



PUBLIC INVESTMENT
CORPORATION®

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ANNUAL FINANCIAL STATEMENTS 2026

Innovating for Inclusive Growth





Inspired by its presence in the National Coat of Arms, the PIC has adopted a highly stylised icon of the Secretary Bird as our logo.

On the Coat of Arms, the Secretary Bird represents vigilance, as well as the rise and pride of modern South Africa. As committed investors in the future of South Africa, we admire and aim to uphold this symbol in all of our dealings.

Unique to Africa, the Secretary Bird is widely recognised as a symbol of freedom, strength and courage, values that exemplify the PIC, our mission and our investment philosophy.

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* This Integrated Annual Report consists of two books:
The 2026 Integrated Annual Report and the 2026 Annual Financial Statements.

CONFIRMATION OF ACCURACY AND FAIR PRESENTATION

Annual Financial Statements for the year ending 31 March 2026

We hereby acknowledge that the Annual Financial Statements (AFS) of the Public Investment Corporation SOC Limited (the Company) have been submitted to the Auditor-General of South Africa (AGSA) for auditing in terms of section 55(1)(c) of the Public Finance Management Act (PFMA). We acknowledge our responsibility for the accuracy of the accounting records and the fair presentation of the financial statements and confirm, to the best of our knowledge, the following:

Annual Financial Statements

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) Accounting Standards as issued by the International Accounting Standards Board and the IFRS Interpretations Committee (IC), the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Public Finance Management Act No.1 of 1999 (PFMA).

Performance information

The performance information fairly reflects the operations and actual performance against planned targets for performance indicators set out in the Corporate Plan of the Company for the year ended 31 March 2026. The performance information has been reported in accordance with the requirements of the guidelines on annual reports as issued by National Treasury. A system of internal controls has been designed to provide reasonable assurance regarding the integrity and reliability of performance information.

In respect of material issues

The Annual Financial Statements are complete, accurate and free from material omissions.

Preparation of the financial statements

The financial results have been prepared under the supervision of Ms Batandwa Damoyi CA(SA), Chief Financial Officer.



Mr Patrick Dlamini
CHIEF EXECUTIVE OFFICER



Ms Batandwa Damoyi
CHIEF FINANCIAL OFFICER



ACCOUNTING AUTHORITY'S STATEMENT OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL STATEMENTS

The Accounting Authority is responsible for the preparation of the Public Investment Corporation SOC Limited's (the Company) Annual Financial Statements and for the judgements made in preparing these Annual Financial Statements. The Accounting Authority is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance regarding the integrity and reliability of the Annual Financial Statements. In my opinion, the Annual Financial Statements fairly reflect the operations and financial position of the Company for the financial year ended 31 March 2026. The external auditors are engaged to express an independent opinion on the Annual Financial Statements of the Company. The Company's Annual Financial Statements for the year ended 31 March 2026 have been audited by the external auditors and their report is presented on pages 15 to 22. The Annual Financial Statements of the Company, set out on pages 23 to 88, have been approved by the Board of Directors on 26 August 2026.

Mr Seiso Mohai

BOARD CHAIRPERSON

REPORT OF THE AUDIT AND INFORMATION TECHNOLOGY COMMITTEE

Report of the Audit and Information Technology Committee ("the Committee") in terms of Regulations 27(1)(10)(b) and (c) of the Public Finance Management Act of 1999 and the requirements of the King V™ Code of Governance.

Background

During the current financial year, the Audit Committee (AC) and Information, Communication and Technology Governance Committee (ICTGC) were merged into one committee, the Audit and Information Technology Committee (A&ITC).

The Committee oversees the Company's financial reporting process, specifically with regard to evaluating the adequacy and efficiency of accounting policies, internal controls, risk management, financial reporting processes, and information and technology governance. In addition, the Committee assesses the effectiveness of the internal audit unit, and the independence and effectiveness of the external auditors. The Committee acts under a formal Terms of Reference that is approved by the Board.

The Company's management is responsible for the financial statements, maintaining effective internal control, and assessing the effectiveness of financial reporting controls.

Responsibilities, composition and functions of the committee

The Committee's roles and responsibilities include fulfilling its statutory duties under the PFMA, aligning with the requirements of the King V™ Code on Corporate Governance and the Companies Act, 71 of 2008, and overseeing information and technology governance in accordance with the authority delegated to it by the Board.

As a Committee, we report that we adopted the appropriate formal Terms of Reference as approved by the Board and are satisfied that we have discharged our responsibilities according to the Companies Act, King V™ and the PFMA.

The Committee carried out its functions through attendance at Committee meetings and engaging with employees, Company management, Chairperson of the Board, other Board Committees, Internal Audit, External Auditors and External Advisors where appropriate.

The Committee meets at least seven times per annum, with the authority to convene additional meetings as circumstances require. In executing its key functions and discharging its responsibilities as outlined in its Terms of Reference during the period under review, the Committee:

- Assessed the independence and objectivity of the external auditors annually. In considering the applicable professional and regulatory requirements, it should be assessed whether the external auditor's independence may have been impaired as a result of any prior appointment as auditors, or having regard to the extent of any consultancy, advisory or other work undertaken by the auditor for the PIC.
- Considered compliance with other criteria relating to independence or conflict of interest as prescribed by the Independent Regulatory Board for Auditors established by the Auditing Profession Act, in relation to PIC.
- Determined and approved before commencement of the interim audit, the audit fees to be paid to the external auditors, the auditors' terms of engagement and the nature and scope of the audit.
- Approved and reviewed a rolling three-year strategic internal audit plan based on its assessment of the PIC's key risk areas, having regard to the PIC's current operations, the operations proposed in the PIC's corporate and strategic plan and the PIC's risk management strategy.
- Considered and approved an annual compliance plan, and made recommendations for changes, if required.
- Monitored compliance by reviewing reports on PIC's compliance with all applicable laws and regulations.
- The Committee oversaw the implementation and effectiveness of the combined assurance model, which is designed to address the PIC's significant risks through management, specialist risk, compliance functions, Internal Auditors, External Auditors and specialist service providers.
- Monitored the integrity of the financial statements of the PIC, including its management accounts, and any other formal announcement relating to its financial performance, reviewing significant financial reporting issues and judgements contained therein for compliance with IFRS and PFMA.
- Reviewed and commented on the Annual Financial Statements included in the integrated report.

- Assessed the value delivered to the PIC through significant investments in information and technology, including the evaluation of projects throughout their life cycles and of significant operational expenditure.
- Reviewed PIC management's statement on internal control prior to approval by the Board with specific reference to the safeguarding of assets and the prevention and detection of fraud.
- Reviewed the effectiveness of the IT systems of internal control, including internal financial control, business process control and business risk management at the end of the most recent financial year, i.e. policies and procedures and reviewed the operational effectiveness thereof in preventing or detecting fraud.
- Reviewed systems, including the whistle-blowing programme, that enable employees and other stakeholders to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters, including alleged fraud by employees.
- Exercised ongoing oversight of the management and effectiveness of technology processes.
- Exercised ongoing oversight of the implementation and execution of effective information and technology management.

Internal controls

We monitored the effectiveness of the Company's internal controls and compliance with the Enterprise-wide Risk Management Framework (ERMF). The Company's risk governance is based on three lines of defence and the Committee uses the regular reports received from the three lines of defence, i.e. Management, Risk and Compliance and Internal Audit Departments to evaluate the effectiveness of internal controls. The ERMF places weight on accountability, responsibility, independence, reporting, communication and transparency, internally and with all the Company's key external stakeholders.

The Committee is of the opinion that internal accounting controls are adequate. These controls support reliable financial reporting and accountability for assets and liabilities. They are based on sound accounting policies and reasonable, prudent judgements and estimates. The Committee concludes that internal controls were effective, in all material respects, during the year under review. This assessment is based on management's representations regarding control processes and improvements, as well as discussions with Internal Audit and the independent external auditors on audit outcomes.

The Committee has noted the areas requiring improvement in relation to investment processes. Management has implemented controls to strengthen the investment processes through improved compliance and enhanced investment monitoring. To formulate its opinion, the Audit and Information Technology Committee:

- Monitored the identification and correction of weaknesses and breakdowns of systems and internal controls;
- Monitored the adequacy and reliability of management information and the efficiency of management information systems;
- Reviewed quarterly and annual financial results and reports for proper and complete disclosure of timely, reliable and consistent information;
- Evaluated, on an ongoing basis, the appropriateness, adequacy and efficiency of accounting policies and procedures and compliance with IFRS;
- Discussed and resolved any significant or unusual accounting issues;
- Reviewed and monitored all key financial performance indicators to ensure that they are appropriate and that decision-making capabilities are maintained at high levels;
- Reported to the Board on the effectiveness of the Company's internal financial reporting controls; and
- Considered the external audit report.

External auditors

As a Committee, we recognise the importance of maintaining the independence of the Company's External Auditors, both in fact and appearance. Each year, the Committee evaluates the qualifications, performance and independence of the Company's External Auditors. In doing so, the Committee considers the quality and efficiency of the services provided by the auditors, the auditors' capabilities, technical expertise and knowledge of the Company's operations and industry.

The Committee, in consultation with executive management, agreed to the engagement letter, terms, audit plan and audit fees for the financial year ended 31 March 2026.

The Committee:

- Approved the External Auditors' annual plan and related scope of work;
- Monitored the effectiveness of the External Auditors in terms of their skills, independence, execution of the audit plan, reporting and overall performance; and
- Considered whether the extent of reliance placed on Internal Audit by the External Auditors was appropriate and whether there were any significant gaps between the Internal and External audits.

Expertise and Experience of Finance Function

We have considered and satisfied ourselves as to the overall appropriateness of the expertise and strengthening of the existing resources of the Company's finance function, including the experience of the senior members of management responsible for the financial function. We have, however, noted management's intention to restructure the finance function, to ensure a more focused effort across the different divisions, such as investment finance, corporate finance and valuation. Management is working on implementing systems as part of the digital strategy.

Duties assigned by the Board

Integrated and Sustainability Reporting

The Committee fulfils an oversight role regarding the Company's Integrated Report and the reporting process and considers the level of assurance coverage obtained from management, internal and external assurance providers in making its recommendation to the Board.

We considered the Company's information as disclosed in the Integrated Report and assessed its consistency with operational and other information known to the Committee members and for consistency with the Annual Financial Statements. We discussed the information with management and considered the conclusions of the external assurance provider.

The Committee is satisfied that the sustainability information is reliable and consistent with the financial results.

Combined Assurance

The Committee is responsible for monitoring the combined assurance model detailing significant processes, line management monitoring, Internal Audit and External Audit. This model is used to assess the appropriateness of assurance over risks and controls provided to the Board.

Engagement regarding the extent to which the various assurance providers rely on each other's work takes place continuously and we are of the view that adequate coordination occurred between the External Auditors and Internal Auditors. Furthermore, a Combined Assurance Plan was approved and used to monitor the activities in relation to the Combined Assurance Process.

Going Concern

The Committee concurs that the adoption of the going concern assumption in the preparation of the Annual Financial Statements is appropriate and sound. This conclusion follows the Committee's review of a documented assessment by management of the going concern premise of the Company. The assessment included a review of the financial (solvency, liquidity and profitability ratios), operating and regulatory compliance indicators.

Compliance, laws and regulations

- The Committee monitored legal and compliance matters.
- The Committee monitored the function of Regulatory Compliance for effectiveness and performance. The compliance function was assessed against all the applicable laws and regulations, including FSMA, FICA and Companies Act amongst others.

IT and Cybersecurity

Recognising the materiality of IT to an asset manager, the Committee has relied on monitoring and reporting on IT governance, cybersecurity, and data protection. Reporting on these matters is included in the Internal Audit plan.

Internal Audit

Internal Audit forms part of the third line of defence as set out in the ERMF and engages with the first and second lines of defence to facilitate the escalation of key control breakdowns.

The Internal Audit Department has a functional reporting line to the Committee Chairperson, an operational reporting line to the CEO and full access to other Committee members.

The Committee, with respect to its evaluation of the adequacy and effectiveness of internal controls, receives reports from Internal Audit on a quarterly basis, assesses the effectiveness of the Internal Audit Function and reviews and approves the Internal Audit plan. The Committee is responsible for ensuring that the Company's Internal Audit Function is independent and has the necessary resources, standing and authority within the Company to discharge its duties. We approved the Internal Audit Function's annual audit plan and, as a Committee, monitored and challenged, where appropriate, action taken by management with regard to adverse internal audit findings.



The Committee has overseen a process by which Internal Audit performed audits according to a risk-based audit plan, which amongst others considers the three-year rolling plan, where the effectiveness of the governance, risk management and internal controls were evaluated. These evaluations were the main input considered by the Board in reporting on the effectiveness of internal controls. The Committee is satisfied with the independence and effectiveness of the Internal Audit Function.

Conclusion

Having considered, analysed, reviewed and debated information provided by management, Internal Audit and the External Auditors, the Committee confirmed that:

- Notwithstanding the need for improvement of certain controls, the overall internal controls of the Company were effective;
- Where areas of improvement have been identified, they are being addressed by management;
- These controls ensured that the Company's assets had been safeguarded;
- Proper accounting records had been maintained;
- Resources had been utilised efficiently;
- The skills, independence, audit plan, reporting and overall performance of the External Auditors were acceptable.

Following our review of the Financial Statements for the year ended 31 March 2026, we are of the opinion that they comply with the relevant provisions of the PFMA, and IFRS and that they present fairly the results of the operations, cash flow and financial position of the Company.

The Committee is satisfied that it has complied in all material respects with its legal, regulatory and other responsibilities. The Committee recommended these Annual Financial Statements to the Board for approval.

Mr Itani Mafune

CHAIRPERSON OF THE AUDIT AND INFORMATION TECHNOLOGY COMMITTEE (A&ITC)

Date: 26 August 2026

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The Directors are responsible for the preparation, integrity and objectivity of the Annual Financial Statements, which fairly present the state of affairs of the Public Investment Corporation SOC Limited (the Company).

In preparing the Annual Financial Statements, the following requirements have been adhered to:

- The Public Finance Management Act, No. 1 of 1999 (PFMA);
- International Financial Reporting Standards (IFRS); and
- The Companies Act of South Africa, No. 71 of 2008.

To enable the Directors to meet their financial reporting responsibilities:

- Management designed and implemented standards and systems of internal control to provide reasonable assurance regarding the integrity and reliability of the Annual Financial Statements and to safeguard, verify and maintain the accountability of the Company's assets;
- Appropriate accounting policies, supported by reasonable and prudent judgements and estimates, are applied on a consistent and going concern basis;
- The Audit and Information Technology Committee and internal auditors review the financial and internal control systems, accounting policies, reporting and disclosure; and
- Internal audit performed a review of the adequacy and effectiveness of the internal controls and systems implemented by management in the financial reporting processes. The assessment included governance, risk management and control environment in the three process descriptions (other financial accounts, financial assets and liabilities). Segregation of duties, management reviews, delegations of authority and the processes of the appropriate approval committees were also assessed. The review did not include the assessment of the financial statements assertions (accuracy, occurrence, completeness, cut-off, rights and obligations, disclosure, etc.) per the individual accounts in the trial balance. These procedures were performed by the external auditors.

Based on the information received from management and internal and external auditors, nothing has come to the attention of the Directors to indicate a material breakdown in the systems of internal control during the year under review.

The Directors have a reasonable expectation that the Company has adequate resources to operate in the foreseeable future and have adopted the going-concern basis in preparing the Annual Financial Statements.

The Annual Financial Statements set out on pages 23 to 88 were approved by the Board of Directors on 26 August 2026 and are signed on its behalf by:



Mr Patrick Dlamini
CHIEF EXECUTIVE OFFICER



Mr Seiso Mohai
BOARD CHAIRPERSON



Mr Itani Mafune
CHAIRPERSON OF THE AUDIT AND
INFORMATION TECHNOLOGY COMMITTEE

COMPANY SECRETARY'S CERTIFICATION

In terms of Section 88(2) of the Companies Act No. 71 of 2008, I certify that, to the best of my knowledge and belief, the PIC has lodged with the Registrar of Companies for the period ended 31 March 2026, all such returns and notices as are required of a state-owned company in terms of the Companies Act No. 71 of 2008, and that all such returns and notices are true, correct and up to date.



Ms Bongani Maserumule
COMPANY SECRETARY



MS BONGANI MASERUMULE
Company Secretary

REPORT FROM THE BOARD OF DIRECTORS

The Board of Directors is pleased to present the Annual Financial Statements of the PIC, a Schedule 3B state-owned entity as defined in the PFMA.

Introduction

The Board of Directors is pleased to present the Annual Financial Statements of the PIC, a Schedule 3B state-owned entity as defined in the PFMA. Incorporated in South Africa, the PIC is one of the largest asset managers on the continent and plays a pivotal role in mobilising capital for developmental and commercial investment.

This report is presented in accordance with the provisions of the prescribed legislation and addresses the performance of the PIC, as well as relevant statutory information requirements. The Board of Directors is the Accounting Authority as prescribed in the PFMA.

Nature of business

The PIC provides asset management services primarily to public sector entities, managing a diversified portfolio across listed equities, capital markets, property, private equity and impact investments. It invests in South Africa, across the rest of Africa and internationally.

As a responsible corporate citizen, the PIC pays income tax at corporate rates, and, subject to performance and at the discretion of the Board in line with its Dividend Policy, pays dividends to its Shareholder.

The Annual Financial Statements for the year ended 31 March 2026 were authorised for issue in accordance with a resolution passed by the Board of Directors on 26 August 2026.

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

Financial Results

Full details of the financial position, profit or loss and other comprehensive income and cash flows of the Company are set out in these Annual Financial Statements from pages 23 to 88.

For the period ended 31 March 2026, the PIC showed significant improvement, driven primarily by revenue growth and strong fund returns, resulting in a 70% increase in net profit, rising from R512 million to R869 million:

- Revenue increased substantially by R419 million (from R1.307 billion to R1.726 billion), largely due to additional revenue generated from an increase in basis points on the Listed equities and Fixed Income portfolio, effective 1 April 2025;
- Operating costs increased by 15% to R1.427 billion (from R1.239 billion) due to an increase in employee costs and IT costs, which are the primary drivers of the operating costs;
- The PIC Operating Fund (PICO), the Company's investment fund, performed well during the year. An unrealised gain of R501 million was achieved, mainly because the PICO returned 20.66%, which exceeded its mandate composite benchmark return of 19.50% by 1.16%. The strong results were largely due to the fund's asset allocation decisions. Maintaining a lower-than-usual cash allocation enhanced returns, while an overweight position in South African equities also contributed positively to relative performance. Together, these decisions explain most of the fund's strong performance;
- Total assets stood at R6.006 billion (rising by 22% (R1.087 billion) from R4.919 billion in the prior year), equity at R5 billion, cash and cash equivalents at R725 million and 16% return on equity (ROE); and
- The Company did not declare a dividend during the year due to the capital to be invested in digital transformation in line with the strategy.

