altvest credit opportunities fund

integrated annual report

2026

ALTVEST CREDIT OPPORTUNITIES FUND LTD
Registration Number: 2022/737301/06
(Incorporated in South Africa)
Africa Bitcoin Corporation Class C Preferred Ordinary Shares
(through which public investors access the ACOF mandate): JSE Share Code BACC
Annual Financial Statements for the Year Ended 28 February 2026

NCR Number: NCRCP18241
ABC Class C Preferred Ordinary Shares JSE: BACC
ABC Class C Preferred Ordinary Shares NSX: BANC
ISIN: ZAE000338448
ACOF DMTN Notes (CTSE listed): 4ACD01, 4ACD03 & 4ACD04
DMTN ISIN: ZAG400000478

general info

Altvest Credit Opportunities Fund Ltd ("ACOF") as at 28 February 2026:

Country of Incorporation and Domicile	Republic of South Africa
Nature of Business and Principal Activities	The company Altvest Credit Opportunities Fund Ltd ("ACOF") was incorporated in South Africa. The principal activity of the company is the provision of loans to small and medium enterprises (SMEs).
Financial Year-End	28 February
Directors	Executive Directors: WG Wheatley AS Karan TL Wheatley JL Phillips (appointed 1 August 2025) Independent Non-Executive Directors: GM Sephuma (Chairperson) SKI Masakale A Kabagambe (Appointed 1 October 2025) S Maputla (Appointed 1 October 2025) M Maradzika (Appointed 1 October 2025) E Harcourt- Wood (resigned 23 June 2025) KS Sithole (resigned 12 December 2025)
Registered Office and Business Address	Block B, 66 Rivonia Road, Chislehurston, Sandton, 2146
Postal Address	Block B, 66 Rivonia Road, Chislehurston, Sandton, 2146
Company Registration Number	2022/737301/06
Tax Number	9618362199
NCR Number	NCRCP18241
FSP Number	All advice and intermediary services are rendered by Altvest Wealth (Pty) Ltd, an authorised financial services provider, FSP 45810, or Africa Bitcoin Corporation Limited or Africa Bitcoin Strategies in their capacity as a juristic representative of CAEP Asset Managers (Pty) Ltd with FSP number 33933.
Internally Compiled By	JL Phillips CA(SA)
Auditors	Forvis Mazars South Africa
Company Secretary	CTSE Registry Services Proprietary Limited (represented by Estelle de Jager)
Designated Advisor / Corporate Sponsor (JSE)	Questco Corporate Advisory (Pty) Ltd

NSX Sponsor	Cirrus Securities (Pty) Ltd
JSE Share Code	Africa Bitcoin Corporation Limited Class C Preferred Ordinary Shares - BACC ISIN ZAE000338448
NSX Share Code	Africa Bitcoin Corporation Limited Class C Preferred Ordinary Shares - BANC
Group FSP Licences	• Altvest Wealth (Pty) Ltd holds its own CAT 1 FSP Licence (FSP 45810). • Africa Bitcoin Strategies (Pty) Ltd operates as a juristic representative of CAEP Asset Managers (Pty) Ltd (FSP 33933). • Africa Bitcoin Corporation Limited operates as a juristic representative of CAEP Asset Managers (Pty) Ltd (FSP 33933).
Website	www.acof.co.za

Forward Looking Statement

This report contains certain forward-looking statements regarding the future operations and prospects of the Fund. These statements involve known and unknown risks, uncertainties and other factors. Readers are cautioned not to place undue reliance on these statements. The Fund undertakes no obligation to update any forward-looking statement except as may be required by law.

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Business Description and structure

Altvest Credit Opportunities Fund ("ACOF" or the "Fund") is a private credit investment and SME financier designed to catalyse inclusive economic growth by providing structured, affordable and scalable funding solutions to small and medium-sized enterprises (SMEs) across South Africa. In an economy where SMEs account for nearly 98.5% of all businesses yet face persistent barriers to affordable finance, ACOF was established as a regulated private credit vehicle providing scalable, transparent and impact-oriented debt funding to South African SMEs.

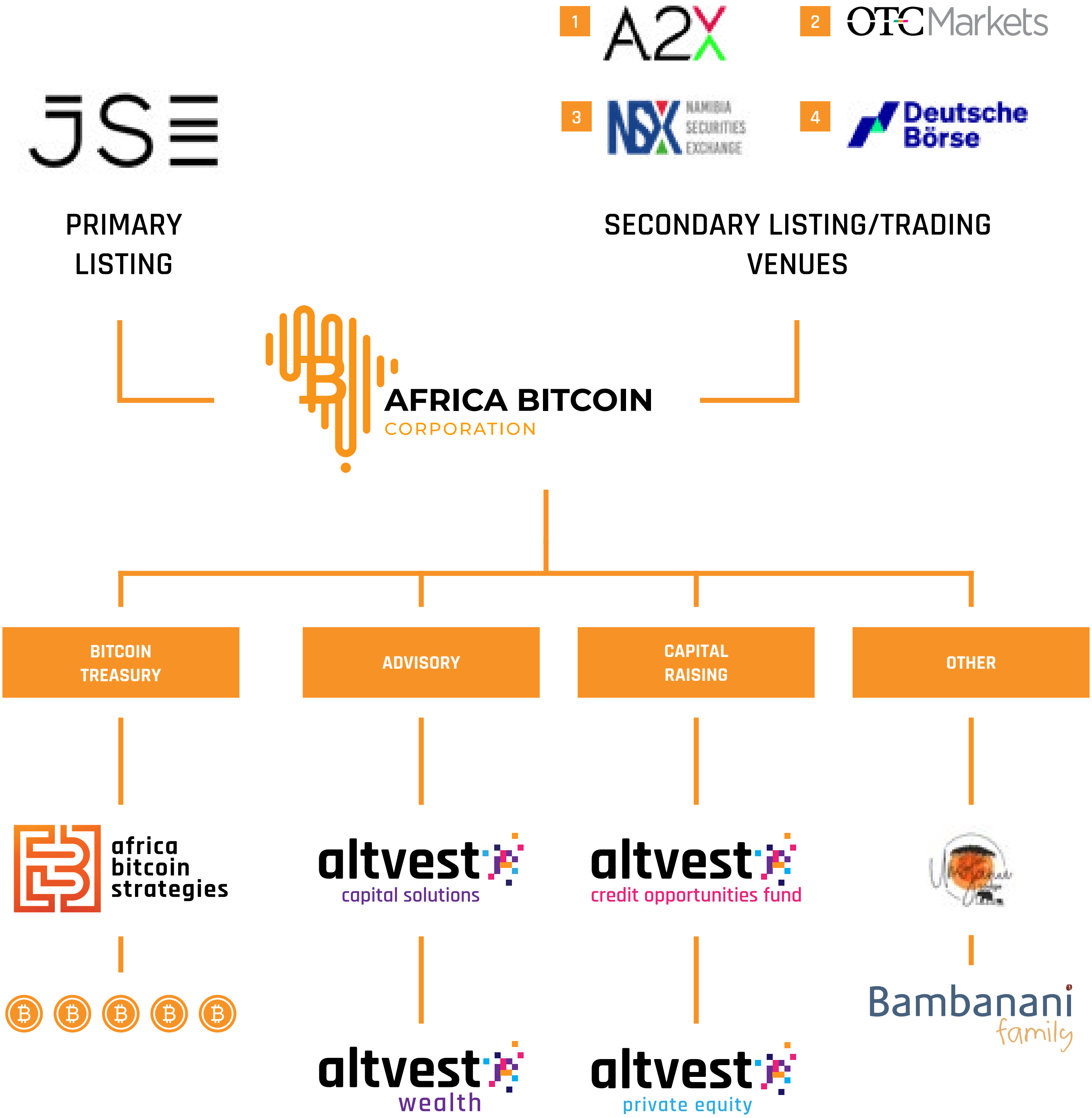
ACOF's mission is straightforward but powerful: to enable inclusive growth by providing accessible, structured and affordable finance to high-potential SMEs. These businesses are the engine of South Africa's economy. They create jobs, drive innovation and sustain communities.

ACOF's lending framework is intentionally inclusive, designed to reward transformation and reduce the cost of borrowing for empowerment-driven enterprises. At the centre of this approach is ACOF's women empowerment framework, which offers businesses up to 25% in reduced interest rates based on women-ownership, management and workforce representation.

After almost three years of operation, ACOF has deployed nearly R394.8 million across 44 SMEs in 21 industries, supporting and creating more than 2,084 jobs and maintaining one of the lowest bad debt ratios in the sector, based on internal benchmarking against available industry data. Finance can be both profitable and purposeful.

ACOF is a wholly-owned subsidiary of Africa Bitcoin Corporation Limited (ABC), formerly Altvest Capital Limited, a public, listed financial services group that provides growth capital and a comprehensive suite of financial solutions to small and medium-sized enterprises across South Africa, with active expansion underway into broader African markets. The group's core funding offering centres on private credit, secured, structured lending facilities that provide SMEs with working capital, growth capital, and asset finance at competitive rates.

Group Corporate Structure



ACOF Delivers Economic Value to Three Groups:

Equity Investors

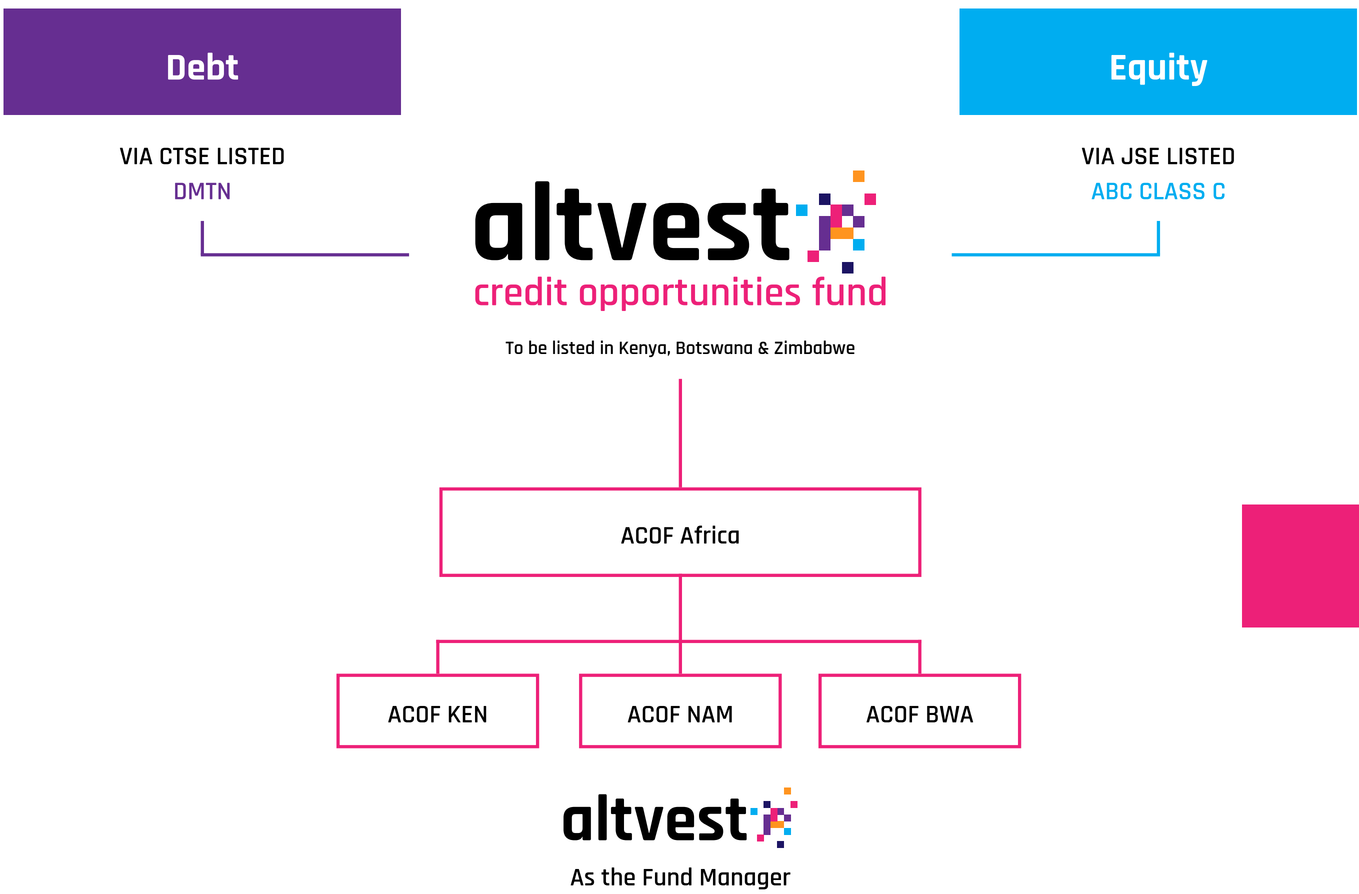
Private credit product offering a target equity IRR of approximately 26% to 28% (net of fees) over a horizon of 7 to 12 years, at moderate risk.

Debt Providers

A R5 billion Domestic Medium Term Note Programme (DMTN), for which an application to transfer to the JSE is in progress.

SMEs

Secure, fast and flexible growth capital that bridges the funding gap through securitised debt, while driving measurable economic impact.



Letter from the Chairperson:

norma sephuma

Letter from the chairperson

Dear Investors and Stakeholders,

It is my privilege to present this letter as part of the Annual Integrated Report of the Altvest Credit Opportunities Fund Limited for the financial year ended 28 February 2026. This has been a defining year for ACOF. What began as a conviction that access to capital could reshape the prospects of small and medium enterprises across South Africa has matured into a scaled, institutional grade private credit platform whose reach now extends beyond our borders.

The theme of this year's report, Driving Impact, reflects what the Board has observed over the past twelve months. ACOF has not only grown in financial terms. It has deepened its commitment to the enterprises it serves, broadened its reach into new sectors and geographies, and continued to demonstrate that well-structured private credit can deliver meaningful economic outcomes while generating sustainable returns for investors.

The scale of what has been achieved, including the near doubling of assets under management, the expansion of the loan book across a growing number of active loans spanning diverse sectors, and the raising of significant additional capital, is not merely a set of financial benchmarks. It represents real businesses funded, real entrepreneurs empowered, and real communities strengthened.

Delivering Measurable Impact in the Real Economy

The question the Board returns to most often is what sets ACOF apart from other credit providers. In the Board's view, it is ACOF's unwavering commitment to impact. ACOF does not simply deploy capital and await a return. It is intentional about investing in enterprises that create and sustain employment and that strengthen the communities in which they operate. The impact-driven pricing model, which rewards borrowers whose enterprises meet designated impact criteria, remains a defining feature of ACOF's identity, and the CIO's letter sets out how the model operated in practice during the year.

South Africa continues to face structural challenges of unemployment, inequality, and constrained access to capital for emerging businesses, and the traditional banking sector has often been unable to serve the SME segment with the flexibility these enterprises require. ACOF has stepped into that space with conviction, and the Fund's Human Yield metric, which tracks the jobs created and supported through ACOF funded enterprises, has continued to grow year-on-year. Behind every loan is an entrepreneur enabled to expand operations, hire, and strengthen the economic wellbeing of their employees and families, across agriculture, manufacturing, healthcare, logistics, technology, and the creative industries. Through the oversight of the Investment and Risk Committees, the Board is satisfied that credit risk has been managed prudently while reach into underserved segments has continued to expand.

Strengthening Our Governance

Good governance is the foundation of investor confidence, and the Board has taken deliberate steps during the year to strengthen ACOF's governance framework in line with growth.

The composition of the Board has been refreshed with appointments that bring additional depth of experience in finance, governance, legal, and regulatory matters. The Board welcomed Ms. Amanda Kabagambe, Ms. Sibongile Maputla, and Ms. Mazvita Maradzika as independent non-executive directors, and Mr. Jonathan Phillips as Financial Director. These appointments strengthen the independence, rigour, and subject matter range of the Board's oversight. The Board records its appreciation for the contributions of Ms. Ewa Harcourt-Wood and Mr. Khaya Sithole, who stepped down during the year, and thanks them for the role they played in the Fund's journey.

The Board has continued to invest in the systems, controls, and committee structures required to support the Fund's growth, with particular attention to the standards expected of an issuer of listed debt. The Board has overseen the identification and management of ACOF's material matters during the year and is satisfied that the governance and control environment has kept pace with the scale at which the Fund is now operating.

Engaging Our Stakeholders

The Board places stakeholder relations at the centre of how ACOF operates. Our investors and note holders, the entrepreneurs we fund, the communities in which they trade, our people, and our regulators are each integral to the Fund's ability to drive impact. The Board has focused on ensuring that the Fund engages these stakeholders openly, responsively, and with the transparency that sustains the trust on which the Company depends.

Looking to the Future with Confidence

The year ahead presents both opportunity and responsibility. The Board has endorsed ACOF's strategic ambition to expand its lending operations beyond South Africa, commencing with registered operations in Botswana and Namibia, subject to the necessary regulatory approvals in each jurisdiction. As a Motswana, I take pride in the prospect of ACOF extending its proven model into my home country and across the Southern African region. The funding gap that ACOF addresses in South Africa is not unique to this market, and ACOF is well-positioned to replicate its impact in new jurisdictions. The listing of Africa Bitcoin Corporation's Class C Preferred Ordinary Shares on the Namibia Securities Exchange during the year established a capital markets footprint in the first jurisdiction outside South Africa in which ACOF is preparing to lend, giving the strategy a tangible point of departure. The Board views this expansion not as diversification for its own sake, but as a deliberate extension of ACOF's mandate to drive economic participation and enterprise development across borders.

Supporting this ambition is the continued deepening of ACOF's institutional investor base, which provides the scale of growth capital required to extend the Fund's proven model into new markets while preserving the disciplined underwriting standards that have defined its journey. The composition of ACOF's capital base is set out in the CIO's report.

In Closing

I extend my heartfelt thanks to our investors and note holders, whose trust and conviction have been the bedrock of ACOF's growth. To the management team at ACOF, your commitment and professionalism are the engine behind every milestone reported in these pages. To my fellow Board members, I am grateful for your counsel, your rigour, and your shared belief in what we are building.

The Board has applied its collective mind to this Annual Integrated Report and is satisfied that it fairly presents the position, performance, and prospects of ACOF for the financial year ended 28 February 2026.

ACOF exists because of a conviction that access to capital can change the trajectory of a business, a family, and a community. Three years into this journey, that conviction has only deepened. ACOF has grown, the impact has multiplied, and the opportunities ahead are substantial. As we enter the next chapter of ACOF's story, we do so with the confidence that comes from a strong foundation, a clear mandate, and an unwavering commitment to driving impact where it matters most.

Norma Sephuma
Chairperson
Altvest Credit Opportunities Fund Limited
25 May 2026

Letter from the CEO:

warren wheatley

Letter from the ceo

Dear Stakeholders,

Three Years In. The Proof Is In The Numbers.

This year's theme, Driving Impact, reflects what those numbers represent: real capital deployed into real businesses, real jobs supported, and real institutional confidence earned through disciplined execution.

The financial year ended 28 February 2026 was ACOF's most consequential to date. Assets under management crossed R502 million. Capital from South Africa's institutional pension fund sector arrived in scale. A government development finance institution chose ACOF as a deployment partner for R37.5 million of SME-directed funding drawn during the year under the SEDFA development finance facility.

I want to address the external environment before I turn to our own performance, because the contrast matters and it is material.

The World is Reconsidering Private Credit

Global private credit is in a reckoning. What was marketed for a decade as a low-volatility, premium-yield alternative to public markets is now facing its most serious test since the period following the 2008 financial crisis. The concern is no longer confined to commentators and sell-side strategists. The International Monetary Fund, in its October 2025 Global Financial Stability Report, flagged the growth of non-bank financial institutions, including private credit, as a source of potential systemic vulnerability and called on regulators to close data gaps and enhance stress-testing frameworks (IMF, Global Financial Stability Report, October 2025). The Financial Stability Board, chaired by the Governor of the Bank of England, issued a public warning that the complexity, leverage and interconnectedness of the sector could amplify stress in adverse scenarios (Financial Stability Board, May 2026). The Bank of England named private credit as one of the vulnerabilities most likely to crystallise in an adverse macroeconomic environment (Bank of England Financial Stability Report, December 2025), and the Federal Reserve formally requested major US banks to disclose their exposures to private credit funds in April 2026 (Federal Reserve, reported in Fortune, 10 April 2026).

The scale of the deterioration in the United States is worth stating plainly. Fitch Ratings reports that the US private credit default rate reached 5.8% for the twelve months through January 2026, the highest reading since Fitch began tracking the measure (Fitch Ratings, US Private Credit Default Index, March 2026). The PMR default rate component, which captures the more stressed portion of the market, reached 9.4%. Morgan Stanley has forecast annual private credit defaults of 8% for the period spanning the second half of 2026 through mid-2027, with the bulk of the stress concentrated in software and technology lending (Morgan Stanley Research, cited in Bloomberg, 16 March 2026).

UBS projected as recently as late 2025 that private credit defaults would climb by as much as 3 percentage points through 2026, outpacing increases in leveraged loans and high-yield bonds (UBS Group AG Credit Strategy Research, reported in Bloomberg, 20 November 2025).

Moody's revised its outlook for private credit investment vehicles to negative in April 2026, citing the redemption exodus from non-traded vehicles and elevated leverage in publicly-traded counterparts (Moody's Investors Service, Private Credit Outlook 2026, and Bloomberg, 7 April 2026).

The mechanism is well-understood. A decade of easy capital attracted too much money into an opaque asset class. Competition for deals pushed managers to strip covenants, accept record leverage, and in many cases replace genuine credit discipline with the appearance of it. When the Federal Reserve held rates higher for longer than borrowers had modelled, interest-coverage ratios for significant portions of the mid-market corporate loan book fell below 1.0x. The loans could no longer service themselves. Blue Owl Capital restricted redemptions in its retail-facing vehicles (Blue Owl Capital Inc., shareholder communications relating to OBDC II, reported in Bloomberg and Alternative Credit Investor, 19 February 2026). FS KKR Capital and Goldman Sachs BDC cut dividends, and Moody's downgraded FS KKR Capital Corp from investment-grade to Ba1 as the fund's non-accrual rate climbed to approximately 5.5% by the end of 2025 (FS KKR Capital Corp. and Goldman Sachs BDC, Inc., Q4 2025 results announcements, February 2026; Moody's Investors Service, March 2026). The bankruptcies of First Brands Group and Tricolor Holdings in September 2025, although driven by alleged collateral fraud rather than pure credit deterioration, exposed the limits of underwriting discipline and reinforced concerns about transparency and valuation across the asset class (Bloomberg, 29 September 2025; Cambridge Associates and Neuberger Berman commentaries, October 2025).

The structural problems are familiar to anyone who followed the build-up. Self-assessed valuations with no external anchor. Payment-in-kind income substituting for cash that borrowers could not produce. Covenant erosion that removed early warning signals entirely. Heavy concentration in a single sector, technology, where the underlying business models are now being disrupted. And underlying all of it, a lending model that prioritised fee income from AUM growth over the discipline required to get capital back.

I am not raising these concerns to distance ACOF from the asset class. I am raising them because they define exactly what ACOF was designed not to be.

This is what good credit discipline looks like under pressure.

Against reported US private credit losses of 9.20% in 2025, ACOF's cumulative bad debts written off stand at 0.09%. That is not a rounding difference. It is a reflection of how we were built.

Our Record After Three Years

ACOF deployed its first loan in December 2022. Just under three years into operation, the fund has deployed R394.8 million across 44 SMEs spanning 21 distinct industries. The active loan book stands at R265.9 million. Assets under management reached R502 million at year-end, representing growth of 77.5% over the prior year. That growth was not achieved by lowering standards.

Four Structural Choices Explain These Outcomes

First, security. Every loan ACOF has originated is secured. The Fund holds tangible security across the loan book, providing realisable cover of 1.70 times the gross loan book on a stressed value basis, equivalent to fair value collateral coverage of approximately 252% of the gross loan book. The security consists of personal suretyships from directors and owners, cession of book debtors, cession of business assets and notarial bonds over moveable property. This is not covenant protection. It is real asset cover. If a borrower fails, we have claims over something that exists.

Second, scale discipline. Our largest single loan is R30 million. Our smallest is R407,185. The average is R5.9 million across 50 active loan facilities. We are lending to businesses that the conventional banking system has declined or priced out of reach. These are not leveraged buyouts. They are working capital facilities, asset finance lines and energy project loans extended to SMEs that need R2 million to buy a piece of equipment, R8 million to expand a production line, or R15 million to bridge a contract payment cycle. The diversification is genuine: 21 industries, spread across geography, with no single external borrower representing 10% or more of the gross portfolio.

Third, no payment-in-kind. ACOF's loans generate cash. Monthly collections reached R7.5 million at year-end. Interest income is recognised using the effective interest method, with cash collections monitored separately as a measure of borrower performance and portfolio liquidity. The loans are measured at amortised cost under IFRS 9. The ECL provision is calculated using a methodology that is disclosed in every reporting document we publish and is consistent with our audited financial statements. There is no self-marking.

Fourth, reporting. We publish loan book performance updates to the market through the JSE's SENS system. Every metric in this report, arrears, ECL provision, bad debts written off, security coverage, job creation, matches what has been disclosed publicly. There is no version of this performance that lives only in private. This is what transparency looks like in practice.

The Capital Base and Our Institutional Partners

Two of South Africa's largest retirement funds backed the Fund during the year through the DMTN programme. These commitments validate ACOF's institutional credit standing and confirm that the Fund's underwriting framework now meets the threshold of the country's most demanding allocators.

