Verdure Finance (RF) Limited

(Registration number 2025/486225/06)

Annual Financial Statements
for the period ended 28 February 2026

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	The Company is a special purpose vehicle (SPV) incorporated for the purpose of facilitating debt financing for small to medium-scale renewable energy and energy efficiency projects in South Africa. The principal activity of the Company is to acquire renewable energy-related loans and exposures extended by a sponsor or originating institution to eligible project developers, thereby providing additional liquidity and balance-sheet relief to the originator. The Company raises capital through the issuance of senior secured notes under a listed note programme on the Johannesburg Stock Exchange (JSE). These notes are issued into the institutional investor market and are designed to provide long-term, structured debt funding for portfolios of renewable energy and energy efficiency financings. The note programme is structured with a credit enhancement mechanism, including first-loss subordinated loans (or subordinated tranches), which serve as a credit underpin by absorbing initial credit losses and thereby improving the credit profile of the senior notes.
Directors	GP Ansermino M Kotzé KL Redford D Van Deventer
Registered office	50 Oxford Road Parktown Johannesburg Gauteng 2193
Business address	50 Oxford Road Parktown Johannesburg Gauteng 2193
Postal address	PO Box 3094 Houghton Johannesburg Gauteng 2041
Holding company	Verdure Finance Owner Trust incorporated in South Africa
Auditors	PKF Octagon Inc
Secretary	Verdure Fund (RF) (Pty) Ltd
Company registration number	2025/486225/06
Tax reference number	9450010237

General Information

Level of assurance	These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008.
Preparer	The annual financial statements were compiled by: Moore Accounting Jhb (Pty) Ltd with Verdure Fund (RF) (Pty) Ltd's oversight.
Issued	25 June 2026

Index

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

Audit Committee Report

1. Members of the Audit Committee

The members of the audit committee are all independent non-executive directors of the company and comprise:

Name	Role
M Kotzé	Chairperson
KL Redford	
D van Deventer	

The committee is satisfied that the members thereof have the required knowledge and experience as set out in Section 94(5) of the Companies Act 71 of 2008, as amended and Regulation 42 of the Companies Regulation, 2011.

2. Meetings held by the Audit Committee

The audit committee performs the duties laid upon it by Section 94(7) of the Companies Act 71 of 2008, as amended, by holding meetings with the key role players on a regular basis and by the unrestricted access granted to the external auditors.

The committee held a meeting on 3 February 2026.

3. External auditor

The committee satisfied itself through inquiry that the external auditor, PKF Octagon Incorporated, complies with the JSE Debt and Specialist Listing Requirements.

The committee satisfied itself through enquiry that the external auditors are independent as defined by the Companies Act 71 of 2008, as amended and as per the standards stipulated by the auditing profession. Requisite assurance was sought and provided by PKF Octagon Incorporated that internal governance processes within the firm support and demonstrate the claim to independence.

The committee, in consultation with executive management, agreed to the terms of the engagement. The audit fee for the external audit has been considered and approved, taking into consideration such factors as the timing of the audit, the extent of the work required and the scope.

4. Discharge of responsibilities and audited financial statements

Following the review of the annual financial statements of the company for the period ended 28 February 2026 and based on the information provided to it, the committee considers that, in all material respects, the company complies with the provisions of the Companies Act 71 of 2008, as amended, the JSE Debt and Specialist Listings Requirements, The IFRS® Accounting Standards, and that the accounting policies applied are appropriate.

The committee further concurred with the board of directors and management that the adoption of the going concern status in the preparation of the annual financial statements is appropriate.

The committee recommended the audited annual financial statements for approval to the board of directors on 25 June 2026.

5. Expertise and experience of the finance function

The ongoing secretarial administration of the company's statutory records is performed by Verdure Fund (RF) Proprietary Limited. The accounting function is managed by Moore Accounting Jhb Proprietary Limited.

The committee satisfied itself that the composition, experience and skills set of the finance function met the company's requirements.

On behalf of the audit committee

Monizé Kotzé
Chairman Audit Committee

25 June 2026

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial period and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

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

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

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

The directors have reviewed the company's cash flow forecast for the period to 28 February 2027 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 7 to 10.

The annual financial statements set out on pages 15 to 43, which have been prepared on the going concern basis, were approved by the board on 25 June 2026 and were signed on their behalf by:

Approval of financial statements

GP Ansermino | **KL Redford**

25 June 2026

Company Secretary's Certification

Certificate by Company Secretary

In terms of section 88(2)(e) of the Companies Act 71 of 2008, it is certified that Verdure Finance (RF) Limited has lodged with the Companies and Intellectual Property Commission all such returns and notices as are required of a company in terms of the Companies Act, and that all such returns and notices are true, correct and up to date.

Verdure Fund (RF) Proprietary Limited
Company Secretary

50 Oxford Road
Killarney
Johannesburg
Gauteng
2196

David Johnson (Jun 25, 2026 18:41:40 GMT+2)
D Johnson

GP Ansermino

Johannesburg
25 June 2026

PKF Octagon Inc.
21 Scott Street, Waverley
Johannesburg, 2090
South Africa

+27 (0) 10 003 0150
info@pkfoctagon.com
pkfoctagon.com

Independent Auditor's Report

To the Shareholders of Verdure Finance (RF) Limited

Opinion

We have audited the annual financial statements of Verdure Finance (RF) Limited (the company) set out on pages 15 to 43, which comprise the statement of financial position as at 28 February 2026; and the statement of profit or loss and other comprehensive income; the statement of changes in equity; and the statement of cash flows for the year then ended; and notes to the annual financial statements, including material accounting policy information.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Verdure Finance (RF) Limited as at 28 February 2026, and its financial performance and cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

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

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

Final Materiality

The audit was influenced by our application of materiality. We define materiality as the magnitude of a misstatement in the annual financial statements that makes it probable that the economic decisions of a reasonable knowledgeable person would be changed or influenced. We use materiality both in planning the nature and extent our audit work and in evaluating the effect of misstatements, both individually and in the aggregate, on the financial statements as a whole.

Based on our professional judgement, we determine certain quantitative thresholds for materiality for the financial statements as a whole as follows:

Overall Materiality	R2 598 411
How we determined it	1% of Total Assets
Rationale for the benchmark and percentage applied	We identified Total Assets as the appropriate benchmark and the percentage appropriate to determine materiality given that the benchmark will influence the users when evaluating an investment in renewable energy company and is a generally accepted benchmark. We selected 1%, which is consistent with quantitative materiality thresholds used for investment in renewable energy companies and is further based on our professional judgement after consideration of qualitative factors that impact the company.

Key Audit Matters

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

In terms of the EAR Rule, we are required to report key audit matters and the outcome of the audit procedures or key observations with request to the key audit matters, and these are included below:

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>
The entity’s recognition and measurement of expected credit losses (“ECL”) on financial assets is a key audit matter due to the significant judgement and estimation uncertainty involved in applying the requirements of IFRS 9 Financial Instruments.
The determination of ECL requires management to apply complex impairment models and involves judgement in, among others:

the assessment of significant increase in credit risk and resulting staging of exposures;
the estimation of probability of default (“PD”), loss given default (“LGD”) and exposure at default (“EAD”);
the incorporation of forward-looking macroeconomic information; and
the selection and application of relevant external data where limited internal historical default data exists.

Given the level of estimation uncertainty, the use of complex models, and the sensitivity of the ECL allowance to changes in key assumptions, we considered the measurement of ECL to be an area of focus in our audit.
</td><td>
Our audit procedures focused on evaluating the appropriateness of the entity's ECL methodology, key assumptions and judgements applied in determining the impairment allowance, as well as testing the underlying data used in the calculation. With the support of our credit risk/actuarial expertise, our procedures included:

Assessment of methodology and controls

We evaluated whether the entity’s ECL methodology is consistent with the requirements of IFRS 9, including staging criteria, model design and the incorporation of forward-looking information.