For the twelve-month period ending 31 March 2026, assets under management (AuM) rose by 19.94%, closing at R3.657 trillion. The actual growth in assets, excluding the impact of net cash flows, was 22.8%. During February 2026, total AuM was at R3.958 trillion but subsequently declined by over R300 billion following heightened geopolitical tensions in the Middle East. The formation of the Government of National Unity (GNU) following the 2024 elections brought stability and pro-growth sentiment, boosting the JSE and PIC AuM. The continued upward trajectory in the PIC's AuM since April 2025 was primarily driven by strong local market returns.



Governance and PFMA Compliance

The Board is responsible for the development of the Company's strategic direction, which is captured in the Shareholder's Compact and Corporate Plan, reviewed on an annual basis to cater for changes both in the internal and external environment. Following agreement with the Shareholder Representative, these documents form the basis for detailed action plans and continuous performance evaluation.

Our business units and departments are therefore guided by the Corporate Plan to prepare annual business plans, budgets and capital programmes to meet their strategic objectives.

Day-to-day management responsibility is vested in line management through a clearly defined organisational structure and formal delegated authority.

The Board, as the Accounting Authority under the PFMA, is committed to high standards of corporate governance guided by King V™ that was adopted during the year.

During the financial year, the Board approved an organisational structure that is designed to align with the strategy. The organisational structure supports implementation of the strategy and is intended to enhance client service, compliance and digital transformation.

Performance Management

Performance indicators remain aligned with the Corporate Plan and Shareholder Compact, with emphasis on sustainable returns, developmental impact, and organisational capability.

PIC sets corporate targets annually as part of its performance management process and in terms of PFMA requirements. These targets define, in measurable terms, what the PIC aims to achieve in the short- and long-term and are integral to the performance management system.

Performance Indicators

PIC performance indicators for the period emphasise execution and support of key development outcomes while ensuring that the Company maintains a focus on its financial sustainability and addresses organisational capabilities and its reputation in the market. The indicators include both key and supporting KPIs, mapping a path to achieve our strategic ambitions.

Share Capital

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

Directorate

The Shareholder expressed appreciation to the Board members whose terms had come to an end for their service and contribution to the Company, while also extending best wishes to the newly appointed Board members.

The Shareholder emphasised the importance of maintaining strong and effective governance within the Company.

During the financial year, the Shareholder approved changes to the composition of the Board following the expiry of the previous Board's term of office.

The Directors whose term ended are as follows:

Ms Ntombifuthi Mtoba *(Deputy Chairperson)*
(Non-Executive Director)
Ms Barbara Watson *(Non-Executive Director)*
Ms Beverley Bouwer *(Non-Executive Director)*
Prof Bonke Dumisa *(Non-Executive Director)*
Dr Lufuno Mulaudzi *(Non-Executive Director)*
Ms Tryphosa Ramano *(Non-Executive Director)*
Mr Walter Hlaise *(Non-Executive Director)*
Mr Abel Sithole *(CEO) (Executive Director)*

The Directors in office at the date of this report are as follows:

Mr Seiso Mohai *(Chairperson) (Non-Executive Director)*
Ms Patience Nqeto *(Deputy Chairperson)*
(Non-Executive Director)
Mr Itani Mafune *(Non-Executive Director)*
Ms Vivien McMenamin *(Non-Executive Director)*
Ms Lebogang Mokgabudi *(Non-Executive Director)*
Ms Moipone Ramoipone *(Non-Executive Director)*
Ms Bajabulile Tshabalala *(Non-Executive Director)*
Mr Patrick Dlamini *(Chief Executive Officer)*
(Executive Director)
Ms Batandwa Damoyi *(Chief Financial Officer)*
(Executive Director)

During the current financial year, the following Director resigned:

Mr Kabelo Rikhotso (CIO) (Executive Director)
(Resigned 28 February 2026)

Dr David Masondo (Chairperson) (Resigned 23 July 2026)

Dr Mugwena Maluleke (Deputy Chairperson)
(Resigned 23 July 2026)

Mr Stephen Boikanyo (Resigned 23 July 2026)

Ms Dorothy Kobe (Resigned 21 July 2026)

Ms Lerato Makwetla (Resigned 21 July 2026)

Mr Matimba Shiburi (Resigned 24 July 2026)

Ms Lindiwe Motshwane (Resigned 23 July 2026)

Ms Nosiphiwo Balfour (Resigned 15 July 2026)

Ms Lindy Bodewig (Resigned 21 July 2026)

Mr Mpumelo Maseko (Resigned 21 July 2026)

Ms Rethabile Nkosi (Resigned 15 July 2026)

Ms Bongani Maserumule is the Company Secretary.

The registered office of the Company is situated at:

Menlyn Maine Central Square,
Cnr Aramist Avenue and Corobay Avenue,
Waterkloof Glen Extension 2, 0181.

Related Party Transactions

Details of related party transactions are disclosed in note 32 of the Annual Financial Statements.

Internal Financial Controls

During the year under review, the Board of Directors assessed the results of the formal documented review of the Company's system of internal controls and risk management, including the design, implementation and effectiveness of the internal financial controls.

Nothing has come to the attention of the Board of Directors that has caused it to believe that the Company's system of internal financial controls does not form a sound basis for the preparation of reliable financial statements, however, the Board has noted in the auditor's report and Audit and Information Technology Committee report that there are areas for improvement, particularly in investment processes, that management should prioritise for control enhancement.

According to Treasury Regulations (paragraph 28), and the PFMA (section 55), the Annual Financial Statements must include a report by the Accounting Authority that discloses remuneration of all members of the Accounting Authority, who are the Company's Non-executive and Executive directors and senior management and as per the Companies Act, No. 71 of 2008, (paragraph 30(5)), the Annual Financial Statements must show the amount of any remuneration or benefits paid or receivable by all members of the Accounting Authority. The details of the disclosure are included in the disclosure of remuneration (refer to notes 22 and 33 of the AFS).

Corporate Governance

The PIC's directors endorsed the King V™ Report on Corporate Governance and applied the principles contained therein during the review period.

The Company's business model was designed and developed to focus on financial sustainability, delivering good returns and service to its clients as per the PIC's three-year Corporate Plan (2025/26-2027/28 Financial years (FY)), and there is monthly monitoring of financial targets, as well as cost containment measures implemented throughout the year. The Corporate Plan sets out short- to medium-term key strategic objectives to operationalise and implement the long-term strategy of the PIC.

Events After Reporting Period

1. High Court Proceedings against the PIC CEO

Subsequent to year end, the PIC's Chief Executive Officer, has been cited as a defendant in his personal capacity in litigation amounting to R900 million instituted by a plaintiff. The PIC has also been cited as a defendant; however, no substantive relief is sought against the PIC. The dispute arises from the investee company shareholding in another company and a valuation process following perfection of security by the PIC.

An arbitration award upheld the valuation and ordered payment by the PIC on behalf of the client of approximately R411.3 million to the investee company. The Plaintiff pleads that the arbitration award is final and binding, that the PIC settled it after legal advice and that the matters determined are res judicata.



The litigation brought by the plaintiff alleges that the CEO:

First claim – Breach of confidence:

- (a) Caused the disclosure of confidential valuations, arbitration and settlement information without the required consent;
- (b) Procured and/or permitted third parties to demand and obtain confidential work; and
- (c) Disclosed and used it for ulterior purposes.

Second claim – Unlawful interference with existing and prospective contractual and commercial relations (in the alternative)

- (a) The Plaintiff bases the claim on lex Aquilia, wrongfulness measured against the boni mores and the legal convictions of the community.
- (b) This is a claim for pure economic loss arising from intentional interference with existing and prospective commercial relationships with the DFIs by the unlawful disclosure of Confidential Information and the breach of confidence in the First Claim.
- (c) The Plaintiff alleges that the CEO abused his office as an organ of state – through unauthorised and ultra vires commissioning of a forensic investigation designed to re-open a final and binding award and this aggravated the wrongfulness of the conduct.

The matter remains ongoing and the PIC continues to engage with all relevant parties. The litigation is managed through the PIC insurer.

At the reporting date, the outcome of the litigation remains uncertain, and the financial effect, if any, cannot be measured reliably. Accordingly, no provision has been recognised in these financial statements in respect of this matter.

2. Financial Sector Conduct Authority (FSCA) investigation

The FSCA has launched a formal investigation into the Company following whistleblower allegations and the precautionary suspension of the Company CEO. The probe aims to assess governance, leadership stability, and transparency.

3. Resignation and appointment of Non-Executive Board Members

Subsequent to 31 March 2026, all Non-Executive Board Members of the Company resigned from their positions. The resignations resulted in significant changes to the Company's governance and oversight structures and may have implications for the Company's regulatory compliance and legal obligations.

On 30 July 2026, Cabinet announced the appointment of eight Non-Executive Directors (NEDs) to the Board of the PIC, with Mr Seiso Mohai appointed as Chairperson. The appointments were made to strengthen governance and provide stability to the organisation.

Management concludes that the resignation of all Non-Executive Board Members constitutes a non-adjusting subsequent event for the year ended 31 March 2026. Consequently, no adjustment to the Annual Financial Statements is required.

4. PIC CEO precautionary suspension High Court case

The PIC CEO challenged his precautionary suspension in the Gauteng High Court on 28 July 2026. The matter was heard by the Court and judgment was reserved.

On 4 August, the Gauteng High Court declared the precautionary suspension of PIC CEO unlawful and invalid.

Management concludes that the court judgment constitutes a non-adjusting subsequent event for the year ended 31 March 2026. Consequently, no adjustment to the Annual Financial Statements is required.

5. Client Claim

On 17 August 2026, a client formally notified the Public Investment Corporation SOC Ltd (PIC) of its intention to recover costs allegedly incurred as a result of delays in a client office refurbishment project. PIC had been appointed by the client to implement and oversee the refurbishment as part of the client's long-term office accommodation strategy. The client quantified the claim at approximately R9.9 million, comprising lease extension costs, photocopy machine rental costs, asset and records storage costs, and asset and records handling and retrieval costs.

The matter remains under consideration and PIC continues to engage constructively with the client and other relevant stakeholders to assess the claim and seek a mutually acceptable resolution.

As at the reporting date, the outcome of the claim remains uncertain. Management has assessed the matter and concluded that it is not possible to determine reliably whether an obligation exists, nor to estimate any potential financial impact with sufficient certainty. Accordingly, no provision has been recognised in these financial statements in respect of this matter. The matter will continue to be monitored and reassessed as further information becomes available.

Risk, Litigation, and Labour Matters

The Board notes that one CCMA reinstatement award is under review in the Labour Court.

Sustainability and ESG

The Board affirms PIC's role as a responsible investor. The PIC continued to strengthen ESG integration across its investment processes, with measurable targets to align financial returns with developmental outcomes. Sustainability reporting has been reviewed by the Audit and Information Technology Committee for accuracy and reliability.

Going Concern

After due consideration, the Board is satisfied that the Company remains a going concern with adequate resources to continue operations in the foreseeable future.

Judicial Proceedings

A former PIC Executive lodged an unfair labour practice dispute with the CCMA against the PIC. The CCMA ordered the reinstatement of the former Executive. The PIC has applied for a review of the award with the Labour Court.

Laws and regulations

We have complied with all applicable laws and regulations.

Auditors

The AGSA is the registered auditor of the Company. Harith Fund Managers (Pty) Ltd, Harith General Partners (Pty) Ltd, Bophelo Insurance Group (BIG) and SA SME Fund Ltd are the Company's associates. The auditors of Harith Fund Managers (Pty) Ltd and Harith General Partners (Pty) Ltd are BDO South Africa Inc. Bophelo Insurance Group's (BIG) subsidiaries are Nzalo Insurance Service Limited (NIS) and Bophelo Life Insurance Limited (BU). BIG, including its subsidiaries NIS and BU, is currently in the process of liquidation. The Supreme Court of Appeal (SCA) recently dismissed a liquidation appeal, therefore, there is currently no planned audit for the aforementioned subsidiaries. The auditor of SA SME Fund Ltd is Deloitte.

AGSA was given unrestricted access to all financial records and related data, including minutes of all meetings of the Company. The Board believes that all representations made to the external auditors during the audit are valid and appropriate.

Holding Company

The Company is 100% owned by the National Government of the Republic of South Africa. The Shareholder representative is the Minister of Finance. The Company's oversight department is National Treasury.

The Board believes the PIC remains financially sustainable, strategically positioned to deliver on its mandate and committed to strengthening governance and accountability. Management continues to implement corrective measures to address identified risks and strengthen the control environment.

The Annual Financial Statements, which have been prepared on the going concern basis, were approved by the Board of Directors on 26 August 2026 and were signed on its behalf by:

Approval of Annual Financial Statements.



Mr Seiso Mohai

BOARD CHAIRPERSON

Date: 26 August 2026



INDEPENDENT AUDITOR'S REPORT

Report of the Auditor-General to Parliament on
Public Investment Corporation SOC Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

1. I have audited the financial statements of the Public Investment Corporation SOC Limited (PIC) (the public entity) set out on pages 23 to 88, which comprise the statement of financial position as at 31 March 2026, statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, as well as notes to the financial statements, including material accounting policy information.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the PIC as at 31 March 2026 and its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Companies Act 71 of 2008 (Companies Act of South Africa).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the accounting authority for the financial statements

6. The board of directors, which constitutes the accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the PFMA and the Companies Act of South Africa and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

8. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located on page 21, forms part of my auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

10. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected objectives presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.
11. I selected the following objectives presented in the annual performance report for the year ended 31 March 2026 for auditing. I selected objectives that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

Objective	Page numbers	Purpose
Financial sustainability	70-77	To improve PIC's financial sustainability and going concern through efficient operations and cost containment.
Clients/stakeholders	70-77	To meet and exceed client benchmark portfolio returns and compliance with client risk parameters. To drive and facilitate transformation through investment activities both in listed and unlisted investments.

12. I evaluated the reported performance information for the selected objectives against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.
13. I performed procedures to test whether:
 - The indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives.
 - All the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included.
 - The indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements.
 - The targets can be linked directly to the achievement of the indicators and are specific, time-bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated.
 - The indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents.
 - The reported performance information is presented in the annual performance report.
 - There is adequate supporting evidence for the achievements reported.
14. I performed the procedures for the purpose of reporting material findings only, and not to express an assurance opinion or conclusion.
15. The material finding on the reported performance information for the selected objectives are as follows:

Clients/stakeholders

3b-Meet client benchmark portfolio returns (Unlisted investments ex Properties) over a period of 36 months

16. The target of multiple on invested capital (MOIC) ≥ 1 does not relate directly to the indicator, which measures performance against the client benchmark portfolio returns (Meet client benchmark portfolio returns over the period of 36 months). This makes it difficult to plan for the achievement of the indicator. Consequently, the reported achievement does not provide useful information on the achievement of the indicator.

Other matters

17. I draw attention to the matters below.

Achievement of planned targets

18. The annual performance report includes information on reported achievements against planned targets. This information should be considered in the context of the material finding on the reported performance information.
19. The table that follows provides information on the achievement of planned targets and lists the key indicators that were not achieved as reported in the annual performance report.

Clients/stakeholders

Targets achieved: 50%		
Key indicator not achieved	Planned target	Reported achievement
Objective 3a – Meet client benchmark portfolio returns and compliance with client risk parameters (over period of 36 months). Measure: Listed investments – is defined as the total individual fund return for the top 5 funds individual fund benchmark return.	Individual Top 5 Funds $\alpha \geq 0$ (Benchmark).	$\alpha = -0.24\%$
Objective 3b – Meet client benchmark portfolio returns (Unlisted Investments ex Properties) (over period of 36 months). Measure: Unlisted Investments (excluding Properties) – Measured by all Unlisted PIC clients weighted Hurdle Rate (x).	IRR $\geq$ Hurdle rate.	$-0.2\% < 6.95\%$
Objective 3c – Meet client benchmark portfolio returns. Total Return (capital and income) (X) $\geq$ MSCI RE for PIC unlisted properties portfolio structure) (over period of 36 months). Measure: Property Investments – Measured as total return (capital and income) (X) $\geq$ MSCI RE adjusted by weighting the portfolio returns as customised for the PIC's clients' portfolio structure.	X $\geq$ MSCI RE.	-5.00%
Objective 3e – Catalyst for transformation and diversity to facilitate transformation through investment activities in unlisted investments Measure: Unlisted investments (excluding properties investments and includes early stage) diversity at – • Management level; • Board level; and • % women ownership. (measured as an average woman participation percentage in the total annual approved transactions).	$\geq 30\%$ women participation within management level.	Average women % participation at management level within transactions approved is 24.49%.
	$\geq 30\%$ women participation within board level.	Average women % participation at board level within transactions approved is 23.13%.
	$\geq 30\%$ women ownership.	Average women % ownership within transactions approved is 19.93%.
Objective 3e – Catalyst for transformation and diversity to facilitate transformation through investment activities in unlisted investments. Measure: Property investments (unlisted) diversity – % Black women ownership. (measured as an average women participation percentage in the total annual approved BEE transactions).	$\geq 15\%$ Black women ownership.	4.06%

Material misstatement

20. I identified a preventable material misstatement in the annual performance report submitted for auditing. This material misstatement was in the reported performance information for the Clients/stakeholders objective. Management did not correct the misstatement and I reported a material finding in this regard.

REPORT ON COMPLIANCE WITH LEGISLATION

21. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity's compliance with legislation.
22. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
23. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
24. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Expenditure management

25. Effective and appropriate steps were not taken to prevent irregular expenditure as disclosed in note 40 to the annual financial statements, as required by section 51(1)(b)(ii) of the PFMA. The majority of the irregular expenditure was caused by acting allowances that were not paid in accordance with the delegation of authority.

Procurement and contract management

26. I was unable to obtain sufficient appropriate audit evidence that contracts and quotations were awarded to suppliers based on preference points that were allocated and calculated in accordance with the requirements of the Preferential Procurement Policy Framework Act 5 of 2000 (PPPFA) and the Preferential Procurement Regulation 2022.

Assets under management

27. Not all investment activities performed complied with the investment policies, as required by section 10(1) of the Public Investment Corporation Amendment Act 14 of 2019 (PIC Amendment Act). The following instances of non-compliance were identified:
- In some instances, management's execution of the due diligence processes were not aligned with the approved investment policies.
 - In some instances, declarations of interest were not completed before officials were involved in investment processes.
28. I was unable to obtain sufficient appropriate audit evidence to determine whether an investment settlement decision complied with the investment policies, as required by section 10(1) of the PIC Amendment Act. This was due to the required supporting information not being submitted during the audit.

OTHER INFORMATION IN THE ANNUAL REPORT

29. The accounting authority is responsible for the other information included in the annual report, 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. The other information does not include the financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported on in this auditor's report.



30. My opinion on the financial statements, and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
31. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected objectives presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
32. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected, this will not be necessary.

INTERNAL CONTROL DEFICIENCIES

33. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
34. The matters reported below are limited to the significant internal control deficiencies that resulted in the material finding on the annual performance report and the material findings on compliance with legislation included in this report.
35. Management did not adequately review the corporate plan to ensure that targets were directly aligned to their indicators, due to a lack of oversight.
36. Due to a lack of oversight regarding compliance monitoring, management did not ensure compliance with legislative requirements.
37. Management did not implement adequate measures to ensure compliance with approved investment policies and legislative requirements, due to a lack of oversight.

MATERIAL IRREGULARITIES

38. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit and on the status of material irregularities as previously reported in the auditor's report.