The Small Enterprise Development and Finance Agency, a state development finance institution, partnered with ACOF for the on-lending of concessional capital into qualifying black-owned, women-owned and rural SMEs. The SEDFA mandate is a formal institutional endorsement of ACOF's credit process, its impact framework, and its governance structure. Development finance institutions of this standing apply thorough due diligence before committing capital, and their decision to partner with ACOF reflects more than a yield-seeking exercise.

Questco Corporate Advisory has been appointed as Debt Sponsor for the proposed transfer of ACOF's R5 billion DMTN Programme from the Cape Town Stock Exchange to the JSE. This transfer, when completed, will broaden the investor base materially, improve secondary market accessibility, and place ACOF's debt instruments within the primary institutional fixed income market in South Africa.

The composition of these capital sources, with instrument-level pricing, tenor and security, is set out in the Capital Sources table in the CIO's letter.

Impact Is Not an Aspiration. It Is a Measurement.

The businesses behind these numbers span the real economy of South Africa.

The SMEs funded are a representative cross-section of ACOF's active portfolio. The through-line is consistent: a business with a demonstrable commercial foundation, a funding gap that the banking sector will not fill, and a team capable of deploying capital productively if given the chance. ACOF's job is to identify those businesses, price the risk correctly, take the right security, and get the money working.

> **Finance can be both profitable and purposeful. After three years, ACOF's track record makes that argument from evidence rather than intention.**

Women Empowerment as a Structural Pricing Mechanism

ACOF's women empowerment framework is the most distinguishing feature of our credit pricing model. Businesses that satisfy any of five criteria, being woman-founded, having a woman CEO or CFO or CIO, having 50% or more women shareholders, or employing 50% or more women, receive a 5% discount per criterion on their borrowing rate. Achieving all five unlocks a 25% reduction in total borrowing cost. This is not a grant or a social fund. It is a risk-adjusted pricing mechanism that recognises the empirical reality: women-led businesses in South Africa demonstrate lower default rates, more disciplined cash management, and stronger community rootedness.

The result is that ACOF can offer rates that are 25% to 40% lower than competing non-bank lenders, while maintaining the credit discipline that has produced a 0.09% bad debt write-off rate over three years. The model is not charity. It is the recognition that the right borrower at the right price, supported with the right structure, produces better outcomes for every stakeholder.

Expanding the Model Across the Continent

ACOF's expansion beyond South Africa is no longer aspirational. It is in execution. We have identified four markets across two phases, and formal registration is underway in two of them.

Phase one targets Botswana, where formal registration processes are underway with an expected launch in FY2027, and Namibia, where registration is also in process with an expected FY2027 launch. Both markets share structural characteristics with South Africa: a listed exchange available for capital raising, a regulatory environment that accommodates non-bank credit providers, identifiable institutional capital seeking impact-aligned returns, and an SME financing gap that dwarfs the available supply of structured credit.

Phase two targets Uganda and Kenya. The barriers ACOF was built to address in South Africa, specifically the high cost of capital, the absence of suitable collateral structures for SME borrowers, and the pervasive gender bias in conventional lending decisions, exist consistently across sub-Saharan Africa. The US$331 billion SME financing gap in the region is not a statistic about potential. It is evidence of a structural failure that is costing the continent jobs, tax revenue, and economic dignity.

ACOF brings a tested origination playbook, a credit scoring methodology validated over three years and 50 loan facilities, locally led governance through our Botswana-national Chairperson and a CIO with pan-African lending experience, and the institutional infrastructure of a listed, regulated entity. We are not entering these markets speculatively. We are expanding a model that works.

The Continental Expansion in Detail

ACOF's strategic ambition extends beyond South Africa's borders. The structural barriers the Fund was built to address, namely high cost of capital, insufficient collateral structures, and gender bias in lending, exist consistently across the African continent. The International Finance Corporation estimates a financing gap of US$331 billion among SMEs in sub-Saharan Africa, with only 30% of SMEs having access to a bank loan or line of credit. Over 40 million SMEs remain underserved across the region. This presents a generational opportunity for a tested, institutional grade lending platform to expand its impact across multiple jurisdictions.

The Case For Continental Expansion

Africa's SME sector is among the most underserved in the world. Despite representing the backbone of economic activity across the continent, small and medium enterprises face persistent barriers to accessing affordable, appropriately structured credit. Traditional banks have retreated from SME lending across multiple African markets, citing high origination costs, perceived credit risk, and the absence of standardised collateral frameworks. Development finance institutions, while active, cannot alone bridge a gap of this magnitude. What is needed is a scalable, commercially viable lending model that combines institutional rigour with deep local market understanding.

ACOF's three-year track record in South Africa provides exactly this proof-of-concept. The Fund has demonstrated that disciplined underwriting, bespoke structuring, and genuine development alignment can produce a portfolio with a bad debt ratio of 0.09% since inception, collateral coverage of 1.70x, and meaningful job creation outcomes.

The challenge now is to replicate this model across carefully selected African markets where the structural dynamics are analogous.

Expansion Strategy and Phasing

ACOF's expansion strategy is structured in two distinct phases, with market selection driven by regulatory maturity, institutional investor accessibility, and the depth of local partnership networks. The phased approach balances ambition with execution discipline, ensuring that each new market entry is supported by appropriate capital, governance infrastructure, and local expertise.

Phase 1: Southern Africa

The initial expansion targets Botswana and Namibia, two markets that share legal and regulatory frameworks with South Africa and offer established institutional investor ecosystems. These markets provide a natural extension of ACOF's existing capabilities while offering distinct growth opportunities.

	Botswana 	**Namibia** 
Population	2.4 million	3.0 million
GDP (PPP) / Per Capita GDP (PPP)	$54.6bn / $20,158	$14.2bn / $4,660
Key Partners Identified	Maru Advisory, NBFIRA, BSE, Debswana Pension Fund	Cirrus, NSE, Bellatrix Advisors
Regulatory Framework	NBFIRA regulated; established financial sector	NAMFISA regulated; well-developed capital markets
Target Listing	BSE (Botswana Stock Exchange)	NSX (Namibian Stock Exchange)
Status	Formal registration underway	Formal registration underway

Source: IMF World Economic Outlook, April 2026". Current figures (Botswana $54.6bn, Namibia $14.2bn, Uganda $187bn, Kenya $401bn) are PPP not nominal.

Botswana's economy is characterised by strong institutions, a well-regulated financial sector, and a significant pension fund industry that actively seeks alternative credit exposure. The Debswana Pension Fund has been identified as a potential anchor investor, and a DMTN programme structure is well-suited to Botswana's Regulation 28 equivalent requirements. Namibia offers a similarly mature capital markets environment, with the Namibian Stock Exchange providing a natural listing venue for debt instruments.

Phase 2: East Africa

The second phase targets Uganda and Kenya, two of East Africa's largest and most dynamic economies. These markets represent a step change in scale, with a combined population exceeding 100 million and rapidly growing formal SME sectors. The regulatory and market infrastructure in both countries has matured significantly in recent years, creating viable entry points for institutional grade lending platforms.

	Uganda 	**Kenya** 
Population	49 million	53 million
GDP (PPP) / Per Capita GDP (PPP)	$187bn / $3,900	$401bn / $7,530
Key Partners Identified	USE (Uganda Securities Exchange), NSSF (National Social Security Fund), OMIG (Old Mutual Investment Group).	NSE (Nairobi Securities Exchange), CMA (Capital Markets Authority of Kenya)
Target Listing	USE (Uganda Securities Exchange)	NSE (Nairobi Securities Exchange)
Status	**Early stage:** finalising market approach	**Early stage:** finalising market approach

Kenya is Africa's most developed mobile financial services market and a regional hub for fintech innovation. The presence of an established credit reference bureau system, a well-capitalised banking sector, and a sophisticated institutional investor base creates a favourable environment for ACOF's structured credit offering. Uganda presents significant opportunity in the agricultural and light manufacturing SME segments, with strong demand for term lending structures that banks have been unable or unwilling to provide.

Targeted African Subsidiary Structure

Each country entry will be executed through a locally incorporated subsidiary of ACOF, structured to comply with the host jurisdiction's regulatory requirements while maintaining group-level governance oversight and reporting standards. The subsidiary model ensures that capital raised in each market remains ring-fenced for local deployment, providing institutional investors with clarity on the geographic allocation of their commitments. Each subsidiary will operate under the governance framework established at ACOF level, with independent local Investment Committees supplemented by representation from the group Investment Committee to ensure consistency of credit standards across all markets.

The corporate structure is designed to allow each subsidiary to issue debt instruments on local exchanges, raising capital from domestic pension funds and institutional investors in local currency. This approach mitigates foreign exchange risk, aligns the Fund's liabilities with its asset base in each jurisdiction, and positions ACOF as a locally relevant, locally listed lender rather than an external entrant.

The ultimate holding structure links all subsidiaries through ACOF to Africa Bitcoin Corporation, ensuring that the listed ABC platform provides a single point of investor access to the entire continental portfolio. These markets provide a natural extension of ACOF's existing capabilities while offering distinct growth opportunities.

What We Bring

Locally led Leadership

Our Chairperson is a Botswana national, and our CIO has pan-African lending experience.

On-the-Ground Execution

We will embed local credit analysts and origination officers in country to ensure contextual deal assessment and monitoring.

Proven Deployment Model

We bring a tested playbook of origination, credit scoring, and deal governance-ready to activate in these markets.

What We Need

Aligned Anchor Capital

We're seeking institutional investors committed to Africa's SME growth and impact-aligned returns.

Local Regulatory Alignment

Support navigating regulatory approvals, tax structuring, and cross-border investment compliance.

Collaborative Ecosystem Players

We welcome partnerships with DFIs, corporate suppliers, SME networks, and public-sector enablers.

Execution Leadership

The expansion is led by a locally rooted leadership team. The ACOF Chairperson is a Botswana national, and the CIO brings pan-African lending experience across the continent. In country execution will be underpinned by the appointment of local credit analysts and origination officers who bring contextual assessment and monitoring capability to each market. ACOF's parent's JSE-listed Class C Preferred Ordinary Shares (BACC), through which public investors access the ACOF mandate, together with ACOF's own CTSE-listed DMTN notes are structured to accommodate capital raising for the African expansion, providing a permanent vehicle for funding SMEs across multiple jurisdictions.

Corporate Governance and Structural Developments

Robin Coode CA(SA) was appointed as an Independent Non-Executive Director of Africa Bitcoin Corporation and as the group's Chair of the Audit and Risk Committee after year-end. Mr. Coode brings extensive audit and governance experience at board level. The ABC sub-committees oversee every operating subsidiary in the group, which extends directly to ACOF's operations.

Forvis Mazars South Africa completed their first audit of ACOF's financial statements for the year ended 28 February 2026, replacing BDO South Africa. The transition to a larger, internationally affiliated audit firm reflects the fund's growing scale and the expectations of institutional investors for whom audit quality is a fundamental consideration in deployment decisions.

The Year Ahead

The active pipeline stands at R370.7 million at the date of this report. Demand for ACOF's capital continues to outpace supply by a significant margin. The constraint on growth is not origination capacity. It is capital.

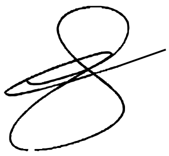
The transfer of the DMTN programme to the JSE, the Africa expansion rollout, and the approval of the BACC preference share on the JSE Main Board, all represent capital formation activity that will determine the trajectory of the fund over the next two years. We have a deployment engine that is ready. Our task is to keep filling it.

The private credit sector globally is learning a hard lesson about what happens when growth is prioritised over discipline. ACOF's three-year record is evidence that the two are not in conflict. It takes discipline to generate growth that lasts.

Acknowledgements

ACOF's performance is the product of a team that executes with precision under conditions that most credit professionals never encounter.

To our noteholders and equity investors: thank you for your confidence. The number that represents your commitment to ACOF is R502 million. The number that represents what that capital has made possible is 2,084 jobs created and supported since inception, and the businesses behind them. We do not take either number lightly. Driving Impact has not been a slogan for us this year. It has been the work.



Warren Wheatley CA(SA) CFP

Chief Executive Officer

Altvest Credit Opportunities Fund Limited

25 May 2026

Letter from the CIO:

akshay karan

Letter from the cio

Dear Stakeholders,

It is my privilege to once again share the perspectives of the investment team for the financial year ended 28 February 2026. This report offers insight into our investment activities, financial trajectory, and strategic direction, and is intended to be read in conjunction with the audited annual financial statements.

It has been a year of notable macroeconomic instability, with global geopolitical conflicts directly impacting commodity prices, currency markets and overall sentiment towards riskier assets. Despite this, the South African real economy has remained robust and resilient. Our clients, who are the architects of this real economy, have been no different. We have continued to add exceptional, funding-ready, entrepreneurs to our client list, and remain confident that we will continue to be able to do so, at scale, into the future.

Our priority going into this year was to validate our investment strategy by securing meaningful new investment mandates. I am pleased to note that we have substantively achieved that aim. Three new mandates during FY2026, totalling R187.5 million were raised, alongside reinvested interest from existing investors. Together, these inflows grew assets under management ("AUM") by 77.5% to R502 million, a result that reflects both the scale of institutional confidence in the Fund's investment thesis and the rigour of the execution team that underpins it.

Focusing specifically on our core lending business, our loan portfolio enters FY2027 in sound condition. We have managed to consistently exceed our key risk and return metrics, despite deploying more capital than ever before. This has resulted in material increases in cash revenues, both via interest income and loan structuring fees. The net loss of R11.55 million for the year is 8.6% lower than the prior year (FY2025: R12.64 million), reflecting the early benefits of operating leverage as the loan book scales while the cost structure remains characteristic of a fund that is investing ahead of its income curve. Management-approved forecasts project a return to profitability in the financial year ending 28 February 2028, underpinned by the progressive deployment of capital already raised and the operating leverage inherent in a maturing loan portfolio.

As we look ahead, our focus is on replicating what has worked at a greater scale. This means continuing to support exceptional small business leaders by first offering them the right advice, and then potentially the right capital solution if we are in a position to offer it. It is that philosophy that has resulted in the robust client base we have today, and it will be that rigour that will drive our success in the future.

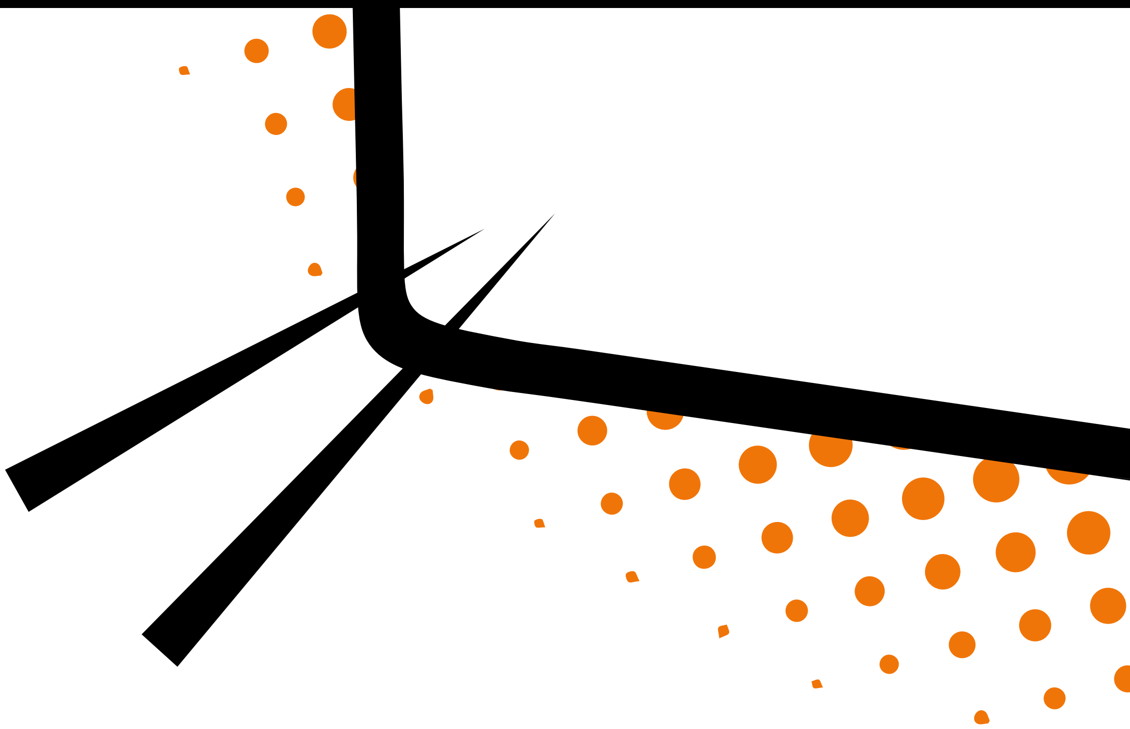
The following section sets out a detailed breakdown of our current loan book:

R502m Assets under management	**R394.8m** Total deployed since inception	**R265.9m** Active loan book	**R671.3m** Value of security held
44 SMEs funded	**50** Active loans	**21** Distinct industries	**3** Years in operation

For the 12-month period ended 28 February 2026:

948 Jobs created and supported during FY2026 I 2,084 cumulative since inception	**R189k** Cost per job supported this period	**R7.5m** Monthly collections	**1.70x** Times loans covered

*In its latest report, the Industrial Development Corporation (IDC), highlights the scale of South Africa's funding challenge, with findings indicating that the average cost to create or sustain a job is approximately R1,036,000. Read the article **here**.



Credit Quality

ACOF maintains exceptionally low credit losses relative to both local non-bank lenders and international private credit benchmarks. Against reported US private credit losses of 9.20% in 2025, ACOF's cumulative bad debts written off stand at just 0.09% since inception, with 0.13% for the FY2026 year.

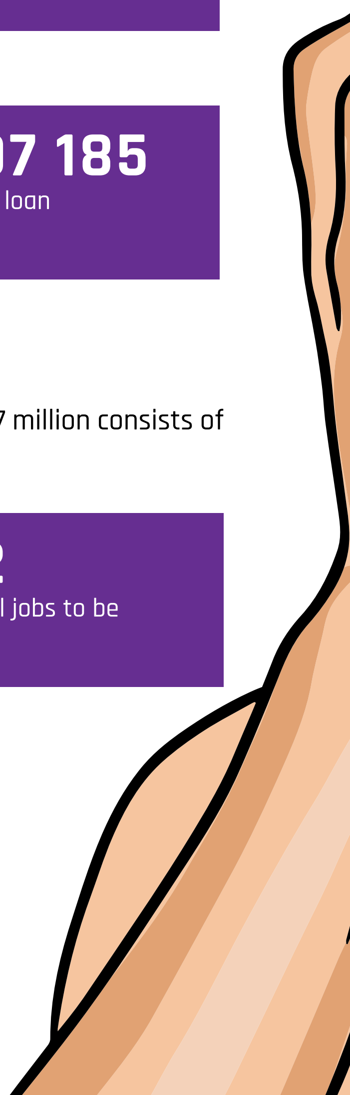
0.09% Cumulative bad debts written off since inception	**2.79%** Arrears rate	**4.12%** ECL provision	**17.87%** Average lending rate

43 months Average loan term	**R5.9m** Average loan size	**R30m** Largest loan	**R407 185** Smallest loan

Pipeline

Demand for ACOF's capital continues to far exceed available supply. The active pipeline of R370.7 million consists of deals that have passed initial credit vetting and are ready for deployment.

R370.7m Active pipeline	**R686.9m** Total broader pipeline	**26** Potential SMEs in pipeline	**452** Potential jobs to be created



Impact Stories: Human Yield

Behind every loan is the story of a great South African entrepreneur. The Driving Impact theme of this report is most visible in these stories: each one represents capital that has reached an enterprise that the conventional banking system would not serve, and value created that exists only because that capital was deployed. Each of our clients represents resilience in the face of structural economic challenges, optimism in the face of setbacks and ambition to make our country better. Below is a summary of just a few of our incredible impact stories:

Ukunemba Farms

Founded by John-Keith Devul, Ukunemba Farms is a first-generation agricultural venture focused on producing high-quality, grass-fed beef through sustainable farming practices. Specialising in premium Bonsmara cattle, the farm is built on strong genetics, careful animal husbandry and environmental responsibility, contributing to local food security and the broader agricultural value chain.

With support from ACOF, Ukunemba Farms entered a new phase of growth. The funding enabled the expansion of the herd through the acquisition of additional Bonsmara cattle, strengthening both production capacity and breeding quality. It also supported the development of staff housing, improving living conditions for workers while creating new employment opportunities on the property.

This progression enhances operational scale and reinforces the farm's commitment to sustainable and inclusive growth. Ukunemba demonstrates how targeted funding can unlock agricultural potential, driving productivity, job creation and long-term rural development in South Africa.

Revive Skin & Body Clinic

Established in 2018 by Jaaminique Mooi, Revive Skin and Body Clinic has developed into a respected name in the skincare and aesthetics industry, offering a blend of advanced medical treatments and premium beauty services. Built on a commitment to quality and consistent results, the clinic earned a strong reputation and a loyal client base across the Johannesburg market.

With the support of ACOF, Revive launched a new location in Midrand at Waterfall, Vorna Valley. This expansion increased access to professional skincare services for a new client base while creating employment opportunities within the beauty and wellness sector.

The funding enabled the business to navigate the high costs and barriers typically associated with expansion, allowing it to scale with confidence and without compromising its quality standards. Revive's growth reflects both its strong operational foundation and ACOF's role in supporting businesses to expand, create jobs and strengthen local economic activity.

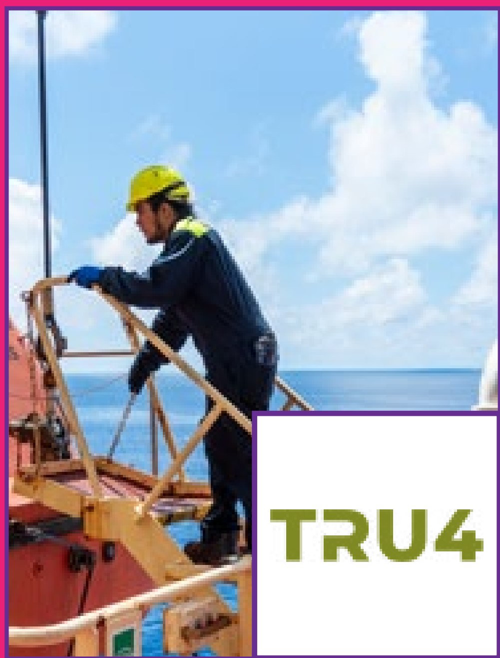
Ahava Early Learning School

Founded by entrepreneur Pamela Tshibubudze in 2014, Ahava Early Learning School has been nurturing young minds in Noordwyk, Midrand for over a decade. Despite strong community demand, ageing infrastructure was limiting the school's ability to grow and deliver the quality environment that children deserved.

With targeted funding from ACOF, Ahava is undergoing essential renovations: repairing classrooms, restoring ablution facilities and modernising learning spaces. These improvements are directly unlocking capacity for more children to access high-quality early childhood education, while strengthening a 100% woman-owned business.

The numbers tell the story clearly. Learner capacity is growing from 96 to 150. Projected monthly revenue is set for a 56% uplift post-renovation. For ACOF, Ahava is a clear illustration of how structured credit can translate directly into expanded social infrastructure and community development.

Tru4 (Pty) Ltd – Sea Safety Training Group



Tru4, through its division SSTG, plays a critical role in developing South Africa's maritime workforce by providing accredited training and skills development across key coastal regions. With multiple training centres and SAMSA-aligned programmes, the business delivers practical, industry-relevant education that improves employability and supports long-term career pathways in the maritime sector.

ACOF's funding enabled Tru4 to expand access to training, enhance operational capacity and scale its impact across both in-person and digital learning platforms. Capital was used to refinance costly existing debt and to import lifeboats for STCW maritime programmes, improving the quality and authenticity of training delivered to students.

By lowering barriers to entry and equipping individuals with certified maritime skills, Tru4 and SSTG are contributing to job creation, workforce development and broader economic participation in South Africa's maritime industry. SSTG is the largest provider of accredited maritime training courses in Southern Africa.

King Logistics Solutions (Pty) Ltd

ACOF's support played a meaningful role in strengthening King Logistics Solutions at a critical stage of its growth. The funding enabled the business to enhance its operational capacity, allowing it to take on larger volumes of work and deliver more consistently within existing contracts.

As a result, King Logistics improved reliability across its routes, reduced turnaround times and elevated its service offering to clients. These improvements positioned the business more competitively within the logistics sector while supporting steady and sustainable growth.

Beyond the immediate operational gains, the partnership provided a foundation for scale, enabling the business to build a more resilient and efficient model. This reflects how targeted funding can unlock real performance improvements, supporting both business expansion and long-term value creation within the SME sector.

Investment Philosophy and Strategic Themes

The following themes have shaped the Fund's investment approach during FY2026 and will continue to guide our capital allocation decisions in the period ahead.

Bespoke Structuring Over Vanilla Lending

The market for vanilla SME lending is highly competitive, with multiple participants competing primarily on approval speed. ACOF competes on fundamentally different terms, the quality of its credit analysis, the appropriateness of its funding structures, and the depth of its understanding of individual borrower needs. Our ability to structure loans that match the specific cash flow profile and risk characteristics of each borrower, rather than offering a standardised product, produces better credit outcomes, stronger borrower relationships, and a loan book that is more resilient to economic stress.