Staging

We assessed management’s criteria for determining whether a significant increase in credit risk has occurred, with reference to IFRS 9 requirements.
For a sample of exposures, we evaluated staging by inspecting underlying agreements, compliance certificates and management information, and assessing trade receivables covenant compliance (e.g. DSCR, LLCR, gearing), repayment history and other qualitative indicators.
We performed independent analyses, including trend assessments of financial metrics, and compared our conclusions to management’s staging classification.

Probability of default (“PD”)

We evaluated the appropriateness of externally sourced data used in estimating PDs, considering its relevance to the company’s portfolio and compliance with IFRS 9 requirements for reasonable and supportable information.
We independently developed a range for PD assumptions using comparable external datasets (including ratings agency and sector-specific data) and compared this to management’s assumptions.

Loss given default (“LGD”)

We inspected the nature and enforceability of collateral, security arrangements and guarantees supporting the exposures.
We assessed management’s LGD assumptions by considering recovery strategies, seniority of claims and contractual cash flow structures.
Using external recovery data and benchmarks relevant to the infrastructure and lending sector, we independently determined an acceptable LGD range for comparison.

Forward-looking information

We assessed the reasonableness of forward-looking assumptions incorporated into the ECL models, including macroeconomic and sector-specific factors such as interest rates, inflation, GDP growth and regulatory frameworks.
We considered whether multiple economic scenarios and probability weightings were applied appropriately and were consistent with observable market data.

Independent expectation and recalculation
</td></tr>
</table>

	• We agreed EAD inputs to underlying records and recalculated the ECL for a sample of exposures. • We developed an independent expectation of the ECL allowance by combining our assessed PD, LGD and EAD assumptions and compared this to the recorded provision. We found the entity's assumptions and methodologies applied in determining the expected credit loss allowance to be within an acceptable range and consistent with the requirements of IFRS 9.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Verdure Finance (RF) Limited annual financial statements", which includes the Directors' Report, Audit Committee's Report and the Company Secretary's Certificate,as required by the Companies Act of South Africa.

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

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Annual Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

Audit Tenure

In terms of the IRBA Rule published in Government Gazette No. 39475 dated 4 December 2015, we report that PKF Octagon has been the auditor of Verdure Finance (RF) Limited for 1 year.

Disclosure of Fee-related Matters

In terms of the EAR Rule, we disclose the following fee-related matters:

Fees paid or payable to the firm for the audit of the financial statements on which the firm expresses an opinion: R500,000 (Excluding VAT and disbursements)

PKF Octagon

PKF Octagon Inc
Director: N Nowak
Registered Auditor
25 June 2026
Johannesburg

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Verdure Finance (RF) Limited for the period ended 28 February 2026.

1. Nature of business

Verdure Finance (RF) Limited is a special purpose vehicle (SPV) incorporated for the purpose of facilitating debt financing for small to medium scale renewable energy and energy efficiency projects in South Africa. The principal activity of the Company is to acquire renewable energy related loans and exposures extended by a sponsor or originating institution to eligible project developers, thereby providing additional liquidity and balance sheet relief to the originator.

The Company raises capital through the issuance of senior secured notes under a listed note programme on the Johannesburg Stock Exchange (JSE). These notes are issued into the institutional investor market and are designed to provide long term, structured debt funding for portfolios of renewable energy and energy efficiency financings. The note programme is structured with a credit enhancement mechanism, including first loss subordinated loans (or subordinated tranches), which serve as a credit underpin by absorbing initial credit losses and thereby improving the credit profile of the senior notes.

The principal activities of the Company include:

Originating and acquiring portfolios of renewable energy and energy efficiency loans from the sponsor institution, focusing on small to mid scale projects in South Africa.

Structuring and managing a asset-backed security note programme, including the issuance of senior notes, investor servicing, and ongoing disclosure in line with JSE listing requirements.

Administering credit risk and portfolio performance, including monitoring underlying project cash flows, collateral coverage, and compliance with loan covenants.

Arranging and utilising first loss subordinated loans or tranches from eligible counterparties to provide credit enhancement and support the senior notes' rating and investor confidence.

Complying with regulatory and listing obligations, including preparing and disclosing financial statements, performance updates, and other investor related information as required by the JSE and South African financial markets regulations.

The Company's operations are conducted on a passive, structured finance basis, with limited commercial risk beyond the performance of the underlying renewable energy and energy efficiency loan portfolios and the effectiveness of the credit enhancement structure.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act 71 of 2008.

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

3. Stated capital

Refer to note 8 of the annual financial statements for the detail regarding authorised and issued stated capital.

4. Dividends

No dividends were declared or paid during the year.

Directors' Report

5. Directorate

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

Directors	Designation	Changes
GP Ansermino	Executive	Appointed 22 July 2025
M Kotzé	Independent non-executive	Appointed 22 July 2025
KL Redford	Independent non-executive	Appointed 20 June 2025
D Van Deventer	Independent non-executive	Appointed 20 June 2025

6. Directors' interests in contracts

During the financial year Verdure Finance (RF) Ltd entered into contracts with the following entities related to its directors:

Verdure Fund (RF) (Pty) Ltd has a common director, GP Ansermino. Verdure Fund (RF) (Pty) Ltd entered into various contracts with Verdure Finance (RF) Ltd. The contracts affected the following transactions, as disclosed in the respective notes of the financial statements,namely equity contribution, preference shares and subordinated loan.

Resolve Corporate Services (Pty) Ltd has common directors, namely KL Redford and D Van Deventer. Resolve Corporate Services (Pty) Ltd entered into various contracts with Verdure Finance (RF) Ltd. The contracts affected the following transactions, as disclosed in the respective notes to the financial statements, namely the provision of independant non-executive services and related secretarial services.

7. Holding company

The Company's holding company is Verdure Finance Owner Trust which holds 100% of the company's equity. Verdure Finance Owner Trust is incorporated in South Africa.

8. Borrowing powers

In terms of the Memorandum of Incorporation, the borrowing powers of the company may be exercised under the following conditions:

Except as permitted, required or contemplated by the Transaction Documents, or as may be necessary or required to achieve the main purpose of the Company and to undertake and carry on its main business, the Company shall not have the power or capacity to borrow money, and no Director, officer, body or organ of the Company shall be authorised, on behalf of the Company, to borrow money.

9. Events after the reporting period

On 3 March 2026, a prepayment amounting to R69 989 771 was received against the outstanding loans receivable. The amount has been included in the current portion of loans receivable, as disclosed in Note 3: Loans Receivable.

On 30 April 2026, the company issued a second tranche of notes under its listed notes programme. The notes were issued as unlisted notes (ISIN ZAG000224718) to the value of R177 645 505. The purchase of participating assets to the value of R203 023 434 was financed through the senior notes as well as the subordinated loan facility of R25 377 929.

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

10. Going concern

The issuer is a special purpose vehicle established to issue senior secured asset-backed notes listed on the JSE Interest Rate Market. The operations commenced only a few months prior to the reporting date, and the issuer is currently in an accumulated loss position due to transaction setup costs and the establishment of a ECL in respect of the underlying asset portfolio. The losses are directly linked to the early stage nature of the portfolio and the prudential risk management approach adopted, and are not expected to continue at the same level as the asset pool season and covenants are met.

The issuer has a subordinated loan facility from its sponsor, which ranks behind the senior noteholders and provides first loss protection and ongoing credit underpin. This subordinated loan is structured to absorb initial losses and provide additional credit support, thereby enhancing the security of the senior notes and supporting the issuer's ability to meet its obligations.