Status of previously reported material irregularities

Insufficient due diligence performed for the approval of an investment and disbursement

39. The entity did not comply with section 10(1) of the PIC Amendment Act, which states that the corporation may, subject to subsections (3) and (4), invest every deposit or portions of a deposit, with regard to the period, if any, after the expiration of which such a deposit or portions of such a deposit may again become necessary for use, on behalf of the depositor concerned in accordance with the investment policy of the corporation.
40. A disbursement of R176 million was made by the public entity for an investment where sufficient due diligence had not been performed to support the approval of the investment and the related disbursement. The investment was subsequently impaired to Rnil as of 31 March 2025. This resulted in a likely financial loss of R176 million.
41. The accounting authority was notified of the material irregularity on 13 August 2025 and invited to make a written submission on the actions taken or to be taken to address the matter. The accounting authority responded on 11 September 2025 and indicated the following action was being taken to address the material irregularity:
 - Entering into a security sharing arrangement with another lender of the investee company.
42. Based on the assessment of the response of the accounting authority and the substantiating documentation provided, I concluded that appropriate actions were not being taken to address the material irregularity. I referred the material irregularity to the Special Investigating Unit on 13 July 2026 for investigation, as provided for in section 5(1A) of the PAA. The referral was acknowledged by the SIU on the same day and the matter is under assessment for further investigation.

Investment not monitored prior to the payment of an initial disbursement

43. The entity did not comply with section 10(1) of the PIC Amendment Act, which states that the corporation may, subject to subsections (3) and (4), invest every deposit or portions of a deposit, with regard to the period, if any, after the expiration of which such a deposit or portions of such a deposit may again become necessary for use, on behalf of the depositor concerned in accordance with the investment policy of the corporation.
44. A disbursement of R100 million was made by the public entity under a senior debt facility without adequate monitoring of the investment prior to the payment of the initial disbursement. The investment was subsequently impaired to R16.8 million as of 31 March 2025. This resulted in a likely financial loss of R83.2 million.
45. The accounting authority was notified of the material irregularity on 13 August 2025 and invited to make a written submission on the actions taken or to be taken to address the matter. The accounting authority responded on 11 September 2025 and indicated the following actions were being taken:
 - Legal advice provided in relation to the investee company business rescue proceedings;
 - Application to stay execution of a court order pending a rescission application; and
 - Complaints lodged against the investee company external auditor with the Independent Regulatory Board for Auditors and the South African Institute of Chartered Accountants.
46. The following actions are still in progress by the accounting authority to resolve the material irregularity:
 - Action to declare directors of the investee company delinquent in terms of the Companies Act of South Africa.
47. Based on the assessment of the responses of the accounting authority and the substantiating documentation provided, I concluded that appropriate actions were being taken to address the material irregularity. I will follow up on the planned actions in my next audit.

OTHER REPORTS

48. In addition to the investigations relating to material irregularities, I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

Investigation

49. The Financial Sector Conduct Authority has instituted an investigation into recent developments at the PIC, particularly those relating to governance, leadership stability, transparency and the potential impact of these developments on the integrity and confidence in the public entity. The investigation was instituted in terms of section 135 of the Financial Sector Regulation Act 9 of 2017 and follows allegations reported in the media concerning whistleblower reports and the suspension of the chief executive officer. The investigation was still in progress at the date of this auditor's report.

Audit-related service

50. At the request of the PIC, a limited assurance engagement was conducted by the AGSA to review compliance with section 19(3) of the Financial Advisory and Intermediary Services Act 37 of 2002. The report covered the period 1 April 2025 to 31 March 2026 and was issued to the accounting authority on 28 August 2026.

Auditor-General

Pretoria

28 August 2026



AUDITOR - GENERAL
SOUTH AFRICA



ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

- The auditor-general's responsibility for the audit; and
- The selected legislative requirements for compliance testing.

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected objectives and on the public entity's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I 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 my 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 public entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the public entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause the public entity to cease operating as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999.	Section 50(3)(a); 50(3)(b); 51(1)(a)(iii); 51(1)(b)(i); 51(1)(b)(iii); 51(1)(e)(iii); 52(b); 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); 55(1)(c)(i); 56; 57(b); 66(3)(b).
Treasury Regulations, 2005.	Regulation 29.1.1; 29.1.1(a); 29.1.1(c); 29.2.1; 29.2.2; 29.3.1; 31.1.2(c); 31.2.5; 31.2.7; 33.1.1; 33.1.3.
Companies Act 71 of 2008.	Section 45(2); 45(3)(a)(iii); 45(3)(b)(i); 45(3)(b)(ii); 45(4); 46(1)(a); 46(1)(b); 46(1)(c); 112(2)(a); 129(7).
Construction Industry Development Board Regulations, 2004.	Regulation 17; 25(7A).
National Treasury SCM Instruction No. 03 of 2021/22.	Paragraph 4.2.
Preferential Procurement Policy Framework Act 5 of 2000.	Section 1; 2.1(a); 2.1(f).
Preferential Procurement Regulations, 2022.	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4.
Prevention and Combating of Corrupt Activities Act 12 of 2004.	Section 34(1).
Public Investment Corporation Act, 2004 (Act No.23 of 2004) (PIC Act) and the Public Investment Corporation Amendment Act, 2019 (Act No. 14 of 2019) (PIC Amendment Act).	Section 10(1), 10(2), 10(3), 10(4) and 10(5).

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2026

Figures in Rand thousand	Note(s)	2026	2025
Assets			
Non-current Assets			
Property, plant and equipment	4	20,174	31,684
Right-of-use assets	19	62,758	51,544
Intangible assets	5	31,960	40,367
Investments in associates	6	448,998	412,871
Deferred tax assets	9	-	71,700
Financial Assets at amortised cost	12	162,982	-
Total non-current assets		726,872	608,166
Current Assets			
Trade and other receivables	8	349,045	141,245
Listed investments at fair value through profit or loss	11	3,842,668	3,248,765
Financial assets at amortised cost	12	362,615	361,567
Cash and cash equivalents	13	724,660	559,542
Total current assets		5,278,988	4,311,119
Total Assets		6,005,860	4,919,285
Equity and Liabilities			
Equity			
Issued capital	14	1	1
Retained income		4,299,671	3,430,325
Other non-distributable reserves	16	967,932	968,667
Total equity		5,267,604	4,398,993
Liabilities			
Non-current Liabilities			
Employee benefits	17	175,832	98,898
Deferred tax liabilities	9	28,151	-
Lease liabilities	19	76,199	66,563
Total non-current liabilities		280,182	165,461
Current Liabilities			
Employee benefits	17	285,611	227,136
Trade and other payables	18	98,897	41,881
Current tax liabilities	10	41,267	50,959
Lease liabilities	19	32,299	34,855
Total current liabilities		458,074	354,831
Total liabilities		738,256	520,292
Total equity and liabilities		6,005,860	4,919,285

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2026

Figures in Rand thousand	Note(s)	2026	2025
Revenue	20	1,726,425	1,307,928
Other operating income	21	5,304	6,127
Impairment gain (loss) on financial assets at amortised cost	22	-	455
Other operating expenses	22	(1,426,577)	(1,239,058)
Unrealised gain (loss) on financial assets at fair value through profit/loss	22	500,708	278,476
Profit from operating activities	22	805,860	353,928
Investment income	23	328,397	291,643
Interest paid	24	(22,783)	(34,145)
Income from equity accounted investments	6	36,862	49,615
Profit before taxation		1,148,336	661,041
Taxation	25	(278,990)	(149,086)
Profit for the year		869,346	511,955
Other comprehensive income net of tax			
Items that will not be reclassified to profit or loss:			
Share of comprehensive income of equity accounted investments	6	(735)	(2,979)
Other comprehensive income for the year net of taxation		(735)	(2,979)
Total other comprehensive income that will not be reclassified to profit or loss		(735)	(2,979)
Total other comprehensive income net of tax		(735)	(2,979)
Total comprehensive income		868,611	508,976

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2026

Figures in Rand thousand	Issued capital	Foreign currency translation reserve	Non-distributable reserves	Retained income	Total
Balance at 1 April 2024	1	36,738	935,592	3,062,686	4,035,017
Changes in equity					
Profit for the year	-	-	-	511,955	511,955
Other comprehensive income	-	(2,979)	-	-	(2,979)
Total comprehensive income for the year	-	(2,979)	-	511,955	508,976
Dividend recognised as distributions to shareholder	-	-	-	(145,000)	(145,000)
Transfers between reserves	-	(684)	-	684	-
Balance at 31 March 2025	1	33,075	935,592	3,430,325	4,398,993
Balance at 1 April 2025	1	33,075	935,592	3,430,325	4,398,993
Changes in equity					
Profit for the year	-	-	-	869,346	869,346
Other comprehensive income	-	(735)	-	-	(735)
Total comprehensive income for the year	-	(735)	-	869,346	868,611
Balance at 31 March 2026	1	32,340	935,592	4,299,671	5,267,604
Notes	14	15	16		

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

Figures in Rand thousand	Note(s)	2026	2025
Net cash flows from operations	26	332,638	287,262
Dividend paid	27	-	(145,000)
Interest paid	24	(9,160)	(24,546)
Interest received	23	245,322	186,844
Income taxes paid	29	(188,831)	(87,130)
Net cash flows from operating activities		379,969	217,430
Cash flows used in investing activities			
Purchase of property, plant and equipment	4	(2,345)	(12,995)
Purchase of intangible assets	5	(9,540)	(4,977)
Financial assets at amortised cost - additions	12	(790,000)	(795,000)
Financial assets at amortised cost - disposals	12	645,000	610,000
Purchase of investments at fair value	11	(579,803)	(262,937)
Sale of investments at fair value	11	463,756	193,819
Dividends received	23	83,643	67,354
Cash flows used in investing activities		(189,289)	(204,736)
Cash flows used in financing activities			
Payment of lease liabilities	19	(25,562)	(30,224)
Cash flows used in financing activities		(25,562)	(30,224)
Net increase / (decrease) in cash and cash equivalents		165,118	(17,530)
Cash and cash equivalents at beginning of the year		559,542	577,072
Cash and cash equivalents at end of the year	13	724,660	559,542



ACCOUNTING POLICIES

1. Basis of preparation

The Annual Financial Statements have been prepared on the going concern basis in accordance with International Financial Reporting Standards (IFRS), International Financial Reporting Interpretations Committee (IFRIC) interpretations issued, South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the Public Finance Management Act (PFMA) effective at the time of preparing these Annual Financial Statements and the requirements of the Companies Act.

The Annual Financial Statements have been prepared on the historical cost basis, except for items measured on another basis as set out in the material accounting policy information below.

The financial statements are presented in South African rand, which is the Company's functional and presentation currency. These accounting policies are consistent with the previous period.

1.1 Going concern

The Annual Financial Statements have been prepared on a going concern basis. Management has assessed the Company's ability to continue as a going concern for at least 12 months from the date of approval of the Annual Financial Statements.

In making this assessment, management considered the Company's liquidity position, forecast cash flows, capital commitments, contractual obligations, revenue from investment mandates and the broader operating environment. Based on this assessment, management is satisfied that the Company has adequate resources to continue operating as a going concern.

1.2 Significant judgements and sources of estimation uncertainty

In preparing the Annual Financial Statements, management makes judgements, estimates and assumptions that affect the application of 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 accounting estimates are recognised prospectively in the period in which the estimate is revised and in future periods affected.

Revenue recognition

In making its judgement, management considered the detailed criteria for the recognition of revenue set out in IFRS 15 and, in particular, the committed capital and management fees clawback.

The PIC has assessed the reduction of the fund size of the Isibaya Fund III, the Unlisted Investment Fund, with committed capital of R41 billion (R25 billion initial plus R16 billion additional) and based on the assessment performed, the PIC should be able to deploy the R41 billion within five years of the committed period. As such, the management fees clawback risk has been assessed as low at year-end. The PIC has not collected on any performance fees to consider any other clawback.

The PIC has performed an assessment to determine whether it is acting as a principal or an agent for revenue recognition purposes. Based on this assessment, for contracts with clients where the PIC is entrusted with managing committed capital, the application of the principal versus agent criteria indicates that the PIC acts as the principal.

Long-term employee incentives

The Long-Term Employee Incentives (LTI) are recognised and accrued in the year in which the service was rendered, but are only paid after the vesting period. The trigger for the allocation of the LTI is if the Company has made at least 10% of net income over management fees and achieved a performance rating of 3.

The scheme is to attract, retain and reward high-performing management. The Company's management is eligible to participate in the LTI scheme only if the Company achieves an overall performance rating of 3 and if a manager achieves a minimum individual performance rating of 3.5.

The Long-term Incentive pool is measured at 36% of a certain percentage (based on the Company score as per the remuneration policy) of the profit before tax. The assumption includes a percentage of probability of payment based on payment history and considers the time value of money (if material). Refer to note 17.

Contingent Liabilities

In terms of IAS 37 Provisions, Contingent Liabilities and Contingent Assets (IAS 37), Contingent liabilities are possible obligations whose existence will be confirmed by uncertain future events that are not wholly within the control of the entity. Various judgements and assumptions are therefore required in order to determine the possible obligation and if contingent liabilities are required to be disclosed. In assessing legal and regulatory matters, management considers the nature of the claim, progress of the matter, legal advice obtained, past experience and the probability and estimated amount of any outflow.

Intangible Assets

In terms of IAS 36 Impairment of Assets, the Company shall assess at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset. Various judgements and assumptions are therefore required to determine the recoverable amounts of the asset.

Expected Credit Loss (ECL)

The ECL for financial assets is based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets. Refer to note 12.

The Company recognises 12-month Expected Credit Loss (ECL) for stage 1 financial instruments. If the credit risk of the financial instrument deteriorates such that it poses a

significant increase in credit risk since initial recognition, the Company recognises lifetime ECL and migrates the financial instrument to stage 2. When the instrument defaults, it moves to stage 3 as a credit-impaired financial instrument and lifetime ECL is recognised.

The Company's investment mandates state that in order to diversify and to minimise excessive credit exposure to a single counterparty, the Company will invest only in institutions that have a credit rating of at least A or A3 from one of the recognised domestic and/or international credit rating agencies. If the issuer credit rating falls below the credit rating of A or A3, the Company will sell the instrument if there is a market.

At each reporting date the Company assesses whether there has been a significant increase in credit risk exposure since initial recognition by comparing the Probability of Default (PD), over the remaining expected life, at the reporting date with that on the date of initial recognition.

1.3 Property, plant and equipment

Property, plant and equipment are defined as tangible items that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is only recognised when:

- It is probable that future economic benefits associated with the asset will flow to the entity; and
- The cost of the asset can be measured reliably.

Items of property, plant and equipment are initially recognised at cost.

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Property, plant and equipment are depreciated on a straight-line basis at rates calculated to reduce the cost of these assets to estimated residual values over their expected useful lives. Subsequent costs are included in the assets' carrying amount only when it is probable that future economic benefits associated with the line item will flow to the Company and the cost of the item can be reliably measured.

Property, plant and equipment useful lives and residual values are reviewed on an annual basis, with the effects of any changes in estimates accounted for on a prospective basis.

The useful lives of items of property, plant and equipment have been assessed as follows:

Asset class	Useful life/ Lease term	Depreciation method
Leasehold improvements	Shorter of 2 - 10 years or lease term	Straight line
Motor vehicles	5 - 8 years	Straight line
Fixtures and fittings	5 - 10 years	Straight line
Office equipment	5 - 8 years	Straight line
Computer equipment	3 - 5 years	Straight line

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recovered.

The carrying values of property, plant and equipment are written down to their estimated recoverable amounts, where the estimated recoverable amount is lower than the carrying value. The recoverable amount for property, plant and equipment is determined as the higher of the asset's fair value less costs to sell and the value in use.

All gains or losses arising on the disposal or scrapping of property, plant and equipment are recognised in profit or loss in the period of disposal or scrapping. Repairs and maintenance are charged to profit and loss when the expenditure is incurred.

1.4 Intangible assets

Intangible assets are defined as identifiable, non-monetary assets without physical substance. No intangible asset is recognised when arising from research. Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset is recognised when:

- It is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- The cost of the asset can be measured reliably.

Intangible assets are initially measured at cost.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

Surpluses and deficits on the disposal of intangible assets are recognised in profit or loss. The surplus or deficit is the difference between the disposal proceeds and the carrying value of the asset at the date of sale.

The Company's intangible assets with finite useful lives make the judgements surrounding the estimated useful lives and residual values critical to the Company's financial position and performance.

Amortisation is charged to profit or loss on a straight-line basis and is calculated to reduce the original costs to the expected residual values over the estimated useful lives.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Asset class	Useful life	Amortisation method
Computer software	3 - 5 years	Straight line
Other intangible asset	Indefinite	Indefinite

The Company reviews its intangible assets for impairment at each reporting date and tests the carrying amount for impairment whenever events or changes in circumstances indicate that the carrying amount (or components of the carrying amount) may not be recoverable. These circumstances include, but are not limited to, new technological developments, obsolescence, changes in the manner in which the software is used or is expected to be used, changes in discount rates, significant changes in macroeconomic circumstances or changes in estimates of related future cash benefits. The impairment tests are performed by comparing an asset's recoverable amount to its carrying amount.

The recoverable amount is determined as the higher of an asset's fair value less costs of disposal and its value in use. The value in use is calculated by estimating future cash flows that will result for each asset and discounting those cash benefits at an appropriate discount rate.

The review and testing of assets for impairment inherently require significant management judgement as it requires management to derive the estimates of the identified assets' future cash flows in order to derive the asset's recoverable amount.

1.5 Investment in Associates

An associate is an entity over which the Company has the ability to exercise significant influence, but not control or joint control, through participation in the financial and operating policy decisions of the entity. This is generally demonstrated by the Company holding in excess of 20%, but no more than 50%, of the voting rights. The existence of significant influence by the Company is usually evidenced in one or more of the following:

- Representation on the Board of Directors or equivalent governing body of the investee;
- Participation in the policy-making process, including participation in decisions about dividends or other distributions;
- Material transactions between the entity and the investee;
- Interchange of managerial personnel; or
- Provision of essential technical information.

On initial recognition, the investment in associates is recognised at cost and subsequently accounted for using the equity accounting method. The Company's share of post-acquisition profit or loss and post-acquisition movements in other comprehensive income are recognised in the Statement of profit or loss and Other Comprehensive Income (OCI). The Company applies the equity method of accounting from the date significant influence commences until the date significant influence ceases (or the associate is classified as held for sale). When the Company's share of losses exceeds the carrying amount of the associate, the carrying amount is reduced to nil, inclusive of any long-term debt outstanding. The recognition of further losses is discontinued, except to the extent that the Company has incurred legal or constructive obligations, or guaranteed obligations, in respect of the associate. If the associates report profits, the Company resumes recognising its share of those profits only after its share of the profit equals the share of losses not recognised.

When the Company transacts with an associate, unrealised profits and losses are eliminated to the extent that there is no evidence of impairment.

In applying the equity method, the Company uses the financial statements of the associate as of the same date as the financial statements of the Company unless it is impracticable to do so. If it is impracticable, the most recent available financial statements of the associate or joint venture will be used, with adjustments made for the effects of any significant transactions or events occurring between the end of the two accounting periods. However, the difference

between the reporting date of the associate and that of the investor cannot be longer than three months.