Loan Duration as a Value Management Tool

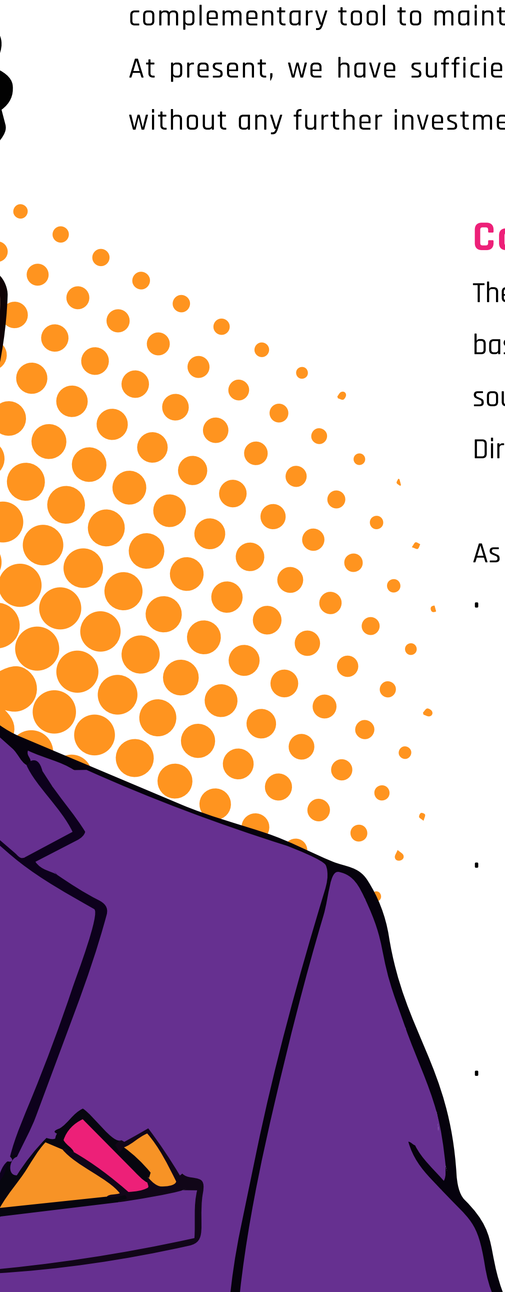
Actively managing the duration profile of the loan book is a central value lever. The Fund maintains a deliberate mix of short-duration loans, which provide yield uplift, faster capital recycling, and the ability to multiply social impact through redeployment and longer-duration loans, which provide income stability and portfolio predictability. As ACOF scales, optimising this duration mix remains a primary tool for balancing financial returns, cash flow obligations, and the breadth of our social reach.

Development Mandate as a Structural Competitive Advantage

ACOF's focus on job creation as well as women-owned, women-managed, and women-staffed businesses is a structural feature of our investment strategy and a source of genuine competitive advantage. Our experience confirms that these businesses frequently exhibit stronger credit characteristics than conventional risk models suggest. Over time, we believe this will help us attract additional development finance institution ("DFI") capital, which typically carries concessionary pricing and longer tenors that are highly complementary to the Fund's blended capital structure.

Technology Integration For Scale Without Proportionate Cost Growth

We continue to invest in our cloud-based loan management infrastructure and our data analytics capabilities, both of which improve the rigour and efficiency of our origination and portfolio monitoring processes. As AUM grows towards R1 billion, the scalability of our technology platform becomes a complementary tool to maintain underwriting quality without proportionate increases in operating cost. At present, we have sufficient technological and human capital to manage up to R1 billion in capital without any further investments.



Capital Raise Initiatives:

The Capital Sources table that follows is the consolidated reference for ACOF's funding base. Instrument-level pricing, tenor and security in this section are the canonical source for the Annual Integrated Report, and the Chairperson, CEO and Financial Director letters point back to this table for those particulars.

As a reminder, ACOF raises capital through the following instruments:

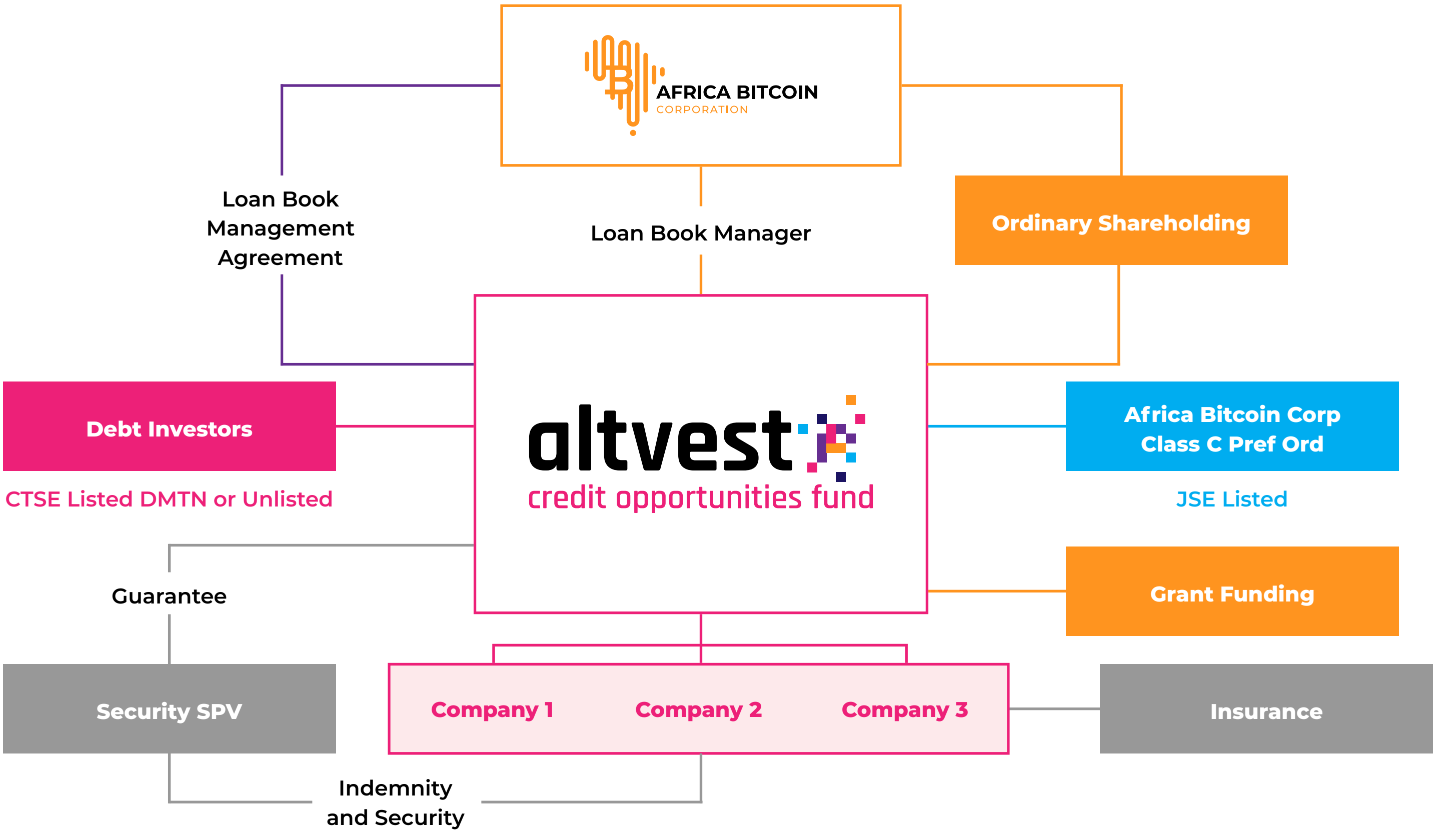
- Domestic Medium-Term Note (DMTN) programme: long-dated notes issued to institutional investors (e.g. retirement funds), typically with seven-year tenors and a margin over prime. At the election of investors, coupons may be reinvested, supporting compounding and preserving liquidity.

- Listed equity (Africa Bitcoin Corporation (ABC) Class C preference shares listed on the JSE): provides investors with economic exposure to the portfolio's performance and strengthens the capital base.

- Unlisted ordinary shares: accommodate strategic and anchor investors alongside listed instruments.

Proceeds are deployed into collateralised SME loans following disciplined credit underwriting and ongoing monitoring. Cash flows from the loan book service note coupons and support equity returns, while reinvestment elections enable efficient scale-up.

ACOF raises capital through preferred equity, equity, debt funding and grant funding as illustrated below:



Fund Structure	
Structure:	Open-ended
Fund Manager:	Africa Bitcoin Corporation
Subscription Method:	Equity/DMTN Programme
Instrument - Direct:	Ord & Pref Shares & Debt Notes
Redemption Notice:	None

Basic Terms	Ordinary Shareholding	ABC Classic (BACC)	Debt Funding
Target Capital Raise	Up to R70 million	R145 Million	R5 Billion
Regulation 28	Private Equity	Listed Equity	Listed + Unlisted Debt
Financial Exchange	n/a	JSE Main Board	CTSE (Listed Notes)
Legal Instrument	Unlisted Ord Share	Hybrid Instrument	DMTN Programme
Daily Priced	Yes, by proxy	Yes	Yes
Distributions	Per dividend policy	Per dividend policy	Per mandate
Target Return	IRR c 26% - 28%	IRR c 26% - 28%	SA Prime + 2%
Minimum Investment	R10 Million	No minimum	R1 Million
Fees	2% p.a. (On AUM)	2% p.a. (On AUM)	Transaction fees only

Through the above structure, the fund has raised and accumulated since inception to date:

CTSE Raise (Initial Bookbuild)	R6,668,864
1st Pension Fund Mandate (DMTN)	R100,000,000
2nd Pension Fund Mandate (DMTN)	R150,000,000
3rd Pension Fund Mandate (DMTN)	R50,000,000
4th Pension Fund Mandate (DMTN)	R100,000,000
JSE Raise (Class C)	R4,286,131
SEDFA Facility	R37,500,000
Accrued Interest Reinvested	R53,608,505
Total AUM	**R502,063,500**

Assets under management of R502,063,500 as at 28 February 2026 comprise three sources of capital. The first is the ACOF-issued Domestic Medium Term Note programme listed on the Cape Town Stock Exchange, drawn down across four tranches. The second is the SEDFA senior debt facility of R37,500,000 concluded during the year. The third is the capital deployed to the ACOF mandate by Africa Bitcoin Corporation Limited as fund manager and Class C preferred ordinary shareholder, sourced through the ABC Class C preferred ordinary share issuance on the JSE Main Board. Accrued interest capitalised into the DMTN notes at year end is included in the aggregate balance.

Context on our financial performance over the past year:

The fund operates within the emerging manager segment of South African asset management, representing a substantial portion of industry innovation and growth. The fund recently completed some independent analysis of other managers established within the last decade, which provides a comprehensive context for ACOF's competitive positioning, performance trajectory, and J-curve dynamics relative to comparable firms.

Alternative investment funds, including private credit vehicles, typically exhibit J-curve return patterns characterised by negative or modest returns in early years due to management fees, deployment periods, and portfolio seasoning requirements. Performance conventionally improves and accelerates between years three to seven as investments reach maturity, credit quality becomes established, and realisation events generate returns. This J-curve dynamic is particularly pronounced in private credit, where loan origination, monitoring, and workout capabilities require operational validation before institutional investors commit follow-on capital.

ACOF, at approximately three years since inception, sits at the typical J-curve inflection point where private credit funds transition from deployment-focused operations to performance demonstration phases. The fund's achievement of R502 million assets under management, combined with demonstrated credit origination capabilities across multiple economic cycles, positions it favourably within J-curve expectations and relative to emerging manager benchmarks.

Comprehensive analysis of 27Four's DEInvest Annual Survey 2025, covering 104 South African asset managers, identifies 32 firms with inception dates within the last 10 years. This emerging manager cohort represents 31% of the surveyed universe, indicating substantial industry expansion and entrepreneurial formation since 2015:

Strategy distribution within the emerging manager cohort reveals balanced diversification: 41% focus exclusively on public markets strategies, 44% operate pure private markets mandates, and 15% pursue dual public-private market approaches. This strategic variety demonstrates innovation within the emerging manager segment while reflecting different institutional investor allocation preferences and manager core competencies.

Vintage analysis shows three distinct formation periods: six managers established within the last three years (representing the newest cohort), six managers established between 2019 and 2022 (capturing post-COVID expansion), and 20 managers established between 2015 and 2019 (reflecting post-Global Financial Crisis market recovery and regulatory enablement). ACOF sits within the youngest vintage tier but with operational experience exceeding most recent entrants.

The DEInvest survey provides comprehensive data on South African private credit market structure, confirming alignment between ACOF's strategic positioning and broader sector development patterns:

Deployment and Maturation Cycles:

71% of surveyed private credit managers report incomplete fund closure, indicating extended development timelines typical of alternative investment strategies. This finding contextualises ACOF's operational progress as substantially advanced relative to emerging manager norms, having achieved significant deployment while maintaining credit quality standards.

Target Market Alignment:

53% of private credit managers concentrate on mid-market enterprises (R100 million to R1 billion revenue), directly validating ACOF's small and medium enterprise focus. This segment concentration reflects both market opportunity identification and institutional investor preferences for granular, diversified private credit exposure across growing businesses.

Geographic Concentration Patterns

87% of private credit portfolios maintain domestic concentration, supporting ACOF's Africa-focused strategy as consistent with sector practices. Regional specialisation enables managers to develop origination networks, regulatory expertise, and operational capabilities essential for credit quality maintenance.

Institutional Investor Engagement:

82% of private credit managers cite retirement funds as primary capital sources, with 41% engaging multi-managers and 35% securing life insurer backing. ACOF's institutional investor base, including retirement fund commitments, aligns with established sector patterns while providing validation of management capabilities and credit processes.

Scale and Operational Metrics:

Survey data reveals 41% of private credit managers have executed more than 50 transactions, with comparable proportions achieving full transaction exits, indicating mature portfolio management capabilities. ACOF's transaction volume and realisation experience demonstrate operational sophistication consistent with established managers despite recent vintage.

ACOF's position within the 32-manager emerging cohort, evaluated through J-curve dynamics and operational metrics, demonstrates several competitive differentiators:

Scale Achievement Relative to Vintage:

R502 million assets under management represents substantial capital accumulation within the emerging manager universe, particularly considering ACOF's three-year operational history. This scale provides portfolio diversification benefits and operational leverage as the fund approaches the J-curve performance acceleration phase typical between years three to seven.

J-Curve Progression Advantages:

At the conventional inflection point between deployment and performance demonstration phases, ACOF has established measurable track record data across origination, monitoring, and realisation activities. This operational validation addresses institutional investor concerns about emerging manager execution risk during critical early development years.

Strategic Differentiation:

ACOF's African geographic focus provides diversification relative to South Africa-concentrated peers while maintaining emerging market risk-return characteristics familiar to domestic institutional investors. This specialisation positions the fund for institutional allocation trends favouring managers with differentiated regional expertise.

Institutional Validation:

Professional investor backing, including retirement fund commitments and institutional allocations, reflects confidence in management capabilities and credit processes. This institutional support provides foundation for continued growth and performance delivery as private credit markets mature.

Operational Maturity:

Having completed full credit cycles including origination, portfolio monitoring, and realisation phases across multiple borrowers, ACOF demonstrates execution capabilities while most emerging manager peers remain in initial deployment stages. This operational experience provides competitive advantage for institutional investor evaluation and follow-on capital discussions.

ACOF's positioning within the broader emerging manager landscape, combined with its progress along private credit J-curve dynamics, indicates a strong foundation for the performance acceleration phase typically occurring between years three to seven. The fund's institutional validation, operational track record, and strategic market positioning provide a platform for continued scale growth and return generation as South African private credit markets develop and institutional allocation trends favour alternative investment strategies.

Within the 32-manager emerging cohort representing 31% of the South African asset management universe, ACOF demonstrates advanced operational capabilities, substantial scale achievement, and institutional investor confidence that distinguish it from peers across both public and private market strategies. This competitive positioning provides a foundation for continued growth and market leadership within the emerging manager segment.

FY2027 Priorities and Outlook

ACOF enters FY2027 with record AUM of R502 million, a robust loan book and a funded deployment pipeline anchored by the new investment tranche received in February 2026. That tranche contributed minimally to FY2026 revenue given its late receipt; its progressive deployment into qualifying SME loans over the first half of FY2027 is expected to be a key driver of interest revenue growth in the year ahead and a significant near-term catalyst on the path to profitability. Our near-term targets are as follows:

- Drive towards maintaining full deployment of available capital by the next reporting date. This deployment, combined with the recycling of repayments from existing clients, is the primary lever for growing net interest income in FY2027;

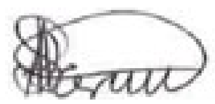
- Grow assets under management through new institutional mandates. Pipeline conversations with additional pension fund and institutional investors are active, with the Fund's expanding track record and audited financial performance providing the evidential foundation for these discussions;

- Further explore additional DFI partnerships, including development finance institutions and blended finance vehicles, that can provide concessionary capital at longer tenors, further improving ACOF's blended cost of funds and extending the average duration of its liability base;

- Maintain portfolio quality discipline. As the loan book grows, the rigour of the Investment Committee's credit approval process and the comprehensiveness of borrower monitoring remain non-negotiable. Growth without quality is not a strategy we will pursue;

- Explore expansions of our lending franchise into selected promising new markets, including countries adjacent to South Africa;
- Continue investment in technology and data infrastructure, with a focus on enhancing the predictive capability of the ECL model, improving the efficiency of the loan origination workflow, and building the reporting infrastructure needed to meet the expanding disclosure expectations of institutional investors;
- Sustain and deepen ACOF's development mandate, with a continued focus on women-owned and women-managed SMEs. As the Fund grows, we intend to further formalise our impact reporting framework and amplify our impact stories.

The structural demand for alternative credit among South African SMEs is substantial, growing, and chronically underserved by conventional financial institutions. ACOF is purpose-built for this environment. Our trajectory over three years, from inception to R502 million in AUM, with a strong portfolio, institutional backing, and a functioning capital market programme, reflects the strength of our business model. The work ahead is significant, but we remain as convinced in the strength of South African small businesses as when we started. We believe that South Africa's economic future will be driven by the jobs created by its small businesses, and we are excited to be playing a small part in designing that future.



Akshay Karan CA(SA)
Chief Investment Officer
Altvest Credit Opportunities Fund Limited
25 May 2026

Letter from the Financial Director:

jonathan phillips

Letter from the financial director

Dear Shareholders,

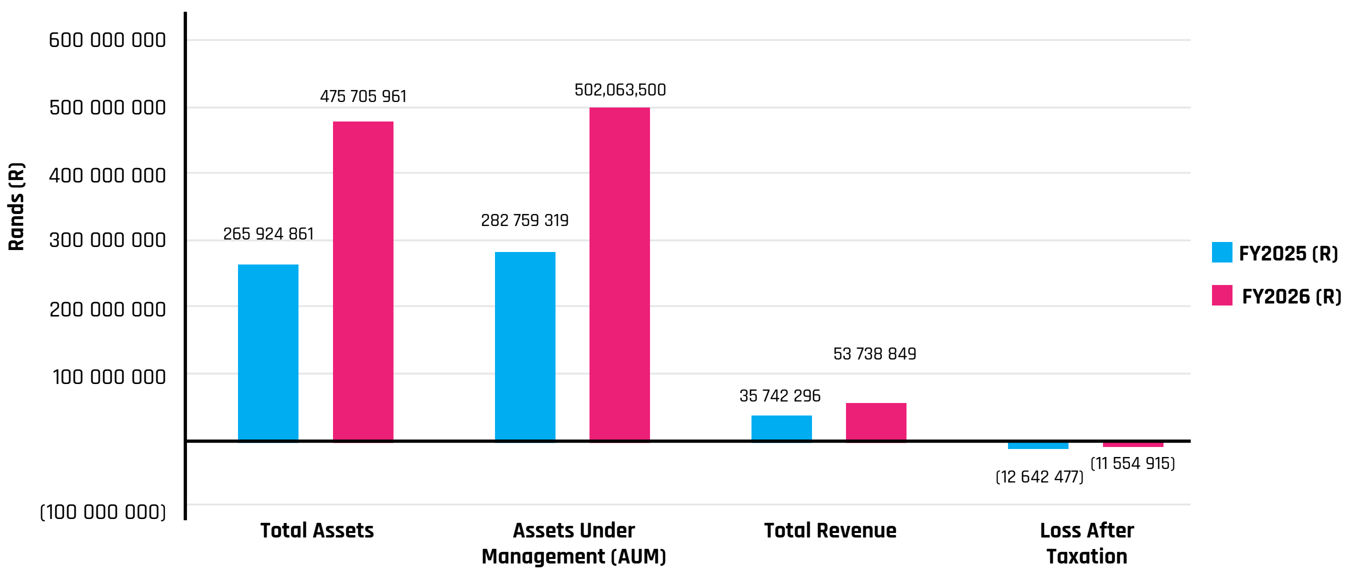
The year under review will be remembered as the year Altvest Credit Opportunities Fund Limited ("ACOF" or "the Fund") crossed the threshold from an emerging SME credit originator to a scaled, institutionally funded lender. Twelve months ago, the Fund managed under R300 million of capital, drew most of its funding from a single programme, and was still proving that its underwriting and deployment capability could absorb institutional mandates at pace. Today, ACOF manages just over half a billion rand, funds the loan book from two complementary sources, and has built the governance, collateral, and reporting infrastructure expected of a public debt issuer. The numbers that follow in this report are, at their heart, the record of that transition. They show a Fund investing ahead of its earnings, a cost base scaling in step with ambition, and a capital structure being deliberately reshaped to support the next phase of growth. They also show a business whose fundamentals, the quality of the loan book, the strength of collateral behind it, and the depth of institutional support for its programme, are arguably stronger today than at any point in the Fund's history. This report sets out that story in full and addresses the material accounting and disclosure matters of the year, including the transition from BDO to Forvis Mazars South Africa as independent auditors, the going concern assessment, and the early adoption of the IFRS 9 amendments relating to ESG-linked financial instrument features.

Key Financial Metrics Snapshot

The table below sets out the financial shape of the year at a glance: a Fund that has grown its asset base and its funding base in parallel, absorbed the finance cost of that growth through the income statement, and ended the period with meaningful liquidity ready to be deployed. Each line is unpacked in the sections that follow.

Key Metrics	FY2026	FY2025	% Change
Total Assets	R475,705,961	R265,924,861	+78.9%
Total Equity	R27,279,540	R38,772,354	-29.6%
Assets Under Management (AUM)	R502,063,500	R282,759,319	+77.5%
Gross Loan Book	R265,949,511	R209,790,339	+26.8%
Total Revenue	R53,738,849	R35,742,296	+50.4%
Finance Costs	R34,489,180	R24,199,246	+42.5%
Loss After Taxation	(R11,554,915)	(R12,642,477)	+8.6%
ECL Coverage / Collateral Coverage	4.12% (ECL/gross loans) / 1.70x stressed (vs FY2025 equivalent)	3.73% (ECL / gross loans) / 1.70x stressed (272% fair value)	+39% ECL/ unchanged collateral
Cash and Cash Equivalents	R155,822,966	R35,857,221	+334.6%
Interest-Bearing Borrowings	R445,318,047	R226,075,965	+97.0%

Key Financial Metrics – FY2025 vs FY2026

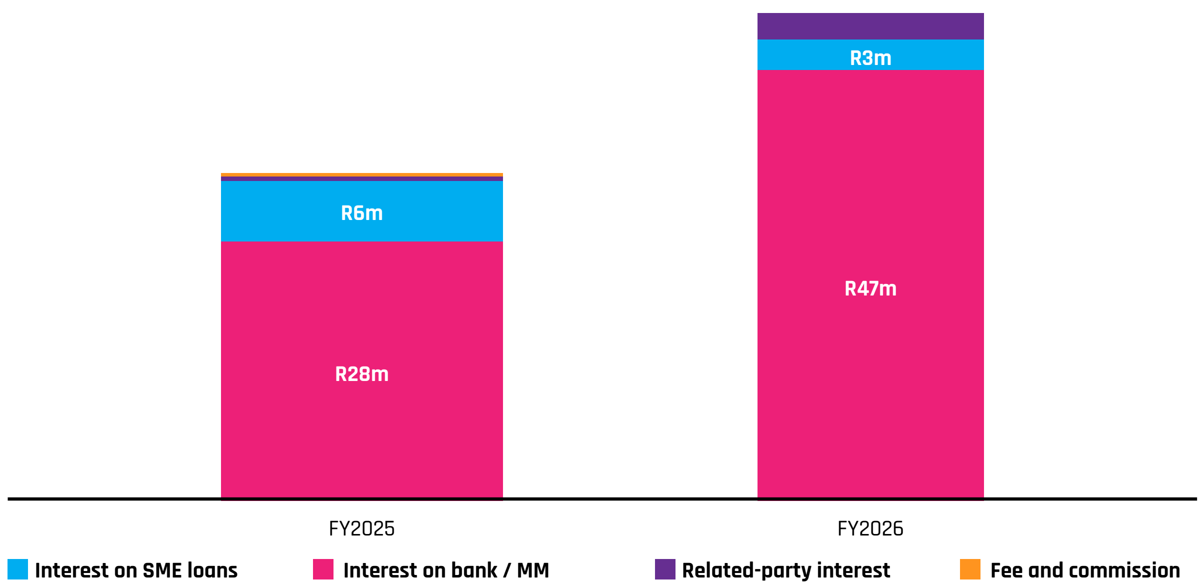


Financial Performance and Revenue

The revenue story of FY2026 is, fundamentally, the story of capital doing its job. Every rand deployed into the loan book over the year began earning contractual interest at rates linked to prime, and by the end of the year those compounding cash flows had lifted interest revenue to R53.7 million, a step-change from the R35.7 million recognised in the prior year. 88% of revenue came from the core engine of the Fund: interest on structured SME loans. That figure matters because it confirms that the Fund's earnings are being driven by the activity ACOF was built to perform, rather than by treasury yield or intercompany arrangements. Interest on bank and money market balances stepped down year-on-year as surplus cash was progressively converted into higher-yielding loan assets, while interest on related and intercompany loans grew materially, reflecting the advance made to the shareholder during the year. Finance costs moved in correlation with the expanded funding base, rising to R34.5 million as the full-year effect of new borrowings worked through the income statement. Critically, the bulk of those finance costs is non-cash; under the irrevocable election made by DMTN noteholders at issuance, interest is capitalised annually into additional debt notes rather than settled in cash, a structure that aligns the Fund's cash obligations with the timing of its eventual loan recoveries. The net effect is that net interest income before impairment and operating expenses grew 66.8% to R19.2 million, outpacing revenue growth and confirming the operating leverage that the Board has consistently pointed to as the mechanical consequence of scale.