Directors' Report

Going concern (continued)

The issuer has a clear and approved funding strategy under its ZAR 2 billion Asset-Backed Securities Programme and intends to continue issuing further tranches of senior secured notes, supported by additional subordinated loans from its sponsor for credit underpinning as required. Management has performed a going concern assessment, taking into account anticipated cash inflows from the underlying assets, available subordinated funding, the structure of the senior notes, and the sponsor's ongoing commitment to provide subordinated support.

On the basis of these factors, directors has a reasonable expectation that the issuer will be able to continue to meet its liabilities as they fall due for at least 12 months from the reporting date and is therefore of the view that the going concern basis of preparation is appropriate.

11. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act 71 of 2008.

12. Litigation statement

There are no litigation matters involving Verdure Finance (RF) Limited.

13. Auditors

PKF Octagon Inc. were appointed as auditors of the company for 2026.

At the AGM, the shareholders will be requested to reappoint PKF Octagon Inc. as the independent external auditors of the company and to confirm N Nowak as the designated lead audit partner for the 2027 financial period.

14. Secretary

The company secretary is Verdure Fund (RF) (Pty) Ltd.

15. Date of authorisation for issue of financial statements

The annual financial statements have been authorised for issue by the directors on 25 June 2026. No authority was given to anyone to amend the annual financial statements after the date of issue.

Moore Accounting Jhb (Pty) Ltd

1st Floor, The Firs, Biermann Avenue,
Rosebank, Johannesburg,
2196

T +27 10 594 4658
E mail@moorejhb.co.za

www.moore-southafrica.com

Practitioner's Compilation Report

To the Management of Verdure Finance (RF) Limited

We have compiled the annual financial statements of Verdure Finance (RF) Limited, as set out on pages 15 - 43, based on information you have provided. These annual financial statements comprise the statement of financial position of Verdure Finance (RF) Limited as at 28 February 2026, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the annual financial statements, and material accounting policy information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these annual financial statements in accordance with International Financial Reporting Standards. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These annual financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these annual financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these annual financial statements are prepared in accordance with International Financial Reporting Standards.

Moore Accounting Jhb (Pty) Ltd
BL Fuchs
Director

25 June 2026
Johannesburg

Statement of Financial Position as at 28 February 2026

Figures in Rand	Notes	28 February 2026
Assets		
Non-Current Assets		
Loans receivable	3	54 141 280
Instalment sale agreements	4	110 024 297
Deferred tax	5	446 960
		164 612 537
Current Assets		
Loans receivable	3	77 104 944
Trade and other receivables	6	1 369 962
Instalment sale agreements	4	9 400 995
Cash and cash equivalents	7	11 044 117
		98 920 018
Total Assets		**263 532 555**
Equity and Liabilities		
Equity		
Stated capital	8	1 000
Equity contribution reserve	9	1 155 820
Accumulated loss		(1 439 433)
		(282 613)
Liabilities		
Non-Current Liabilities		
Other financial liabilities	10	170 891 224
Current Liabilities		
Trade and other payables	11	390 969
Other financial liabilities	10	92 532 975
		92 923 944
Total Liabilities		**263 815 168**
Total Equity and Liabilities		**263 532 555**

Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Notes	9 months ended 28 February 2026
Interest income	12	8 470 620
Interest expense	13	(7 294 692)
Net interest income		**1 175 928**
Net fee income	14	9 255
Allowance for credit loss	15	(1 805 105)
Operating expenses	16	(1 266 471)
Loss before taxation		**(1 886 393)**
Taxation	17	446 960
Loss for the period		**(1 439 433)**
Other comprehensive income		-
Total comprehensive loss for the period		**(1 439 433)**

Statement of Changes in Equity

Figures in Rand	Stated capital	Equity contribution reserve	Accumulated loss	Total equity
Loss for the period	-	-	(1 439 433)	(1 439 433)
Other comprehensive income	-	-	-	-
Total comprehensive Loss for the period	**-**	**-**	**(1 439 433)**	**(1 439 433)**
Issue of ordinary shares	-	-	-	-
Issue of preference shares	1 000	-	-	1 000
Equity contribution	-	1 155 820	-	1 155 820
Total contributions and distributions recognised directly in equity	**1 000**	**1 155 820**	**-**	**1 156 820**
Balance at 28 February 2026	**1 000**	**1 155 820**	**(1 439 433)**	**(282 613)**
Notes	8	9		

Statement of Cash Flows

Figures in Rand	Notes	9 months ended 28 February 2026
Cash flows from operating activities		
Cash used in operations	18	(1 280 388)
Interest income bank balances	12	7 689
Interest income - loan receivables	19	2 442 398
Interest income - intstalment sale agreements	19	3 994 183
Interest expense - subordinated loan facility	19	(230 606)
Interest expense - listed notes issued	19	(1 481 836)
Loan receivables - advanced	19	(117 145 135)
Loan receivables - repayments received	19	3 684 617
Instalment sale agreements - advanced	19	(112 333 684)
Instalment sale agreements - repayment received	19	8 126 619
Net cash from operating activities		**(214 216 143)**
Cash flows from investing activities		
Net cash from investing activities		
Cash flows from financing activities		
Proceeds on issue of stated capital	8	1 000
Equity contribution reserve	9	200 000
Subordinated loan facility - repayments made	20	(552 445)
Listed notes issued - advances received	20	229 478 819
Listed notes issued - repayments made	20	(3 867 114)
Net cash from financing activities		**225 260 260**
Total cash movement for the period		**11 044 117**
Cash and cash equivalents at the end of the period	7	**11 044 117**

Accounting Policies

Corporate information

Verdure Finance (RF) Limited is a public company incorporated and domiciled in South Africa.

The annual financial statements for the period ended 28 February 2026 were authorised for issue in accordance with a resolution of the directors on 25 June 2026.

1. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

1.1 Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with International Financial Reporting Standards ("IFRS®") and International Financial Reporting Standards Interpretations Committee ("IFRS® IC") interpretations issued and effective at the time of preparing these annual financial statements and the Companies Act 71 of 2008 as amended.

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

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

1.2 Significant judgements and sources of estimation uncertainty

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

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the financial statements.

Key sources of estimation uncertainty

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company’s past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets. (Refer to notes 3 and 4)

Accounting Policies

1.3 Financial instruments

Financial instruments held by the company are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the company, as applicable, are as follows:

Financial assets which are debt instruments:
- Amortised cost.

Financial liabilities:
- Amortised cost.

Note 23 Financial instruments and risk management presents the financial instruments held by the company based on their specific classifications.

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

Loans receivable at amortised cost

Classification

Loans receivable (note 3) are classified as financial assets subsequently measured at amortised cost.

Recognition and measurement

Loans receivable are recognised when the company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

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

Application of the effective interest method

Interest income on loans receivable is recognised using the effective interest method. The contractual interest rates are set out in the relevant lending and sale agreements, and interest income is calculated on the outstanding balances in accordance with those contractual terms. Accordingly, the interest earned on these assets represents contracted interest income rather than variable or discretionary revenue. Interest income is included in profit or loss in interest income (note 12).

The application of the effective interest method to calculate interest income on a loan receivable is dependent on the credit risk of the loan as follows:

The effective interest rate is applied to the gross carrying amount of the loan, provided the loan is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.

If a loan is purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the loan, even if it is no longer credit-impaired.

If a loan was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the loan in the determination of interest. If, in subsequent periods, the loan is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Accounting Policies

1.3 Financial instruments (continued)

Impairment

The company recognises a loss allowance for expected credit losses on all loans receivable measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective loans.

The company measures the loss allowance at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on a loan has not increased significantly since initial recognition, then the loss allowance for that loan is measured at 12 month expected credit losses (12 month ECL).

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

In order to assess whether to apply lifetime ECL or 12 month ECL, in other words, whether or not there has been a significant increase in credit risk since initial recognition, the company considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than at evidence of a loan being credit impaired at the reporting date or of an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk on a loan has increased significantly since initial recognition, the company compares the risk of a default occurring on the loan as at the reporting date with the risk of a default occurring as at the date of initial recognition.