At each reporting date, the Company determines whether there is objective evidence that the investment in associates is impaired. The carrying amount of such investments is tested for impairment if such evidence exists.

The accounting is discontinued from the date that the Company ceases to have significant influence over the associate. The Company measures at fair value any investment it has retained in the entity when significant influence is lost and recognises the resulting gain or loss in profit or loss. The gain or loss is measured as the difference between the fair value of this retained investment and the carrying amount of the original investment at the date significant influence or joint control is lost.

1.6 Financial instruments

Recognition and initial measurement

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

Except for trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, at initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Classification

Financial Assets

On initial recognition, a financial asset is classified as measured at: amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI).



A debt financial asset is measured at FVOCI only if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income (OCI).

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

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

- Contingent events that would change the amount and timing of cash flows;
- Prepayment and extension terms; and
- Features that modify consideration of the time value of money.

Investments in equity instruments have contractual cash flows that do not meet the SPPI criterion. Accordingly, all such equity instruments are measured at FVTPL unless the FVOCI option is selected.

Financial liabilities

An entity shall classify all financial liabilities as subsequently measured at amortised cost, except for:

- Financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

- Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies.
- Financial guarantee contracts.
- Commitments to provide a loan at a below-market interest rate.
- Contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies.

Reclassification:

Financial assets are not reclassified subsequent to their initial recognition, except when the Company changes its business model for managing financial assets. Financial liabilities are not reclassified.

Derecognition:

Financial assets

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

Financial liabilities

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

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

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

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

Impairment

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

- Financial assets that are debt instruments; and
- Trade receivables.

No impairment loss is recognised on equity investments.

The Company measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured at 12-month ECL:

- Debt instruments that are determined to have low credit risk at the reporting date; and
- Other financial instruments on which credit risk has not increased significantly since their initial recognition.

The Company considers debt instruments to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Company does not apply the low credit risk exemption to any other financial instruments.

Twelve-month ECL is the portion of lifetime ECL that results from default events on a financial instrument that are possible within 12 months after the reporting date. Financial instruments for which 12-month ECL is recognised are referred to as "stage 1" financial instruments. Financial instruments allocated to "stage 1" have not undergone a significant increase in credit risk since initial recognition and are not credit-impaired.

Lifetime ECL is the ECL that results from all possible default events over the expected life of the financial instrument or the maximum contractual period of exposure. Financial instruments for which lifetime ECL is recognised but that are not credit-impaired are referred to as "stage 2" financial instruments. Financial instruments allocated to "stage 2" are those that have experienced a significant increase in credit risk since initial recognition but are not credit-impaired.

Financial instruments for which lifetime ECL is recognised and that are credit-impaired are referred to as "stage 3" financial instruments.

Measurement of ECL

ECL is a probability-weighted estimate of credit losses. It is measured as follows:

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

When discounting future cash flows, the following discount rates are used:

- The original effective interest rate or
- An approximation thereof.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired (referred to as 'stage 3 financial assets'). A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

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

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past-due event; and
- The disappearance of an active market because of financial difficulties.



Presentation of allowance for ECL

Loss allowances for ECL are presented in the Statement of Financial Position as follows:

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

Write-off

Debt instruments are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower or issuer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are recognised when cash is received and are included in 'impairment losses on financial instruments' in the Statement of Profit or Loss and Other Comprehensive Income.

Trade and other payables

Classification

Trade and other payables (note 18), excluding VAT payables and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

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

Trade and other payables are subsequently measured at amortised cost using the effective interest method.

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

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 (note 25).

Trade and other payables expose the Company to liquidity risk and possibly to interest rate risk. Refer to note 34 for details of risk exposure and management thereof.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, bank balances and other short-term, highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Carrying values of cash and cash equivalents are considered a reasonable approximation of their fair values. Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition. Term deposits measured at amortised cost are presented as cash equivalents if they have a maturity of three months or less from the financial position date. Term deposits measured at amortised cost with three months or less to maturity as at the financial position date are held for the purpose of meeting short-term cash commitments rather than for investment or other purpose and are presented as cash equivalents.

1.7 Tax

Current tax assets and liabilities

Current taxation is the expected amount payable on the taxable income for the year, using taxation rates enacted or substantively enacted at the reporting date, and any adjustment to the amount payable in respect of previous years (prior-period tax paid).

Deferred tax assets and liabilities

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective taxation bases. The amount of deferred taxation provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, and is measured at the taxation rates (enacted or substantively enacted at the reporting date) that are expected to be applied to the temporary differences when they reverse.

Deferred tax is recognised in profit or loss for the period, except to the extent that it relates to a transaction that is recognised directly in equity or in other comprehensive income, or a business combination that is accounted for as an acquisition. The effect on deferred tax of any changes in taxation rates is recognised in profit or loss for the period, except to the extent that it relates to items previously charged or credited directly to equity or other comprehensive income.

A deferred tax liability shall be recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from:

- The initial recognition of goodwill; or
- The initial recognition of an asset or liability in a transaction which:
 - Is not a business combination;
 - At the time of the transaction, affects neither accounting profit nor taxable profit (tax loss); and
 - At the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

Differences relating to investments in associate entities to the extent that the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset shall be recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that:

- Is not a business combination;
- At the time of the transaction, affects neither accounting profit nor taxable profit (tax loss); and
- At the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related taxation benefits will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different taxation entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realised simultaneously.

Tax expense

Current and deferred taxes are recognised as income or an expense and are included in profit or loss for the period, except to the extent that the tax arises from:

- A transaction or event which is recognised, in the same or a different period, directly to equity or other comprehensive income, or
- A business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.8 Leases

At inception of a contract, the Company 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.

Company acting as a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price. However, for the lease of head office premises the Company has elected not to separate non-lease components and accounts for the lease and non-lease components as a single lease component.

The Company 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 adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove any improvements made to office premises.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically 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 Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

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

- Fixed payments, including in-substance fixed payments; and
- Variable lease payments that depend on a rate or index.

After the commencement date, a lessee shall measure the lease liability by:

- Increasing the carrying amount to reflect interest on the lease liability;
- Reducing the carrying amount to reflect the lease payments made; and
- Remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments.

The Company presents lease assets under right-of-use assets (ROU) and the related liabilities under lease liabilities on the face of the Statement of Financial Position (SOPF).

Short-term leases and leases of low-value assets:

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

Company as lessee

Right-of-use assets

After the commencement date, the right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability.

Depreciation is calculated using the straight-line method over the lease term, as follows:

Asset class	Useful life	Amortisation method
Buildings	Lease term	Straight-line
Office Equipment	Lease term	Straight-line
IT Equipment	Lease term	Straight-line

1.9 Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuous use that is largely independent of the cash inflows of other assets or Cash Generating Units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 or (CGU). An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

The Company's corporate assets do not generate separate cash inflows and are used by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGUs to which the corporate assets are allocated.

Impairment losses are recognised in profit or loss.

1.10 Share capital and equity

Ordinary shares are classified as equity. Share capital issued by the Company is recorded as the value of the proceeds received less the external costs directly attributable to the issue of the shares.

Dividends to equity holders are recognised as a liability when approved, and the Company no longer has the discretion to avoid payment and are accounted for in the Statement of Changes in Equity.

Ordinary shares are recognised at par value and classified as 'share capital' in equity.

1.11 Non-distributable reserves and other reserves Foreign currency reserve

The Company has associates that have foreign operations that are based outside of South Africa, and the foreign operation has a functional currency that is different from the Company's presentation currency (that is, the Rand). A foreign operation is a subsidiary, associate, joint venture, or branch whose activities are based in a country or currency other than that of the reporting entity. The functional currency is the currency of the primary economic environment in which the entity operates.

Non-distributable reserves

The Company makes a transfer of profits to the Non-Distributable Reserve (NDR) on an annual basis. These reserves are not available for distribution.

The directors may use the NDR funds to fund future capital expenditure of the Company, therefore ensuring the financial sustainability of the Company.

1.12 Operating expenses

Operating expenses reflect costs incurred during the reporting period and relate to operating activities of an entity. Expenses are recognised on the basis of accrual, regardless of the time of paying those expenses.

1.13 Employee benefits

Short-term employee benefits

Short-term employee benefits consist of salaries, accumulated leave payments, bonus and any non-monetary benefits such as medical aid contributions.

Short-term employee benefits obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under the short-term benefits if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated reliably.

Long-Term Incentives

On an annual basis, the Long-Term Incentive (LTI) provision will be remeasured taking into account the probability of payout at the end of the vesting period. The best estimate of the amount that will be paid will be determined by using the historical analysis of the payout made and also taking into consideration any special events that could have resulted in a significant event that could impact the carrying amount. The changes in the carrying value shall be recognised in profit or loss.

Termination benefits

Termination benefits are recognised as an expense when the Company is committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Defined contribution plans

Under defined contribution plans:

- The Company's legal or constructive obligation is limited to the amount that it agrees to contribute to the fund. Thus, the amount of the post-employment benefits received by the employee is determined by the amount of contributions paid by both the employer and employee to a post-employment benefit plan, together with investment returns arising from the contributions; and
- In consequence, actuarial risk (that benefits will be less than expected) and investment risk (that assets invested will be insufficient to meet expected benefits) fall on the employee.

1.14 Provisions and contingencies

Provisions represent liabilities of uncertain timing or amount.

Provisions are recognised when:

- The Company has a present obligation as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation. The amount recognised as a provision is the reasonable estimate of the expenditure required to settle the obligation at the reporting date. Where the effect of discounting is material, the provision is discounted. The discount rate reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Gains from the expected disposal of assets are not taken into account in measuring provisions. Provisions are reviewed at each reporting date and adjusted to reflect the current reasonable estimate. If it is no longer probable that an outflow of resources will be required to settle the obligation, the provision is reversed.

Provisions are not recognised for future operating losses.

A contingent liability is:

- A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- A present obligation that arises from past events but is not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

An entity shall disclose for each class of contingent liability at the end of the reporting period a brief description of the nature of the contingent liability and, where practicable:

- An estimate of its financial effect;
- An indication of the uncertainties relating to the amount or timing of any outflow; and
- The possibility of any reimbursement.

1.15 Irregular Expenditure, Fruitless and Wasteful Expenditure

Irregular expenditure

When confirmed, irregular expenditure must be recorded in the notes to the financial statements. The amount to be recorded in the notes must be equal to the value of the irregular expenditure incurred unless it is impracticable to determine the value thereof.

Where such impracticability exists, the reasons therefore must be provided in the notes.

A receivable related to irregular expenditure is measured at the amount that is expected to be recovered and must be derecognised when the receivable is settled or subsequently written off as irrecoverable.

Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is incurred when the resulting expenditure is made in vain and would have been avoided had reasonable care been exercised.

The financial statements of the public entity must include the following related to fruitless and wasteful expenditure for that financial year:

- Any material losses through criminal conduct and any fruitless and wasteful expenditure that occurred during the financial year;
- Any criminal or disciplinary steps taken as a consequence of fruitless and wasteful expenditure; and
- Any losses recovered or written off.

1.16 Revenue from contracts with customers

Revenue relates to asset management fees, which comprise fees earned on equities, properties, fixed income, and unlisted debt and equities asset classes.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when the revenue should be recognised.

Revenue comprises asset management fees activities, which consist of management fees and property development fees. In terms of IFRS 15, the Company is required to recognise revenue when or as the entity satisfies a performance obligation by transferring a promised service to a customer. The Company, therefore, assessed the impact of IFRS 15 based on the IFRS 15 five-step process as per below:

- The mandate is the contract signed between the client and the Company and is the legally enforceable contract identifying the rights of each party.
- The performance obligation in the mandate is the promise by the Company to manage the clients funds to generate alpha:
 - Revenue is earned in the form of management fees, as management services are rendered, i.e. ongoing management of the investment portfolio, as agreed in terms of the mandates with client;
 - Management fees are calculated based on market value of assets under management and billed in arrears or in advance depending on the mandate, with payment terms of 30 days. Any uncertainty related to the variable consideration will be resolved as at the end of each reporting period. No estimation is required for variable consideration when allocating the transaction price to the performance obligation; and
 - Revenue earned from management fees is recognised over time based on the annual management fees percentage per contract with clients and on direct measurement of the value to the client of the services transferred, i.e. output method. The Company has elected to apply the practical expedient, and therefore it does not adjust the promised amount of consideration for the effect of significant financing components since the payment will be within one year.
- The mandate specifies the transaction price as the expected management fees and performance fee (if any) to be charged.
- The total management fees should be allocated to the single performance obligation - that of managing the portfolio of investments on behalf of clients. Due to the nature of the revenue earned (management fees and /or performance fees), no estimation is required for variable consideration when allocating the transaction price to the performance obligation.

- The Company recognises revenue only when it has satisfied the promised obligation of providing the asset management service and the obligation has been monetised. Revenue of management fees is recognised over time.

The Company's revenue is measured based on the consideration received in the contract with the client excluding Value-Added Taxation (VAT).

1.17 Investment income

Interest is recognised as part of investment income using the effective interest rate method.

Dividends are recognised as part of investment income when the Company's right to receive payment has been established.

1.18 Commitments

Commitments are disclosed where the Company has entered into contractual or Board-approved obligations that are not recognised as liabilities at the reporting date.

Commitments include approved capital expenditure, lease commitments for short-term or low value leases where applicable, contracted operating expenditure and investment commitments.

1.19 Related Party

The entity operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the entity.



1.20 Subsequent events

Events after the reporting period

It is an event, which could be favourable or unfavourable, that occurs between the end of the reporting period and the date that the financial statements are authorised for issue. The Company adjusts its financial statements for events after the reporting period that provide further evidence of conditions that existed at the end of the reporting period, including events that indicate that the going concern assumption in relation to the whole or part of the enterprise is not appropriate. If the Company receives information after the reporting period about conditions that existed at the end of the reporting period, it shall update amounts and disclosures that relate to those conditions in the light of the new information.

The Company does not adjust its financial statements for events or conditions that are indicative of conditions that arose after the reporting period. If the events are material, they will be disclosed in the Annual Financial Statements. If the Company declares dividends after the reporting period, the entity shall not recognise those dividends as a liability at the end of the reporting period but shall disclose those dividends (and related amount per share).

1.21 Comparatives

The Company discloses comparative information for the previous period for all amounts reported in the financial statements, both on the face of the financial statements and in the notes, unless another standard requires otherwise.

1.22 Offsetting

Financial assets and liabilities are offset, and the net amount is reported in the Statement of Financial Position when there is a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Income and expense items are offset only to the extent that their related instruments have been offset in the Statement of Financial Position.

The Company does not offset any assets and liabilities, and income and expenses, unless it is required or permitted by an International Financial Reporting Standard (IFRS).

1.23 Rounding

Figures disclosed in the tables of the Annual Financial Statements and in the notes are in Rand thousands.

2. Adoption of new standard and amendments

In the current year, the Company adopted standards and interpretations that are effective and relevant to the operations. The details of the standards and interpretations are disclosed in note 42.

3. New Standards and Interpretations not yet effective

The Company assessed standards and interpretations that are not yet effective and the details are disclosed in note 42.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

4. Property, Plant and Equipment

Balances at year end and movements for the year.

Reconciliation for the year ended 31 March 2026

Figures in Rand thousand	Leasehold improvements	Motor vehicles	Fixtures and fittings	Office equipment	Computer equipment	Total
Balance at 1 April 2025						
At cost	54,728	409	16,857	19,126	30,264	121,384
Accumulated depreciation	(43,505)	(239)	(14,420)	(16,491)	(15,045)	(89,700)
Carrying amount	11,223	170	2,437	2,635	15,219	31,684

Movements for the year ended 31 March 2026

Additions	-	814	42	109	2,534	3,499
Write-off*	-	-	(2)	-	(401)	(403)
Depreciation	(5,841)	(88)	(1,054)	(936)	(6,687)	(14,606)
Property, plant and equipment at the end of the year	5,382	896	1,423	1,808	10,665	20,174

*Write-off relates to obsolete laptops and furniture. During the financial year, obsolete and damaged assets were written off, as they were no longer fit for use or capable of generating future economic benefits.

Based on management impairment assessment of all asset classes, only the broken furniture was identified as impaired. The impairment assessment was done through an asset count and physical inspection.

Closing balance at 31 March 2026

At cost	54,728	1,223	16,885	19,235	27,320	119,391
Accumulated depreciation	(49,346)	(327)	(15,462)	(17,427)	(16,655)	(99,217)
Carrying amount	5,382	896	1,423	1,808	10,665	20,174

Property, plant and equipment paid

Total additions for the year						3,499
Closing balance						(1,154)
Total additions paid						2,345

4. Property, Plant and Equipment (continued)

Reconciliation for the year ended 31 March 2025

Figures in Rand thousand	Leasehold improvements	Motor vehicles	Fixtures and fittings	Office equipment	Computer equipment	Total
Balance at 1 April 2024						
At cost	54,081	409	16,906	20,820	22,926	115,142
Accumulated depreciation	(37,721)	(188)	(13,432)	(16,099)	(13,846)	(81,286)
Carrying amount	16,360	221	3,474	4,721	9,080	33,856

Movements for the year ended 31 March 2025

Additions	647	-	2	85	12,335	13,069
Write-off**	-	-	-	-	(358)	(358)
Depreciation	(5,784)	(51)	(1,039)	(2,171)	(5,838)	(14,883)
Property, plant and equipment at the end of the year	11,223	170	2,437	2,635	15,219	31,684

**Write-off relates to stolen laptops and broken furniture.

Closing balance at 31 March 2025

At cost	54,728	409	16,857	19,126	30,264	121,384
Accumulated depreciation	(43,505)	(239)	(14,420)	(16,491)	(15,045)	(89,700)
Carrying amount	11,223	170	2,437	2,635	15,219	31,684

5. Intangible Assets

Reconciliation of changes in intangible assets

Reconciliation for the year ended 31 March 2026

Figures in Rand thousand	Computer software	Other intangible asset	Total
Balance at 1 April 2025			
At cost	51,970	479	52,449
Accumulated amortisation	(12,082)	-	(12,082)
Carrying amount	39,888	479	40,367

Movements for the year ended 31 March 2026

Additions	9,540	-	9,540
Write-off **	(13,872)	-	(13,872)
Amortisation	(4,075)	-	(4,075)
Intangible assets at the end of the year	31,481	479	31,960

Computer software

- ☉ This relates to externally generated intangible assets.

** Write-off relates to the derecognition of an unlisted investment system. The system contract was terminated by management on 31 October 2025. The termination resulted in a derecognition loss of R13.7 million.

Other intangible assets

- ☉ This relates to externally generated intangible assets.
- ☉ Included in other intangible assets is an enterprise content management application.

This application has an indefinite useful life. The company will continue to use this application for as long as it continues its operations. This application is not amortised but is tested for impairment annually.