Revenue Stream	FY2026 (R)	FY2025 (R)	YoY
Interest on SME loans and advances	R47,686,083	R28,583,689	+66.8%
Interest on bank and money market	R3,188,784	R6,445,159	(50.5%)
Interest on related / intercompany loans	R2,863,982	R636,448	+350.0%
Fee and commission income	–	R77,000	(100.0%)
Total Revenue	R53,738,849	R35,742,296	+50.4%

Revenue Composition — FY2025 vs FY2026

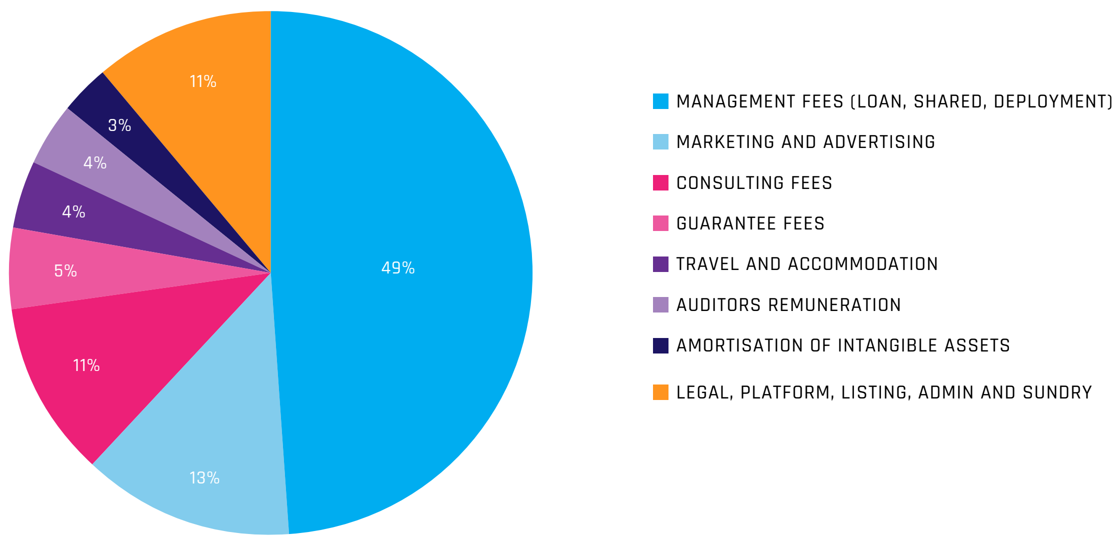


Operating Expenses and Cost Structure

Operating expenses tell the other half of the earnings story. Total operating expenses rose to R33.3 million, a 56% increase on the prior year, and the Board does not seek to dress that figure up. It is an investment-year cost base, and the composition of the increase reveals where that investment has been directed. Management fees paid to Africa Bitcoin Corporation Limited as Fund Manager contributed the single largest movement, reflecting both the 2% asset management fee on a loan book that grew materially, and the introduction of a formal shared services arrangement that consolidates finance, compliance, and operating support under a single, transparent charge. Marketing and advertising more than tripled, a deliberate commitment by the Board to build the Fund's profile in front of the institutional pension and retirement fund community, the very audience whose mandates underwrote the year's capital raise. Offsetting these increases, listing and regulatory fees stepped down sharply as the one-off costs of establishing the Fund's debt listing in the prior year fell away. The composite result is a cost base that has grown faster than revenue in the current year but is structurally configured to grow more slowly than revenue from here on, as the fee-bearing assets that the Fund has raised and is deploying begin to compound.

Expense Category	FY2026	FY2025	YoY
Management fees (loan, shared, deployment)	R16,262,925	R7,383,671	+120.3%
Marketing and advertising	R4,325,900	R1,348,929	+220.7%
Consulting fees	R3,754,349	R3,174,522	+18.3%
Guarantee fees	R1,700,000	R1,700,000	0.0%
Travel and accommodation	R1,448,856	R1,420,225	+2.0%
Auditors' remuneration	R1,231,460	R1,313,388	-6.2%
Amortisation of intangible assets	R1,043,170	R1,043,170	0.0%
Legal, platform, listing, admin and sundry	R3,574,463	R3,932,105	(7.5%)
Total Operating Expenses	R33,341,123	R21,316,010	+56.4%

Operating Expenses Composition – FY2026

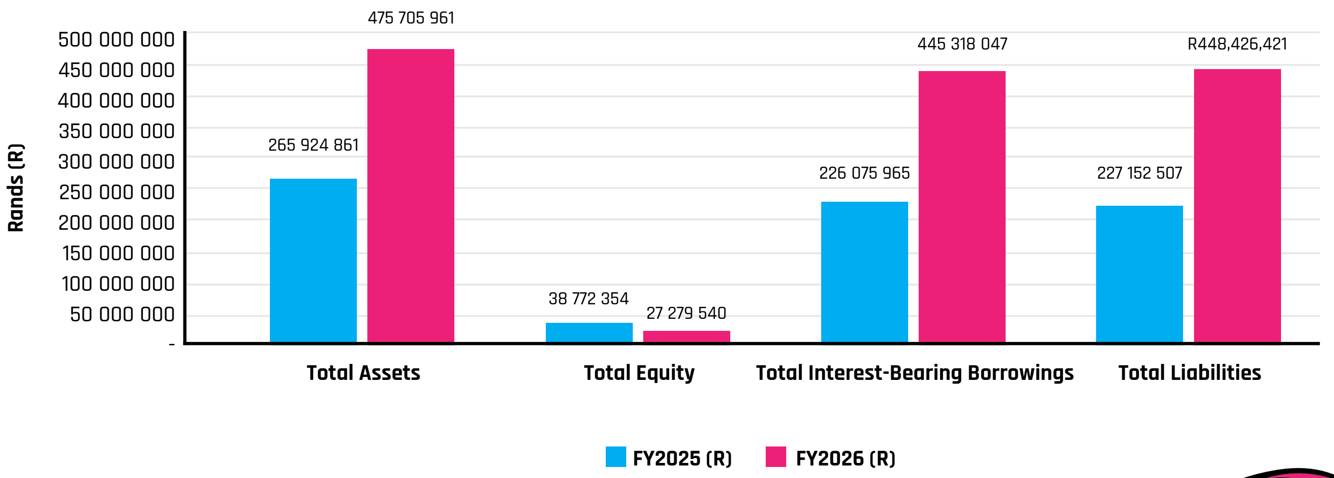


Financial Position and Capital Structure

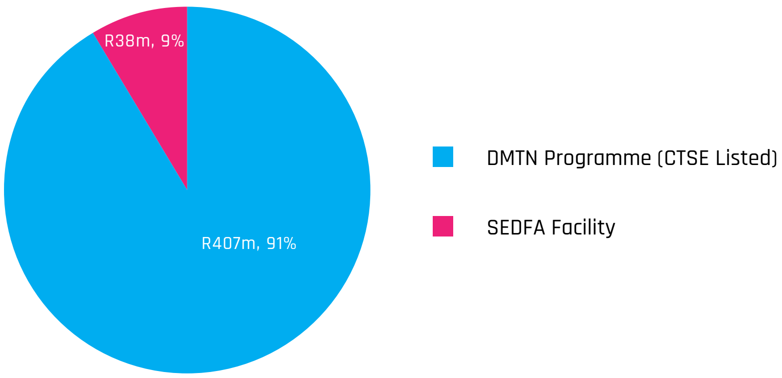
A balance sheet is, in many ways, the memory of a year of decisions, and ACOF's balance sheet at 28 February 2026 reflects two deliberate choices made during the period. The first was to pursue institutional capital with conviction, and the second was to remain disciplined about the pace of deployment. The result is a Fund that has grown total assets by 79% to R475.7 million, a little over half of which now sits in net loans and advances to SME borrowers, with a further third held as cash and cash equivalents awaiting conversion into qualifying loans. That cash position, at R155.8 million, is not a liquidity problem but a timing one: the final institutional tranche of the year arrived in the closing weeks of the financial year and is being deployed responsibly over the months that follow rather than rushed into the book at the cost of credit standards. Total equity contracted over the year to R27.3 million as the R11.6 million loss after taxation flowed through reserves. Management's forecasts, built on loan deployment schedules, contracted interest margins, and the discipline of the operating cost base, project the Fund returning to profitability in the financial year ending 28 February 2028. On the strength of those forecasts, a deferred tax asset of R11.55 million has been recognised, comprising R9.78 million in respect of the Fund's assessed tax losses of R36.2 million and R1.77 million in respect of the deductible temporary difference arising on the expected credit loss allowance, as set out in Note 7 to the annual financial statements. On the liability side, interest-bearing borrowings almost doubled during the year as the Fund added a further DMTN tranche and the SEDFA development finance facility, introducing concessional capital alongside the existing pension fund borrowings. The instrument-level composition of the funding base, with pricing, tenor and security per instrument, is set out in the Capital Sources table in the CIO's letter and in the interest-bearing borrowings note to the annual financial statements.

Financial Position	FY2026	FY2025	%Change
Loans and advances to customers (net)	R254,996,412	R201,959,940	+26.3%
Cash and cash equivalents	R155,822,966	R35,857,221	+334.6%
Loan to shareholder and promissory note	R45,133,887	R13,396,343	+237.0%
Intangible and deferred tax assets	R18,507,155	R13,891,212	+33.2%
Other receivables	R1,245,541	R820,145	+51.9%
Total Assets	**R475,705,961**	**R265,924,861**	**+78.9%**
Total Equity	**R27,279,540**	**R38,772,354**	**-29.6%**
Interest-bearing borrowings	R445,318,047	R226,075,965	+97.0%
Trade and other payables	R3,108,374	R1,076,542	+188.7%
Total Equity and Liabilities	**R475,705,961**	**R265,924,861**	**+78.9%**

Balance Sheet Structure:



Interest-Bearing Borrowings Composition:



Credit Quality, Cash Flow and Liquidity

If revenue tells the story of capital working, credit quality tells the story of capital protected. At year-end, R212.5 million of the gross loan book is classified at Stage 1, R18.0 million at Stage 2 (lifetime ECL applied following triggers of significant increase in credit risk) and R35.4 million at Stage 3 (credit-impaired). The expected credit loss allowance increased from R7.8 million to R10.95 million during the year, lifting coverage to 4.12% of the gross loan book (FY2025: 3.73%), reflecting both the continued growth of the portfolio and the migration of specific borrower accounts. The migrations reflect continued pressure on SME borrower debt-service capacity from the elevated interest rate environment, ongoing input cost pressures and the financial stress identified in specific borrower accounts during the year. A single loan with a gross carrying amount of R350,096 was written off following the borrower being placed in final liquidation, equating to a current-year write-off ratio of 0.13% on the gross loan book and a cumulative write-off ratio since inception of 0.09%. Behind every loan sits collateral. The Fund holds tangible security across the loan book providing realisable cover of approximately 1.70 times on a stressed value basis, with fair value collateral coverage of 252% (R671.3 million against a gross loan book of R265.9 million). Collateral takes the form of personal suretyships, cessions of trade receivables and business assets, and notarial bonds, and is assessed at origination and reviewed at every reporting date. No collateral was taken into possession during the year and the portfolio shows no material concentration: no single external borrower represents 10% or more of the gross book, and no sector or geographic area dominates.

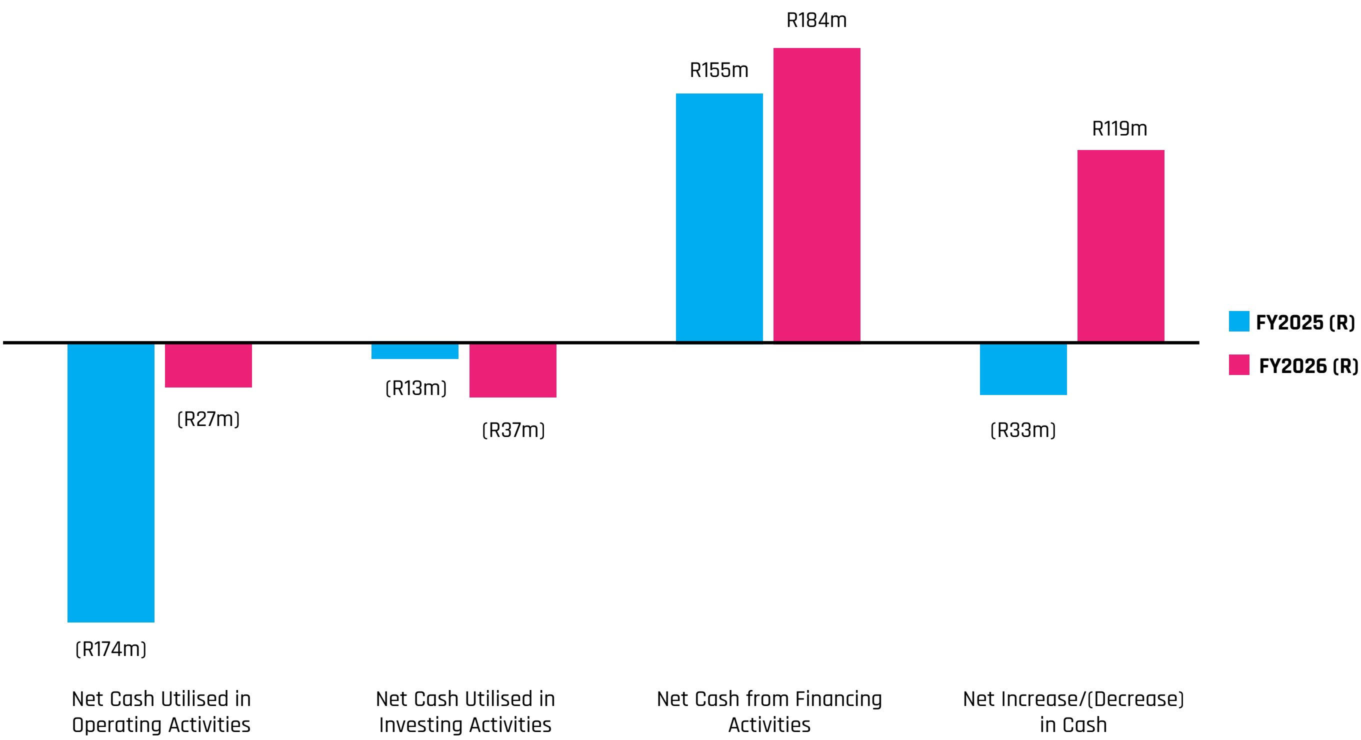
The cash flow statement tells the same story from a different angle. The Fund closed the year with R155.8 million in cash, up from R35.9 million, and the R120.0 million increase is almost entirely the result of the R184.4 million raised in financing activities outpacing the R27.4 million used in operations and the R37.0 million used in investing, principally the advance to the shareholder. The Fund was in full compliance with every financial and operational covenant applicable to the DMTN programme and the SEDFA loan facility throughout the financial year and at the reporting date. No waivers were sought or granted during the period.

How The ECL Allowance is Calculated

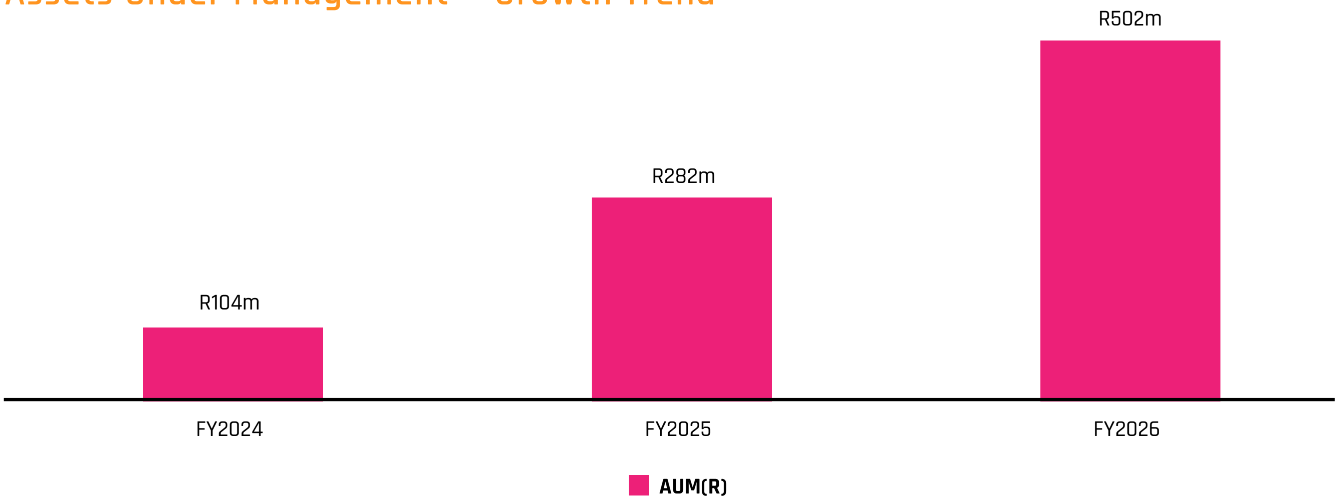
The methodology supporting the expected credit loss allowance is consistent with IFRS 9 and is applied uniformly across the portfolio. Each loan is classified into one of three stages: Stage 1 for performing loans with no significant increase in credit risk since origination (12-month ECL), Stage 2 for loans showing a significant increase in credit risk but not yet credit-impaired (lifetime ECL) and Stage 3 for loans in default or otherwise credit-impaired (lifetime ECL). At 28 February 2026, the portfolio is allocated 40 borrowers at Stage 1, 7 at Stage 2 and 3 at Stage 3. The allowance for each loan is calculated as the product of three inputs: the probability of default, the loss given default, and the exposure at default. The probability of default is derived from a Basel III floor of 0.05%, supplemented by a margin calibrated to the obligor's externally sourced delinquency score, and adjusted by a forward-looking scalar of 1.0275 reflecting the prevailing South African credit environment. The loss given default applies regulatory floors per collateral type (0% financial collateral, 20% receivables and real estate, 25% other physical collateral, 35% guarantee or unsecured), reflecting the realisable value of the security held against each facility. The exposure at default reflects the contractual outstanding balance at the reporting date, projected forward through the contractual amortisation schedule for Stage 1 (over 12 months) and Stage 2 (over the remaining contractual life). During the year, certain loans transitioned from Stage 1 to Stage 2 following triggers of significant increase in credit risk, and from Stage 1 to Stage 3 following evidence of credit impairment. ECL coverage at year-end stands at 4.12% of the gross loan book, up from 3.73% in FY2025, reflecting the growth of the loan book and the migration of specific borrower exposures. The methodology, the macroeconomic assumptions and the sensitivity of the allowance to those assumptions are unpacked in detail in Note 7 to the audited financial statements.

Cash Flow Movements – FY2025 vs FY2026

Financial Position	FY2026	FY2025	%Change
Net cash utilised in operating activities	(R27,485,284)	(R174,350,227)	+84.3%
Net cash utilised in investing activities	(R36,932,724)	(R13,811,880)	-167.45%
Net cash from financing activities	R184,383,753	R155,013,857	+19.0%
Net increase / (decrease) in cash	R119,965,745	(R33,148,250)	+461.9%
Closing cash and cash equivalents	R155,822,966	R35,857,221	+334.6%



Assets Under Management – Growth Trend



Governance and Audit

This is the first set of financial statements for ACOF to be audited by Forvis Mazars South Africa, who replaced BDO during the year. The change reflects the Board's view that as the Fund has grown in scale and in the complexity of its funding structures, the audit relationship should grow with it. Audit fees of R1.2 million reflect that expanded scope, covering the enlarged loan book, the SEDFA facility, the mechanics of the DMTN programme, and the detailed security and collateral frameworks that underpin the Fund's borrowings. The Fund has also early adopted, with effect from 1 March 2025, the amendments to IFRS 9 Financial Instruments relating to the classification and measurement of financial assets with ESG-linked or impact-linked contingent features. Management has assessed each loan in the current portfolio against the amended SPPI criterion and concluded that no loan carries contingent ESG-linked or impact-linked interest rate features that would cause the instrument to fail the SPPI criterion. All loans and advances continue to be classified and measured at amortised cost. Looking forward, the finance team is preparing for the mandatory adoption of IFRS 18, effective from 1 January 2027, which will reshape the presentation of the income statement. On the going concern question, the directors have assessed the Fund's position in depth and concluded, with reference to the 77.5% growth in AUM, the credit quality of the loan book and collateral coverage of approximately 1.70x on a stressed value basis, and the forecast path back to profitability by FY2028, that the going concern basis of preparation remains appropriate.

Closing Remarks

When the history of this Fund comes to be written, the year ended 28 February 2026 will be seen as the year ACOF grew into the shape of the business it has always intended to be. The capital is there. The loan book is there. The collateral stands behind it. The funding partners, institutional pension funds and a state development finance institution alike have placed their confidence in the Fund's mandate and in the team executing it. The current year's reported loss, uncomfortable as it is to write about, is the arithmetic of a growth business carrying a full finance cost on capital that has not yet been in the book long enough to earn its full year's interest.

The year ahead is, above all else, a year of disciplined deployment. The R100 million received in February 2026, together with the balance of retained cash, will be converted into qualifying SME loans at a pace that preserves credit quality rather than chases headline growth. The Fund will continue to focus on the borrowers it was designed to serve, with a particular emphasis on women-owned, women-managed, and women-staffed South African SMEs whose access to structured credit remains structurally underserved by mainstream banking. I thank the Board, the Audit and Risk Committee, and the executive leadership team of Africa Bitcoin Corporation Limited as Fund Manager, together with the ACOF team, for the commitment and the discipline they have brought to this year's work. To our noteholders, our funding partners, and our shareholder, thank you for backing a credit platform that is, measurably, doing what it said it would do.

Jonathan Phillips CA(SA)
Financial Director
Altvest Credit Opportunities Fund Limited
25 May 2026

Letter from the Head of Media and Investor Relations:

tatum wheatley

Letter from the Head of Media and investor relations

Introduction

This report sets out the impact of ACOF's integrated communications programme across the reporting period. The programme operates on three reinforcing tracks: a sustained social media strategy that builds the Fund's public credibility surface, an active event engagement programme that places ACOF leadership directly in front of the audiences that matter, and a fundee impact storytelling initiative that translates the Fund's deployment record into evidenced, founder-told narratives.

All three tracks are governed by the same strategic mandate: to communicate the deployment of capital and to attract the institutional and retail investment required to scale that deployment. The work delivered over the period demonstrates that the Fund's communications function is operating with discipline, intent, and measurable strategic effect.

The cumulative capital deployed by ACOF into African SMEs through the active and settled loan book, made visible to institutional and retail audiences through the communications programme. The 44 SMEs figure represents the cohort of SMEs funded by ACOF to date: the population of businesses whose growth, job creation and economic contribution form the evidentiary base of every impact narrative the programme produces, and from which the fundee storytelling initiative draws its content. The eight strategic events and engagements refer to the high-value in-person engagements delivered by ACOF leadership during the reporting period: the JSE Capital Matching Programme national roadshow, the JSE SME Rise Capital Matching Conference, the SAVCA Private Equity Conference 2026, Citywire South Africa, the ALADI Institute feature interview, and three international capital raise trips to New York, London and Windhoek. The three international jurisdictions figure reflects the deliberate extension of the programme beyond domestic borders into the United States, the United Kingdom and Namibia.

Strategic Framework

ACOF's communications activity is structured around three reinforcing objectives, each of which is served by both the digital and the in-person tracks of the programme:

- Communicate the Fund's deployment of capital: making the Fund's work in the real economy visible, credible and quantified in the public record;

- Support the attraction of institutional capital: sustaining a credibility surface that asset consultants, retirement funds, family offices and development finance institutions reference in their evaluation of the Fund;

- Support the attraction of retail capital: translating the same opportunity into accessible, action-oriented framing for qualifying retail investors.

Every output and every engagement under the programme serves at least one of these objectives. The integration of digital and in-person activity is deliberate: the social media strategy sustains the narrative continuously, while event engagement converts that narrative into direct relationships with founders and capital. Together they form a single communications architecture, not two parallel functions.

Social Media Strategy

The social media strategy is operating as a disciplined, mandate-aligned investor relations and communications function. It is purposeful in its messaging, consistent in its identity, and structured to direct audiences into the Fund's investment channels. Its value is measured not in surface engagement volumes, an inappropriate benchmark for a regulated fund speaking to a defined institutional and qualifying retail audience, but in the integrity, consistency and discoverability of the narrative it sustains.

Every editorial decision is made in service of the Fund's twin mandate. The table below summarises how the strategy delivers against each pillar:

Strategic Pillar	How the Strategy Delivers Against It
Capital deployment narrative	Quantified, audit-ready data on capital deployed, assets under management, and SMEs supported is surfaced as a sustained drumbeat across the channel.
Institutional investor attraction	Allocator-grade language is used consistently, regulatory classification, listed structures, return targets, and pricing, building visibility with asset consultants, retirement funds and DFIs.
Retail investor attraction	The same opportunity is translated into accessible framing and clear entry points, signalling a single transparent fund accessible across multiple ticket sizes.
Impact and ESG positioning	SME enablement, gender-lens credentials and regional financial inclusion are integrated into the investment thesis rather than appended to it.
Conversion architecture	Every output routes the audience into the Fund's investment funnel through a consistent, branded call-to-action.