The company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available. Forward-looking information considered includes the future prospects of the industries in which the counterparties operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information.

Irrespective of the outcome of the above assessment, the credit risk on a loan is always presumed to have increased significantly since initial recognition if the contractual payments are past due, unless the company has reasonable and supportable information that demonstrates otherwise.

By contrast, if a loan is assessed to have a low credit risk at the reporting date, then it is assumed that the credit risk on the loan has not increased significantly since initial recognition.

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

Definition of default

The company considers that default has occurred when a loan instalment is past due unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Write off policy

The company writes off a loan when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Loans written off may still be subject to enforcement activities under the company recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Accounting Policies

1.3 Financial instruments (continued)

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default, taking the time value of money into consideration.

Default occurs when the contractual payment terms are not fulfilled by the borrower.

The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. The exposure at default is the gross carrying amount of the loan at the reporting date.

Lifetime ECL is measured on a collective basis in cases where evidence of significant increases in credit risk are not yet available at the individual instrument level. Loans are then grouped in such a manner that they share similar credit risk characteristics, such as nature of the loan, external credit ratings (if available), industry of counterparty etc.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the company measures the loss allowance at an amount equal to 12 month ECL at the current reporting date, and vice versa.

An impairment gain or loss is recognised for all loans in profit or loss with a corresponding adjustment to their carrying amount through a loss allowance account. The impairment loss is included in operating expenses in profit or loss as a movement in credit loss allowance.

Credit risk

Details of credit risk related to loans receivable are included in the specific notes and the financial instruments and risk management (Refer to notes 3, 4 and 23).

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT, are classified as financial assets subsequently measured at amortised cost (note 6).

Recognition and measurement

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

They are subsequently measured at amortised cost.

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

Other financial liabilities and trade and other payables

Classification

Other financial liabilities and trade and other payables (notes 10 and 11), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Accounting Policies

1.3 Financial instruments (continued)

Recognition and measurement

Other financial liabilities 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.

They 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 borrowings 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 and borrowings.

Interest expense, calculated on the effective interest method, is included in profit or loss in interest expense (note 13).

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 interest expense (note 13).

Other financial liabilities expose the company to liquidity risk and interest rate risk. Refer to note 23 for details of risk exposure and management thereof.

Cash and cash equivalents

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

1.4 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is 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. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Accounting Policies

1.4 Tax (continued)

Tax expenses

Current and deferred taxes are recognised as income or an expense and 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, to other comprehensive income, or
- a business combination.

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.

1.5 Leases

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

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.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the company has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

Company as lessor

Leases for which the company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Lease classification is made at inception and is only reassessed if there is a lease modification.

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated by applying IFRS 15.

Finance leases

Amounts due from lessees are recognised from commencement date at an amount equal to the company's net investment in the lease. They are presented as instalment sale agreements (note 4) on the statement of financial position.

The interest rate implicit in the lease is used to measure the net investment in the lease. If the interest rate implicit in a sublease cannot be readily determined for a sublease, then the discount rate used for the head lease (adjusted for any initial direct costs associated with the sublease) is used to measure the net investment in the sublease.

The interest rate implicit in the lease is defined in a manner which causes the initial direct costs to be included in the initial measurement of the net investment in the lease

Accounting Policies

1.5 Leases (continued)

Lease payments included in the measurement of the net investment in the lease comprise the following:

fixed lease payments, including in-substance fixed payments, less any lease incentives payable;
variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
the amount expected to be receivable by the company from the lessee, a party related to the lessee or a third party unrelated to the company under residual value guarantees (to the extent of third parties, this amount is only included if the party is financially capable of discharging the obligations under the guarantee);
the exercise price of purchase options, if the lessee is reasonably certain to exercise the option;
penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

Interest income from instalment sale agreements is recognised using the effective interest method. The contractual interest rates are set out in the relevant lending and sale agreements, and interest income is calculated on the outstanding balances in accordance with those contractual terms. Accordingly, the interest earned on these assets represents contracted interest income rather than variable or discretionary revenue. Finance income recognised on instalment sale agreements is included in interest income in profit or loss (note 12).

The company applies the impairment provisions of IFRS 9 to lease receivables. Refer to the accounting policy for loans receivable as lease receivables are impaired on a consistent basis with that accounting policy.

1.6 Stated capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are recognised at par value and classified as 'stated capital' in equity. Dividends are recognised as a liability in the company in which they are declared.

Preference shares are recognised at par value and classified as 'stated capital' in equity. The preference shares have no terms of repayment.

1.7 Revenue from contracts with customers

Fee income

Fee income is measured based on the consideration specified in contracts with borrowers and is recognised when the related services are transferred to the borrower, and the fee becomes unconditional. Fee income is recognised over time as the lender provides a continuous service to the borrower by keeping the credit facility available throughout the commitment period. Fee income includes, among others, commitment fees charged on unutilised committed facilities provided to borrowers.

Commitment Fees

Fees charged on any unutilised facilities committed by the company to its borrowers.

1.8 Interest expense

Interest expense is also recognised using the effective interest method and relates to contracted funding arrangements. This includes interest incurred on the senior notes issued under the listed note programme, as well as interest paid on the subordinated loan. The applicable interest rates and payment terms are contractually established in the relevant note and loan documentation, and interest expense is calculated on the outstanding balances in terms of those agreements.

Notes to the Annual Financial Statements

Figures in Rand	9 months ended. 28 February 2026

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current period

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

Amendments to IAS 21 – Lack of Exchangeability

It closes a gap in currency translation requirements, clarifying when a currency is considered exchangeable and how to determine the exchange rate when it is not.

It is not expected to have a material effect on disclosures.

2.2 Standards and interpretations not yet effective

The Company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Company's accounting periods beginning on or after 01 March 2026 or later periods:

The following new or amended standards are expected to have a significant impact on the Company's financial statements:

IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (Effective: 1 January 2027)

The standard introduces new categories and subtotals in statement of profit or loss and other comprehensive income, disclosure of management-defined performance measures (MPMs), and includes new requirements for the location, aggregation and disaggregation of financial information. This will have a material impact on the financial statements.

The standard will result in the statement of comprehensive income being classified into five categories: operating, investing, financing, income tax and discontinued operations.

IFRS 18 requires disclosure of information about all of an entity's MPMs within a single note to the financial statements and requires several disclosures to be made about each MPM, including how the measure is calculated and a reconciliation to the most comparable subtotal specified by IFRS 18 or another IFRS accounting standard.

The new standard is effective for the 2028 financial reporting period, with restatement of comparative information required.

The following new or amended standards are not expected to have a significant impact on the Company's financial statements:

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (Effective date: 1 January 2026)

Notes to the Annual Financial Statements

2. New Standards and Interpretations (continued)

2.3 Standards and interpretations not yet effective or relevant

The following standards and interpretations have been published and are mandatory for the Company's accounting periods beginning on or after 01 March 2026 or later periods but are not relevant to its operations

Annual Improvements to IFRS Accounting Standards – Volume 11 (Effective date: 1 January 2026)

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (Effective date: 1 January 2026)

Subsidiaries without Public Accountability: Disclosures – IFRS 19 (Effective date: 1 January 2027)

Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21 (Effective date: 1 January 2027)

3. Loans receivable

Loans receivable are presented at amortised cost, which is net of loss allowance, as follows:

Loans receivable The facilities are subject to interest which will be charged at floating rates during various stages of the loans advanced. The repayment of the loans are based on contractually agreed repayments (remaining repayment terms 8-13 years).	131 246 224

.

Split between non-current and current portions

Non-current assets	54 141 280
Current assets	77 104 944
	131 246 224

On 3 March 2026, a prepayment amounting to R69 989 771 was made against the outstanding loans receivable. The amount has been included in the current portion of loans receivable, as disclosed in Note 3: Loans Receivable.