Closing balance at 31 March 2026

At cost	33,188	479	33,667
Accumulated amortisation and impairment	(1,707)	-	(1,707)
Carrying amount	31,481	479	31,960
Total additions for the year			9,540
Closing balance			-
Total additions paid			9,540



5. Intangible Assets (continued)

Figures in Rand thousand	Computer software	Other intangible asset	Total
Reconciliation for the year ended 31 March 2025			
Balance at 1 April 2024			
At cost	44,644	479	45,123
Accumulated amortisation	(943)	-	(943)
Carrying amount	43,701	479	44,180
Movements for the year ended 31 March 2025			
Additions	8,534	-	8,534
Impairment	(6,420)	-	(6,420)
Amortisation	(5,927)	-	(5,927)
Intangible assets at the end of the year	39,888	479	40,367

Computer software

- This relates to externally generated intangible assets.
- Included in the computer software cost is an Unlisted Investment System with a cost of R28 million. In the current year, an impairment assessment was performed due to the Unlisted Investment System not performing in line with the initial business requirement. The assessment resulted in a recoverable amount based on value in use of R20 million and an impairment of R6.4 million.
- The value in use was determined based on the time it will take to complete the project and for the system to be used at full capacity.

Closing balance at 31 March 2025

At cost	51,970	479	52,449
Accumulated amortisation	(12,082)	-	(12,082)
Carrying amount	39,888	479	40,367

6. Investments in Associates

The Company has four associates, namely Harith Fund Managers (Pty) Ltd, Harith General Partners (Pty) Ltd, Bophelo Insurance Group (BIG) (Pty) Ltd and South African SME Fund Ltd (SA SME).

Associates

Harith Fund Managers (Pty) Limited's nature of business is the management of the Pan African Infrastructure Development Fund (PAIDF 1). Harith Fund Managers (Pty) Limited is also responsible, on behalf of the PAIDF 1, for the provision of specified administrative services relating to the operations of the PAIDF 1. Harith Fund Managers (Pty) Limited assists the Company in carrying out its mandate as it relates to infrastructure both in South Africa and the rest of the continent. The life cycle of the PAIDF 1 fund came to an end. The financial year-end of Harith Fund Managers (Pty) Limited is 31 March.

Harith General Partners (Pty) Limited is a company established in South Africa in 2006, specialising in investments in infrastructure projects in energy, transport, rail, port and airports, information and communication technology, water and sanitation and many others, mainly on the African continent. Harith General Partners (Pty) Limited provides fund management and advisory services to the PAIDF 2. PAIDF 2 is still operational. The financial year-end of Harith General Partners (Pty) Limited is 31 March.

BIG is a majority black-owned insurance group. BIG holds two subsidiaries in the life and short-term insurance sector, namely Bophelo Life Insurance Limited (Bophelo Life) and Nzalo Insurance Service Limited (NIS). Bophelo Life is a wholly-owned subsidiary of BIG and is an authorised financial services provider as prescribed by the FAIS Act, and a registered life insurer in terms of the Long-term Insurance Act, No 52 of 1998. NIS is a short-term insurer licensed by the FSCA to underwrite all classes of business as defined in the Short-term Insurance Act of 1998. Bophelo Life and NIS are currently going through liquidation. The financial year-end of BIG is 28 February.

The SA SME Fund was established as part of the CEO Initiative in conjunction with National Treasury and corporate South Africa. The Company's objective is to equity invest in high potential entrepreneurial enterprises in the Small and Medium Enterprises (SME) sector and to build a high-quality mentorship cohort to provide business and other forms of support to SMEs and entrepreneurs funded by the Company. The Company has a right to elect a director in the SA SME Fund. The financial year end of the SA SME Fund is 28 February.

Equity accounting of the associates

The PIC applies the equity method using the most recent financial information available from the associate. For certain associates, audited financial statements were not available at the date on which the PIC's Annual Financial Statements were authorised for issue. In these instances, management used unaudited management accounts or unaudited financial information prepared by the associate.

Management assessed the reliability of the financial information used, including consideration of the associate's reporting processes, consistency with prior periods and subsequent audit information, where available.

Management is satisfied that the unaudited information used for the 2025/26 reporting period provides a reasonable basis for applying the equity method at the reporting date.

The share of the profit from associates for the current year includes adjustments arising from differences between the unaudited financial information used for equity accounting in the prior year and the final signed financial statements of the relevant associate.

6. Investments in Associates (continued)

Figures in Rand thousand		2026	2025	2026	2025
Name of company	% ownership interest	Carrying amount			
Harith Fund Managers (Pty) Ltd	46%	46%	(1,377)	(1,599)	
Harith General Partners (Pty) Ltd	30%	30%	354,772	322,254	
Bophelo Insurance Group (Pty) Ltd	30%	30%	-	-	
South African SME Fund Ltd	7.19%	7.21%	95,603	92,216	
			448,998	412,871	

The PIC has significant influence in SA SME due to the following:

- The PIC is entitled to one seat on the Board of SA SME.
- The PIC (as the asset manager) is involved in decisions about dividends or other distributions.

Associates

The following are the associates of the Company:

			2026	2025
	Country of incorporation	Method	% Ownership interest	
Harith Fund Managers (Pty) Ltd	South Africa	Equity accounting	46%	46%
Harith General Partners (Pty) Ltd	South Africa	Equity accounting	30%	30%
Bophelo Insurance Group (Pty) Ltd	South Africa	Equity accounting	30%	30%
South African SME Fund Ltd*	South Africa	Equity accounting	7.19%	7.21%

*PIC's shareholding was diluted during the current year as a result of one of the shareholders in SA SME exercising its rights to acquire additional shares.

Summarised financial information of material associates

Figures in Rand thousand		2026				
		100% of Associates			PIC Share %	
Summarised statement of profit or loss and other comprehensive income	Revenue	Profit/(loss)	Other comprehensive income	Total comprehensive income	Profit/(loss) attributable to the company	Other comprehensive income attributable to the Company
Harith Fund Managers (Pty) Ltd*	5,335	484	-	484	222	-
Harith General Partners (Pty) Ltd**	161,885	148,908	(914)	147,994	33,253	(735)
South African SME Fund Ltd***	255,790	52,699	-	52,699	3,387	-
	423,010	202,091	(914)	201,177	36,862	(735)

6. Investments in Associates (continued)

*Reconciliation of Profit/(loss) and Other comprehensive income attributable to the Company

Figures in Rand thousand		2026				2025
	Profit/(loss)	Profit/(loss) attributable to the Company	Other comprehensive income	Profit/(loss) adjustment attributable to the Company	Adjustment other comprehensive income	Total Profit/(loss) attributable to the Company
Harith Fund Managers (Pty) Ltd*	484	222	-	-	-	222
Harith General Partners (Pty) Ltd**	148,908	44,673	(274)	(11,420)	(461)	33,253
South African SME Fund Ltd***	52,699	3,790	-	(403)	-	3,387
	202,091	48,685	(274)	(11,823)	(461)	36,862

Summarised statement of financial position	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Total net assets
Harith Fund Managers (Pty) Ltd	-	8,783	-	68	8,715
Harith General Partners (Pty) Ltd	1,322,421	101,364	182,011	135,450	1,106,324
South African SME Fund Ltd	1,536,831	958,531	469,689	298,019	1,727,654
	2,859,252	1,068,678	651,700	433,537	2,842,693

Reconciliation of movement in investment associates	Investment at beginning of financial year	Share of profit	Share of other comprehensive income	Investment at end of the financial year
Harith Fund Managers (Pty) Ltd	(1,599)	222	-	(1,377)
Harith General Partners (Pty) Ltd	322,254	33,253	(735)	354,772
South African SME Fund Ltd	92,216	3,387	-	95,603
	412,871	36,862	(735)	448,998

*The share of the profit from associates for the current year includes adjustments arising from differences between the unaudited financial information used for equity accounting in the prior year and the final signed financial statements of the relevant associate.

6. Investments in Associates (continued)

Figures in Rand thousand

2025

	100% of Associates				PIC Share %	
Summarised statement of profit or loss and other comprehensive income	Revenue	Profit/(loss)	Other comprehensive income	Total comprehensive income	Profit/(loss) attributable to the Company	Other comprehensive income attributable to the Company
Harith Fund Managers (Pty) Ltd*	40,081	599	-	599	338	-
Harith General Partners (Pty) Ltd**	159,046	173,640	(9,931)	163,709	52,414	(2,979)
South African SME Fund Ltd***	186,782	(33,298)	-	(33,298)	(3,137)	-
	385,909	140,941	(9,931)	131,010	49,615	(2,979)

Summarised statement of financial position	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Total net assets
Harith Fund Managers (Pty) Ltd	-	8,239	-	7	8,232
Harith General Partners (Pty) Ltd	1,091,488	81,981	62,067	113,631	997,771
South African SME Fund Ltd	1,240,739	985,148	583,472	25,642	1,616,773
	2,332,227	1,075,368	645,539	139,280	2,622,776

Reconciliation of movement in investments in associates	Investment allowance at beginning of financial year	Share of profit	Dividends received from associates	Investment at end of the financial year
Harith Fund Managers (Pty) Ltd	(1,937)	338	-	(1,599)
Harith General Partners (Pty) Ltd	272,819	52,414	(2,979)	322,254
South African SME Fund Ltd	95,353	(3,137)	-	92,216
	366,235	49,615	(2,979)	412,871

7. Financial Assets and Liabilities at Amortised Cost

The accounting policies for financial instruments have been applied to the line items below:

Financial Assets and Liabilities

Carried at amortised cost

The carrying amount of Financial Assets and Liabilities at amortised cost are approximately fair value

Figures in Rand thousand	2026	2025
Financial assets at amortised cost	362,615	361,567
Trade receivables	328,720	115,129
Bank balances	724,660	559,542
Trade and other payables	(55,321)	(38,414)
Lease liabilities	(108,498)	(101,418)
Loan (note 12)	162,982	-
	1,415,158	896,406

8. Trade and Other Receivables

Trade and other receivables comprise

Figures in Rand thousand	2026	2025
Trade receivables	316,376	107,753
Sundry debtors	9,678	6,407
Prepayments	19,334	24,943
Employee-related control account**	991	1,173
Bank account accrued interest	2,666	969
Total trade and other receivables	349,045	141,245

*Relate to software licences.

**Relate to employee leave termination and counteroffer payment. The Company is recovering the balance in monthly payment

Items included in Trade and other receivables not classified as financial instruments

Prepayment	19,334	24,943
Employee-related control account	991	1,173
Total non-financial instruments included in trade and other receivables	20,325	26,116
Total trade and other receivables, excluding non-financial assets included in trade and other receivables	328,720	115,129
Total trade and other receivables	349,045	141,245



8. Trade and Other Receivables (continued)

Trade receivable reconciliation

The movement in the gross carrying amounts of the trade receivables are also presented in order to assist in the explanation of movements in the loss allowance.

Figures in Rand thousand	2026	2025
Gross carrying amount	316,376	100,501
Loss allowance	-	-
Amortised cost	316,376	100,501

Exposure to credit risk

Trade receivables inherently expose the Company to credit risk, being the risk that the Company will incur financial loss if customers fail to make payments as they fall due. To mitigate the risk of financial loss from defaults, the Company deals only with reputable clients with consistent payment histories. The exposure to credit risk and the creditworthiness of customers is continuously monitored.

IFRS 9 requires an assessment to be performed of the credit risk of a financial asset at the valuation date, compared with the credit risk as at inception to determine whether a significant increase in credit risk has occurred.

The significant increase in credit risk assessment is done at a client level.

A client is considered to have experienced a significant increase in credit risk and will transition to stage 2 when:

- Amounts past due (arrears) exceed 30 days (rebuttable presumption);
- The client is on PIC's watch list and is categorised as high risk; or
- A deterioration in probability of default occurred.

A financial asset is considered in default when the amount is in arrears for more than 60 days.

There have been no significant changes in credit risk management policies and processes since the prior reporting period. The average credit period on trade receivables is 30 days (2025: 30 days). No interest is charged on outstanding trade receivables.

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables that have been written off are not subject to enforcement activities.

8. Trade and Other Receivables (continued)

The Company measures the loss allowance for trade receivables by applying the general approach as described by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as a 12-month expected loss allowance. The approach has been developed by considering the following:

- Past default experience of the debtors;
- Information for estimating occurrence of default events within 12 months from the reporting date;
- Information for estimating occurrence of default events within the life of the instrument and their probable outcomes;
- If any, instrument credit risk and identifying its significant increase;
- Percentage of financial instruments with related parties;
- Percentage of financial instruments based on mandates with related parties and method of collection;
- Type of organisation where the financial instruments are held, i.e., state-owned entity or Pension Fund;
- Whether the Pension Fund is fully funded or not; and
- All signed mandates with clients and method of collection as a fund manager.

Trade and other receivables are categorised as stage 1.

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

Measurement of trade receivable ECL:

- 99.84% of trade receivables are PIC clients that are also related parties;
- Revenue from the related parties is based on mandate agreements with clients;
- 100% of these related parties are state-owned, with significantly low risk of cash flow problems;
- The PIC has control over the collection of management fees; and
- Based on historical data, there has not been an impairment on any revenue due from clients.

Based on the above and low risk of default, management has not recognised the ECL provision on trade receivables.

9. Deferred Tax

Figures in Rand thousand	2026	2025
Deferred tax		
Leave pay	9,297	8,369
Prepayments	(3,285)	(4,915)
Unrealised profit/loss on fair value financial instrument	(161,805)	(26,614)
Short-term incentive provision	51,518	29,577
Long-term incentive provision	63,774	50,083
Intangible assets	-	1,733
Right-of-use	(16,945)	(13,917)
Lease liability	29,295	27,383
Total deferred tax asset	(28,151)	71,700
Deferred tax liability to be recovered after more than 12 months	(28,151)	-
	(28,151)	-
Net deferred tax (liabilities) / assets	(28,151)	71,700

The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

Deferred tax asset	(28,151)	71,700
Reconciliation of deferred tax asset / (liability)		
At the beginning of the year	71,700	150,558
Leave pay	928	878
Prepayment	1,629	(630)
Unrealised profit/loss on fair value financial instrument	(135,191)	(75,189)
Short-term incentive provision	21,941	(2,500)
Long-term incentive provision	13,692	(43)
Intangible assets	(1,734)	1,734
Right-of-use	(3,028)	5,050
Lease liability	1,912	(8,158)
	(28,151)	71,700

10. Current tax liabilities

Opening Balance	50,959	67,861
Raised during the year	179,139	70,228
Tax paid during the year	(188,830)	(87,130)
Tax refunded from prior year	-	-
	41,268	50,959

11. Listed Investments at Fair Value Through Profit or Loss

All financial assets at fair value through profit or loss are designated at initial recognition, and subsequently measured at fair value.

Listed investments at fair value through profit or loss comprise the following balances

Figures in Rand thousand	2026	2025
Listed Shares	1,821,322	1,488,293
Bonds	2,021,346	1,760,472
	3,842,668	3,248,765

Listed investments at fair value through profit or loss addition

Listed Shares	182,720	209,917
Bonds	397,083	53,020
Total additions	579,803	262,937

Listed investments at fair value through profit or loss disposal

Listed Shares	171,960	110,675
Bonds	291,796	83,144
Total disposal	463,756	193,819

Financial Assets at fair value through profit or loss

The fair values of the financial assets were determined as follows:

- The fair values of listed or quoted investments are based on the quoted market price at reporting date.

For investment in debt securities classified at fair value through profit or loss, the maximum exposure to credit risk at the reporting date is the carrying amount.

The maximum exposure to credit risk at the reporting date is the fair value of each class of financial instrument mentioned above and the fair value of the trade and other receivable, which is disclosed in note 8. The Company has not pledged any of the financial assets at fair value as security.

Financial instruments measured at fair value are classified into a hierarchy that reflects the significance of the inputs used in making the measurements. The hierarchy of all the financial instruments is level 1. Level 1 inputs are quoted prices in active markets for identical assets, which are observable for the assets, either directly or indirectly.

11. Listed Investments at Fair Value Through Profit or Loss (continued)

Credit quality of Financial Assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

Financial Assets at fair value through profit or loss

Figures in Rand thousand	2026	2025
A	151,748	-
A+	1,841	1,699
AA-	-	9,961
AAA	1,865,072	1,605,480
BBB	-	-
BBB+	-	139,589
Other	1,824,007	1,492,036
	3,842,668	3,248,765

12. Financial Assets at amortised cost

Figures in Rand thousand	2026	2025
Fixed Deposit	362,615	361,567
Loan	162,982	-
	525,597	361,567
Non-current assets	162,982	-
Current assets	362,615	361,567
	525,597	361,567

Financial Assets at amortised cost addition

Fixed Deposit	640,000	795,000
Loan	150,000	-
Total additions	790,000	795,000

Financial Assets at amortised cost disposal

Fixed deposit	645,000	610,000
Total additions	645,000	610,000

12. Financial Assets at amortised cost (continued)

Exposure to credit risk

Fixed deposits and loans inherently expose the Company to credit risk, being the risk that the Company will incur financial loss if counterparties fail to make payments as they fall due.

Credit loss allowances

The following tables show the movement in the loss allowance for fixed deposits and loans.

The movement in the gross carrying amounts of the fixed deposits and loans is presented to assist in the explanation of the movement.

Figures in Rand thousand							2026
Instrument	Basis of loss allowance	External credit rating (where applicable)	Rating agency	Weighted average loss rate	Gross carrying amount	Loss allowance	Amortised cost
Fixed deposit	12-month ECL	AAA	Fitch	0%	298,156	-	298,156
Fixed deposit	12-month ECL	AA+	Fitch	0%	64,459	-	64,459
Loan	Lifetime ECL	N/A	N/A	0%	162,982	-	162,982
					525,597	-	525,597

Figures in Rand thousand							2025
Instrument	Basis of loss allowance	External credit rating (where applicable)	Rating agency	Weighted average loss rate	Gross carrying amount	Loss allowance	Amortised cost
Fixed deposit	12-month ECL	AA+	Fitch	0%	361,567	-	361,567
					361,567	-	361,567

Reconciliation of loss allowances

The following tables show the movement in the loss allowances for investments in financial assets which are measured at amortised cost. The movement in the gross carrying amounts of the investments are also presented in order to assist in the explanation of movements in the loss allowance.

Promissory notes: Loss allowance measured at life-time:

Figures in Rand thousand		2026	2025
Opening balance		-	454
Movement for the year		-	(454)
Closing balance		-	-



12. Financial Assets at amortised cost (continued)

Daybreak

Following prolonged liquidity stress and operational deterioration, Daybreak entered business rescue on 12 June 2025. The rescue process has since been directed at stabilising a substantially impaired operating base, with only limited breeder and hatchery activities remaining active at the date of the rescue plan.

On 26 June 2025, the Company granted a loan of R150 million to Daybreak. The purpose of the loan was to assist with the liquidity requirements of the business rescue process and the preservation of sustainable jobs.

ECL Considerations

Management performed an analysis and concluded that the probability of default (PD) should be 100% based on the following:

- Daybreak is in business rescue, is insolvent, and, based on discussions with Daybreak's management, is currently unable to service either interest or capital from its operating position.
- Trading remains materially impaired and below historical scale.
- Operations have been materially curtailed, with only limited breeder and hatchery activity and a delayed restart of the broader integrated platform.
- Revenue has declined sharply.
- The business remains dependent on external funding/post-commencement finance to continue operating.
- Available financial information has been described as materially misstated, with the 31 March 2024 Annual Financial Statements having received a disclaimer of opinion.
- Governance, control and cash flow challenges remain evident.