The strategy sustains one institutional narrative across all outputs: ACOF is deploying real capital into real businesses under regulated structures with quantified results, accessible across investor classes. This message is delivered without contradiction and reinforced through deliberate repetition, the mechanism by which a track record is built in the public record.

The strategy speaks to multiple audiences without fragmenting its identity. Institutional messaging is delivered in the language allocators expect. Retail messaging translates the same proposition into accessible framing. Impact and ESG positioning is integrated into the investment thesis rather than appended to it. The result is a unified strategy that addresses different investor segments without losing coherence.

Measured on the basis appropriate to a regulated investor-facing channel, the strategy delivers across the indicators that matter:

- Cadence: sustained posting rhythm consistent with active channel management;
- Mandate alignment: every output traceable to one or more mandate pillars; no off-strategy or filler content;
- Substance density: every output carries quantified, structured or thematically defined material;
- Conversion architecture: every output routes the audience into the Fund's investment funnel;
- Brand discipline: visual identity deployed consistently, building immediate recognition in the feed.

Event Engagement Programme

The event engagement programme is the in-person extension of the same communications strategy. It places ACOF leadership in direct contact with the audiences the Fund needs to reach: founders who originate the deal flow, allocators who supply the capital, and the institutional bodies whose recognition reinforces the Fund's standing within the African private capital ecosystem.

In-person engagement is not a marketing function for ACOF; it is an operating function. Every engagement in the period was selected for its capacity to advance one or more of the strategic objectives set out in Section 2 in this letter.

During the reporting period the Fund delivered five strategic engagements, spanning domestic origination, domestic allocator engagement, and the United States leg of the international capital raise programme. Each engagement addressed a distinct audience and served a defined strategic purpose. Subsequent to the reporting period, the Fund delivered a further three engagements in the United Kingdom (April 2026) and Namibia (April 2026), bringing the total to eight engagements across the year to the date of this report. The post-year-end engagements are cross-referenced to Note 18 of the annual financial statements.

Engagement	Setting	ACOF Representation	Strategic Purpose
JSE Capital Matching Programme	National roadshow	CEO + CIO	Founder origination and deal-flow access
JSE SME Rise Capital Matching Conference	Johannesburg	CIO (panel)	Investor readiness and SME scaling thought leadership
SAVCA Private Equity Conference 2026	Cape Town	Head of Strategy + CIO	Industry recognition within the African private capital community
Citywire South Africa	Discretionary fund managers	CEO + CIO	Wealth-management and allocator engagement
ALADI Institute Feature Interview	Broadcast and digital	CIO	Thought-leadership asset on investor readiness
United States Capital Raise Trip	New York	CEO + Director of Africa Bitcoin Strategy	Institutional capital raise into US investor base following OTCQB listing
United Kingdom Capital Raise Trip	London	CIO	Offshore allocator engagement with UK institutional investor community
Namibia Capital Raise Engagement	Windhoek	Head of Operations	Regional capital raise into Namibian institutional investor base



A defining feature of the reporting period was the deliberate extension of the event programme into international jurisdictions, reflecting the Group's evolution into a multi-listed issuer with capital raise ambitions beyond the domestic market. Three engagements are particularly material.

United States February 2026:

CEO Warren Wheatley and Executive Chairperson Stafford Masie travelled to New York to conduct a structured capital raise programme with the United States institutional investor community. The engagement leveraged the Group's OTCQB listing (ticker AFBCF) and introduced the ACOF investment proposition to an audience of US allocators for whom the African private credit opportunity was, until that point, largely unmet by an accessible listed vehicle. The trip produced a pipeline of qualified institutional conversations now in active development.

United Kingdom April 2026:

CIO Akshay Karan conducted a structured engagement programme in London with the United Kingdom institutional investor community, positioning ACOF to the deep pool of UK allocators with established appetite for emerging-market private credit and impact-aligned mandates. The CIO's direct participation signals the seriousness of the engagement and the Fund's willingness to take its investment case to the allocator rather than rely on intermediated distribution.

Namibia April 2026:

The Head of Operations, Chrizelle van der Colff travelled to Windhoek for a capital raise engagement with the Namibian institutional investor base. Namibia represents a materially significant regional opportunity: a concentrated pool of institutional capital with well-defined allocation mandates, geographical proximity and regulatory familiarity with South African financial instruments, and an active appetite for credibly structured alternative credit exposure. Initial engagements were received with strong institutional interest and are expected to produce tangible capital raise outcomes over the next reporting cycle.

Taken together, this international programme evidences an active, intentional and well-sequenced capital raise strategy. ACOF is no longer communicating only to the domestic allocator base, the Fund is present, in-person, in the jurisdictions from which the next tranches of institutional capital are expected to flow.

Taken in aggregate, the engagement programme has advanced the Fund's positioning along four reinforcing dimensions.

Credibility as a Private Lender

Consistent appearance alongside the JSE, SAVCA, and Citywire has moved ACOF decisively into the institutional perimeter occupied by established private credit providers. The visual and narrative association does brand work that no equivalent paid media spend could replicate.

Access To Qualified SME Deal Flow

Sustained participation in JSE-anchored programmes has established ACOF as a known and trusted destination for founder-led businesses, compressing origination cycles and improving the quality of the top of the funnel.

Domestic and International Allocator Recognition

Executive presence at allocator-focused fora – domestically at Citywire and internationally across New York, London and Windhoek, signals that ACOF is operating at the correct tier of the market and engaged in direct dialogue with the allocators whose mandates match the Fund's investment proposition.

Thought-Leadership Equity

Long-form, broadcast-grade content positions ACOF leadership as authorities on the supply side of the SME capital market, producing durable assets that compound in value over time and pre-qualify both inbound capital and inbound deal flow.

The engagement portfolio is intentionally diversified across exchange-anchored programmes, industry-body conferences, allocator-focused fora, thought-leadership platforms, and a deliberate international capital raise track across the United States, the United Kingdom and Namibia. This portfolio approach is what compounds the impact: no single engagement type delivers all strategic objectives, but the programme as a whole covers origination, domestic distribution, international capital raise and narrative simultaneously.

Fundee Impact Storytelling Initiative

The Fundee Impact Storytelling Initiative is a dedicated content workstream developed during the reporting period to capture and broadcast the real-economy outcomes of ACOF's funding directly through the voices of the entrepreneurs the Fund supports. The initiative involves on-site filming, interviewing and producing first-person business narratives with funded SMEs across the active loan book, translating quantified deployment data into evidenced human impact.

The strategic logic is twofold. The Fund's deployment record is, by its nature, expressed in numbers: capital deployed, jobs supported, industries reached. Numbers establish credibility but do not, on their own, communicate the lived experience of what that capital enables. Founder-told stories convert abstract metrics into evidence that institutional and retail audiences can recognise, internalise and trust.

The initiative is designed to produce value on both sides of the funding relationship. For ACOF, it generates a library of authentic, broadcast-grade content that anchors the Fund's impact narrative in verifiable founder testimony. For the funded business, it delivers meaningful exposure on the ACOF platform, reaching into an audience of allocators, peers, prospective customers and other founders that few SMEs at this stage of growth could access independently.

This reciprocity reinforces ACOF's positioning as a partner to the businesses it funds rather than a transactional capital provider. It strengthens existing borrower relationships, supports retention into follow-on facilities, and signals to prospective fundees in the active pipeline that ACOF invests in the visibility and growth narrative of its portfolio, not only its balance sheet.

The initiative serves every pillar of the Fund's communications mandate simultaneously. It evidences capital deployment in the most credible form available, the testimony of the recipient. It supports institutional investor attraction by producing the kind of named, evidenced impact narrative that allocators with impact and ESG mandates require for their own reporting. It supports retail investor attraction by humanising the investment proposition in a way that converts product disclosure into emotional relatability. And it reinforces the Fund's ESG and impact positioning with verifiable, on-the-ground material rather than aggregated statistics.

The initiative is editorially disciplined. Each story is produced to the same standards of brand integrity and substance density that govern the wider communications programme, combining founder voice with the structured context of the Fund's loan to that business, the sector served, and the measurable outcome enabled. Output is published through the Fund's social channels, embedded in investor-facing materials, and made available as a durable asset library that can be drawn upon for annual reporting, conference collateral, and bespoke allocator engagement.

Integrated Communications Impact

The strength of the programme lies in the integration of its three tracks. Social media sustains the Fund's public narrative continuously between events, ensuring that an allocator who encounters ACOF leadership in-person can immediately verify and deepen that impression through a coherent and substantive digital footprint. Event engagement converts the awareness built through digital channels into direct relationships, applications, and capital conversations. The Fundee Impact Storytelling Initiative anchors both, in verifiable, founder-told evidence of the real-economy outcomes the Fund's capital enables.

This integration produces effects that no single track could deliver alone. The Fund's deployment narrative is communicated through quantified evidence in the digital channel, validated through executive presence at the events that asset allocators take seriously, and humanised through the testimony of the entrepreneurs the Fund supports. The Fund's investor proposition is articulated through structured product disclosure, reinforced through peer dialogue, and made tangible through evidenced impact. The result is a single, defensible institutional narrative delivered through complementary surfaces that are strategic, active, and impactful in the precise sense that matters for a regulated private credit fund at ACOF's stage of development.

Strategic, Active and Impactful Posture

The communications programme demonstrates the three qualities that define a credible institutional communications function.

The programme follows a visible editorial and engagement logic. Outputs and appearances are sequenced in service of the Fund's mandate rather than improvised. This is a coherent communications architecture, not a stream of disconnected activity.

All three tracks are sustained and recent. The social channel is being managed rather than maintained, the event programme has delivered eight strategic engagements within a five-month window spanning South Africa, the United States, the United Kingdom and Namibia, and the storytelling initiative is producing an expanding library of founder-led content. An active communications presence signals an active fund, which is a material consideration for allocators and partners who use public visibility as an informal liveness check.

Impact is measured in the integrity of the message and the quality of the audiences reached, not the volume of reaction. Every output and every engagement contribute to a single, defensible institutional narrative, reinforced rather than contradicted across the programme's full surface area. For a fund at ACOF's stage of development, this is precisely the form of impact a communications programme is required to deliver.

Forward Outlook:

The work delivered over this reporting period sets the foundation for a higher-intensity 2026/27 cycle. Priority next steps under active planning include:

- Exhibition at the Batseta Council of Retirement Funds Winter Conference 2026, extending reach into the retirement-fund allocator community through a dedicated stand featuring the Fund's brand system and impact metrics;
- Continued participation in JSE-anchored programmes to maintain origination pipeline depth and reinforce the Fund's standing within the listed-economy ecosystem;
- Continued development of the international capital raise programme established in the United States, the United Kingdom and Namibia during this reporting period, with follow-through engagement to convert qualified institutional conversations into committed capital;
- Selective expansion into additional international fora (including AFSIC) to deepen offshore allocator recognition in line with the Group's listings on OTCQB and the Frankfurt Stock Exchange;
- Continued production of thought-leadership assets to deepen the public record of ACOF leadership commentary;
- Expansion of the Fundee Impact Storytelling Initiative across a broader cross-section of the active loan book, with deliberate sectoral and geographical diversity, building a durable library of founder-led impact content;
- Implementation of attribution tracking from social channels into the Fund's investment portal, so that conversion can be reported with the same rigour as deployed capital;
- Extension of the social strategy into short-form video and selective cross-channel publication to amplify reach without changing the brand voice.

Conclusion

ACOF's integrated communications programme is performing the strategic function it was designed to perform. Across digital, in-person, and storytelling tracks, the work is mandate-aligned, narratively disciplined, visually distinctive, and consistently directed at the investor audiences the Fund needs to reach. It functions as a continuously updated public proof point of the Fund's deployment record and investment proposition, reinforced through direct engagement with the founders, allocators and institutional bodies that shape the African private capital landscape, and humanised through the voices of the entrepreneurs the Fund supports.

The downstream benefits, namely qualified deal flow, allocator recognition, brand equity, evidenced impact, and a growing body of attributable thought leadership, are durable assets that will compound through the next reporting period. The programme is, by every measure appropriate to a regulated private credit fund, a strategic, active and impactful communications function.

Tatum Wheatley
Head of Media & Investor Relations
Altvest Credit Opportunities Fund Limited
25 May 2026

Supplementary Business:

altvest wealth

Supplementary business: altvest wealth

Altvest Wealth (Pty) Ltd

Registration Number	2015/038780/07
FSP Number	45810 (Category 1 Financial Services Provider)
Date Authorised	10 March 2015
Holding Company	Africa Bitcoin Corporation Limited
Ownership	Wholly-owned subsidiary

Overview

Altvest Wealth (Pty) Ltd is the Group's licensed financial services subsidiary and the dedicated advisory and intermediary business through which all financial advice and intermediary services are executed. Authorised as a Category 1 Financial Services Provider under the Financial Advisory and Intermediary Services Act ("FAIS"), Altvest Wealth provides the regulatory framework through which the Group delivers insurance solutions, retirement planning products, and business advisory services to its client base, with a particular focus on the SME entrepreneurs funded through the Altvest Credit Opportunities Fund.

The subsidiary plays a dual role within the Group structure. It serves as a standalone revenue generating business through commission income on insurance and investment products, and it functions as a critical risk mitigation mechanism for the ACOF lending platform by providing comprehensive insurance protection to SME borrowers, thereby strengthening the credit quality of the loan book.

Services Provided

Insurance Solutions

Altvest Wealth offers a comprehensive suite of insurance products tailored to the needs of SME owners and their employees, including life cover, disability cover, critical illness cover, dread disease cover, funeral insurance, key person insurance, and group life cover for employee wellness programmes. These products are distributed through partnerships with nine leading South African insurers: Momentum, Discovery, Old Mutual, Sanlam, Liberty, BrightRock, Elevate, YuLife, and 1Life. A fully digital, multi-insurer quote comparison and application platform enables efficient onboarding and policy management.

Retirement Planning and Savings

The Altvest Retirement Annuity ("ARA"), administered through 27four Investment Managers and LifeCycle Retirement Annuity, provides a Regulation 28 compliant retirement savings vehicle at an all-in-fee of 1.00%, with the ability to allocate up to 20% of the portfolio to alternative asset exposure. The platform has been fully operational with two-pot system capability since September 2024, providing real time contribution split display and digital claims management.

Business Advisory Services

Through its advisory function, Altvest Wealth provides financial structuring guidance, business protection strategies, corporate insurance requirements including professional indemnity and directors and officers coverage, and employee benefits programme design for SME clients within the Group's ecosystem.

Altvest Wealth is the insurance business within the Group. Products offered by Altvest Wealth are used to enhance the insurance needs of SMEs applying for loans through ACOF.

Operational Performance

During the year under review, Altvest Wealth continued to build its operational foundation and client base. The retirement annuity platform grew to over 100 registered accounts, of which 35 are actively contributing, representing an activation rate of 35%. Assets under management in the retirement annuity product increased by 38% to approximately R4 million from R2.9 million in the prior year.

Altvest Wealth remains in its investment phase, with the current period characterised by platform development, regulatory compliance infrastructure, and the establishment of distribution channels. While the subsidiary is not yet profitable on a standalone basis, the strategic value it provides to the Group through integrated risk management across the ACOF lending platform and the long-term recurring revenue opportunity from growing its insurance and retirement book positions the business for meaningful contribution as the Group scales.

Strategic Role within the Group

The integration between Altvest Wealth and the broader Group creates a mutually reinforcing relationship. ACOF's lending operations provide a captive distribution channel for insurance and retirement products, while the insurance coverage provided through Altvest Wealth strengthens the security position of ACOF's loan book by protecting borrowers against key person risk, disability, and unforeseen events that could otherwise impair their ability to service debt obligations. This embedded relationship between credit provision and financial protection is central to the Group's approach to responsible lending and long-term portfolio quality.

Key Functionaries

Key Individuals	WG Wheatley, AS Karan
Representatives	N Mugisha
Insurer	Old Mutual Insure Limited / Sintelum (Pty) Ltd

Looking Forward

The Board has approved a revitalisation strategy for Altvest Wealth focused on three priorities for the year ahead. The first is increasing insurance penetration across the ACOF borrower base through structured risk identification embedded in the loan origination process and dedicated analyst training. The second is the development of a product roadmap that extends the distribution capability beyond the current ACOF ecosystem, including enhanced digital distribution channels. The third, on a medium term horizon, is the exploration of a cell captive insurance structure that would enable the Group to participate directly in the underwriting economics of the insurance products it distributes, transitioning Altvest Wealth from a pure intermediary model to a more capital efficient insurance business.

The cell captive feasibility assessment is underway, with an initial implementation target of establishing the structure by late 2026, followed by the launch of insurance products to the broader public through Africa Bitcoin Corporation's Group digital channels.

Corporate governance

Corporate governance

Introduction

Altvest Credit Opportunities Fund Limited (ACOF) is a private credit fund with a core mandate to support high-potential South African small and medium enterprises through structured credit. ACOF operates as a wholly-owned subsidiary of the Group, in its capacity as the Fund Manager and Loan Book Manager, and its governance framework is structured to balance ACOF's operational independence as a private credit Fund with the benefits of integrated oversight at Group level.

This Report outlines the governance practices of ACOF for the year ended 28 February 2026, reflecting ACOF's commitment to ethical leadership, transparency and alignment with the King IV Report on Corporate Governance for South Africa, 2016 (King IV), applied on a proportionate basis appropriate to the size, complexity and stage of maturity of ACOF and the Group. The Board applied the King IV principles on an "apply and explain" basis, and a detailed register of the application of each principle is available on the Holding Company's website at www.africabitcoincorporation.com. The Board notes the publication of the King V Code on Corporate Governance for South Africa, 2025 (King V) by the Institute of Directors South Africa. On 31 October 2025, the Institute of Directors South Africa (IoDSA) announced the application and disclosure framework effective for financial years commencing on or after 1 January 2026 (early adoption permitted). King V introduces an outcomes-based governance framework structured around 13 principles, requiring organisations to demonstrate that governance practices have realised measurable value rather than merely evidencing procedural compliance. The application and disclosure regime for King V is "apply and explain", with organisations required to apply the principles universally and provide concluding statements on the achievement of four governance outcomes: Ethical Culture, Performance and Value Creation, Conformance and Prudent Control, and Legitimacy. The ACOF Board has resolved to apply King V from the financial year commencing 1 March 2026, being the first financial year of the Fund commencing on or after the IoDSA's published effective date of 1 January 2026. The Social and Ethics Committee has been mandated to oversee the transition programme. The governance disclosures for the financial year ending 28 February 2027 will be prepared in accordance with King V. The governance practices described in this Report are further aligned with the Companies Act 71 of 2008, the JSE and the CTSE Debt Listings Requirements, particularly as they relate to listed entities' obligations around disclosure, oversight, board structure and stakeholder engagement.

Governance Framework

ACOF is governed by its own Board of Directors, which provides strategic direction, oversight and accountability for ACOF's operations. The ACOF Board operates under a formal Board Charter and is supported by the governance infrastructure of ABC. ACOF complies with all applicable regulatory obligations and embraces the principles of effective and ethical leadership.

Although ACOF has a dedicated Board and its own independent Investment Committee, all other committees, namely the Audit and Risk Committee, the Social and Ethics Committee and the Remuneration and Nomination Committee, are constituted at Group level. These committees exercise oversight over both ABC and ACOF in an integrated manner, ensuring streamlined decision-making, improved transparency and alignment with Group-wide governance principles. ACOF representation on each Group subcommittee is provided by Ms. Norma Sephuma, the Independent Chairperson of the ACOF and ABC Board, and Ms. Snowy Masakale, an Independent Non-Executive Director of ACOF and ABC, ensuring that ACOF specific perspectives, risks and governance requirements are brought directly into Group level deliberations on audit, risk, ethics, transformation and remuneration.

The ACOF Board

The ACOF Board is responsible for the stewardship and governance of ACOF. Its mandate includes approving ACOF's strategic direction, overseeing risk management practices, ensuring compliance with applicable laws and regulations, and promoting a stakeholder inclusive approach to business. The ACOF Board places strong emphasis on maintaining independence in its decision-making processes. To support objective oversight, the Board composition prioritises a majority of Independent Non-Executive Directors. These directors bring external perspective, challenge executive assumptions and ensure accountability across strategic and operational decisions.

ACOF Board Composition as at 28 February 2026

Director	Nationality	Date Appointed	Date Resigned	Designation
GM Sephuma	Botswana	26 February 2023	-	Independent Chairperson
WG Wheatley	South Africa	22 September 2022	-	Executive Director and Chief Executive Officer
AS Karan	South Africa	1 October 2022	-	Executive Director and Chief Investment Officer
TL Wheatley	South Africa	14 March 2023	-	Executive Director and Head of Media and Investor Relations
JL Phillips	South Africa	1 August 2025	-	Executive Director and Financial Director
SKI Masakale	South Africa	22 March 2023	-	Independent Non-Executive Director
A Kabagambe	Uganda	1 October 2025	-	Independent Non-Executive Director
S Maputla	South Africa	1 October 2025	-	Independent Non-Executive Director
M Maradzika	Zimbabwe	1 October 2025	-	Independent Non-Executive Director
KS Sithole	South Africa	1 March 2025	12 December 2025	Independent Non-Executive Director
E Harcourt-Wood	South Africa	29 March 2023	23 June 2025	Independent Non-Executive Director

Director Profiles

The biographical profiles below set out the qualifications, experience and other directorships of the directors who served on the Board as at 28 February 2026 and as at the date of this report.

Norma Sephuma
Independent Non-Executive Chairperson

Date appointed: 26 February 2023

Norma has held various roles within the Bank of Botswana. She has been the acting head of Privatisation and Restructuring at the Public Enterprises Evaluation and Privatisation Agency (PEEPA). Other roles included PPP Officer, SADC Network with SADC Development Finance Resource Centre, and as Regional PPP Consultant, African Development Bank. Her qualifications include a BA in Economics and Statistics and an MBA specialising in financial management.

Warren Wheatley
Executive Director and Chief Executive Officer

Date appointed: 22 September 2022

Warren is a seasoned investment professional with over 20 years of experience across Asset Management, Private Equity, Banking, and Institutional Capital Markets. He holds a CA(SA) designation, CFP, and Post Graduate Diplomas in Corporate Finance, Financial Planning Law, and Auditing.

Warren has over 20 years' experience in Asset Management, Private Equity, Banking and Institutional Capital Markets. Warren is the co-founder and former Chief Investment Officer of Lebashe Investment Group, and Chair of the Investment Committee of the Transnet Retirement Fund. Warren was previously an Investment Banker at Absa Capital and served in various roles at Alexander Forbes

Akshay Karan
Executive Director and Chief Investment Officer

Date appointed: 1 October 2022

Akshay has extensive experience across investment management, financial reporting and corporate governance, spanning both listed and unlisted debt and equity investments. He is a Chartered Accountant (SA) and CAIA Charter holder and holds undergraduate and postgraduate qualifications in accounting and finance from the University of Cape Town.

Akshay is the Chief Investment Officer of the Group, where he leads the investment function across origination, evaluation, execution and portfolio management. His background includes experience at global consulting and financial institutions, with exposure to private equity, sustainable finance, capital raising and risk management. He also serves in board and governance-facing roles within the Group.

Tatum Wheatley
Executive Director and Head of Media and Investor Relations

Date appointed: 14 March 2023

Tatum has a background in industrial psychology, organisational development and stakeholder engagement. She holds a degree in Psychology, majoring in Industrial Psychology, and has further developed her expertise through studies in behavioural finance.

Tatum has held roles across corporate consulting, stakeholder management and advisory services, with a focus on organisational behaviour, culture and change management. She was crowned Miss South Africa in 2008 and represented the country at Miss World, where she placed as second runner-up. Tatum is currently the Head of Media and Investor Relations for the Group, where she is responsible for stakeholder communications, media engagement and public-facing communications.

Jonathan Phillips
Executive Director and Financial Director

Date appointed: 1 August 2025

Jonathan is a Chartered Accountant with experience in audit, financial reporting, and corporate finance. He was appointed as Chief Financial Officer of Africa Bitcoin Corporation in March 2025 and subsequently as Executive Financial Director in August 2025.

Prior to joining the Company, Jonathan was an audit supervisor and manager at Zeelie Auditors, where he was responsible for the audit of ABC since inception. He also gained experience as an audit manager at Ernst & Young, where he managed audits across a range of industries.

Jonathan holds a B.Com (Accounting) and a Postgraduate Diploma in Accounting. His strong technical foundation, coupled with direct knowledge of the Company's operations from its early stages, positions him to play a key role in strengthening ABC's financial management, governance, and reporting disciplines.

Snowy Masakale
Independent Non-Executive Director

Date appointed: 22 March 2023

Snowy is the Executive Head of Strategy at Sanlam Private Wealth with over 23 years' experience in financial services, specialising in strategy development, investments, business development and product development. She was previously Chief Executive Officer of Vunani Fund Managers, where her growth strategy resulted in the firm's assets under management doubling, and has held senior positions at Absa Wealth and Investment Management, Royal Investment Managers, STANLIB and Alexander Forbes Financial Services. As a representative of the G20 Empower and a member of the SAVCA Transformation Sub-Committee, she is an advocate for women's economic representation and inclusion.

Her qualifications include a Bachelor of Economic Science (Wits) with a focus on Mathematics and Econometrics, a B.Com Honours in International Trade and Finance, a Postgraduate Diploma in Financial Planning (UFS), and an MBA (Wits).