Exposure to credit risk

Loans receivable inherently exposes 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.

The Company applies the expected credit loss (“ECL”) model in accordance with IFRS 9 to loans receivable and instalment sale agreements measured at amortised cost. Under this model, expected credit losses are recognised in three stages based on changes in credit quality since initial recognition.

At initial recognition, each borrower is subjected to a detailed credit assessment, including due diligence and conservative financial modelling. In the absence of meaningful internal default experience and given that the Company originates a unique renewable/project-finance asset class for which limited relevant industry data exists. The allowances were derived using conservative portfolio assumptions informed by rating-agency and market benchmark data, including expected default and recovery experience for project-finance portfolios. The Board has considered the provision to be reasonable, and it is reviewed quarterly as well as at year end.

Notes to the Annual Financial Statements

3. Loans receivable (continued)

Post acquisition of any loan or receivable, assessments are performed at each quarterly reporting date as well as at the company's year end to determine whether there has been any significant increase in credit risk ("SICR") since initial recognition that would require the loan or receivable to be moved to a different stage. The assessment is based on a combination of quantitative and qualitative indicators, including borrower compliance ratios, debt service cover ratios, life-of-loan cover ratios, technical performance of the underlying assets, macro-economic factors and other relevant credit information.

The forward-looking information in the ECL determination includes allowances for the following economic factors: JIBAR and Prime lending rates, petrol and diesel prices, consumer price index and bulk distributor electricity prices. This information is subject to change based on the variability of the loan and receivables book. Based on the movement of these economic factors, the impact is then assessed on the ECL percentage.

The Company receives management accounts together with quarterly compliance ratio calculations based on the financial performance of borrowers. These include historic debt service cover ratios, 12-month forward-looking debt service cover ratios, and loan life cover ratios. The 12-month forward-looking ratios are derived from borrower forecasts of the cash flow available for debt service, the borrower's ability to service debt obligations, forward interest rate assumptions including JIBAR curves. The technical performance of the underlying assets is also monitored quarterly for any indication of stress or underperformance. Should there be any indication that a SICR is present, the Company would assess this impact on the probability of default, taking into consideration any guarantees or securities.

Stage 1

Loans and receivables that are performing and for which no material SICR has occurred are classified as Stage 1. For these exposures, the Company recognises a 12-month forward looking ECL. The assumptions applied to calculate the ECL are explained above.

Stage 2

Where a SICR event has occurred, but the borrower is not more than 30 days in arrears, the exposure is classified as Stage 2. In assessing whether a borrower should be classified as Stage 2, the Company considers the extent to which the borrower continues to service the facility, the projected ability of the borrower to fully service the facility before the scheduled final repayment date, the potential to reschedule the facility beyond the scheduled final repayment date, the likelihood of any remedial plan succeeding, the availability of a second way out to recover the outstanding facility if the remedial plan is unsuccessful, and any other material factor that may affect the likelihood of an actual credit loss occurring.

Where an exposure is classified as Stage 2, the Company recognises a lifetime ECL. The Company then considers whether a specific additional ECL provision is required, having regard to the factors above and the latest available borrower and portfolio information.

Depending on the nature of the SICR, once the borrower's liquidity has been restored and the outstanding balance has been recovered, an assessment would be made to determine whether the loan or receivable should be classified as performing and therefore return to Stage 1.

Stage 3

Stage 3 applies where there has been a SICR event and the borrower is more than 90 days in arrears, or where there is objective evidence of credit impairment. In assessing whether an exposure should be classified as Stage 3, the Company considers the extent to which the borrower continues to service the facility, the projected ability of the borrower to fully service the facility before the scheduled final repayment date, the potential to reschedule the facility beyond the scheduled final repayment date, the likelihood of the borrower succeeding in any agreed remedial plan, the availability of a second way out including any mitigating measures, guarantees and security, whether legal action should be considered to recover the debt, whether there is no realistic prospect of recovering the debt or any portion thereof, and any other material factor affecting the extent of actual loss likely to be suffered by the Company.

Where an exposure is classified as Stage 3, a specific expected credit loss is recognised to reflect the estimated loss on the asset, or the portion thereof, that is considered unrecoverable.

3. Loans receivable (continued)

The loan or receivable can move form Stage 3 into Stage 2 and back to Stage 1 only if the credit risk associated with the borrower has improved sufficiently.

ECL allowance applied

Based on the assessment criteria applied, including the borrowers' current and projected debt service capacity, historical and forward-looking debt service cover ratios, life-of-loan cover ratios, technical performance of the underlying assets, remedial plans, security available, and the absence of any historical payment defaults, each borrower was individually assessed and no SICR was identified. Therefore, all borrowers are classified as Stage 1 and an allowance of 1% has been applied. This approach, after taking all of the above factors into consideration, is based on a 12-month forward looking probability of default of approximately 1.5% and a loss given default of about 70%. This results in an expected credit loss percentage of 1%. Should any loans or receivables move into Stage 2 or Stage 3, the above factors would increase the % applied to calculate the lifetime ECL.

The maximum exposure to credit risk is the gross carrying amount of the loans as presented below.

Credit loss allowances

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

2026

Instrument	Basis of loss allowance	Gross Carrying amount	Loss allowance	Amortised cost
Loans receivable	12m ECL	131 845 013	(598 789)	131 246 224

Exposure to interest rate risk

The company is exposed to interest rate risk on loans receivable as the interest rates have floating portions. The floating portion of the interest rates are based on JIBAR. If the JIBAR rate increases, the value of the loans increase.

4. Instalment sale agreements

Maturity analysis of lease payments receivable	
- less than 1 year	21 440 249
- first year to 5 years	61 505 303
- over 5 years	94 003 259
Gross investment in the leases	176 948 811
Less: Unearned interest income	(56 317 202)
Present value of minimum lease payments receivable	120 631 609
Less: Loss allowance	(1 206 317)
Net investment in the lease	**119 425 292**
Non-current assets	110 024 297
Current assets	9 400 995
	119 425 292

The company enters into instalment sale agreements in respect of renewable energy assets. The agreements accrue interest at floating rates (linked to the 3 month JIBAR rate with a weighted average all in margin of 3.45% for the year under review) and has contractually agreed repayment terms (remaining repayment terms 6-11 years).

Notes to the Annual Financial Statements

Figures in Rand	9 months ended 28 February 2026

4. Instalment sale agreements (continued)

Exposure to credit risk

Instalment sale agreements inherently exposes 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.

The Company applies the expected credit loss (“ECL”) model in accordance with IFRS 9 to loans receivable and instalment sale agreements measured at amortised cost. Under this model, expected credit losses are recognised in three stages based on changes in credit quality since initial recognition.

At initial recognition, each borrower is subjected to a detailed credit assessment, including due diligence and conservative financial modelling. In the absence of meaningful internal default experience and given that the Company originates a unique renewable/project-finance asset class for which limited relevant industry data exists. The allowances were derived using conservative portfolio assumptions informed by rating-agency and market benchmark data, including expected default and recovery experience for project-finance portfolios. The Board has considered the provision to be reasonable, and it is reviewed quarterly as well as at year end.

Post acquisition of any loan or receivable, assessments are performed at each quarterly reporting date as well as at the company’s year end to determine whether there has been any significant increase in credit risk (“SICR”) since initial recognition that would require the loan or receivable to be moved to a different stage. The assessment is based on a combination of quantitative and qualitative indicators, including borrower compliance ratios, debt service cover ratios, life-of-loan cover ratios, technical performance of the underlying assets, macro-economic factors and other relevant credit information.

The forward-looking information in the ECL determination includes allowances for the following economic factors: JIBAR and Prime lending rates, petrol and diesel prices, consumer price index and bulk distributor electricity prices. This information is subject to change based on the variability of the loan and receivables book. Based on the movement of these economic factors, the impact is then assessed on the ECL percentage.