Loss Given Default (LGD) range of 0% to 25% considered in line with the range suggested by the foundation internal-ratings based approach ("Foundation IRB") in Basel (CRE32 – IRB approach: risk components).

An LGD of 0% is deemed appropriate given the following:

The Company considered the available collateral. Based on the collateral assessment performed, the collateral-to-loan coverage ratio is 174.1%, indicating that the fair value of collateral held exceeds the total exposure at default of R162.9 million. Accordingly, while objective indicators of

impairment are present at the borrower level and the loan is classified as Stage 3 and credit-impaired, requiring a lifetime ECL assessment, the exposure is considered fully collateralised. No impairment loss allowance is recognised on the loan on the basis of the current collateral coverage, as the expected shortfall between the carrying amount and the present value of estimated future cash flows (including those from realisation of collateral) is assessed as nil.

Collateral

The loan is secured by mortgages over properties and are shared equally by four lenders under the security sharing agreement. In terms of the security sharing agreement, the loans ranking pari passu. Total collateral value of R851 million was apportioned equally between loans drawn down at 31 March 2026.

Amount arising from ECL

Inputs, assumptions and techniques for estimating impairment.

Significant increase in credit risk.

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit assessment and including forward-looking information.

The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:

- The remaining lifetime probability of default (PD) as at the reporting date, with
- The remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure (adjusted where appropriate for changes in prepayment expectations).

The Company uses three criteria for determining whether there has been a significant increase in credit risk:

- A quantitative test based on movement in PD;
- Qualitative indicators;
- A backstop of 30 days past due.

12. Financial Assets at amortised cost (continued)

Credit risk grades

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of counterparty.

Credit risk grades are defined and calibrated such that the risk of default occurring increases exponentially as the credit risk grade deteriorates. Each exposure is allocated to a credit risk grade on initial recognition based on available information about the counterparties. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade. The monitoring typically involves use of the following data:

- Data from credit reference agencies, press articles, changes in external credit ratings; and
- Actual and expected significant changes in the political, regulatory and technological environment of the counterparties.

Credit risk grades are a primary input into the determination of the term structure of PD for exposures. The Company collects performance and default information about its credit risk exposures analysed by asset class as well as by credit risk grading. For the asset class financial assets, information purchased from external credit reference agencies is used.

The Company employs a methodology to analyse the data collected and generates estimates of the remaining lifetime PD of exposures and how these are expected to change over time. As a general indicator, the credit risk of a particular exposure is deemed to have increased significantly since initial recognition if, based on the Company's quantitative data:

- Credit risk grades are determined to have deteriorated by more than two notches; and
- The remaining lifetime PD is determined to have increased by more than 1% of the corresponding amount estimated on initial recognition.

Credit risk may also be deemed to have increased significantly since initial recognition based on qualitative factors linked to the Company's credit risk management processes that may not otherwise be fully reflected in its quantitative analysis on a timely basis.

As a backstop, the Company considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date on which full payment has not been received.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured at 12-month ECL.

Definition of default

The Company considers a financial asset to be in default when:

- The borrower or counterparty is unlikely to pay its credit obligations to the Company in full.
- The borrower or counterparty is more than 60 days past due on any material credit obligation to the Company.
- It is becoming probable that the borrower or counterparty will restructure the asset as a result of bankruptcy due to its inability to pay its obligations.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Incorporation of forward-looking information

The Company incorporates forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL.

The Company has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated if there are any significant effects as a result of changes in key drivers, i.e. GDP growth and interest rate.



12. Financial Assets at amortised cost (continued)

Measurement of ECL

The key inputs into the measurement of ECL are the term structure of the following variables:

- Probability of default (PD);
- Loss given default (LGD); and exposure at default (EAD).

ECL for exposures in stage 1 are calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL is calculated by multiplying the lifetime PD by LGD and EAD.

Credit rating methodology is used to estimate the PD.

LGD is the magnitude of the likely loss if there is a default. The LGD was set at 45% for senior unsecured debt. EAD represents the expected exposure in the event of a default. The Company derives the EAD from the current exposure to the counterparty. The EAD of a financial asset is its gross carrying amount at the time of default.

Exposure to liquidity risk

The key measure used by the Company for managing liquidity risk is the ratio of net liquid assets to short-term funding. For this purpose, 'net liquid assets' includes cash and cash equivalents and investment-grade debt securities for which there is an active and liquid market, divided by commitments maturing within the next month.

13. Cash and Cash Equivalents

Cash and cash equivalents consist of:

Figures in Rand thousand	2026	2025
Cash		
Cash on hand	9	3
Balances with banks	458,485	119,903
	458,494	119,906
Cash equivalents		
Short term deposits	244,648	418,118
Cash Balance with banks pledged as security	7,518	21,518
	252,166	439,636
Other cash and cash equivalents	14,000	-
Total cash and cash equivalents	724,660	559,542

13. Cash and Cash Equivalents (continued)

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

Figures in Rand thousand	2026	2025
Credit rating		
AAA	206,358	-
AA+	518,293	559,539
AA	-	-
	724,651	559,539

Cash and cash equivalents pledged as security

The PIC is involved in a Labour dispute with a former Executive. The Labour Relations Act (Section 145(7)) requires that the PIC provide security (guarantee) to the satisfaction of the Labour Court, in accordance with subsection (8). Subsection (8) states that security furnished should be equivalent to 24 months' remuneration or equivalent to the amount of compensation awarded. The security provided by PIC is equivalent to 24 months' remuneration and is kept in a separate account which is not part of the PIC operations.

7,518	21,518
-------	--------

Cash and cash equivalents pledged as security decreased by R14 million during the current period. This reduction follows the Labour Court's decision to set aside the arbitration award issued on 6 September 2022 to a former PIC executive. As a result, the guarantee of R14 million that had been provided by the PIC in relation to this award is no longer required.

Short-term deposits

For fair presentation in reflecting the Company's short-term cash commitments, management has diverged regarding the application of IAS 7, paragraph 7, to present financial assets at amortised cost as cash equivalents on the basis of the three-months remaining period to maturity at the financial position date rather than from its acquisition date.

Management has determined that the presentation of a statement of cash flows would not provide relevant or reliable information to users of the financial statements and would be misleading in the context of the Company's specific circumstances.

The Company operates a Fund that has a purpose of both investment and short-term cash commitments. Fixed deposits that are 3 months and below to maturity are disclosed as cash equivalents, as they are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value. The departure is only based on the initial classification when the fixed deposit would be longer than 3 months to maturity. The PICO mandate requires that fixed deposits be benchmarked against the STeFI Index, which reflects the average performance of short-term fixed-income instruments with an average duration of 180 days.

This departure is made to achieve a fair presentation of the Company's financial position and performance, as required by IAS 1. The disclosure provides users with sufficient information to understand the Company's liquidity and financial adaptability.

Had management not diverged regarding the application of IAS 7, paragraph 7, to present financial assets at amortised cost as cash equivalents on the basis of the three-month remaining period to maturity at the financial position date rather than from the acquisition date, cash and cash equivalents would have been less by R244,648 (2026) and R418,118 (2025). Financial assets at amortised cost (Note 12) would have been more by R244,648 (2026) and R418,118 (2025).

14. Issued Capital

Authorised and issued share capital

Figures in Rand thousand	2026	2025
Authorised		
100 ordinary shares of R10 each	1	1
Issued		
100 ordinary shares of R10 each	1	1

15. Foreign Currency Translation Reserve

Translation reserve comprises exchange differences on consolidation of foreign subsidiaries from associates.

Figures in Rand thousand	2026	2025
Opening balance	33,075	36,738
Foreign currency translation	(735)	(2,979)
Transfer to retained earnings	-	(684)
Closing balance	32,340	33,075

16. Non-distributable reserves

Figures in Rand thousand	2026	2025
Non-distributable reserves		
Reserves*	935,592	935,592

*Relate to the anticipated acquisition of the office building for the Company.

Other non-distributable reserves		
Foreign currency translation reserve (Note 15)	32,340	33,075
Non-distributable reserves (Note 16)	935,592	935,592
Closing balance	967,932	968,667

17. Employee Benefits

Reconciliation of Employee Benefits - 2026

Figures in Rand thousand	Opening balance	Raised	Utilised during the year	Reversed/ adjustment during the year	Accrued interest	Total
Leave pay	30,997	50,140	(41,333)	(5,370)	-	34,434
Long-term incentives	185,492	96,738	(62,810)	3,169	13,611	236,200
Short-term incentives	109,545	190,200	(108,936)	-	-	190,809
	326,034	337,078	(213,079)	(2,201)	13,611	461,443

Reconciliation of Employee Benefits - 2025

Figures in Rand thousand	Opening balance	Raised	Utilised during the year	Reversed/ adjustment during the year	Accrued interest	Total
Leave pay	27,744	47,451	(40,276)	(3,922)	-	30,997
Long-term incentives	185,649	47,689	(54,477)	(2,957)	9,588	185,492
Short-term incentives	118,805	104,429	(108,325)	(5,364)	-	109,545
	332,198	199,569	(203,078)	(12,243)	9,588	326,034

Figures in Rand thousand	2026	2025
Employee Benefits	175,832	98,898
Non-current portion	175,832	98,898
Employee Benefits	285,611	227,136
Current portion	285,611	227,136
	461,443	326,034



17. Employee Benefits (continued)

Accrued Leave

The Company accrues in full the employees' rights to annual leave entitlement in respect of past service. This is expensed over the period the services are rendered. The leave provision is recognised as a liability and expected to be settled within 12 months after the end of the period in which the employees render the related services.

Short-term employee benefits

The Short-Term Incentives (STI) scheme of R191 million (2025: R110 million) has been recognised as a provision.

The STI pool is measured at 64% of a certain percentage (based on the Company score as per the remuneration policy) of the profit before tax.

The incentive pool must be approved by the Board after year-end before payout. At year-end, there is uncertainty regarding the bonus pool since this is at the discretion of the Board.

The STI is recognised and accrued in the year the service was rendered, but only paid after the financial statements are approved by the Board. The trigger for the payment of the STI is if the Company has made at least 10% of the net income over management fees and achieves a performance rating of three.

Long-term employee benefits

The Long-Term Incentives (LTI) scheme is R236 million (2025: R185 million).

The LTI pool is measured at 36% of a certain percentage (based on the Company score as per the remuneration policy) of the profit before tax. The assumption includes a % of probability of payment and considers time value of money (if material).

The LTI pool must be approved by the Board after year-end before payout. At year-end, there is uncertainty regarding the bonus pool since this is at the discretion of the Board.

The LTI is recognised and accrued in the year the service was rendered, but only paid after the vesting period. The trigger for the allocation of the LTI is if the Company has made at least 10% of the net income over management fees and achieves a performance rating of three.

The scheme is to attract, retain and reward high-performing management. The Company's management is eligible to participate in the LTI scheme only if the Company achieves an overall performance rating of three and if a manager achieves a minimum individual performance rating of 3.5.

18. Trade and Other Payables

Trade and other payables comprise:

Figures in Rand thousand	2026	2025
Trade payables	33,084	20,360
Accrued liabilities	20,336	18,054
Other payables	1,901	-
Value-added tax	43,576	3,467
Total trade and other payables	98,897	41,881
Items included in trade and other payables not classified as financial liabilities		
Value-added tax	43,576	3,467
Total trade and other payables excluding non-financial liabilities included in trade and other payables	55,321	38,414
Total trade and other payables	98,897	41,881

19. Right-of-Use and Lease Liabilities

Details pertaining to leasing arrangements, where the Company is the lessee, are presented below:

Net carrying amounts of right-of-use assets

The carrying amounts of right-of-use assets are as follows:

Figures in Rand thousand	2026	2025
Office Buildings – Cost	302,397	269,766
Office Buildings – Accumulated Depreciation	(241,993)	(221,857)
IT Equipment – Cost	4,501	4,501
IT Equipment – Accumulated Depreciation	(2,925)	(2,025)
Office Equipment – Cost	1,907	1,907
Office Equipment – Accumulated Depreciation	(1,129)	(748)
Total right of use assets carrying amount	62,758	51,544



19. Right-of-Use and Lease liabilities (continued)

The Office Buildings, IT equipment and Office Equipment leases are subject to the following terms:

Menlyn Maine

- Office building leased by the PIC situated on the corner Aramist and Corobay Avenues, Waterkloof Glen Extension 2, Gauteng.
- Lease term is nine years and ten months.
- Remaining term at 31 March 2026 is three years.
- No option to extend, no option to purchase, the lease payments are not linked to an index and no termination option.

Printers

- Printers leased by the PIC for operations.
- Lease term three years and two years extension period.
- Remaining term at 31 March 2026 is two years extension period.
- No option to purchase, the lease payments are not linked to an index and no termination option.

Security scanners

- Security Scanners leased by the PIC for operations.
- Lease term 5 years with no option for an extension period.
- Remaining term at 31 March 2026 is two years and one month.
- No option to purchase; the lease payments are not linked to an index and no termination option.

Additions to right-of-use assets

Figures in Rand thousand	2026	2025
Office Buildings	32,631	-

Depreciation recognised on right-of-use assets

Depreciation recognised on each class of right-of-use assets, is presented below. It includes depreciation which has been expensed in the total depreciation charge in profit or loss (note 22), as well as depreciation which has been capitalised to the cost of other assets.

Figures in Rand thousand	2026	2025
Buildings	20,136	17,422
Office equipment	381	381
IT equipment	900	900
Closing balance	21,417	18,703

19. Right-of-Use and Lease liabilities (continued)

Other disclosures

Figures in Rand thousand	2026	2025
Interest expense on lease liabilities	8,439	8,226
Lease interest paid	8,428	8,215
Lease liability capital paid	25,562	30,224
Total cash outflow from leases	33,990	38,439

Lease liabilities

The maturity analysis of lease liabilities is as follows:

Figures in Rand thousand	2026	2025
Within one year	38,753	40,807
Two to five years	82,001	70,813
	120,754	111,620
Less finance charges component	(12,256)	(10,202)
	108,498	101,418
Non-current liabilities	76,199	66,563
Current liabilities	32,299	34,855
	108,498	101,418

20. Revenue

Figures in Rand thousand	2026	2025
Revenue from contracts with customers		
Management fees	1,726,425	1,307,928

Disaggregation of revenue from contracts with clients

The Company disaggregates revenue from clients as follows:

Revenue by clients

Associated Institution Pension Fund	-	4,967
Compensation Commissioner Fund	27,509	22,403
Compensation Commissioner Pension Fund	43,368	37,092
Government Employees Pension Fund	1,485,877	1,053,185
Old Mutual Ltd	684	575
National Skills Fund	3,643	3,420
PIC Other Clients	6,738	6,655
Political Office Bearers Pension Fund	477	398
RDP Fund	9,627	7,999
Temporary Employees Pension Fund	-	123
Unemployment Insurance Fund	145,856	164,899
The Department of Science and Innovation	2,646	6,212
	1,726,425	1,307,928

The following table indicates the management fees recognised per underlying investment asset class:

Equities*	808,163	479,274
Fixed Income*	347,484	232,691
Properties**	167,785	145,551
Unlisted debts and equities (excluding properties)***	402,993	450,412
	1,726,425	1,307,928

*Listed equities and fixed income management fees have increased largely due to additional revenue generated from an increase in basis points in the management fees, effective 1 April, 2025 and the good performance in the Assets Under Management.

For the twelve-month period ending 31 March 2026, assets under management (AuM) rose by 19.94%, closing at R3.657 trillion. The actual growth in assets, excluding the impact of net cash flows was 22.8%. At some point during the month of February 2026, total AuM was at R3.958 trillion but subsequently declined by over R300 billion following the Iran war. The formation of the Government of National

Unity (GNU) following the 2024 elections brought stability and pro-growth sentiment, boosting the JSE and PIC AuM. The continued upward trajectory in the PIC's AuM since April 2025 was primarily driven by strong local market returns.

**Property management fees have increased by 15% due to the acquisition of the portfolio and completion of property development.

***Unlisted debts and equities (excluding properties) management fees decreased by 10% due to repayment of debt instruments and lower deployment rate in the current year.

21. Other Operating Income

Other income comprises:

Figures in Rand thousand	2026	2025
Board fees	3,121	4,575
Other income	2,183	1,552
	5,304	6,127

22. Operating Profit (Loss)

Profit from operating activities includes the following separately disclosable items

Figures in Rand thousand	2026	2025
Other operating expenses		
Property plant and equipment	14,606	14,883
- depreciation		
Intangible assets		
- amortisation	4,075	5,927
- impairment loss	-	6,420
- derecognition loss**	13,872	-
* Amortisation was lower in the prior year due to the derecognition of the unlisted investment system.		
**The derecognition loss relates to the derecognition of the unlisted investment system.		
Right-of-use assets		
- depreciation	21,417	18,703
Financial assets		
- impairment movement	-	(455)
Auditor's remuneration - external		
Audit fees	18,747	17,487



22. Operating Profit (Loss) (continued)

Figures in Rand thousand	2026	2025
Other material items requiring separate disclosure		
Remuneration other than to employees		
Consulting and professional services*	60,809	32,606
*Consultancy and professional fees have increased due to Internal Audit and Risk consulting costs: financial model review, Global Investment Performance Standard verification and Internal Audit investigations.		
Leases		
Short-term leases	349	312
Unrealised (gain) or loss on fair value investments	(500,708)	(278,476)
(Profit) or loss on foreign payment	(6,949)	(5,086)
Employee costs		
Salaries, wages, bonuses and other benefits	799,617	667,150
Retirement benefit plans: defined contribution expense	40,000	38,625
Long-term employee incentive scheme	99,908	44,732
Total employee costs	939,525	750,507
Employee costs incentives (STI & LTI) increased due to an increase in profit before tax, as the bonus pool is linked to profit before tax as per the remuneration policy.		
Expenses by nature		
Employee costs	939,525	750,506
Lease expenses	349	312
Depreciation, amortisation and impairment	40,098	45,933
Other expenses	446,605	442,308
	1,426,577	1,239,059

22. Operating Profit (Loss) (continued)

Executive Committee 2026 (Exco) Remuneration

Figures in Rand thousand	Emoluments	Short-term incentive allocation	Long-term incentive allocation	Other	Total
Mosidi M	5,539	2,216	1,107	12	8,874
Solomon R	6,984	2,794	1,397	12	11,187
Van Heerden A*	8,833	-	-	11	8,844
Manyumwa T**	2,719	816	1,088	6	4,629
	24,075	5,826	3,592	41	33,534

*Mr Van Heerden was appointed as acting Chief Investment Officer (CIO) on 3 October 2025 and served in this capacity until his retirement on 28 February 2026. Following his retirement, he was reappointed with effect from 1 March 2026 on a fixed term contract to continue serving in an acting capacity as Chief Investment Officer (CIO) until 13 July 2026.

**Mr Manyumwa was appointed on 3 October 2025 as Acting Chief Risk Officer.

Executive Committee 2025 (Exco) Remuneration

Figures in Rand thousand	Emoluments	Short-term incentive allocation	Long-term incentive allocation	Other	Total
Mosidi M	5,331	1,066	533	12	6,942
Hako V*	2,307	-	-	10,790	13,097
Solomon R	6,513	1,491	745	12	8,761
Van Heerden A	7,573	1,515	757	12	9,857
	21,724	4,072	2,035	10,826	38,657

*Mr Hako resigned on 19 August 2024. The other amount is based on a settlement agreement.