Amanda Kabagambe
Independent Non-Executive Director

Date appointed: 1 October 2025

Amanda is a transaction advisor and management consultant with over 14 years' experience advising businesses, investors and public sector institutions across Africa and the United Kingdom. She holds an MBA from Edinburgh Business School, a Bachelor of Arts in Development Economics, and professional certifications in company direction, project management and business advisory. Amanda has advised on and structured growth capital transactions for SMEs, with experience spanning investment readiness, capital raising, transaction advisory and post-investment support. She has worked with regional investment funds, development finance institutions and governments, and has served in non-executive director and investment committee roles, contributing to governance, investment decision-making and strategy oversight.

Sibongile Maputla
Independent Non-Executive Director

Date appointed: 1 October 2025

Sibongile is an accomplished executive and non-executive director with over 20 years' experience across asset management, financial services and operational leadership. She holds an MBA from Wits Business School and a Bachelor of Commerce (Statistics) degree from the University of Pretoria. She has held senior roles at global and local financial institutions, including in fund management, operations and executive leadership. Sibongile is the Founder of Squirrel Away and currently serves on several boards and board committees, including as Chair of an Investment Oversight Committee and as a member of an Investment Committee, providing independent oversight on investment strategy, risk management and governance.

Mazvita Maradzika
Independent Non-Executive Director

Date appointed: 1 October 2025

Mazvita has over 19 years' experience across finance, investment management, development finance and transaction advisory. She is a Chartered Accountant (SA) and holds a master's degree in development finance, as well as executive development qualifications from Duke University. Mazvita has held senior executive and board roles across investment management, private equity and advisory businesses. Her experience includes mergers and acquisitions, capital raising, B-BBEE structuring, portfolio management and governance oversight. She has led and participated in transactions exceeding R3 billion and has served on boards and board committees, providing oversight on audit, risk, strategy and investment matters.

Board and Governance Developments

The biographical profiles below set out the qualifications, experience and other directorships of the directors who served on the Board as at 28 February 2026 and as at the date of this report.

Director Movements

During the year, two Independent Non-Executive Directors departed from the ACOF Board. Mr. Khaya Sithole resigned with effect from 12 December 2025, and Ms. Ewa Harcourt-Wood on 23 June 2025. The Board records its appreciation for their contributions during a formative period in ACOF's growth, including their service on the Investment Committee and the foundational governance work undertaken since ACOF's listing.

In response to these vacancies, and as part of the Board's deliberate programme to deepen independent oversight, three new Independent Non-Executive Directors were appointed with effect from 1 October 2025. The appointments of Ms. Amanda Kabagambe, Ms. Sibongile Maputla and Ms. Mazvita Maradzika were made following a structured fit and proper assessment, an evaluation against the Board skills matrix, and consideration of the Group's Diversity Policy. Each appointment broadens the technical expertise available to the Board across asset management, transaction advisory and Chartered Accounting disciplines, advances ACOF's gender and pan-African representation objectives, and provides specialist capacity to the ACOF Investment Committee.

On 1 August 2025, Mr. Jonathan Phillips was appointed as Executive Director and Financial Director of ACOF, having served as Chief Financial Officer of the Group since March 2025.

The appointment of a dedicated Financial Director is a meaningful step in the maturation of ACOF's financial reporting and governance capabilities.

Group Governance Context

ACOF's parent and Fund and Loan Book Manager, formerly Altvest Capital Limited, adopted a new corporate identity during the year as Africa Bitcoin Corporation Limited. The transition was approved by shareholders at general meeting on 10 September 2025 and was accompanied by the formal adoption of a Bitcoin Treasury Strategy at Group level and the expansion of ABC's multi-jurisdictional listing footprint to include the Namibian Stock Exchange (NSX: BANC- Class C), the OTCQB Venture Market (OTCQB: AFBCF) and the Deutsche Borse Frankfurt Stock Exchange (Frankfurt: 4BC). The Board has considered the implications for ACOF and is satisfied that the Fund's mandate, governance framework and credit operations remain ring-fenced from the Group's treasury activities.

On the same date the Africa Bitcoin Corporation Board restructured its chair arrangements. Mr. Stafford Masie, a director of the parent company only and not a member of the ACOF Board, served as Independent Non-Executive Chairperson of Africa Bitcoin Corporation until 9 September 2025 and as Executive Chairperson from 10 September 2025. To preserve Board independence under King IV Principle 7 and Practice Recommendation 33, Ms. Norma Sephuma was designated Lead Independent Director of the Africa Bitcoin Corporation Board with effect from 10 September 2025. Ms. Sephuma's continuing role as Independent Non-Executive Chairperson of the ACOF Board, held since 26 February 2023, was unaffected by the parent-level designation.

Subsequent to the year ended 28 February 2026 and with effect from 10 April 2026, Mr. Masie stepped down as Chair and was redesignated as Executive Director: Bitcoin Strategy at parent level; Ms. Sephuma was appointed Chair of the Africa Bitcoin Corporation Board, restoring an independent chair at Group level (and continues as Independent Non-Executive Chairperson of the ACOF Board); Mr. Robin Coode CA(SA) was appointed as an Independent Non-Executive Director of Africa Bitcoin Corporation and Chair of the Audit and Risk Committee; and Mr. Warren Wheatley stepped down as a member of the Group Social and Ethics Committee. These changes were announced by ABC SENS on 10 April 2026.

Company Secretary

The ACOF Board is supported by CTSE Registry Services Proprietary Limited, represented by Ms. Estelle de Jager, as Company Secretary. The Directors have considered and are satisfied with the competence, qualifications and experience of the Company Secretary, and confirm that the Company Secretary maintains an arm's length relationship with the Board and is not a director of ACOF. During the year, the Company Secretary provided guidance to the Board on governance and statutory matters, facilitated the induction of newly appointed directors, and ensured the proper administration of all Board and committee meetings.

Director Independence and Performance Evaluation

As at 28 February 2026, the ACOF Board comprises four Executive Directors and five Independent Non-Executive Directors, providing a clear majority of Independent Non-Executive members and substantive separation between management and oversight, consistent with the King Code and the requirements applicable to issuers of listed debt and equity instruments.

The independence of each Non-Executive Director is reviewed in accordance with the King Code and the Companies Act. The assessment is conducted on a substance over form basis and considers tenure, relationships with ACOF and the Group, cross directorships and any other matters that may influence impartiality. Each newly appointed Independent Non-Executive Director was subjected to a fit-and-proper assessment that included independent verification of qualifications, evaluation against the Board skills matrix and explicit consideration of the diversity and independence indicators set out in the Group's Diversity Policy.

The Board maintains a clear balance of power and authority within its structure, with the roles of the Chairperson, the Chief Executive Officer and the executive and non-executive directors clearly defined and differentiated. No single director holds unfettered decision-making powers. The non-executive directors play a substantive role in providing independent judgement, challenging the executive team and ensuring that the interests of all stakeholders are appropriately considered, with delegated authority exercised through Board committees that operate under formal Terms of Reference reviewed annually.

The Board has applied King IV Principle 9 partially during the year. A full formal performance evaluation cycle will be conducted in FY2027. The Directors have, however, executed their responsibilities under ACOF's evaluation policy in respect of the evaluation of the performance of the Board, its committees, the Chairperson and individual directors during this transitional period. The Board intends to implement a structured annual evaluation, covering collective Board effectiveness, individual director contributions, committee performance and the functioning of the Chairperson, aligned with the King V recommended practices for the financial year ending 28 February 2027.

Oversight and Committee Structures

ACOF's governance is supported by several key committees that provide oversight and guidance in alignment with ACOF's mandate and stakeholder expectations. These committees ensure ACOF adheres to the highest standards of accountability and ethical leadership across strategic, financial, social and compliance areas. The composition, mandate and meeting attendance of each committee is set out below.

Investment Committee

The ACOF Investment Committee is constituted independently of the Group Investment Committee, providing specialised oversight of ACOF's credit and investment activities. Its primary responsibilities are to review and approve all proposed investments and credit facilities, ensure alignment with ACOF's investment strategy and risk appetite, assess opportunities through a dual layer process involving an internal credit committee and an independent external committee, and apply a stringent vetting process grounded in commercial and impact considerations.

Lending and investment decisions within ACOF are subject to a robust process of assessment, vetting, recommendation and approval. An internal assessment is undertaken by a diverse team of internal specialists (the Internal Committee). Recommendations for funding are then evaluated by an external independent committee made up of specialists in investments, credit, private equity and business valuations.

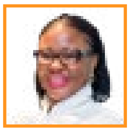
Independent Committee

The Independent (External) members of the Investment Committee are the Independent Non-Executive Directors of ACOF, other than the Chairperson, providing the Investment Committee with the same depth of independent expertise applied at Board level. Their detailed biographical profiles, qualifications and experience are set out under the Director Profiles above.

SKI Masakale
Independent Non-Executive Director

S Maputla
Independent Non-Executive Director

A Kabagambe
Independent Non-Executive Director



M Maradzika
Independent Non-Executive Director

Internal Committee

The Internal Committee comprises executive and senior management members of the Fund Manager who are responsible for origination, due diligence, structuring and the initial credit recommendation.

WG Wheatley
Chief Executive Officer

AS Karan
Chief Investment Officer

TL Wheatley
Head of Media and Investor Relations

C van der Colff
Head of Operations

R Dlamini
Legal Counsel

N Mugisha
Head of Strategy

Audit and Risk Committee (Group Level)

The Audit and Risk Committee (the ARC) is a vital component of the Group's corporate governance framework, playing a critical role in ensuring the integrity of financial reporting, maintaining effective risk management and internal control systems, and overseeing the independent audit process. The ARC is constituted as a statutory committee in terms of section 94 of the Companies Act and operates in accordance with the JSE Listings Requirements and King IV.

The Committee provides dual oversight to the Group as it oversees Africa Bitcoin Corporation Limited and its subsidiaries, including the Altvest Credit Opportunities Fund. The ARC comprises independent non-executive directors, including representatives from the ACOF Board, ensuring appropriate oversight of risks specific to the Fund.

Its primary responsibilities include:

- Reviewing the integrity of financial reporting;
- Overseeing the effectiveness of risk management systems;
- Evaluating audit findings and ensuring regulatory compliance;
- Monitoring the development of internal controls and recommending risk mitigation strategies.

The Audit and Risk Committee comprised of the following members during the period and as at the date of this report:

Member	Designation
RL Coode (Chairperson) #	Independent Non-Executive Director
GM Sephuma	Independent Non-Executive Chairperson of the Board
SKI Masakale	Independent Non-Executive Director
KS Sithole (Chairperson)*	Independent Non-Executive Director
NB Khumalo*	Independent Non-Executive Director
B Makhunga (Chairperson)*	Independent Non-Executive Director

Appointment effective from 10 April 2026

* Mr. KS Sithole resigned as Chairperson of the Audit and Risk Committee with effect from 12 December 2025.

* Mr. NB Khumalo served as Chairperson of the Audit and Risk Committee from 12 December 2025 and resigned with effect from 8 January 2026.

* Ms. B Makhunga was appointed as Chairperson of the Audit and Risk Committee with effect from 16 January 2026 and resigned with effect from 24 February 2026.

Mr. RL Coode was appointed as Chairperson of the Audit and Risk Committee with effect from 10 April 2026.'

Permanent invitees: WG Wheatley (CEO), JL Phillips (CFO), External Auditors

Member	ARC
GM Sephuma	4/4
KS Sithole	3/3
NB Khumalo	3/3
SKI Masakale (appointed 16 January 2026)	1/1
WG Wheatley (Permanent invitee)	4/4

During the reporting period, their mandate included:

- Review of audit strategy and auditor independence;
- Assessment of the CFO's competence, qualifications and experience and appointment recommendation;
- IFRS compliance and group financial oversight;
- Risk register monitoring and going concern review;
- Assessment of the suitability of Forvis Mazars South Africa as external auditor and Mr. Nafees Mayat as the individual designated audit partner for Altvest Credit Opportunities Fund Limited for the year ended 28 February 2026.

Social and Ethics Committee (Group Level)

The Social and Ethics Committee (the SEC) assists the Boards of both Africa Bitcoin Corporation and the Altvest Credit Opportunities Fund in ensuring that the Group acts as a responsible corporate citizen, upholding ethical values and considering the Company's impact on its stakeholders and the environment. The SEC is constituted as a statutory committee in terms of the Companies Act and operates in accordance with the King Code.

The SEC is constituted as a statutory committee in terms of the Companies Act and operates in accordance with the King Code.

The committee's scope includes:

- Monitoring ethical leadership and organisational culture;
- Evaluating the Group's impact on stakeholders and the environment;
- Reviewing transformation efforts and ESG integration;
- Overseeing related-party transactions and stakeholder engagement practices;
- Monitoring the Company's activities in terms of social and economic development, including the principles of the UN Global Compact, the OECD recommendations regarding corruption, and employment equity;
- Monitoring good corporate citizenship, including the Company's record of donations and sponsorships, promotion of equality, and prevention of unfair discrimination;
- Overseeing the Company's ethics management, including implementation of codes of conduct and anti-corruption practices;
- Monitoring environmental, health and public safety, including the impact of the Company's activities.

The Social and Ethics Committee comprised of the following members during the period and as at the date of this report:

Composition

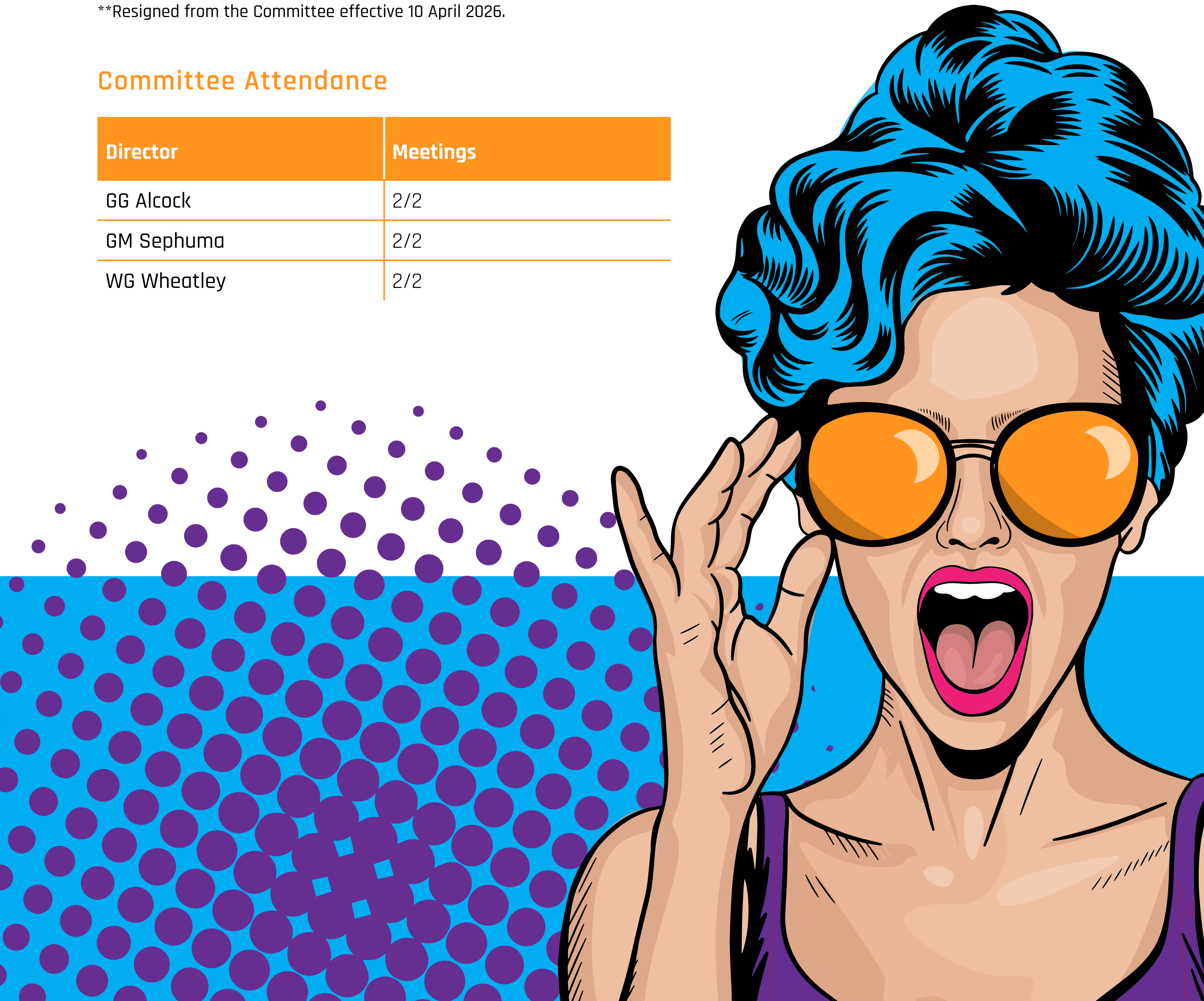
Name	Designation
GG Alcock (Chairperson)	Independent Non-Executive Director
GM Sephuma	Independent Non-Executive Director
SC Masie*	Executive Director
WG Wheatley**	Executive Director

*Appointed to the Committee effective 10 April 2026.

**Resigned from the Committee effective 10 April 2026.

Committee Attendance

Director	Meetings
GG Alcock	2/2
GM Sephuma	2/2
WG Wheatley	2/2



Remuneration and Nomination Committee (Group Level)

The Remuneration and Nomination Committee (RemNom) supports both Africa Bitcoin Corporation and Altvest Credit Opportunities Fund in building and retaining a skilled, diverse, and independent leadership structure. The committee is responsible for overseeing the appointment, induction and evaluation of directors, succession planning, and for ensuring that the Group's remuneration policies and practices are fair, responsible, transparent and aligned with the creation of sustainable shareholder value. The committee operates in accordance with its approved terms of reference, the Companies Act, and King IV.

Its responsibilities include:

- Evaluating board composition, director appointments, and succession planning;
- Reviewing and recommending executive and non-executive remuneration policies;
- Aligning incentive structures with the Group's long-term performance goals.

During the year, the committee oversaw the appointment of the CFO for the Group and succession planning. The committee provides oversight and guidance in alignment with its mandate and stakeholder expectations. The following sections outline their respective roles and activities during the year under review.

The Remuneration and Nomination Committee comprised of the following members during the period and as at the date of this report:

Name	Designation
GG Alcock	Independent Non-Executive Director
SKI Masakale	Independent Non-Executive Director
RL Coode*	Independent Non-Executive Director
KS Sithole**	Independent Non-Executive Director
NB Khumalo (Chairperson)**	Independent Non-Executive Director

*Appointed effective 10 April 2026

** Resigned during the financial year

Permanent invitee: WG Wheatley (CEO)

The Committee is required to meet a minimum of two times per annum. During the financial year under review, the Committee met four times, exceeding the minimum requirement of two meetings per annum. A quorum was confirmed at all four meetings.

Committee Attendance

Director	Meetings
NB Khumalo	4/4
KS Sithole	4/4
SC Masie*	2/4
RL Coode**	-

During the year, the Committee oversaw the appointment and remuneration benchmarking of the Chief Financial Officer, the implementation of the shared services agreement effective 1 March 2025, the commencement of the design phase for a formal Employee Incentive Scheme, and the benchmarking of Non-Executive Director fees against comparable JSE listed entities.

Social and Ethics Committee Report

gg alcock

Social and ethics committee report

For the financial year ended 28 February 2026

The Social and Ethics Committee (the Committee) is a statutory committee of the Board constituted in terms of section 72(4) of the Companies Act, read with regulation 43 of the Companies Regulations, 2011, and operates in accordance with King IV. This report covers the period 1 March 2025 to 28 February 2026 and represents the Committee's inaugural report to shareholders at Group level, encompassing both Africa Bitcoin Corporation Limited and the Altvest Credit Opportunities Fund.

Roles, Responsibilities and Functioning

The Committee's mandate, as set out in its Board-approved Terms of Reference, encompasses the five statutory areas prescribed by regulation 43(5) of the Companies Regulations, together with two additional areas adopted by the Board, namely organisational ethics and stakeholder relationships. The Committee assists the Board with monitoring the Group's activities regarding sustainable social and economic development, consumer relationships, labour and employment, the promotion of equality, ethics management, and the Group's impact on its stakeholders including clients, employees, shareholders, regulators, and the communities within which it operates.

Key Activities During the Reporting Period

Social and Economic Development

The Group's primary social and economic contribution is delivered through the Altvest Credit Opportunities Fund's private credit activities, which have contributed to the creation or sustenance of over 2,084 employment opportunities since inception through lending to 44 SMEs across 21 industries. Over 34% of the Fund's disbursed book as at 28 February 2026 was allocated to female-led SMEs. The Committee's biannual client visit programme provides first-hand evidence of the Fund's impact on entrepreneurship and job creation, and quarterly impact reports are distributed to shareholders.

A Social and Economic Development Oversight Framework was approved during the year, aligning the Group's social initiatives with its core focus on SME enablement and entrepreneurship. The Committee affirmed that impact oversight is integrated into capital deployment activities rather than standalone programmes. A structured social impact measurement framework was established to enable quantifiable reporting from FY2027 onwards.

Good Corporate Citizenship

The Group remains committed to the principles of the United Nations Global Compact and the OECD Anti-Corruption recommendations. A Reputational Risk Matrix was developed and approved during the year to proactively identify and manage media and stakeholder risks, with defined mitigation measures and escalation thresholds. No reputational issues requiring escalation were identified during the period. The adoption of King V, applicable for financial years commencing on or after 1 January 2026 (and accordingly applicable to the Fund from 1 March 2026), was noted and the Committee directed that governance updates be tabled at the next meeting cycle.

Environment, Health and Public Safety

Given the Group's financial services operating model, digital-first infrastructure, and remote work arrangements, its direct environmental footprint is immaterial. The Committee resolved that a formal environmental baseline assessment will be conducted during FY2027, with the objective of establishing measurable metrics for ongoing environmental reporting.

Consumer and Client Relationships

ACOF borrower relationships are managed through a biannual client visit programme, providing the Committee with direct insight into client experiences and fund impact. Data protection compliance is maintained in accordance with the Protection of Personal Information Act (POPIA). No external complaints from clients or investors were received during the financial year under review.

Labour, Employment, Diversity and Transformation

As at 28 February 2026, the Group employed 21 staff members at Group level, in line with the prior year. No grievances, disputes, or disciplinary matters arose during the reporting period.

The Group's internship programme was recognised by the Committee as a positive contributor to youth development and skills transfer, with 11 students having passed through the programme to date, and four retained in permanent employment. The Committee recommended that employee training be broadened to include entrepreneurship and SME business dynamics, aligned with the Group's developmental mandate.

Stakeholder Engagement

The Committee monitors the Group's engagement with key stakeholders including employees, clients, investors, regulators, and communities. The Group's integrated annual report, published annually, details the value created for each stakeholder group and the material issues raised during the year. Stakeholder feedback is incorporated into strategic planning through quarterly investor updates, and the biannual client visit programme.

Discharge of the Committee's Responsibilities

The Committee is satisfied that it has fulfilled its mandate as set out in regulation 43 of the Companies Act and in its charter. Throughout the reporting period, the Committee maintained appropriate oversight of all matters within its purview and provided guidance to management on social and ethical matters affecting the Group. No material noncompliance with legislation or regulations within the Committee's mandate was identified.

Future Focus Areas

During FY2027, the Committee will focus on the finalisation of the Executive Incentive Scheme ethical framework, enhanced social impact measurement and reporting, the development of an environmental baseline assessment, continued monitoring of transformation progress, and alignment with King V governance principles.

Conclusion

The Committee is satisfied that Africa Bitcoin Corporation Limited has made meaningful progress in establishing its social and ethical governance framework during its inaugural reporting period. This report will be presented to shareholders at the Africa Bitcoin Corporation Annual General Meeting.

GG Alcock

GG Alcock

Chairperson: Social and Ethics Committee

Africa Bitcoin Corporation

25 May 2026

Remuneration

report

Remuneration report

For the financial year ended 28 February 2026

The Board of Africa Bitcoin Corporation Limited, on behalf of the Group Remuneration and Nomination Committee, presents the Remuneration Report of Altvest Credit Opportunities Fund Limited for the financial year ended 28 February 2026.

As more fully described in the Remuneration and Nomination Committee structure set out on page 99, changes in the composition of the Committee during the year, including the redesignation of Mr. Stafford Masie as Executive Chairperson with effect from 10 September 2025 (with Mr. GG Alcock appointed to the Committee in his stead) and the resignations of the Chairperson and a further member of the Committee, resulted in the Committee not being fully constituted at year-end. The ABC Board accordingly assumed direct oversight of the Committee's mandate for the remainder of the financial year, and this report is presented by the ABC Board in that capacity. The appointment of a new Chairperson is being progressed and will be confirmed in due course.

ACOF's executive director and senior management remuneration is governed at Group level, with the Group Remuneration and Nomination Committee, supported by the ACOF Board, overseeing the remuneration arrangements applicable to ACOF.

The past year has been transformative for ACOF and the Group, marked by the transition from Altvest Capital Limited to Africa Bitcoin Corporation Limited, the multi-jurisdictional listing programme of the Group, and the maturation of ACOF as an issuer of listed equity and listed debt securities. This evolution has necessitated focused attention on the Group's remuneration frameworks to attract and retain the calibre of talent required to execute ACOF's mandate.