The Company receives management accounts together with quarterly compliance ratio calculations based on the financial performance of borrowers. These include historic debt service cover ratios, 12-month forward-looking debt service cover ratios, and loan life cover ratios. The 12-month forward-looking ratios are derived from borrower forecasts of the cash flow available for debt service, the borrower’s ability to service debt obligations, forward interest rate assumptions including JIBAR curves. The technical performance of the underlying assets is also monitored quarterly for any indication of stress or underperformance. Should there be any indication that a SICR is present, the Company would assess this impact on the probability of default, taking into consideration any guarantees or securities.

Stage 1

Loans and receivables that are performing and for which no material SICR has occurred are classified as Stage 1. For these exposures, the Company recognises a 12-month forward looking ECL. The assumptions applied to calculate the ECL are explained above.

Stage 2

Where a SICR event has occurred, but the borrower is not more than 30 days in arrears, the exposure is classified as Stage 2. In assessing whether a borrower should be classified as Stage 2, the Company considers the extent to which the borrower continues to service the facility, the projected ability of the borrower to fully service the facility before the scheduled final repayment date, the potential to reschedule the facility beyond the scheduled final repayment date, the likelihood of any remedial plan succeeding, the availability of a second way out to recover the outstanding facility if the remedial plan is unsuccessful, and any other material factor that may affect the likelihood of an actual credit loss occurring.

Notes to the Annual Financial Statements

Figures in Rand	9 months ended 28 February 2026

4. Instalment sale agreements (continued)

Where an exposure is classified as Stage 2, the Company recognises a lifetime ECL. The Company then considers whether a specific additional ECL provision is required, having regard to the factors above and the latest available borrower and portfolio information.

Depending on the nature of the SICR, once the borrower's liquidity has been restored and the outstanding balance has been recovered, an assessment would be made to determine whether the loan or receivable should be classified as performing and therefore return to Stage 1.

Stage 3

Stage 3 applies where there has been a SICR event and the borrower is more than 90 days in arrears, or where there is objective evidence of credit impairment. In assessing whether an exposure should be classified as Stage 3, the Company considers the extent to which the borrower continues to service the facility, the projected ability of the borrower to fully service the facility before the scheduled final repayment date, the potential to reschedule the facility beyond the scheduled final repayment date, the likelihood of the borrower succeeding in any agreed remedial plan, the availability of a second way out including any mitigating measures, guarantees and security, whether legal action should be considered to recover the debt, whether there is no realistic prospect of recovering the debt or any portion thereof, and any other material factor affecting the extent of actual loss likely to be suffered by the Company.

Where an exposure is classified as Stage 3, a specific expected credit loss is recognised to reflect the estimated loss on the asset, or the portion thereof, that is considered unrecoverable.

The loan or receivable can move form Stage 3 into Stage 2 and back to Stage 1 only if the credit risk associated with the borrower has improved sufficiently.

ECL allowance applied

Based on the assessment criteria applied, including the borrowers' current and projected debt service capacity, historical and forward-looking debt service cover ratios, life-of-loan cover ratios, technical performance of the underlying assets, remedial plans, security available, and the absence of any historical payment defaults, each borrower was individually assessed and no SICR was identified. Therefore, all borrowers are classified as Stage 1 and an allowance of 1% has been applied. This approach, after taking all of the above factors into consideration, is based on a 12-month forward looking probability of default of approximately 1.5% and a loss given default of about 70%. This results in an expected credit loss percentage of 1%. Should any loans or receivables move into Stage 2 or Stage 3, the above factors would increase the % applied to calculate the lifetime ECL.

The maximum exposure to credit risk is the carrying amount of the instalment sale agreements as presented above.

The loss allowance provision is determined as follows:

	2026	2026
Expected credit loss rate:	Estimated gross carrying amount at default	Loss allowance 12m ECL
Instalment sale agreements		
Not past due: 1%	120 631 609	(1 206 317)

Notes to the Annual Financial Statements

Figures in Rand	9 months ended 28 February 2026

5. Deferred tax

Deferred tax asset

Net effect of credit loss allowance and assessed loss	446 960

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	446 960

Reconciliation of deferred tax asset / (liability)

Movement in credit loss allowance	446 960

6. Trade and other receivables

Financial instruments:	
Trade receivables	1 369 962
Total trade and other receivables	**1 369 962**

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

At amortised cost	1 369 962

Trade receivables

Trade receivables of R1 369 962 occured due to a clerical error resulting in a payment being received a day after year end. This is not expected to occur in future periods.

7. Cash and cash equivalents

Cash and cash equivalents consist of:

First National Bank	11 044 117

8. Stated capital

Authorised number of shares:	
1000 Ordinary shares at par value	1 000
1000 Preference shares at par value	1 000
	2 000

Reconciliation of number of shares issued:	
Issue of shares – ordinary shares	1 000
Issue of preference shares	1
	1 001

Notes to the Annual Financial Statements

Figures in Rand	9 months ended 28 February 2026

8. Stated capital (continued)

Issued value in R's:

Ordinary shares issued at a par value of R nil	-
Preference share issued at a par value of R1 000	1 000
	1 000

The preference share confers on its holder the right to participate in the residual profits of the company by way of a preferential dividend, declared out of statutory net profits after taxation and expenses, in priority to any dividend declared to the holders of ordinary shares.

The preferential dividend is subject to the following principal terms:Cash settlement: The preferential dividend is payable in cash only, unless the preference shareholder agrees otherwise.

Available cash condition: The preferential dividend is only due and payable to the extent that cash is available for distribution after settlement of all debt obligations of the company under the Programme Memorandum and Transaction Documents, and provided that payment will not result in a breach of any obligation thereunder, subject to the solvency and liquidity requirements of section 46 of the Companies Act 71 of 2008.

Ordinary share restriction: No dividend may be declared or paid to holders of ordinary shares unless the preferential dividend, or the applicable portion thereof, has first been declared.

The declaration and quantum of the preferential dividend is determined by the directors from time to time in accordance with the above conditions and the applicable provisions of the Companies Act.

9. Equity contribution reserve

The equity contribution was made by Verdure Fund (RF) (Pty) Ltd. This consists of expenses paid on behalf of the company by Verdure Fund (RF) (Pty) Ltd of R955 820 and a cash contribution of R200 000. The cash contribution is to be maintained as a minimum balance.

Verdure Fund (RF) (Pty) Ltd - equity contribution reserve	1 155 820

10. Other financial liabilities

Subordinated loan facility	32 981 801

On 7 November 2025, Verdure Finance (RF) Limited entered into a subordinated loan facility agreement with Verdure Fund (RF) (Pty) Ltd, structured as a credit enhancement for its first issuance of senior Class A1 Floating Rate Notes under the ZAR 2 billion Asset-Backed Securities Programme listed on the JSE (Stock Code: VF01A; ISIN: ZAG000220765).

The subordinated loan ranks behind senior noteholders' claims and is expressly subordinated to them, absorbing losses first to ensure preferential repayment of senior debt under the contractual priority of payments.

It bears interest at a floating rate of 3-month JIBAR plus 3% margin (current year) with a remaining contractual term of 9.7 years. The loan is recognised as a financial liability and measured at amortised cost using the effective interest method.

Notes to the Annual Financial Statements

Figures in Rand	9 months ended 28 February 2026

10. Other financial liabilities (continued)

Listed notes issued - ZAG220765	230 442 398

On 7 November 2025, Verdure Finance (RF) Limited issued senior Class A1 Floating Rate Notes under its ZAR 2 billion Asset-Backed Securities Programme listed on the JSE (Stock Code: VF01A; ISIN: ZAG000220765). These notes bear interest at 3-month JIBAR plus 2.2% all-in margin with a remaining contractual term of 9.7 years.