23. Investment income

Investment income comprises:

Investment income is derived from the investments under the PIC Operating Fund. The increase of 12.6% is due to the outperformance of the fund.

Figures in Rand thousand	2026	2025
Interest income - Bank balances, fixed deposits and bonds	241,499	225,988
Dividend income - Local Listed investments	86,898	65,655
Total investment income	328,397	291,643
Cash interest received		
Opening balance	329,392	290,248
Interest for the year	241,499	225,988
Closing balance	(325,570)	(329,392)
Cash interest received	245,321	186,844
Cash dividend received		
Opening balance	5,351	7,050
Interest for the year	86,898	65,655
Closing balance	(8,606)	(5,351)
Cash dividend received	83,643	67,354

24. Interest Paid

Interest expense on lease liabilities	8,439	8,226
Other interest	14,344	25,919
Total interest	22,783	34,145
Interest paid (Cash flow statement)		
Interest expense on lease liabilities	8,428	8,215
Other interest	732	16,331
Total interest paid	9,160	24,546

25. Taxation

Income tax recognised in profit or loss:

Figures in Rand thousand	2026	2025
Current tax		
Current year	179,139	70,228
Deferred tax		
Originating and reversing temporary differences	99,851	78,858
Total taxation	278,990	149,086
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense		
Accounting profit before tax	1,148,336	661,041
Tax at the applicable tax rate of 27% (2025: 27%)	310,051	178,481
Tax effect of Non-deductible expenses	2,354	1,728
Tax exempt income	(33,415)	(31,123)
Tax charge	278,990	149,086

26. Cash Flows from Operating Activities

Figures in Rand thousand	Note(s)	2026	2025
Profit for the year		869,346	511,955
Adjustments for:			
Income tax expense	25	278,990	149,086
Investment income	23	(328,397)	(291,643)
Interest paid	24	22,783	34,145
Depreciation and amortisation expense	22	40,098	39,513
Impairment loss (reversal) on financial assets at amortised cost	22	-	(25,390)
Intangible assets impairment	22	-	6,420
Unrealised loss (gain) on financial assets at fair value through profit/loss	22	(500,708)	(278,476)
Income from equity accounted investments	6	(36,862)	(49,615)
Write off of property, plant, equipment and intangible assets	22	14,274	358
Movement in provision		121,797	(15,752)
Change in working capital:			
Trade and other receivables		(204,545)	218,958
Trade and other payables		55,862	(12,297)
Net cash flows from operations		332,638	287,262

27. Dividends Payable

Dividends paid are calculated as follows:

Figures in Rand thousand	2026	2025
Dividend declared	-	145,000
Dividends paid	-	(145,000)
Balance at the end of the year	-	-

28. Dividends proposed, declared and paid

No dividend declared in the current year.

29. Income Tax Paid

Income tax paid is calculated as follows:

Balance at beginning of the year	(50,959)	(67,861)
Current tax for the year recognised in profit or loss	(179,139)	(70,228)
(Tax refund)/Additional payment	-	-
Balance at end of the year	41,267	50,959
Income tax paid	(188,831)	(87,130)

30. Changes in liabilities arising from financing activities

Reconciliation of liabilities arising from financing activities - 2026

Figures in Rand thousand	Opening balance	New leases	Interest accrued	Total non-cash movements	Cash flows	Closing balance
Lease liabilities	101,418	32,631	8,439	41,070	(33,990)	108,498
Total liabilities from financing activities	101,418	32,631	8,439	41,070	(33,990)	108,498

Reconciliation of liabilities arising from financing activities - 2025

	Opening balance	New leases	Interest accrued	Total non-cash movements	Cash flows	Closing balance
Lease liabilities	131,631	-	8,226	8,226	(38,439)	101,418
Total liabilities from financing activities	131,631	-	8,226	8,226	(38,439)	101,418

31. Commitments

Capital expenditure, information technology cost and investments

Figures in Rand thousand	2026	2025
Contracted capex	74	1,062
Within one year	74	1,062
In second to fifth year inclusive	-	-
Uncontracted capex	311,992	108,601
Within one year	240,619	34,191
In second to fifth year inclusive	71,373	74,410
Contracted Operation	549,367	489,513
Within one year	246,120	240,804
In second to fifth year inclusive	303,247	248,709
Total	861,433	599,176

Commitments include all items of capital expenditure, information technology costs and investments for which specific Board approval has been obtained up to the reporting date.

Commitments		
- Within one year	486,813	276,057
- In second to fifth year inclusive	374,620	323,119
Total	861,433	599,176

32. Related Parties

Relationships

Ultimate shareholder	National Government of the Republic of South Africa
Shareholder	National Government of the Republic of South Africa

Figures in Rand thousand	2026	2025
Related-party balances		
Amounts included in trade receivable (trade payable) regarding related parties		
Associated Institutions Pension Fund	-	504
Compensation Commissioner Pension Fund	2,913	4,160
Compensation Commissioner Fund	6,613	2,340
Government Employees Pension Fund	269,694	85,527
National Skills Fund	388	319
Other PIC Clients	668	646
Political Office Bearers Pension Fund	50	41
RDP Fund	880	771
Temporary Employees Pension Fund	-	12
The Department of Science and Innovation	-	-
Unemployment Insurance Fund	34,661	2,161
Services delivered	315,867	96,481
Related party transactions		
Services delivered		
State-controlled entities and national departments	1,726,425	1,307,928
Purchased services		
Financial Sector Conduct Authority	(3,018)	(3,092)
South African Broadcasting Corporation	(20)	-
Compensation Commissioner	(445)	(308)
South African Revenue Service	(188,830)	(87,131)
SITA Government Technology	(54,000)	-
GEPI	(140,000)	-
Compensation to directors and other key management		
Short-term employee benefits - salaries and incentive scheme	65,503	46,039
Benefits - pension, defined contribution plan. 6 key management under this plan	4,980	4,963
Long-term employee benefits - incentive scheme	6,265	4,939
	76,748	55,941

The PIC is part of the national sphere of government and its related parties include national departments, public entities as per National Treasury consolidation instruction relating to inter-entity and other institutions reporting to the Executive Authority (National Treasury).

33. Directors' Emoluments

Executive Directors 2026

Figures in Rand thousand	Emoluments	Short-term incentive allocation	Long-term incentive allocation	Other	Total
A Sithole*	4,369	-	-	4	4,373
P Dlamini**	7,859	3,144	1,572	8	12,583
K Rikhotso***	8,003	-	-	9,433	17,436
B Damoyi	5,506	2,202	1,101	12	8,821
	25,737	5,346	2,673	9,457	43,213

* Mr Sithole's contract ended on 30 June 2025.

**Mr Dlamini was appointed as the CEO on 01 July 2025.

***Mr Rikhotso resigned with effect from 28 February 2026. The "Other" amount relates to a settlement arrangement concluded in connection with his departure.

Executive Directors 2025

Figures in Rand thousand	Emoluments	Short-term incentive allocation	Long-term incentive allocation	Other	Total
A Sithole	10,506	2,627	1,313	12	14,458
K Rikhotso	8,488	2,122	1,061	12	11,683
B Damoyi	5,289	1,058	529	12	6,888
	24,283	5,807	2,903	36	33,029

33. Directors' Emoluments (continued)

Non-Executive Directors 2026

Figures in Rand thousand	Meeting attendance	Retainer fees	Total
Directors' emoluments for service as directors			
T Ramano*	719	-	719
B Bouwer*	815	-	815
M Maluleke	902	234	1,136
B Dumisa*	654	-	654
B Watson*	453	-	453
N Mtoba*	604	-	604
W Hlaise*	711	-	711
L Mulaudzi*	431	-	431
N Balfour**	263	128	391
L Makwetla**	220	128	348
M Shiburi**	238	128	366
L Motshwane**	237	128	365
N Nkosi**	266	128	394
B Boikanyo**	245	128	373
M Maseko***	152	101	253
D Kobe**	154	128	282
	7,064	1,231	8,295

*Contract ended 14 September 2025.

**Appointed 15 September 2025.

***Appointed 29 October 2025.

****Dr Masondo and Ms Bodewig do not receive remuneration as they are employed by the State.

Non-Executive Directors 2025

Figures in Rand thousand	Meeting attendance	Retainer fees	Total
Directors' emoluments for service as directors			
T Ramano	937	361	1,298
B Bouwer	1,365	352	1,717
M Maluleke	720	352	1,072
B Dumisa	813	221	1,034
B Watson	717	361	1,078
N Mtoba	863	504	1,367
F Baleni*	663	295	958
W Hlaise	904	221	1,125
L Mulaudzi	712	221	933
	7,694	2,888	10,582

*Mr F Baleni resigned on 30 November 2024.

34. Financial instruments and risk management

The Office Buildings, IT equipment and Office Equipment leases are subject to the following terms:

Financial risk management

The Company has exposure to the following risks from financial instruments:

- Market risk;
- Interest rate risk;
- Liquidity risk; and
- Credit risk.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's Risk Committee considers reports from the market and credit risk business units. The other committee that provides risk management oversight is the Audit and Information Technology Committee. The Audit Committee considers reports from Internal Audit consisting of both regular and ad hoc reviews of risk management controls and procedures.

Market risk

Market risk is the risk that the Company's earnings and capital will be adversely affected by movements in the level or volatility of market rates or prices, such as interest rates and foreign exchange rates. The overarching objective of market risk management in the Company is to protect the Company's net earnings against adverse market movements through containing the innate interest rate and foreign currency risks within acceptable parameters.

The PIC's Operating Fund (PICOF) has exposure to interest-rate-sensitive instruments. Market risk is managed through adherence to mandate requirements such as a tracking error limit relative to a chosen benchmark and liquidity needs (see liquidity definition below under the liquidity section).

Interest rate risk

Interest rate risk refers to the susceptibility of the Company's financial position to adverse fluctuations in market interest rates. Variations in market interest rates have an impact on the cash flows and income stream of the Company through their net effect on interest-rate-sensitive assets. At the same time, movements in interest rates impact the Company's capital through their net effect on the market value of assets. Interest rate risk in the Company arises naturally as a result of investments made in the PICOF account, which are investments in traded instruments and are impacted by interest rate fluctuations.

34. Financial Instruments and Risk Management (continued)

The table below shows the 2026 sensitivity analysis of the PICOF and MET portfolio.

	2026
Figures in Rand thousand	Profit/loss R'000
NOMINAL BONDS PICOF FUNDS SPREAD IN BASIS POINTS	
-150	70,951
-100	109,509
-50	34,448
50	32,588
100	92,774
150	63,513
INFLATION LINKED BONDS PICOF FUNDS SPREAD IN BASIS POINTS	
-150	94,513
-100	147,525
-50	45,459
50	42,192
100	117,920
150	81,411
MONEY MARKET PICOF FUNDS SPREAD IN BASIS POINTS	
-150	2,251
-100	3,327
-50	1,076
50	1,076
100	3,327
150	2,251
CAPITAL MARKET MET FUNDS SPREAD IN BASIS POINTS	
-150	9,358
-100	14,431
-50	4,554
50	4,320
100	12,321
150	8,422
MONEY MARKET MET FUNDS SPREAD IN BASIS POINTS	
-150	174
-100	261
-50	87
50	86
100	258
150	172

34. Financial Instruments and Risk Management (continued)

The table below shows the 2025 sensitivity analysis of the PICO and MET portfolio.

	2025
Figures in Rand thousand	Profit/loss R'000
NOMINAL BONDS PICO FUNDS SPREAD IN BASIS POINTS	
-150	80,080
-100	52,039
-50	25,374
50	(24,164)
100	(47,191)
150	(69,149)
INFLATION LINKED BONDS PICO FUNDS SPREAD IN BASIS POINTS	
-150	130,770
-100	83,811
-50	40,327
50	(37,457)
100	(72,301)
150	(104,762)
MONEY MARKET PICO FUNDS SPREAD IN BASIS POINTS	
-150	2,547
-100	1,694
-50	846
50	(842)
100	(1,681)
150	(2,516)
CAPITAL MARKET MET FUNDS SPREAD IN BASIS POINTS	
-150	10,299
-100	6,688
-50	3,259
50	(3,100)
100	(6,050)
150	(8,860)
MONEY MARKET MET FUNDS SPREAD IN BASIS POINTS	
-150	230
-100	153
-50	77
50	(76)
100	(152)
150	(228)

34. Financial Instruments and Risk Management (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises from mismatches in the timing and amounts of cash flows, which are inherent to the Company's operations and investments.

This risk specifically arises from the inability to honour commitments to borrowers, lenders and investors and operational expenditure.

Liquidity is held primarily in the form of money market instruments such as listed bonds, fixed deposits, listed shares and loans as well as liquid debt issued from government, municipalities and approved issuers.

In addition to holding a minimum level of liquidity in the form of cash and near cash equivalents, the Company uses cash flow forecasts and cumulative maturity gap analysis to assess and monitor its liquidity requirements and risk level.

The funding liquidity is managed by proper planning of cash flow needs.

2026

Figures in Rand thousand	Less than 3 months	More than 3 months to 9 months	More than 9 months to 12 months	More than 1 year	Total
Assets					
Fixed deposits	244,648	288,865	73,750	-	607,263
Cash and cash equivalents	480,012	-	-	-	480,012
Trade and other receivables	328,720	-	-	-	328,720
Bonds	-	-	-	-	-
	-	-	-	2,021,346	2,021,346
Liabilities					
Trade and other payables	(55,321)	-	-	-	(55,321)
Lease liabilities	(9,648)	(18,976)	(9,488)	(81,864)	(119,976)
	988,411	269,889	64,262	1,939,482	3,262,044

2025

Assets					
Fixed deposits	418,118	298,556	63,012	-	779,686
Cash and cash equivalents	141,424	-	-	-	141,424
Trade and other receivables	115,129	-	-	-	115,129
Bonds	-	-	-	1,760,472	1,760,472
Liabilities					
Trade and other payables	(38,414)				(38,414)
Lease liabilities	(10,424)	(20,062)	(10,321)	(70,814)	(111,621)
	625,833	278,494	52,691	1,689,658	2,646,676

34. Financial Instruments and Risk Management (continued)

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, thus causing the holder of the claim to suffer a loss in cash flow or market value and arises principally from the Company's financial assets, i.e. bonds, cash and cash equivalents, trade and other receivables, listed shares, fixed deposits and promissory notes.

Credit risk is managed according to the mandate parameters and the Company's internal credit risk policy. Credit mitigation techniques are transaction-dependent but may include, where appropriate, the right to be furnished with collateral or an equity injection by counterparties.

No collateral was held on PICOF for the period under review. R7.5 million of cash and cash equivalents is pledged as security (Refer to note 13). The Company also utilises various models to guide limit setting as well as credit ratings from external rating agencies. Limits are approved by the relevant committees in accordance with the Board-approved delegation of authority.

Risk reports on these exposures are regularly submitted to the Investment Committee, Audit Committee, Risk Committee and Board.

Management of credit risk includes developing and maintaining the Company's processes for measurement of ECL for:

- Initial approval, regular validation and back-testing of the model used;
- Determining and monitoring significant increase in credit risk; and
- Incorporation of forward-looking information.

Financial assets exposed to credit risk at year-end were as follows:

Figures in Rand thousand	2026	2025
Assets		
Bonds	2,021,346	1,760,472
Cash and cash equivalents	724,660	559,542
Trade and other receivables	328,720	115,129
Listed shares	1,821,322	1,488,293
Fixed deposits	362,615	361,567
Loans	162,982	-
	5,421,645	4,285,003

35. Going-concern

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

The directors believe that the Company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the Company is in a sound financial position and that it has access to sufficient resources to fund its liabilities. The directors are not aware of any new material changes that may adversely impact the Company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Company.



36. Events after the reporting period

1. High Court Proceedings against the PIC CEO

Refer to note 39.

2. Financial Sector Conduct Authority (FSCA) investigation

The Financial Sector Conduct Authority (FSCA) has launched a formal investigation into the Company following whistleblower allegations and the precautionary suspension of the Company CEO. The probe aims to assess governance, leadership stability, and transparency.

3. Resignation of All Non-Executive Board Members

Subsequent to 31 March 2026, all Non-Executive Board Members of the Company resigned from their positions. The resignations resulted in significant changes to the Company's governance and oversight structures and may have implications for the Company's regulatory compliance and legal obligations.

On 30 July 2026, Cabinet announced the appointment of eight Non-Executive Directors (NEDs) to the PIC Board.

4. PIC CEO precautionary suspension High Court case

PIC CEO challenged his precautionary suspension in the Gauteng High Court on 28 July 2026. The matter was heard by the Court and judgment was reserved.

On 4 August, the Gauteng High Court declared the precautionary suspension of PIC CEO unlawful and invalid.

5. Client Claim

On 17 August 2026, a client formally notified the Public Investment Corporation SOC Ltd (PIC) of its intention to recover costs allegedly incurred as a result of delays in a client office refurbishment project. PIC had been appointed by the client to implement and oversee the refurbishment as part of the client's long-term office accommodation strategy. The client quantified the claim at approximately R9.9 million, comprising lease extension costs, photocopy machine rental costs, asset and records storage costs, and asset and records handling and retrieval costs.

The matter remains under consideration and PIC continues to engage constructively with the client and other relevant stakeholders to assess the claim and seek a mutually acceptable resolution.

As at the reporting date, the outcome of the claim remains uncertain. Management has assessed the matter and concluded that it is not possible to determine reliably whether an obligation exists, nor to estimate any potential financial impact with sufficient certainty. Accordingly, no provision has been recognised in these financial statements in respect of this matter. The matter will continue to be monitored and reassessed as further information becomes available.

37. Fruitless and Wasteful Expenditure

Figures in Rand thousand	2026	2025
Reconciliation of Fruitless and Wasteful expenditure		
Fruitless and Wasteful expenditure*	732	3,726
Closing balance	732	3,726

2026

*An interest payment of R731,946 was paid to the South African Revenue Service (SARS) on 16 April 2025. This interest arose due to the timing of the Voluntary Disclosure Programme (VDP) payment and the subsequent allocation of that payment by SARS. On 26 March 2025, the PIC entered into a voluntary disclosure agreement with the South African Revenue Service (SARS) in terms of which the PIC applied for relief afforded by the Voluntary Disclosure Relief Programme (VDP) that is administered by SARS in accordance with the Tax Administration Act (No. 28 of 2011).

*R22 600 was overpaid in 2024 in respect of invoice relating to tuition fees for a student. The amount was recovered.

* R2 620 of a bursary amount paid in 2024 to a student exceeded the threshold for which the student qualified for as per bursary policy. The amount was recovered.

2025

* Leave payout on termination of four employees was inaccurately calculated. This led to a leave payout overpayment for two employees amounting to R12,387 and R18,515, respectively. The PIC is in the process of recovering these overpayments.

* A counteroffer payment to one employee was inaccurately calculated. This led to a counteroffer overpayment to the employee by R200,000. The PIC is recovering the overpayment in monthly instalments from 1 April 2025.

