. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the transfer secretaries or waived by the Chairman of the Annual General Meeting.

5. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the Annual General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms thereof, should such shareholder wish to do so.

6. The Chairman of the Annual General Meeting may reject or accept any form of proxy which is completed and/or received other than in accordance with these instructions, provided that he is satisfied as to the manner in which a shareholder wishes to vote.

7. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Company.

8. Where there are joint holders of any shares:

- any one holder may sign this form of proxy; and
- the vote(s) of the senior shareholders (for that purpose seniority will be determined by the order in which the names of shareholders appear in the company's register of shareholders) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint shareholder(s).

9. Forms of proxy must be completed and emailed, together with proof of identification and authority to do so (where acting in a representative capacity), to the Company's transfer secretary, Computershare Investor Services (Pty) Ltd, at proxy@computershare.co.za as to be received by the transfer secretary no later than 10h00 on **Tuesday, 26 November 2024** provided that any form of proxy not delivered to the transfer secretary by this time may be handed to the Chairman of the Annual General Meeting at any time prior to the appointed proxy exercising any shareholder rights at the Annual General Meeting.

Shareholders' Diary

Financial year-end	29 February 2024
Publication of financial results for the year	26 September 2024
Annual General Meeting	28 November 2024
Ordinary share cash dividend	R Nil
Annual report posted to shareholders	31 October 2024
Publication of interim results for the six month ending 31 August 2024	November 2024

Corporate information

DIRECTORS as at 30 September 2024
Mr. J Slabbert ^ • Mr B Stagman # • Mr. S Blieden @ • Mr. G Hope *

^ Executive Chairman * Executive # Independent non-executive @ Non-executive

Please refer to page 5 and 6 of the Annual Report for further details on each director.

AUDITORS
PKF Octagon Inc.

COMPANY REGISTRATION NUMBER
1998/020520/06
Share code: ADW
ISIN: ZAE000223194

DOMICILE
Republic of South Africa

COMPANY SECRETARY
A Rich (on behalf of Statucor Proprietary Limited)

REGISTERED OFFICE
3rd Floor, The Village at Horizon, Corner of Sonop and Ontdekkers Roads, Horizon View, 1724, Gauteng

POSTAL ADRESS
PO Box 5455, Weltevreden Park, 1715, Gauteng

COUNTRY OF INCORPORATION
Republic of South Africa

TRANSFER SECRETARY
Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196
PO Box 61051, Marshalltown, 2107

BANKERS
Absa Bank Limited
First National Bank Limited

TELEPHONE
(011) 475-7705

DESIGNATED ADVISOR
PSG Capital Proprietary Limited

ENQUIRIES
info@afdawn.co.za