The notes rank senior in the capital structure and are secured by a comprehensive debt guarantee from Verdure Finance Security SPV (Pty) Ltd covering all present and future liabilities, payments, and indebtedness owed to noteholders. The senior notes benefit from credit enhancement via a junior subordinated loan from Verdure Fund (RF) (Pty) Ltd. Repayment follows the programme's contractual priority of payments.

Fair value at year-end approximates carrying value given arm's-length issuance and active JSE listing, with no material impairment indicators. Interest rate risk is managed per the fund's floating-rate funding philosophy, with no hedging applied.

	263 424 199

Exposure to interest rate risk

The interest rate risk on the subordinated loan and listed notes issued is mitigated based on the fact that the lending expense of interest are predominantly from variable interest rates therefore creating a natural hedge and currently all facilities have matching tenors.

11. Trade and other payables

Financial instruments:	
Trade payables	390 969

12. Interest income

Interest income	8 470 620

Disaggregation of interest income

The company disaggregates interest income from customers as follows:	
Interest - Bank balances	7 689
Interest - Loans receivable	4 435 548
Interest - Instalment sale agreements	4 027 383

13. Interest expense

Interest expense	7 294 692

Interest expense is dissaggregated as follows:	
Interest - Subordinated loan facility	982 163
Interest - Listed notes issued - ZAG220765	6 312 529

Notes to the Annual Financial Statements

Figures in Rand	9 months ended 28 February 2026

14. Net fee income

Commitment fees	9 255

15. Allowance for credit loss

Credit loss allowance	1 805 105

16. Operating expenses

Audit fees	(287 750)
Accounting fees	(18 000)
Bank charges	(12 226)
Committee fees	(23 500)
Director fees	(76 500)
Issuance advisory fees	(739 078)
Public officer fees	(46 350)
Related party director fees	(38 250)
Secretarial fees	(18 417)
Tax administration fees	(6 400)
	(1 266 471)

17. Taxation

Major components of the tax income

Deferred	
Deferred tax	(446 960)

Reconciliation of the tax expense

Reconciliation between accounting profit and tax expense.

Accounting loss	(1 886 393)
Tax at the applicable tax rate of 27%	(509 326)
Tax effect of adjustments on taxable income	
Tax losses carried forward	62 366
	(446 960)

No provision has been made for 2026 tax as the company has no taxable income. The estimated tax loss available for set off against future taxable income is R230 986.

Notes to the Annual Financial Statements

Figures in Rand	9 months ended 28 February 2026

18. Cash used in operations

Loss before taxation	(1 886 393)
Adjustments for non-cash items:	
Non-cash equity contribution reserve (refer to note 9)	955 821
Non-cash credit loss allowance (refer to note 15)	1 805 105
Non-cash subordinated loan facility - (refer to note 20)	32 782 689
Non-cash loan receivables advanced - (refer to note 19)	(16 391 344)
Non-cash instalment sale agreements advanced - (refer to note 19)	(16 391 345)
Adjust for items which are presented separately:	
Interest income	(8 470 620)
Finance costs	7 294 692
Changes in working capital:	
(Increase) decrease in trade and other receivables	(1 369 962)
Increase (decrease) in trade and other payables	390 969
	(1 280 388)

19. Cash flows from operating activities

Cash (inflow) / outflow from loans receivable

Opening balance	-
Cash movements	**111 018 120**
Loan receivables - advanced	117 145 135
Loan receivables - repayments received	(3 684 617)
Loan receivables - total interest income received	(2 442 398)
Non-cash loan receivables - advanced	16 391 344
Loan receivables - total interest income per note 12	4 435 549
Non-cash credit loss allowance	(598 789)
	131 246 224

Cash (inflow) / outflow from installment sale agreements

Opening balance	-
Cash movements	**100 212 882**
Instalment sale agreements - advanced	112 333 684
Instalment sale agreements - repayments received	(8 126 619)
Loans receivables - interest income received	(3 994 183)
Non-cash instalment sale agreements - advanced	16 391 344
Instalment sale agreement - total interest income per note 12	4 027 382
Non-cash credit loss allowance	(1 206 316)
	119 425 292

Notes to the Annual Financial Statements

Figures in Rand	9 months ended 28 February 2026

20. Cash flows from financing activities

Cash inflow / (outflow) from subordinated loan facility	
Opening balance	-
Cash movements	**(783 051)**
Subordinated loan facility - repayments made	(552 445)
Subordinated loan facility - interest paid	(230 606)
Non-cash - subordinated loan facility received	32 782 689
Subordinated loan facility - total interest expense per note 13	982 163
	32 981 801

Cash inflow / (outflow) from listed notes issued	
Opening balance	-
Cash movements	**224 129 869**
Listed notes issued - received	229 478 819
Listed notes issued - repayments made	(3 867 114)
Interest expense - listed notes issued	(1 481 836)
Listed notes issued - total interest expense per note 13	6 312 529
	230 442 398

21. Directors' emoluments

Executive

2026

	Emoluments	Total
GP Ansermino		
		-

Non-executive

2026

	Emoluments	Total
M Kotzé	25 500	25 500
KL Redford	25 500	25 500
D Van Deventer	25 500	25 500
	76 500	**76 500**

Notes to the Annual Financial Statements

Figures in Rand	9 months ended 28 February 2026

22. Related parties

Relationships	
Holding company	Verdure Finance Owner Trust
Entity under common control	Verdure Security SPV Owner Trust Verdure Security SPV (Pty) Ltd
Entity with common key management	Verdure Fund (RF) (Pty) Ltd Resolve Corporate Services (Pty) Ltd
Members of key management	GP Ansermino KL Redford M Kotzé D Van Deventer

Related party balances

Equity contribution	
Verdure Fund (RF) (Pty) Ltd	1 155 820
Preference stated capital	
Verdure Fund (RF) (Pty) Ltd	1 000
Subordinated loan facility from	
Verdure Fund (RF) (Pty) Ltd	32 981 801

Related party transactions

Interest paid to related parties	
Verdure Fund (RF) (Pty) Ltd	982 163
Secretarial fees	
Verdure Fund (RF) (Pty) Ltd	11 500
Expenses paid by related party on behalf of Verdure Finance (RF) Ltd	
Verdure Fund (RF) (Pty) Ltd	955 820

23. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

2026

	Notes	Amortised cost	Leases	Total	Fair value
Loans receivable	3	131 246 224	-	131 246 224	131 246 224
Instalment sale agreements	4	-	119 425 292	119 425 292	119 425 292
Trade and other receivables	6	1 369 962	-	1 369 962	1 369 962
Cash and cash equivalents	7	11 044 117	-	11 044 117	11 044 117
		143 660 303	**119 425 292**	**263 085 595**	**263 085 595**

Notes to the Annual Financial Statements

Figures in Rand	9 months ended 28 February 2026

23. Financial instruments and risk management (continued)

Categories of financial liabilities

2026

	Notes	Amortised cost	Total	Fair value
Trade and other payables	11	390 969	390 969	316 796
Other financial liabilities	10	263 424 199	263 424 199	263 424 199
		263 815 168	**263 815 168**	**263 740 995**

Pre tax gains and losses on financial instruments

Gains and losses on financial assets

2026

	Notes	Amortised cost	Total
Recognised in profit or loss:			
Interest income	12	8 470 620	8 470 620
Net fee income	14	9 255	9 255
Movement in credit loss allowances	15	(1 805 105)	(1 805 105)
Net gains (losses)		**6 674 770**	**6 674 770**

Capital risk management

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

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

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

Listed notes issued - ZAG220765	10	263 424 199
Trade and other payables	11	390 969
Total borrowings		**263 815 168**
Cash and cash equivalents	7	(11 044 117)
Net borrowings		**252 771 051**
Equity		(2 871 192)
		(2 871 192)
Gearing ratio		(8 804)%

23. Financial instruments and risk management (continued)

Financial risk management

Overview

The company is exposed to the following risks from its use of financial instruments:
- Credit risk;
- Liquidity risk; and
- Interest rate risk.