* R3,470,329 Unlisted Investment System licence costs, which represent 19.5% of the total licence costs of R17,796,560 for the year ended 31 March 2025. The 19.5% represents inactive licence usage by users.

*Of the R349,000 fruitless and wasteful expenditure disclosed in 2024, R145,060 has been recovered in the current year.

38. Capital Management

The Company is licensed as a Financial Services Provider under the FSCA. The FSCA licence requirements are monitored and adhered to. There is no regulatory capital management ratio imposed on the Company.

The Company's objectives when managing capital are to:

- Safeguard its ability to continue as a going concern, so that it can continue to pay its obligations as they fall due and provide a return for the shareholder.
- The Company uses internally generated income to finance new projects, as a result, any dividend amount must come out of the residual profits after excluding all projected capital requirements.
- The capital reserves are not available to be declared as a dividend to the shareholder and are used to fund future capital expenditure.

The Company has satisfied its capital adequacy requirements for the period under review, namely that the Company has at all times maintained:

- Liquid assets equal to or greater than 8/52 weeks of annual expenditure;
- Assets that exceed liabilities, and
- Current assets that were at least sufficient to meet current liabilities.



39. Contingent Liability

The Company has contingent liabilities at 31 March 2026 in respect of:

Litigation

Former PIC Executive

A former PIC Executive lodged an unfair labour practice dispute with the CCMA against the PIC. The CCMA ordered reinstatement of the former Executive. The PIC has applied for a review of the award with the Labour Court. Refer to note 13.

Clients Claim

The PIC is a respondent in ongoing litigation brought by one of its clients regarding the utilisation of interest accrued in the Escrow Attorney's account relating to a transaction with an investee company. The matter is still ongoing, and the PIC continues to engage with all relevant parties, including the client involved in the litigation. In a recent judgement, the court dismissed the client's application to halt the payment of interest related to the funds held in escrow to the investee. The client is, however, appealing this decision. The outcome of the litigation remains uncertain at this stage, and the financial impact cannot be reliably estimated. As a result, no provision has been made in these financial statements.

High Court Proceedings against the PIC CEO

Subsequent to year end, the PIC's Chief Executive Officer, has been cited as a defendant in his personal capacity in litigation amounting to R900 million instituted by a plaintiff. The PIC has also been cited as a defendant; however, no substantive relief is sought against the PIC.

The dispute arises from the investee company shareholding in another company and a valuation process following perfection of security by the PIC. An arbitration award upheld the valuation and ordered payment by the PIC on behalf of the client of approximately R411.3 million to the investee company. The Plaintiff pleads that the arbitration award is final and binding, that the PIC settled it after legal advice and that the matters determined are res judicata.

The litigation brought by the plaintiff alleges that the CEO:

☉ First claim – Breach of confidence:

- Caused the disclosure of confidential valuations, arbitration and settlement information without the required consent;
- Procured and/or permitted third parties to demand and obtain confidential work; and
- Disclosed and used it for ulterior purposes.

☉ Second claim – Unlawful interference with existing and prospective contractual and commercial relations (in the alternative)

- The Plaintiff bases the claim on lex Aquilia, wrongfulness measured against the boni mores and the legal convictions of the community.
- This is a claim for pure economic loss arising from intentional interference with existing and prospective commercial relationships with the DFIs by the unlawful disclosure of Confidential Information and the breach of confidence in the First Claim.
- The Plaintiff alleges that the CEO abused his office as an organ of state– through unauthorised and ultra vires commissioning of a forensic investigation designed to re-open a final and binding award and this aggravated the wrongfulness of the conduct.

The matter remains ongoing and the PIC continues to engage with all relevant parties. The litigation is managed through the PIC insurer.

At the reporting date, the outcome of the litigation remains uncertain, and the financial effect, if any, cannot be measured reliably. Accordingly, no provision has been recognised in these financial statements in respect of this matter.

40. Irregular Expenditure

Figures in Rand thousand	2026	2025
Irregular expenditure*	1,702	3,359
Closing balance	1,702	3,359

2026

*The amount of R1,550,952 (2025: R504,422) relates to employee acting allowance payments that were not based on the Delegation of Authority (DOA), resulting in a breach of the PFMA.

*The amount of R19,571 in 2025 was paid towards some student bursaries which had failed modules in 2024, expenditure was in contravention of PIC Bursary Policy. These amounts were recovered by the PIC.

*During the period from January 2023 to August 2025, the entity applied an incorrect interpretation of the Preferential Procurement Regulations, 2022 (PPR 2022) in relation to requests for quotations (RFQs) with a value equal to or below R30 000. As a result, the prescribed 80/20 preference point system was not applied when evaluating certain quotations. Following the identification of the matter, management undertook a comprehensive review and quantification of the affected transactions for the period under review. Management performed a retrospective assessment of the affected procurements and confirmed that, had the 80/20 preference point system been correctly applied, the same bidders would have been awarded the respective quotations. Accordingly, the procurement outcomes were not affected, no undue benefit accrued to the successful suppliers, and no financial loss or prejudice was incurred by the entity. The related expenditure amounting to irregular expenditure is R151,505 (2025: R468,594).

2025

* R23,000 relates to a transaction that was approved by an employee in the absence of a formally signed Delegation resulted to a breach of Public Finance Management Act (PFMA).

* R148,142 relates to a transaction that was approved based on inadequate number of quotations resulted to a breach of PFMA.

* R1,752,095 relates to employees acting allowances payment that was not based on the Delegation of Authority (DOA) resulted to a breach of PFMA.

* R49,290 relates to a transaction incurred without following the DOA resulted to a breach of PFMA.

* R392,528 relates to a transaction incurred without following the Corporate SCM policy and the DOA resulted to a breach of PFMA.

41. Employee Benefits

Pension fund

The pension fund had 433 active members at 31 March 2026. During the current year, 36 employees joined, 16 employees withdrew, three employees passed away, and eight members transferred out of the PIC member group into the ROL Paid-Up (Default-preservation) member group.

The contributions for the year amounted to R39 million. The pension fund is a defined contribution plan. The result is that the risk of any decline in fair value lies with the employee and not the employer.

There are nine employees on the Government Employees Pension Fund (GEPPF). The contributions for the year amounted to R1.4 million. No employee withdrew from the fund during the current year.

42. Standards and interpretations

Standards and interpretations that are effective in the current year

In the current year, the Company has adopted the following standards and interpretations that are effective in the current financial year and that are relevant to its operations:

Standard/ Interpretation	Standard effective date	Expected impact
IAS 21 The Effects of Changes in Foreign Exchange Rates	Lack of Exchangeability: The amendments require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide. <i>Effective for annual periods beginning on or after 1 January 2025.</i>	There is no impact on the PIC financial statements for the period ended 31 March 2026 as PIC does not deal with currencies that are not exchangeable.

Standards and interpretations not yet effective in the current year

Standard/ Interpretation	Standard effective date	Expected impact
IFRS 1 First-time Adoption of International Financial Reporting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11 – Hedge Accounting by a First-time Adopter: Narrow scope amendment to improve consistency with and understanding of the requirements in IFRS 9 Financial Instruments in relation to hedge accounting requirements for a first-time adopter. <i>Effective for annual periods beginning on or after 1 January</i>	There is no impact on the PIC financial statements for the year ended 31 March 2026 as PIC does not have hedging contracts.
IFRS 7 Financial Instruments: Disclosures	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7: The amendments to IFRS 7 introduce additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features, for example, features tied to ESG-linked targets. <i>Effective for annual periods beginning on or after 1 January.</i>	There is no impact on the PIC financial statements for the period ended 31 March 2026 as PIC does not have investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features.
	Annual Improvements to IFRS Accounting Standards – Volume 11 – Gain or loss on derecognition: Narrow scope amendment to delete an obsolete reference that remained in IFRS 7 following the publication of IFRS 13 Fair Value Measurement and to make the wording of the requirements of IFRS 7 relating to disclosure of a gain or loss on derecognition consistent with the wording and concepts in IFRS 13. <i>Effective for annual periods beginning on or after 1 January.</i>	There is no impact on the PIC financial statements for the period ended 31 March 2026 as PIC disclosure is in line with IFRS 13
	Contracts Referencing Nature-dependent Electricity-Amendments to IFRS 9 and IFRS 7: Narrow scope amendment adding new disclosure requirements to enable investors to understand the effect of contracts referencing nature-dependent electricity on an entity's financial performance and cash flows. <i>Effective for annual periods beginning on or after 1 January.</i>	There is no impact on the PIC financial statements for the period ended 31 March 2026 as PIC does not have Contracts Referencing Nature-dependent Electricity.

42. Standards and interpretations (continued)

Standard/ Interpretation	Standard effective date	Expected impact
IFRS 9 Financial Instruments	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7: Narrow scope amendments to address diversity in accounting practice by making the classification and measurement requirements of IFRS 9 more understandable and consistent, by: - Clarifying the classification of financial assets with environmental, social and corporate governance (ESG) and similar features; and - Clarifying the date on which a financial asset or financial liability is derecognised when a liability is settled through electronic payment systems. These amendments also introduce an accounting policy option to allow a Company to derecognise a financial liability before it delivers cash on the settlement date if specified criteria are met. <i>Effective for annual periods beginning on or after 1 January.</i>	There is no impact on the PIC financial statements for the period ended 31 March 2026, as PIC does not have investments with contingent features and PIC does not meet the requirement for financial liability derecognition accounting policy option.
	Annual Improvements to IFRS Accounting Standards – Volume 11: Two narrow scope amendments were made to IFRS 9: - Derecognition of lease liabilities. The amendment clarifies that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to recognise any resulting gain or loss arising from the difference between the carrying amount of the lease liability extinguished or transferred and any consideration paid in profit or loss. - Transaction price. Removal of an inconsistency between the requirements of IFRS 9 and the requirements in IFRS 15 Revenue from Contracts from Customers in relation to the initial measurement of trade receivables at their transaction price. The amendment clarifies that trade receivables must be measured at the amount determined by applying IFRS 15. <i>Effective for annual periods beginning on or after 1 January 2026.</i>	There is no impact on the PIC financial statements for the period ended 31 March 2026 as PIC receivables are initially measured using IFRS 15 and there was no derecognition of lease liabilities in the current year.
	Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7: Narrow scope amendment to allow entities to better reflect contracts referencing nature-dependent electricity (for example, renewable power purchase agreements or PPAs) by: - Clarifying the application of the 'own-use' requirements of IFRS 9; and - Permitting hedge accounting if these contracts are used as hedging instruments by parties to the contracts. <i>Effective for annual periods beginning on or after 1 January 2026.</i>	There is no impact on the PIC financial statements for the period ended 31 March 2026 as the PIC does not have Contracts Referencing Nature-dependent Electricity.

42. Standards and interpretations (continued)

Standard/ Interpretation	Standard effective date	Expected impact
IFRS 10 Consolidated Financial Statements	Annual Improvements to IFRS Accounting Standards – Volume 11 – Determination of a 'de facto agent' - Narrow scope amendment to clarify whether a party acts as a de facto agent in assessing control of an investee. <i>Effective for annual periods beginning on or after 1 January</i>	There is no impact on the PIC financial statements for the period ended 31 March 2026 as PIC only has significant influence over the investee entities.
IFRS 18 Presentation and Disclosure in Financial Statements	- IFRS 18 is the culmination of the IASB's Primary Financial Statements project. - IFRS 18 introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analysing and comparing companies: - Improved comparability in the statement of profit or loss (income statement) through the introduction of three defined categories for income and expenses—operating, investing and financing—to improve the structure of the income statement, and a requirement for all companies to provide new defined subtotals, including operating profit. - Enhanced transparency of management-defined performance measures with a requirement for companies to disclose explanations of those company-specific measures that are related to the income statement. - More useful grouping of information in the financial statements through enhanced guidance on how to organise information and whether to provide it in the primary financial statements or in the notes, as well as a requirement for companies to provide more transparency about operating expenses. - This Standard replaces IAS 1 Presentation of Financial Statements. It carries forward many requirements from IAS 1 unchanged. <i>Effective for annual periods beginning on or after 1 January.</i>	- Income statement categories - This will impact the PIC financial statements as the financing components will be presented under the financing category, which is currently presented with investing activities. - Performance measure - This will impact the PIC financial statements as an explanation is required relating to the income statement performance measures. - Grouping of information – No impact on the PIC financial statements as the PIC uses informative labels and discloses material information.
IFRS 19 Subsidiaries without Public Accountability: Disclosures	- IFRS 19 permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. Applying IFRS 19 will reduce the costs of preparing subsidiaries' financial statements while maintaining the usefulness of the information for users of their financial statements. - Subsidiaries are eligible to apply IFRS 19 if they do not have public accountability and their parent company applies IFRS Accounting Standards in their consolidated financial statements. A subsidiary does not have public accountability if it does not have equities or debt listed on a stock exchange and does not hold assets in a fiduciary capacity for a broad group of outsiders. <i>Effective for annual periods beginning on or after 1 January.</i>	There is no impact on the PIC financial statements for the period ended 31 March 2026 as PIC only has associates.

42. Standards and interpretations (continued)

Standard/ Interpretation	Standard effective date	Expected impact
IAS 7 Statement of Cash Flows	Annual Improvements to IFRS Accounting Standards – Volume 11 – Cost method: Narrow scope amendment to replace the term ‘cost method’ with ‘at cost’ following the earlier removal of the definition of ‘cost method’ from IFRS Accounting Standards. <i>Effective for annual periods beginning on or after 1 January.</i>	There is no impact on the PIC financial statements for the period ended 31 March 2026 as it is a change of the term name from cost method to at cost.
IAS 21 The Effects of Changes in Foreign Exchange Rates	Translation to a Hyperinflationary Presentation Currency: The amendments specify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy if: - Its functional currency is that of a non-hyperinflationary economy and it is translating its results and financial position into the currency of a hyperinflationary economy; or - It is translating into the currency of a hyperinflationary economy the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy. <i>Effective for annual periods beginning on or after 1 January 2027.</i>	There is no impact on the PIC financial statements for the period ended 31 March 2026 as PIC does not operate in a hyperinflationary economy.



GENERAL INFORMATION

Country of incorporation and domicile

South Africa

Nature of business and principal activities

Asset Management

Directors

Mr Seiso Mohai

(Chairperson) (Non-Executive Director)

Ms Patience Nqeto

(Deputy Chairperson) (Non-Executive Director)

Mr Itani Mafune

(Non-Executive Director)

Ms Vivien McMenamin

(Non-Executive Director)

Ms Lebogang Mokgabudi

(Non-Executive Director)

Ms Moipone Ramoipone

(Non-Executive Director)

Ms Bajabulile Tshabalala

(Non-Executive Director)

Mr Patrick Dlamini

(Chief Executive Officer) (Executive Director)

Ms Batandwa Damoyi

(Chief Financial Officer) (Executive Director)

Registered office and business address

Menlyn Maine Central Square
Corner Aramist Avenue and Corobay Avenue
Waterkloof Glen Extension 2
Pretoria
0181

Postal address

Private Bag X187
Pretoria
South Africa
0001

Holding and ultimate holding company

Public Investment Corporation SOC Limited,
incorporated in the Republic of South Africa

Auditors

Auditor-General of South Africa

Company Secretary

Ms Bongani Maserumule

Company registration number

2005/009094/30

Company's Annual Financial Statements

The company's Annual Financial Statements were prepared under the supervision of the company's CFO, Ms Batandwa Damoyi.

Address of Company Secretary

Menlyn Maine Central Square
Corner Aramist Avenue and Corobay Avenue
Waterkloof Glen Extension 2
Pretoria
0181

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The Public Investment Corporation SOC Limited (PIC), Registration number 2005/009094/30, is a licensed financial services provider, FSP 19777, approved by the Financial Sector Conduct Authority (FSCA) (www.fsca.co.za) to provide intermediary services and advice in terms of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002).

The PIC is wholly owned by the South African government, with the Minister of Finance as a Shareholder representative.

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Directors: Mr Seiso Mohai (Chairperson) | Ms Patience Nqeto (Deputy Chairperson) | Mr Itani Mafune, Ms Vivien McMenamin, Ms Lebogang Mokgabudi, Ms Moipone Ramoipone, Ms Bajabulile Tshabalala | Mr Patrick Dlamini (Chief Executive Officer), Ms Batandwa Damoyi (Chief Financial Officer) | Company Secretary: Ms Bongani Maserumule.

For more information, visit www.pic.gov.za.

ACRONYMS

AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
AI	Artificial Intelligence
A&ITC	Audit and Information Technology Committee
AGM	Annual General Meeting
AuM	Assets under management
AIPF	Associated Institutions Pension Fund
B-BBEE	Broad-Based Black Economic Empowerment
CBAM	Carbon Border Adjustment Mechanism
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIO	Chief Investment Officer
CRISA	Code for Responsible Investing in South Africa
CC	Compensation Commissioner Fund
CP	Compensation Commissioner Pension Fund
CPI	Consumer Price Index
CSI	Corporate Social Investment
DAC	Directors' Affairs Committee
DoA	Delegation of Authority
ECD	Early Childhood Development
EE	Employment Equity
EEA	Employment Equity Act
ERMF	Enterprise Risk Management Framework
ESG	Environmental, Social and Governance
EXCO	Executive Management
FAIS Act	Financial Advisory and Intermediary Services Act
FICA	Financial Intelligence Centre Act
FMA	Financial Markets Act
FSCA	Financial Sector Conduct Authority
FSP	Financial Services Provider
GDFN	Guardian Funds
GEPP	Government Employees Pension Fund
GIC	Group Investment Committee
GMIC	Group Management Investment Committee
GNU	Government of National Unity
HDI/HDIs	Historically Disadvantaged Individual(s)
HRRC	Human Resources and Remuneration Committee

IAR	Integrated Annual Report
ISSB	International Sustainability Standards Board
ISP	Internet service provider
IC	Investment Committee
IC-IU	Investment Committee: Unlisted Investments
IC-UPI	Investment Committee: Unlisted Property Investments
IC-UI&UPI	Investment Committee: Unlisted Investments and Unlisted Property Investments
IRR	Internal Rate of Return
IT	Information Technology
JIBAR	Johannesburg Interbank Average Rate
JSE	Johannesburg Stock Exchange
King V™	King V™ Report on Corporate Governance for South Africa
Mamor	Mamor Capital Ventures
Mol	Memorandum of Incorporation
NHI	National Health Insurance
PAIDF	Pan African Infrastructure Development Fund
PFMA	Public Finance Management Act, 1 of 1999
PIC Act	Public Investment Corporation Act, 23 of 2004
PIC	Public Investment Corporation SOC Limited
PICOF	PIC Operating Fund
RFQ	Request for Quotation
SARS	South African Revenue Service
SCOPA	Standing Committee on Public Accounts
SCOF	Standing Committee on Finance
SEIIFSA	Schools and Education Investment Impact Fund South Africa
SETCO	Social, Ethics and Transformation Committee
SAGB	South African Government Bonds
SARB	South African Reserve Bank
SDG	United Nations Sustainable Development Goals
SMME/SMMEs	Small, Medium and Micro Enterprise(s)
UIF	Unemployment Insurance Fund
UNGC	United Nations Global Compact
UNPRI	United Nations Principles for Responsible Investment
VDP	Voluntary Disclosure Programme

NOTES

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PART 04:
GENERAL INFORMATION



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