Remuneration Philosophy

The purpose of our remuneration philosophy is to attract, retain, and motivate individuals of exceptional calibre capable of executing our dual-engine strategy while ensuring that total remuneration is fair, responsible, transparent, and aligned with the creation of sustainable shareholder value. Our remuneration approach is built on the following principles:

- Fair and responsible remuneration in accordance with the King Code, ensuring non-discrimination and equitable treatment across the Group;

- Competitive benchmarking against comparable listed entities to ensure remuneration remains competitive in the market;

- Pay-for-performance alignment, linking variable remuneration to the achievement of strategic and operational objectives;

- Transparency in remuneration disclosure, enabling shareholders to understand how remuneration decisions are made and justified;
- Alignment of leadership remuneration with shareholder value creation, ensuring management interests are aligned with those of shareholders over the long-term.

Our remuneration scope encompasses executive directors, non-executive directors, prescribed officers, and senior management across the Group.

Remuneration Policy

Policy Objectives

- Attract and retain skilled and diverse individuals who can contribute to the long-term success of the Group;
- Reward performance in a fair, equitable, and responsible manner;
- Promote the achievement of strategic and operational objectives;
- Ensure transparency and consistency in remuneration practices across all business units.

Scope of Application

The policy applies to:

- Executive and non-executive directors of ABC and ACOF;
- Senior management across the Group;
- Members of the RemNom, in terms of setting frameworks and making recommendations to the Board.

Our remuneration scope encompasses executive directors, non-executive directors, prescribed officers, and senior management across the Group.

Components of Remuneration

Fixed Remuneration: Executive directors and prescribed officers receive total cost-to-company packages reviewed annually against market benchmarks. These packages are designed to attract and retain individuals of the required calibre while ensuring the packages remain competitive relative to comparable organisations.

Variable Remuneration: Performance-based short-term incentives are provided to executive directors and key employees, tied to the achievement of defined strategic and operational objectives. The Board has approved the development of a formal Employee Incentive Scheme with measurable key performance indicators.

The Employee Incentive Scheme is currently being finalised and is expected to be tabled for board and shareholder approval during the 2027 financial year. The scheme is proposed to incorporate both short-term cash incentives and a long-term equity component aligned with sustainable value creation. Full details will be provided in due course.

Non-Executive Director Fees: Non-executive directors are remunerated on a fee-per-meeting basis, with no performance incentives or share-linked awards. Fees are commensurate with the time commitment and responsibilities required and are subject to shareholder approval at the Africa Bitcoin Corporation Annual General Meeting.

Policy Governance

The Remuneration and Nomination Committee comprises Independent Non-Executive Directors only and is responsible for determining the remuneration frameworks and policies, engaging external benchmarking expertise where necessary, and ensuring that no director participates in decisions regarding their own remuneration.

Review and Amendment

The remuneration policy is reviewed annually to ensure alignment with ACOF's evolving strategy, governance standards and market conditions. Any material amendments to the policy are submitted for Board approval and, where required, tabled for shareholder consideration.

Remuneration Implementation Report

The Remuneration and Nomination Committee met four times during the financial year ended 28 February 2026, with matters relating to executive and non-executive director remuneration featuring prominently on the agenda.

The following key remuneration activities took place during the year:

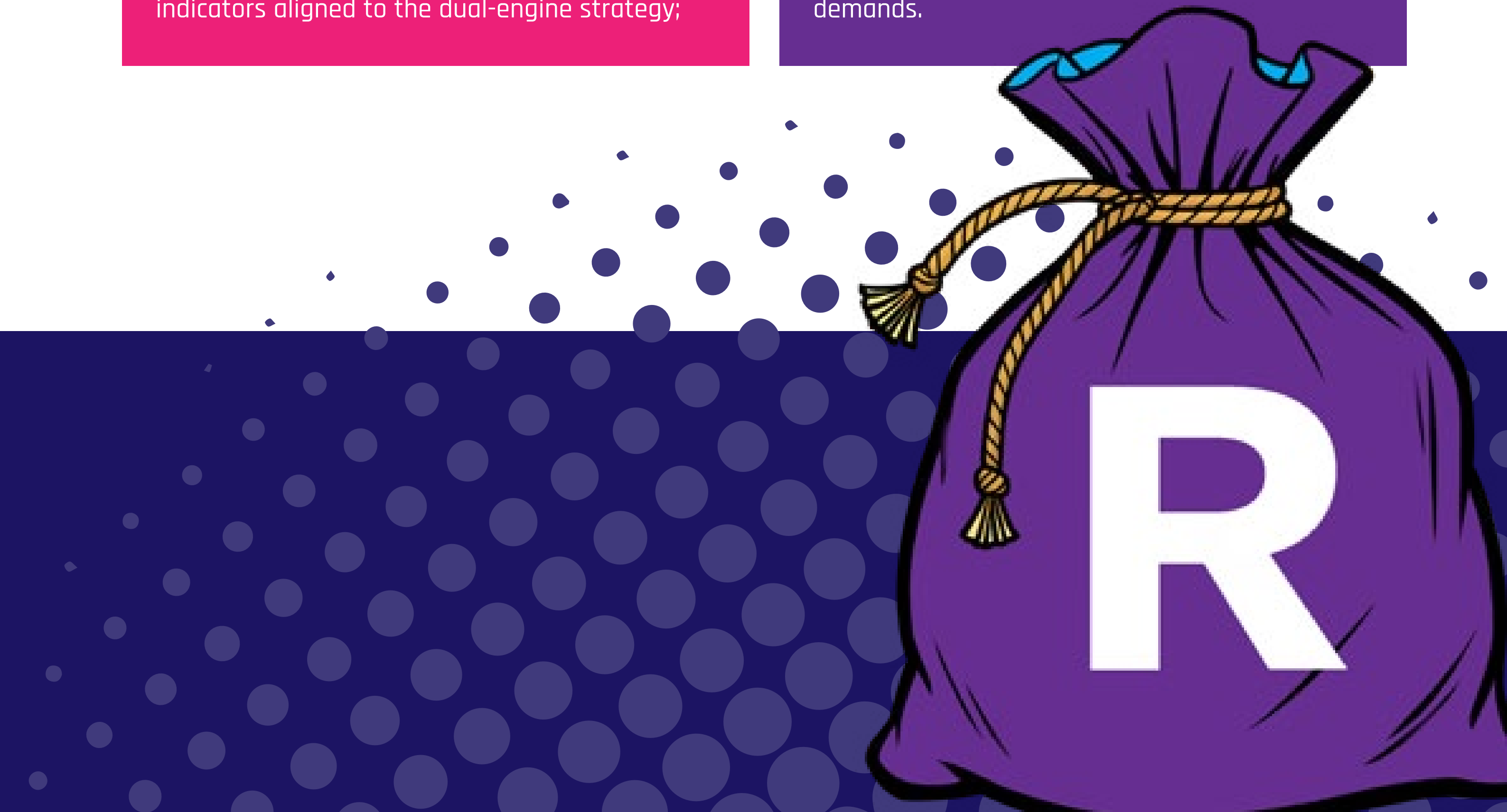
Key Highlights for FY2026

Implementation of a shared services agreement effective 1 March 2025 allocating executive costs proportionally between ABC and ACOF on the basis of each entity's time allocation and operational requirements;

Oversight of the appointment of Mr. Jonathan Phillips CA(SA) as Chief Financial Officer and benchmarking of his remuneration package to ensure market competitiveness;

Commencement of the design phase for a formal Employee Incentive Scheme incorporating both short-term cash incentives and a long-term equity component, with measurable key performance indicators aligned to the dual-engine strategy;

Benchmarking of non-executive director fees has commenced against comparable JSE listed entities to ensure fees remain competitive and commensurate with the time and responsibility demands.



Share-Based Payments

There were no share-based payments to executives or employees during the financial year.

Fair and Responsible Remuneration

The Remuneration and Nomination Committee is committed to fair and responsible remuneration in accordance with the King Code. The committee has considered the overall remuneration of all employees and directors across the Group relative to the Group's financial performance, market conditions, and the cost-of-living environment. Salary increases for the financial year were benchmarked against inflation rates and market comparators to ensure that real purchasing power is maintained while remaining mindful of the economic environment. The committee is satisfied that the remuneration practices across the Group are fair, equitable, and do not discriminate on any unfair basis.

Shareholder Engagement

The Board is committed to shareholder engagement on remuneration matters and to responding to shareholder feedback. Should either the remuneration policy vote or the remuneration implementation report vote receive dissenting votes of 25% or more from shareholders present and voting at the Africa Bitcoin Corporation Annual General Meeting, the Board commits to engage with dissenting shareholders through virtual meetings or written correspondence to understand their concerns and consider any recommended adjustments.

Non-Executive Director Fees Proposed for FY2027

The proposed non-executive director fees for the financial year ended 28 February 2027 will be tabled at the Africa Bitcoin Corporation Annual General Meeting for shareholder approval in accordance with the provisions of the Companies Act and the Memorandum of Incorporation. The proposed fees are currently being evaluated by the Remuneration and Nomination committee.

Norma Sephuma

Chair of the Board of Directors

Chairperson

25 May 2026

Diversity

policy statement

Diversity Policy statement

The Group is committed to building a diverse and inclusive organisation that reflects South Africa's demographic and economic landscape. Our approach is guided by the principles of the Broad-Based Black Economic Empowerment Act, the Employment Equity Act, and the Companies Act, and is informed by the King Code and the JSE Listings Requirements. The Group has adopted a Board-approved Diversity Policy, published on the Company's website, which addresses diversity at Board, committee, executive and workforce level. We apply voluntary diversity targets across gender, race, age, and background, with progress tracked through internal monitoring and disclosed through this Statement, the Sustainability Report and the Social and Ethics Committee Report. The Board has adopted measurable objectives of at least 30% female representation within three years of listing, meaningful representation of historically disadvantaged South Africans consistent with the Group's B-BBEE commitments, and a Board skills matrix that reflects an appropriate balance of financial, governance, technology, legal, risk and industry expertise. Oversight of diversity and transformation efforts rests with the Remuneration and Nomination Committee.

The Remuneration and Nomination Committee considered the Policy in respect of each director movement during the year. Every candidate was assessed on merit through a fit-and-proper investigation that included independent verification of qualifications, evaluation against the Board skills matrix, and explicit consideration of the diversity indicators set out in the Policy. The Policy was specifically applied in the appointment of Ms. Snowy Masakale, who has served as an Independent Non-Executive Director of ACOF since 22 March 2023, to the Africa Bitcoin Corporation Board with effect from January 2026, which advanced gender and designated group representation at Group level, and, subsequent to year-end, the appointment of Mr. Robin Coode as Independent Non-Executive Director and Chairperson of the Audit and Risk Committee, which closed an identified specialist audit and IFRS governance gap. The redesignation of Mr. Stafford Masie from Executive Chairperson to Director of Bitcoin Strategy, and the appointment of Ms. Norma Sephuma as Chair of the Board, were similarly considered against the Policy and reinforced the Group's transition to a majority independent Board under an independent Chair.

The Diversity Policy is a Group level policy, applied across the listed parent Africa Bitcoin Corporation and each operating subsidiary. The Africa Bitcoin Corporation Board comprises three Executive Directors and four Independent Non-Executive Directors, of whom 71% are from designated groups and 29% are female. The Group's 30% female representation target at ABC Board level remains a primary consideration in the next ABC Board appointment. The ACOF Board, as the operating subsidiary, comprises four Executive Directors and five Independent Non-Executive Directors, with all five Independent Non-Executive Directors being female and female representation across the Board standing at 67%.

The Policy's measurable objective of at least 30% female representation has therefore been substantively exceeded at the subsidiary level. No other indicator in the Policy has been excluded from application during the year under review.

Workforce level diversity, employment equity progress and the demographics of the Group's wider leadership team are reported in the Sustainability Report and the Social and Ethics Committee Report.

Governance Philosophy and King Code Alignment

ACOF subscribes to the principles of the King Code and is committed to upholding its four governance pillars: ethical culture, good performance, effective control and legitimacy.

Good performance is reflected in ACOF's strategic objectives, which are aligned with financial sustainability and measurable social impact, expressed through the loan book, the Human Yield methodology and the impact-driven pricing model.
Effective control is delivered through integrated risk and audit oversight at Group level and through the dual layer Investment Committee process at ACOF level, supported by a Combined Assurance Framework adopted during the year.

Legitimacy is preserved by considering the interests of investors, noteholders, borrowers, employees, regulators and the communities in which ACOF operates in all material decision-making.

The Board has resolved to adopt the King V Code with effect from 1 March 2026. ACOF's governance disclosures for the financial year ending 28 February 2027 will be prepared in accordance with King V.

Risk Management
report

Risk Management report

The Board recognises that the disciplined identification, assessment and management of risk is fundamental to the long-term sustainability of the Altvest Credit Opportunities Fund. As a private credit Fund operating in a regulated environment, ACOF is exposed to a defined set of strategic, financial, operational and regulatory risks arising from its SME lending activities, its capital structure, and the macroeconomic environment in which it operates. The Board, supported by the Group Audit and Risk Committee and ACOF's own Investment Committee, applies an integrated risk management framework that aligns risk-taking with the Fund's strategic objectives, the requirements of the JSE Debt Listings Requirements, and the principles of the King Code. The disclosures that follow set out the Fund's risk profile at year-end, the principal risks identified during the year, and the mitigation actions in place to manage those risks within the approved risk appetite.

Risk Snapshot

Metric	Position
Overall Risk Profile	Moderate - Elevated
Risk Appetite	Within appetite (tightening)
Risk Direction	Increasing
Primary Drivers	Regulatory exposure and credit risk

Severity Ratings – Definition

high
Risk requires immediate Board attention and priority mitigation.

medium
Risk is actively monitored with mitigation actions in progress.

low
Risk is within tolerance and managed through existing controls

Risk Appetite Statement

The Board recognises that risk-taking is integral to value creation and has adopted a controlled risk appetite aligned to the Group's strategic objectives.

ACOF is willing to accept:

- elevated strategic and market risk associated with the African expansion initiative;

but maintains a low tolerance for

- regulatory breaches;
- fraud and financial crime; and
- governance or control failures.

The Board is satisfied that ACOF's current risk exposure remains within approved risk appetite, albeit with increasing complexity requiring enhanced oversight.

Risk Governance

The Board, assisted by the Audit and Risk Committee, governs risk in accordance with King Code principles, ensuring that:

- risk management is integrated with strategy and performance;
- key risks are identified, assessed, prioritised and continuously monitored;
- management implements appropriate mitigation and control measures; and
- risk reporting enables informed decision-making at Board level.

Legal and regulatory risk management remains centrally coordinated through the General Counsel function, reflecting the Group's evolving regulatory exposure.

ACOF Top Strategic Risks (Residual Position)

Risk	Board Summary	Rating
Regulatory Risk	Expansion of the regulatory perimeter (including COFI) may materially increase compliance obligations.	Medium
Counterparty / Credit Risk	Exposure to borrower default risk, particularly in a stressed macroeconomic environment.	Medium
Governance Risk	Control structures are maturing in a growing lending platform.	Medium
Interest Rate Risk	Interest rate movements may affect borrower affordability and portfolio performance.	Medium
Fraud Risk	Exposure to external fraud and financial crime risk in digital lending activities.	Medium
Operational Risk	Scaling operations increases reliance on systems, controls and execution discipline.	Medium

Strategic Risk Heat Map (Gross Impact and Likelihood)

IMPACT / LIKELIHOOD	Low	Medium	High
High	–	Governance, Regulatory	
Medium	Operational	Interest Rate, Fraud, Counterparty	
Low	–	–	–

Methodology note:

The Strategic Risk Heat Map plots each risk at its gross impact and likelihood position, before mitigation. The Strategic Risk Rating Table reflects the residual exposure remaining after mitigation, assessed on a combined impact and likelihood basis. Risks plotted at High impact on the heat map therefore carry a Medium overall rating in the rating table, where the likelihood of crystallisation is Low to Medium and the Key Mitigation Actions set out below are in place. The heat map and the rating table are accordingly read together and present a risk profile that, while elevated on a gross basis, remains within the Board's approved risk appetite after mitigation.

Key Mitigation Actions

Credit Risk

Enhanced monitoring of restructured and high-risk loans.

Governance

Improved oversight and decision-making frameworks.

Regulatory

Ongoing legal review of product structures and compliance positioning.

Operations

System and process enhancements to support scaling.

Fraud

Strengthened fraud detection and KYC processes.

Emerging Risks

Restructured Loan Performance Risk
increased default probability

Macroeconomic Risk
inflation and interest rate pressure

Regulatory Expansion
evolving credit linked regulation

Risk Governance

ACOF's risk profile remains elevated but within risk appetite, with increasing complexity driven by:

- heightened regulatory exposure; and
- growth in credit and lending activities through ACOF.

The Board notes that the Group is transitioning into a higher-risk, higher-complexity operating model, where regulatory positioning, legal structuring, and credit discipline are critical to maintaining risk within appetite and supporting sustainable value creation.

Sustainability

report

Sustainability report

Sustainability is embedded in our purpose: to build a diversified financial services group that creates lasting economic value for all stakeholders, with a particular focus on underserved entrepreneurs and communities across South Africa and the broader African continent. The Driving Impact theme of this year's report is delivered through the framework set out below: every pillar, every metric and every disclosure is intended to evidence how that impact has been created and how it will be sustained.

This is the Group's inaugural sustainability report. It is presented as part of the Annual Integrated Report for the financial year ended 28 February 2026 and covers the activities across the Group. As a young organisation, our sustainability journey is at an early stage. This report establishes a baseline against which we intend to measure progress in future reporting periods.

Our approach to sustainability is informed by the King Code, the United Nations Global Compact, and the United Nations Sustainable Development Goals (SDGs). We have identified four pillars that align with our business model and developmental mandate. These pillars provide a framework for structuring our sustainability activities and disclosures as the Group matures.

Our Sustainability Framework

The Group's sustainability contribution is delivered primarily through its core business activities rather than through separate environmental or corporate social investment programmes. This is a deliberate strategic choice. By embedding sustainability in the way we deploy capital, build our workforce, and govern our operations, we ensure that our impact is both measurable and enduring.

Empower

We create economic opportunity through SME funding and job creation

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

Grow

We develop our people and provide education and skills transfer

4 QUALITY EDUCATION

Trust

We build confidence through strong governance, ethics, and transparency

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Steward

We manage our environmental impact and act as responsible corporate citizens

11 SUSTAINABLE CITIES AND COMMUNITIES

Pillar 1: Empower

The Group's most significant sustainability contribution is the creation of economic opportunity through the deployment of capital to small and medium enterprises via ACOF. Private credit remains the backbone of the Group's social and economic development impact.

The Group measures its social impact through a proprietary metric referred to as Human Yield, which captures the number of employment opportunities created or sustained as a direct result of the Group's capital deployment activities. This metric is reported alongside financial performance in quarterly investor communications, reinforcing the principle that developmental outcomes and financial returns are not mutually exclusive.

Impact Driven Lending

Over 34% of ACOF's disbursed book as at 28 February 2026 was allocated to female-led SMEs. The Fund's impact linked pricing model reduces interest rates for borrowers that meet empowerment criteria, including businesses that are women-led, majority women-staffed, and Black-owned. This approach aligns financial incentives with developmental objectives.

Financial Inclusion Through Funding Small Businesses

ACOF's core business is centred around funding small businesses to support their growth ambitions, at competitive rates and via bespoke funding structures. As such, ACOF is creating a platform for investment in job creation and the real economy of South Africa.

Pillar 2: Trust

Governance and transparency are foundational to the Group's sustainability approach. As a multi-jurisdictional listed entity, the Group recognises that investor confidence depends on the strength and integrity of its governance framework.

During FY2026, the Group reviewed and updated its governance instruments including the Code of Conduct and Ethics, Anti-Bribery and Corruption Policy, Whistleblowing Policy, and Conflict of Interest Policy. The Social and Ethics Committee, constituted as a statutory committee of the Board, presented its first separate report at Group level during the year and convened twice during the period. No staff related anti-corruption incidents arose, no related-party transactions occurred, and zero external complaints were received from clients or investors.

The Group's commitment to transparency is demonstrated through quarterly investor updates, structured stakeholder engagement via SENS announcements through the Cape Town Stock Exchange and JSE Listing platform.

4 QUALITY EDUCATION

Pillar 3: Grow

The Group invests in its people and in the development of emerging talent as a core component of its sustainability strategy. As at 28 February 2026, the Group employed 21 staff members at Group level. Female representation stands at 48%, and youth (under 40 years) at 57%. Designated group representation across the workforce is 76%.

Board and Leadership Diversity

The ABC Board comprises 7 directors, of whom 71% are from designated groups. The ACOF Board, chaired by Ms. N Sephuma, comprises 9 members, of whom 5 are Independent Non-Executive Directors (all female) and 4 are Executive Directors. Female representation across the ACOF Board is 67%. The Group's Executive Committee comprises 6 members, with 83% designated group representation.

Internship Programme and Youth Development

The Group's internship programme has hosted 11 students to date, of whom four have been retained in permanent employment. The programme provides hands on experience in private credit, SME finance, and impact investing. The Social and Ethics Committee has recommended that employee training be broadened to include entrepreneurship and SME business dynamics, further aligning staff development with the Group's developmental mandate.

Pillar 4: Steward

Given the Group's financial services operating model, digital-first infrastructure, and remote work arrangements, its direct environmental footprint is immaterial. The Group does not operate manufacturing facilities, maintain a vehicle fleet, or consume significant quantities of natural resources.

The Social and Ethics Committee has resolved that a formal environmental baseline assessment will be conducted during FY2027, with the objective of establishing measurable metrics for ongoing environmental reporting. This assessment will consider indirect emissions associated with cloud-based infrastructure, business travel, and office space utilisation.

The Group's approach to environmental stewardship focuses on responsible resource use within its direct sphere of influence. Key factors contributing to the Group's environmental profile include the transition to cloud-based operations, which reduces physical server requirements, and the adoption of flexible work arrangements, which reduces commuting-related emissions.

Responsible Corporate Citizenship

The Group remains committed to the principles of the United Nations Global Compact across the areas of human rights, labour standards, environmental stewardship, and anti-corruption. A Reputational Risk Matrix was developed during FY2026 to formalise the Group's approach to identifying and mitigating reputational risks, particularly those associated with operating in the digital asset sector.

Looking Ahead: FY2027 Sustainability Priorities

As the Group matures, so too will its sustainability reporting. The following priorities have been identified for FY2027:

Priority Area	Planned Action
Environmental Baseline	Conduct first carbon footprint assessment covering Scope 1, 2, and initial Scope 3 categories
Social Impact Measurement	Implement structured impact measurement framework with quantifiable outcomes linked to each ACOF borrower
ESG Integration	Formalise ESG considerations in the ACOF credit assessment process
King Code Alignment	Update governance framework in line with King Code principles
Sustainability Reporting	Expand sustainability disclosures with consideration of GRI Standards and UN SDG mapping
Transformation Monitoring	Track progress against internal transformation targets and employment equity commitments

Conclusion

The Group's sustainability impact is inseparable from its core business. Every rand deployed through ACOF into an SME is a direct investment in job creation, entrepreneurship, and broad-based economic participation. The Bitcoin treasury function enables this by strengthening the Group's balance sheet and lowering its cost of capital, providing the financial foundation for continued growth in developmental lending.

This inaugural sustainability report establishes a baseline from which the Group intends to build. We are committed to expanding our sustainability disclosures in a manner that is proportionate to our size, honest about where we are in our journey, and credible in the commitments we make for the future.

Public vs Non-Public class C shareholders (Share Code BACC)

The disclosure below relates to the Class C Preferred Ordinary Shares of Africa Bitcoin Corporation Limited, through which the public investor base accesses the ACOF mandate. ACOF has not issued listed equity instruments in its own name. Full shareholder analysis is set out in the Africa Bitcoin Corporation Limited Integrated Annual Report.

In accordance with the JSE Listings Requirements, the breakdown of shareholding between public and non-public categories is disclosed in respect of the Class C Preferred Ordinary Shares (share code BACC) through which the public investor base accesses the ACOF mandate. The Board confirms compliance with the minimum free float requirements applicable to the listed Class C instrument throughout the financial year under review.

The schedule of public and non-public shareholders, the analysis of the shareholder spread, and directors' interests in the Class C Preferred Ordinary Shares will be presented in the final report once the Transfer Secretaries' register and the Strate Limited shareholder analysis as at 28 February 2026 have been confirmed by the Designated Advisor and the Debt Sponsor. The presentation will follow the format adopted in the prior year and will distinguish between holders with significant influence or control and the public shareholder base, in respect of both the number of shares and the number of shareholders.

BACC - Class C Preferred Ordinary Shares		
Total Shares	19 857 121	100%
Number of public shareholders	317	95.77%
Number of non-public shareholders	14	4.23%
Number of shares held by public	18 988 412	95.63%
Number of shares held by non-public	868 709	4.37%

Statement of Compliance with the CTSE Debt Listings Requirements

The Board confirms that the Fund has complied with the CTSE Debt Listings Requirements applicable to its Domestic Medium Term Note programme (bond codes 4ACD01, 4ACD03 and 4ACD04) throughout the financial year ended 28 February 2026. Subsequent to year-end, the Fund appointed Questco Corporate Advisory as advisor for the proposed transfer of its R5 billion Domestic Medium Term Note programme from the Cape Town Stock Exchange to the Johannesburg Stock Exchange. The transfer remains subject to regulatory approval. The Fund continues to operate under, and comply with, the CTSE Debt Listings Requirements as the prevailing regulatory regime until the transfer is concluded.