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

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.

Credit risk

Details regarding credit risk are presented in note 3 and 4.

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

		2026		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Loans receivable	3	131 845 013	(598 789)	131 246 224
Instalment sale agreements	4	120 631 609	(1 206 317)	119 425 292
Trade and other receivables	6	1 369 962	-	1 369 962
Cash and cash equivalents	7	11 044 117	-	11 044 117
		264 890 701	**(1 805 106)**	**263 085 595**

Liquidity risk

The company is exposed to liquidity risk, which is the risk that the company will encounter difficulties in meeting its obligations as they become due. The company manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows through the application of conservative risk and credit policies. The liquidity risk is low due to back to back financing arrangements between assets and liabilities. Assets being loans receivable and instalments sale agreements and liabilities being the subordinated loan facility and listed notes issued. The subordinated loan facility remains subordinated in all respects.

The company's banker, FirstRand Bank Limited, has a Moody's credit rating of Baa3 and therefore has adequate capacity to meet its financial commitments with a positive outlook. As a result there is no risk to the business of the company. The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the tables below. The cash flows are undiscounted contractual amounts.

Notes to the Annual Financial Statements

Figures in Rand	9 months ended 28 February 2026

23. Financial instruments and risk management (continued)

The maturity profile of contractual cash flows are shown below for disaggregated asset and liability class

2026

Assets

Loans receivable (refer to note 3)	**0 - 1 year**	**1 - 3 years**	**3 - 5 years**	**5 - 7 years**	**Over 7 years**	**Total**
Principal repayments						
Principal repayments	75 163 701	12 877 021	12 818 422	13 227 236	15 765 483	129 851 863
Interest accruals	1 993 150	-	-	-	-	1 993 150
Total principal repayments	**77 156 851**	**12 877 021**	**12 818 422**	**13 227 236**	**15 765 483**	**131 845 013**
Interest payable						
Interest payable	8 162 021	9 750 493	7 701 418	5 449 949	2 215 109	33 278 990
	85 318 872	**22 627 514**	**20 519 840**	**18 677 185**	**17 980 592**	**165 124 003**

Instalment sale agreements (refer to note 4)	**0 - 1 year**	**1 - 3 years**	**3 - 5 years**	**5 - 7 years**	**over 7 years**	**Total**
Principal repayments	9 462 756	24 412 652	34 975 365	35 581 094	16 166 543	120 598 410
Interest accurals	33 199	-	-	-	-	33 199
Total principal repayments	**9 495 955**	**24 412 652**	**34 975 365**	**35 581 094**	**16 166 543**	**120 631 609**
Interest payable						
Interest payable	11 944 294	19 486 795	15 128 446	7 517 672	2 239 995	56 317 202
	21 440 249	**43 899 447**	**50 103 811**	**43 098 766**	**18 406 538**	**345 900 417**

Liabilities

Subordinated loan facility (refer to note 10)	**0 - 1 year**	**1 - 3 years**	**3 - 5 years**	**5 - 7 years**	**Over 7 years**	**Total**
Principal repayments						
Verdure Finance (RF) Limited	(10 868 841)	(4 440 485)	(5 776 011)	(6 536 930)	(4 607 977)	(32 230 244)
Accruals	(751 557)	-	-	-	-	(751 557)
Total principal repayments	**(11 620 398)**	**(4 440 485)**	**(5 776 011)**	**(6 536 930)**	**(4 607 977)**	**(32 981 801)**
Interest payable						
Verdure Finance (RF) Limited	(2 171 441)	(3 468 067)	(2 717 507)	(1 588 859)	(534 345)	(10 480 219)
	(13 791 839)	**(7 908 552)**	**(8 493 518)**	**(8 095 789)**	**(5 142 322)**	**(43 432 020)**

Listed notes issued - ZAG220765 (refer to note 10)	**0 - 1 year**	**1 - 3 years**	**3 - 5 years**	**5 - 7 years**	**Over 7 years**	**Total**
Principal repayments						
ISIN: ZAG000220765	(76 081 884)	(31 083 391)	(40 432 080)	(45 758 511)	(32 255 839)	(225 611 705)
Interest accruals	(4 830 693)	-	-	-	-	(4 830 693)
Total principal repayments	**(80 912 577)**	**(31 083 391)**	**(40 432 080)**	**(45 758 511)**	**(32 255 839)**	**(230 442 398)**
Interest payable						
ISIN: ZAG000220765	(13 966 769)	(22 148 432)	(17 484 916)	(10 096 657)	(3 477 947)	(67 174 721)
	(94 879 346)	**(53 231 823)**	**(57 916 996)**	**(55 855 168)**	**(35 733 786)**	**(297 617 119)**

23. Financial instruments and risk management (continued)

Interest rate risk

Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.

The company's main profit-earning function is income from earning interest and cost from paying interest. The mitigation of the interest rate risk is based on the fact that the lending income and expense of interest are predominantly from variable interest rates therefore creating a natural hedge.

The income-earning assets of the company consist of loans and advances earning interest and instalment sale agreements earning interest at floating rates. Surplus cash is invested in liquid investments with reputable financial institutions.

The debt of the company comprises of different instruments, which consist of senior debt, bearing interest at floating interest rates, is subordinated loan to listed notes issued from commercial sources and currently all facilities have matching tenors. Interest rates on all borrowings compare favourably with those rates available in the market.

Interest rate sensitivity analysis

The interest rates of the company are not sensitive to reasonably possible change in interest rates. This is due to the company's lending income and expense of interest being predominantly from variable interest rates, therefore if there is an increase or decrease in the interest rates of the company's debt instruments there will be a corresponding increase or decrease in the company's income-earning assets. Currently all facilities have matching tenors.

24. Events after the reporting period

On 3 March 2026, a prepayment amounting to R69 989 771 was received against the outstanding loans receivable. The amount has been included in the current portion of loans receivable, as disclosed in Note 3: Loans Receivable.

On 30 April 2026, the company issued a second tranche of notes under its listed notes programme. The notes were issued as unlisted notes (ISIN ZAG000224718) to the value of R177 645 505. The purchase of participating assets to the value of R203 023 434 was financed through the senior notes as well as the subordinated loan facility of R25 377 929.

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

25. Going concern

The issuer is a special purpose vehicle established to issue senior secured asset-backed notes listed on the JSE Interest Rate Market. The operations commenced only a few months prior to the reporting date, and the issuer is currently in an accumulated loss position due to transaction setup costs and the establishment of a ECL in respect of the underlying asset portfolio. The losses are directly linked to the early stage nature of the portfolio and the prudential risk management approach adopted, and are not expected to continue at the same level as the asset pool season and covenants are met.

The issuer has a subordinated loan facility from its sponsor, which ranks behind the senior noteholders and provides first loss protection and ongoing credit underpin. This subordinated loan is structured to absorb initial losses and provide additional credit support, thereby enhancing the security of the senior notes and supporting the issuer's ability to meet its obligations.

Notes to the Annual Financial Statements

Figures in Rand	9 months ended 28 February 2026

25. Going concern (continued)

The issuer has a clear and approved funding strategy under its ZAR 2 billion Asset-Backed Securities Programme and intends to continue issuing further tranches of senior secured notes, supported by additional subordinated loans from its sponsor for credit underpinning as required. Management has performed a going concern assessment, taking into account anticipated cash inflows from the underlying assets, available subordinated funding, the structure of the senior notes, and the sponsor’s ongoing commitment to provide subordinated support.

On the basis of these factors, directors has a reasonable expectation that the issuer will be able to continue to meet its liabilities as they fall due for at least 12 months from the reporting date and is therefore of the view that the going concern basis of preparation is appropriate.