Conclusion

ACOF remains steadfast in its commitment to sound governance, ethical leadership and responsible investment. As a listed credit fund with a mandate to drive measurable impact through SME lending, ACOF's governance framework is a key enabler of sustainable performance, investor and noteholder confidence and long-term economic outcomes. The Board is confident that the structures and policies in place position ACOF to continue fulfilling its mandate in a prudent, transparent and accountable manner, and to extend that mandate across the African continent in the years ahead. ACOF looks forward to building on this foundation in the year ahead, deepening engagement with stakeholders and strengthening its role in the SME funding ecosystem.

audited financial statements

for the 12-month period ended 28 February 2026

contents

Audit and Risk Committee Report

robin coode

Audit and Risk committee report

On behalf of the Audit and Risk Committee, I am pleased to present the Committee's report for the financial year-ended 28 February 2026. The Committee performs a statutory and governance role on behalf of the Board and shareholders, providing independent oversight of the Group's financial reporting, internal control environment, external audit process, risk management framework and compliance with applicable laws and regulations. Although I was appointed as Chairperson with effect from 10 April 2026, this report has been prepared by management and reviewed by the members of the Committee who served during the year under review together with those serving at the date of this report, and it accordingly reflects the work of the Committee throughout the financial year.

Introduction

ACOF is a wholly-owned subsidiary of Africa Bitcoin Corporation Limited (formerly Altvest Capital Limited), with its debt instruments listed on the Cape Town Stock Exchange (CTSE) under bond codes 4ACD01, 4ACD03 and 4ACD04. The Fund is a direct lender focusing primarily on the origination of structured loans to small and medium enterprises (SMEs) in South Africa, with a particular emphasis on women-owned, women-managed and women-staffed businesses.

The report of the Audit and Risk Committee ("ARC") is presented below for the year ended 28 February 2026. The ARC operates on a group basis and provides dual oversight to Africa Bitcoin Corporation Limited (the holding company) and its subsidiaries, including ACOF. The Fund does not maintain a separate audit and risk committee, and accordingly the Group ARC discharges the statutory and governance responsibilities of the Fund in respect of financial reporting, risk management, internal control and the external audit process.

The ARC is a statutory committee constituted in terms of the Companies Act. It is an independent committee that is accountable to both the board of directors and the shareholders of the Fund.

The primary objectives of the committee are to assist the board in its oversight responsibilities, in particular, the Committee is responsible for the following:

- Evaluating the adequacy and efficiency of accounting policies;
- Overseeing the internal controls environment;
- The audit process;
- Financial reporting processes;
- The independence and effectiveness of the external auditors;
- Recommendation of the appointment and remuneration of external auditors

Composition of the ARC

The shareholders of the holding company are required to approve the appointment of the members of the ARC at the annual general meeting in accordance with the provisions of the Companies Act. In line with the recommendations of section 94 of the Companies Act and the King Code of Corporate Governance, all the members of the ARC are independent non-executive directors who meet the requirements to serve on the committee by virtue of their individual and collective expertise and experience. Members of executive management and the external auditors are not members of the committee and attend meetings as permanent invitees. During the year under review, the committee held four meetings where the quorum of the majority of members was met.

Member	Qualifications	Date of first appointment to the committee	Most recent appointment to the committee	Attendance
Khaya Sithole – Chairperson*	CA(SA), MSc	21/07/2023	25/06/2024	3/4
Bright Khumalo*	BCom Accounting	01/02/2022	25/06/2024	3/4
Norma Sephuma	BA: Economics and Statistics, MBA (Financial Management)	01/03/2025	25/06/2025	4/4
Buyisiwe Makhunga – Chairperson*	BCom (Accounting), Higher Diploma in Accounting, CA(SA)	16/01/2026	16/01/2026	1/1
Snowy Masakale	BEcon Sci (Wits); B.Com Hons (International Trade and Finance); PG Dip (Financial Planning, UFS); MBA (Wits)	16/01/2026	16/01/2026	1/1
Robin Coode – Chairperson#	CA(SA)	10/04/2026	10/04/2026	N/A

Appointment effective from 10 April 2026

*Mr. Khaya Sithole resigned as non-executive director and as Chairperson of the Audit and Risk Committee effective 12 December 2025.

*Mr. Bright Khumalo resigned as non-executive director and as a member of the Audit and Risk Committee effective 8 January 2026.

*Ms. Buyisiwe Makhunga was appointed as Chairperson of the Audit and Risk Committee effective 16 January 2026 and subsequently resigned effective 24 February 2026.

#Mr. Robin Coode CA(SA) was appointed as an Independent Non-Executive Director and as Chair of the Group's Audit and Risk Committee subsequent to the reporting date.

Chairperson Succession

Mr. Khaya Sithole served as Chair until his resignation on 12 December 2025. Mr. Bright Khumalo served as Chair from 12 December 2025 until his resignation on 8 January 2026. The Committee was chaired by Ms. Norma Sephuma on an interim basis until the appointment of Mr. Robin Coode as Chair effective 10 April 2026.

Responsibilities of the ARC

The ARC's responsibilities have been delegated to the committee by the board of directors and are governed by the ARC Charter ("the Charter"). During the year under review, the committee discharged its responsibilities across the following key focus areas:

- Financial reporting;
- Governance and internal controls;
- External audit

Financial Reporting

The ARC reviewed the integrity of the interim results for the period ended 31 August 2025 and the annual financial statements for the year ended 28 February 2026 and recommended interim and final results to the board for approval.

During the course of its work, the committee:

- Evaluated and approved the material disclosures made by the Fund in relation to significant events and transactions including announcements issued during the period under review;

- Considered the appropriateness of the accounting policies adopted by the Fund in the preparation of the interim and annual financial statements, including the early adoption of the amendments to IFRS 9 relating to the classification and measurement of financial instruments with ESG and other contingent features effective 1 March 2025;

- Considered the appropriateness of key estimates, assumptions and disclosures made, particularly in relation to the expected credit loss (ECL) allowance on loans and advances to customers, the recognition of the deferred tax asset on assessed tax losses, and the impairment assessment of intangible assets with indefinite useful lives acquired from Kisby Capital Partners;

- Examined and reviewed the interim and annual financial statements to ensure balanced and faithful presentation consistent with the application of appropriate accounting policies and standards;

- The ARC ensured that it was satisfied that the Fund's disclosures in the interim and annual financial statements are fully compliant with the disclosure requirements of IFRS Accounting Standards, including IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments, and IFRS 13 Fair Value Measurement in respect of the fair value disclosures of the DMTN debt notes and the SEDFA loan facility;

- Considered the IRBA inspections report regarding audit quality trends and observations relating to cash flow information, liquidity and going concern;

- The ARC ensured that it was satisfied that the Fund's disclosures relating to cash flow information, liquidity and going concern in both the interim and annual financial statements are compliant with the requirements of IFRS Accounting Standards;

- Undertook a detailed review of the going concern status of the Fund and concluded that the Fund is a going concern and that the preparation of the interim and annual financial statements on the going concern basis was appropriate;

- Considered the appropriateness of the key audit matters reported in the external audit opinion.

In assessing the appropriateness of the key audit matters reported in the external audit opinion, the committee applied itself to the following key audit matters:

Key audit matter	How the Committee addressed the key audit matter
Expected credit loss allowance on loans and advances to customers	• The ARC engaged with management and the external auditors regarding the assumptions and methodologies applied in the measurement of expected credit losses on loans and advances to customers, including the use of the Basel III monitoring framework, the determination of probability of default, the incorporation of forward-looking macroeconomic information, and the internal credit rating framework. • The Audit and Risk Committee assessed the reasonableness of management's IFRS 9 staging conclusions, with particular regard to the migration during the year of R18.0 million of exposures into Stage 2 and R35.4 million into Stage 3. The Committee reviewed the significant increase in credit risk triggers that fired, the supporting borrower-level evidence and the appropriateness of the lifetime expected credit loss methodology applied. The Committee was satisfied that management's staging conclusions and the resulting expected credit loss of R10.95 million were reasonable. • The ARC reviewed the assessment performed by management under the early-adopted amendments to IFRS 9 relating to ESG and contingent features and is satisfied that the amortised cost classification of all loans and advances remains appropriate. • The ARC is satisfied that the expected credit loss allowance is appropriately determined and disclosed based on the facts and circumstances available at the relevant dates.

Governance and the Internal Control Environment

In discharging its responsibilities, the committee, among other functions:

- Assessed the systems of internal controls to establish whether the controls in place are sufficient to address the risks inherent in the Fund's operations and that the controls provide assurance against the risk of material losses or misstatements. The committee is of the opinion that the systems of internal financial controls are effective and form a sound basis for effective preparation and reporting on the Fund's financial statements.

- Monitored the Fund's adherence to the policy on non-audit services to ensure that safeguards remain in place in instances where the external auditors are required to perform non-audit services. During the year under review, no material non-audit services were provided by the external auditors.

- The committee performed an evaluation of the effectiveness of the Fund's finance function and the adequacy of resources within the finance function and concluded that the finance function remains adequately staffed and capacitated to fulfil its role. The finance function of the Fund is provided by Africa Bitcoin Corporation Limited in its capacity as Fund Manager.

- The committee considered the competence, qualifications and experience of Mr. Jonathan Phillips and is satisfied that he has the appropriate expertise and experience to meet the scope of responsibilities of the Financial Director role.

- The committee is satisfied that the Fund has established appropriate financial reporting procedures and that these procedures are operating.

- This assessment included consideration of all entities included in the consolidated group IFRS financial statements, to ensure that the Company has access to all financial information of the group to allow it to effectively prepare and report on the financial statements of the Company.

- Reviewed the credit risk, liquidity risk, interest rate risk and capital management frameworks of the Fund, including the covenant compliance position under the DMTN programme and the SEDFA loan facility. The committee confirms that the Fund was in compliance with all financial and operational covenants applicable to the DMTN programme and the SEDFA loan facility during the year and at the reporting date.

- Reviewed the related-party transactions of the Fund, including the shareholder loan, the promissory note, the guarantee of R5 million provided in favour of Nedbank Limited for an overdraft facility granted to the shareholder, and the security arrangements provided by related parties to SEDFA in connection with the SEDFA loan facility, and is satisfied that these transactions were conducted on terms equivalent to those prevailing in arm's length transactions.

External Audit

The committee is responsible for the recommendation to the shareholder of the appointment of the external auditors on an annual basis and for exercising oversight over the work of the external auditors.

During the year under review, the committee performed the following responsibilities in relation to external audit:

- Approval of the external audit plan and the proposed scope of work and the proposed audit fees;

- Considered and approved the appointment of Forvis Mazars South Africa as external auditors for the year ended 28 February 2026, replacing BDO South Africa;

- Continuous monitoring of the Fund's compliance with its policy on audit and non-audit services;

- Continuous monitoring of the audit performance, independence and objectivity of the external auditors;

- Review of the effectiveness of the external auditors with reference to the quality of the audit team, technical skills and experience; the allocation of resources during the audit; and the execution of the approved audit plan;

- Review of the findings and recommendations of the external auditors and confirmation that there are no unresolved matters;

- Confirmation that no Reportable Irregularities were identified and reported by the auditors in terms of the Auditing Profession Act, 26 of 2005;

- Evaluation of all relevant information provided by Forvis Mazars South Africa in order to assess the suitability of the appointment of Forvis Mazars as external auditors and the designated engagement partner;
- Confirmation of the suitability of the designated engagement partner through the evaluation of the individual's skills, experience and expertise and the confirmation that the individual is independent and does not appear on the list of disqualified auditors;
- The committee chair held regular closed meetings with the external auditors for updates on external audit matters;
- Consequently, the committee resolved to recommend the re-appointment of Forvis Mazars South Africa as external auditors at the Fund's next Annual General Meeting.

Going Concern Assessment

As part of its duties, the Board evaluated the Fund's solvency and liquidity at the end of the reporting period in line with Section 4 of the Companies Act. At the end of the reporting period, the Fund's overall assets, fairly valued, exceeded its total liabilities, fairly valued, by an amount of R27,279,540 (2025: R38,772,354).

At the end of the reporting period, the Fund's current assets of R264,636,685 (2025: R79,685,755) exceeded its current liabilities of R14,096,766 (2025: R1,076,542) by an amount of R250,539,919 (2025: R78,609,212).

The Fund has incurred losses in both the current and prior financial years, with a loss after taxation of R11,554,915 for the year ended 28 February 2026 (2025: R12,642,477). Notwithstanding these losses, the Fund believes it has sufficient resources to finance its ongoing operations and to meet any debts due for the 12-month period from the reporting date.

This is supported by the following:

- Assets under management grew by 77.5% during the year from R282,759,319 to R502,063,500, an increase of R219.3 million. This comprised R187.1 million of cash funding raised (R150 million through the Domestic Medium Term Note programme and R37.1 million advanced under the Small Enterprise Development Finance Agency facility), R34.9 million of non-cash additions to interest-bearing borrowings (R34.5 million of finance costs accrued and capitalised and R0.4 million of SEDFA administration fees capitalised), and R0.06 million of ordinary shares issued, offset by R2.7 million of SEDFA capital repayments;

- The Fund continues to deploy capital raised into qualifying SME loans, which will increase interest-generating assets and net interest income in the period ahead;

- The loan book is classified across Stage 1 (R212.5 million), Stage 2 (R18.0 million) and Stage 3 (R35.4 million) in accordance with IFRS 9, with the majority of exposures at Stage 1; lifetime ECL has been recognised on Stage 2 and Stage 3 exposures, and security cover stands at approximately 1.70 times the gross loan book on a stressed realisable basis, with fair value collateral coverage of 252% (R671.3 million against a gross loan book of R266 million);

- The Fund complies with all financial and operational covenants applicable to the DMTN programme and the SEDFA loan facility;

- Management-approved forecasts project a return to profitability within the financial year ending 28 February 2028, supported by continued growth in AUM, maintained net interest margins, and operating cost base growth below revenue growth;

In addition to this assessment, the Fund has considered the following key factors in its assessment:

- The Board, through the Audit and Risk Committee, has undertaken a detailed review of the going concern capability of the Fund with reference to certain assumptions and plans underlying various internal cash flow forecasts. This review involved the interrogation of key estimations and projections underpinning the loan portfolio growth, the net interest margin assumptions, and the expected time line to profitability;

- The committee has indicated to the board that the processes and methodologies applied in the forecasting process are adequate to be used as the basis for the Fund's going concern assessment;

- The Fund has continued access to the DMTN programme and the SEDFA facility as committed funding sources.

Having assessed the variables and scenarios relating to external factors in addition to internal projections and cash flow forecasts, and the Fund's ongoing compliance with all covenants, the directors have concluded that the going concern assumption remains the appropriate basis for preparing the financial statements of the Fund.

The Fund has implemented the following interventions to support the continued viability and going concern assessment:

1. The Fund has obtained renewed commitments from its shareholder, Africa Bitcoin Corporation Limited, to continue to support the business;

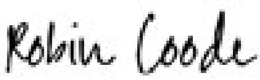
2. The Fund has secured ongoing access to institutional funding through the DMTN programme listed on the Cape Town Stock Exchange; and

3. The Fund has secured term funding from the Small Enterprise Development and Finance Agency (SEDFA) with a maturity date of 28 February 2029.

The audit and risk committee, together with the directors, believe that the Fund has adequate financial resources and financial support to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the Fund is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The Directors are not aware of any material non-compliance with statutory or regulatory requirements. Pending legislative changes including the Conduct of Financial Institutions (COFI) Bill are monitored as set out in the Risk Report.

Recommendation to the Board

The ARC is satisfied that it has fulfilled its responsibilities in accordance with the ARC charter and has reviewed the annual financial statements of the Fund for the year ended 28 February 2026 and recommended them for approval by the Board.



Robin Coode CA(SA)
Chairperson: Audit and Risk Committee
Appointed after the reporting period
25 May 2026

Directors' Responsibilities and approval

The directors are required by the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. These annual financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board, and it is their responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regard to form and content, and present fairly the statement of financial position, results of operations and business of the company, and explain the transactions and financial position of the business of the company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the company 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 going concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources, the directors have no reason to believe that the company will not be a going concern in the foreseeable future. The annual financial statements support the viability of the company.

The financial statements have been audited by the independent auditing firm, Forvis Mazars South Africa, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the shareholder, the directors and committees of the directors. The directors believe that all representations made to the independent auditor during the audit were valid and appropriate. The independent auditor's report will be presented on pages 158-162.

The financial statements set out on pages 164-225, which have been prepared on the going concern basis, were approved by the directors and were signed on 25 May 2026 on their behalf by:

WG Wheatley
Chief Executive Officer

AS Karan
Chief Investment Officer

Directors' report

The directors have pleasure in submitting their report together with the financial statements for the year ended 28 February 2026.

1. Review of activities

Main business and operations

The Fund, Altvest Credit Opportunities Fund Limited ("ACOF"), was incorporated in South Africa and has listed debt instruments on the Cape Town Stock Exchange (CTSE). The principal activity of the Fund is the provision of loans to SMEs. ACOF is a direct lender focusing primarily, though not exclusively, on businesses that are women-owned, women-managed or women-staffed in South Africa.

ACOF obtains capital for deployment from several categories of investors and funders in the form of debt and equity. The primary use of capital raised is to originate structured loans to borrowers through an online platform. ACOF also supports its portfolio of borrowers by offering technical, compliance and finance related services.

ACOF is owned by Africa Bitcoin Corporation Limited ("ABC"), formerly Altvest Capital Limited, an investment holding company operating in the financial services sector that both facilitates access to bespoke investments for retail investors and broadens access to funding for South African businesses, with a focus on SMEs.

Review of financial results and activities

The financial statements have been prepared in accordance with IFRS Accounting 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 Fund are set out in these financial statements.

During the financial review period, the Fund concluded three new institutional funding mandates totalling

	2026 (R)	2025 (R)
Financial results		
Loss after taxation for the year	(11 554 915)	(12 642 477)

R187.5 million. Two of these mandates were raised through the Domestic Medium Term Note (DMTN) listed notes programme from large institutional pension funds, amounting to R150 million in aggregate, with the first tranche of R50 million received in December 2025 and the second tranche of R100 million received in February 2026. The third mandate of R37.5 million was concluded with the Small Enterprise Development Finance Agency (SEDFA), with funds received in April 2025.

The successful raising of capital contributed to a significant increase in the Fund's assets under management (AUM), which represents the total of interest-bearing borrowings and issued capital into the Fund. AUM grew from R282,759,319 as at 28 February 2025 to R502,063,500, representing an increase of R219,304,181 or 77.5% over the period. This growth reflects the continued confidence of institutional investors in the Fund's investment strategy and its demonstrated ability to deploy capital effectively into qualifying SMEs.

Dividends

No dividends were declared or proposed during the year under review (2025: nil).

2. Events after reporting date

Refer to Note 18 of the financial statements for the directors' assessment of events arising subsequent to 28 February 2026.

3. Authorised and issued share capital

The total authorised share capital is 100,000,000 ordinary shares of no-par value. During the year, 18,265 ordinary shares were issued at R3.40 per share for a total consideration of R62,101 (2025: 10,949,237 shares for R35,013,857), as part of the Fund's ongoing capital raising programme. The total number of ordinary shares in issue at 28 February 2026 was 43,197,122 (2025: 43,178,857).

In addition to the ordinary shares, the Memorandum of Incorporation authorises twelve further classes of unspecified shares, being Class A to Class L, each comprising up to 100,000,000 no par value shares. No shares from these classes have been issued. The preferences, rights, limitations and other terms of each class are to be determined by the Board prior to any issue. These classes are therefore not included in the authorised and issued share capital disclosure above.

4. Independent Auditors

Forvis Mazars South Africa was appointed as the auditor of ACOF with effect from 12 December 2025, replacing BDO South Africa as the Company's incumbent auditor. The appointment was approved by the Board of the Company on the recommendation of the Group Audit and Risk Committee, in accordance with section 90 of the Companies Act 71 of 2008.

The designated audit partner for ACOF for the year ended 28 February 2026 is Mr Nafees Mayat, a registered auditor with the IRBA.

5. Going concern

The directors have assessed the Fund's ability to continue as a going concern and are satisfied that adequate resources exist to support operations for the foreseeable future. Refer to Note 20 for the detailed assessment.

Company Secretary statement

I hereby certify that the company has lodged with the Companies and Intellectual Property Commission all such returns as are required of a public company in terms of the Companies Act and that all such returns are true, correct and up to date.

CTSE Registry Services Proprietary Limited

Company Secretary 25 May 2026

Independent Auditor's Report

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Docex 703 Johannesburg

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Fax: +27 11 484 7864
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Independent Auditor's Report

To the Shareholder of Altvest Credit Opportunities Fund Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Altvest Credit Opportunities Fund Limited (the company) set out on pages 164 to 225, which comprise the statement of financial position as at 28 February 2026, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Altvest Credit Opportunities Fund 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 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), as applicable to audits of financial statements of public interest entities, 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

Financial statements	
Materiality	R 7,072,000
Basis for determining materiality	We have used 1.5% of total assets as the basis for materiality.
Rational for the benchmark applied	We have determined that Total Assets is an appropriate quantitative indicator of materiality, as it is representative of the business of the company and it best reflects the scale of the operations. The company's core business is the provision of loans. The loans given constitutes majority of total assets, directly drives the revenue of the company and exposes the company to credit risk. The users of the financial statements will, therefore, be predominately interested in the recoverability (valuation) and existence of these loans. Accordingly, profit-based benchmarks would not provide a stable or representative basis for determining materiality subject to volatility due to expected credit loss movements and the growth phase of the lending portfolio. In contrast, Total Assets provide a consistent measure of the company's operational scale and risk exposure. Accordingly, Total Assets are considered to be the most relevant and appropriate benchmark for determining materiality in the circumstance. We have also considered misstatements and/or possible misstatements that, in our opinion, may be material to users of the financial statements for qualitative reasons.

Key Audit Matter

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

Independent Auditor's Report (cont.)

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

Matter #01	Valuation of loans and advances to customers – Note 7
Description of the key audit matter	Loans and advances to customers, which include the associated expected credit loss ("ECL") allowance, represent a significant portion of the Company's total assets and fall within the scope of IFRS 9 Financial Instruments. The assessment of and measurement of ECL requires the application of complex models and significant management judgement. We considered the valuation of loans and advances to customers to be a matter of most significance in our current year audit due to the materiality of the balance, together with the high degree of estimation uncertainty and subjectivity involved in determining the ECL. This includes both secured and unsecured lending exposures. Key areas of judgement and estimation applied by management in determining the ECL include: • The assessment of whether there has been significant increase in credit risk since initial recognition, which determines whether a 12-month or lifetime ECL is recognised; • The estimation and application of key credit risk parameters, including probability of default, exposure at default, loss given default, and the effective interest rate; • The incorporation of forward-looking information, including macroeconomic scenarios and their impact on credit risk profiles and expected losses; and • The estimation of the expected realisable value of collateral held in respect of secured loans and advances. Given the reliance on forward-looking assumptions and the sensitivity of the ECL to changes in these inputs, there is a risk that the valuation of loans and advances to customers may be materially misstated.
How we addressed the key audit matter	We performed the following procedures, among others: • Obtained an understanding and assessed the company's impairment policy, including expected credit loss ("ECL") model, assessed whether it was consistent with the requirements of IFRS 9 *Financial Instruments*; • With the assistance of our Quantitative Analysts team, evaluated the appropriateness of the ECL modelling methodology, including the segmentation of portfolios, staging criteria, and the incorporation of forward-looking information; • Assessed key assumptions and judgements applied in the model, including profitability of default, loss given default and macroeconomic overlays, by comparing these to historical performance data and externally available benchmarks where appropriate; • Tested the completeness and accuracy of the key data inputs used in the ECL model, including exposure data and credit risk indicators; • Assessed the competence, capabilities and objectivity of auditor's expert; • Assessed the completeness and accuracy of the disclosures in note 7 against the requirements of IFRS 9 *Financial Instruments.* Based on our procedures performed we concluded that our audit procedures appropriately addressed the key audit matter.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Altvest Credit Opportunities Fund Limited Financial Statements for the year ended 28 February

2026” and the document titled “Altvest Credit Opportunities Fund Limited Annual Integrated Report 2026”, which includes the Directors’ Report, Audit and Risk Committee’s Report and the Company Secretary’s Certificate as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor’s report thereon.

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

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

Other Matter

The financial statements of Altvest Credit Opportunities Fund Limited for the year ended 28 February 2025, were audited by another auditor who expressed an unmodified opinion on those financial statements on 29 May 2025.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor’s Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report (cont.)

- 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

Audit Tenure

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Forvis Mazars in South Africa has been the auditor of Altvest Credit Opportunities Fund Limited for 1 year.

Forvis Mazars

Forvis Mazars
Partner: Nafees Mayat
Registered Auditor
25 May 2026
Johannesburg

Statement of Financial Position

as at 28 February 2026

	Note	2026 (R)	2025 (R)
Assets			
Non-current assets			
Intangible assets	4	6 953 065	7 996 234
Deferred tax assets	5	11 554 090	5 894 978
Promissory note	6	-	10 439 855
Loans and advances to customers	7	192 562 121	161 908 039
Total non-current assets		**211 069 276**	**186 239 106**
Current assets			
Other receivables	8	1 245 541	820 145
Promissory note	6	11 544 851	-
Loans and advances to customers	7	62 434 291	40 051 901
Loan to shareholder	9	33 589 036	2 956 488
Cash and cash equivalents	17.2	155 822 966	35 857 221
Total current assets		**264 636 685**	**79 685 755**
Total assets		**475 705 961**	**265 924 861**
Equity and Liabilities			
Equity			
Issued capital	10	56 745 456	56 683 355
Accumulated loss		(29 465 916)	(17 911 001)
Total equity		**27 279 540**	**38 772 354**
Liabilities			
Non-current liabilities			
Interest-bearing borrowings	11	434 329 655	226 075 965
Current liabilities			
Interest-bearing borrowings	11	10 988 392	-
Trade and other payables	12	3 108 374	1 076 542
Total current liabilities		**14 096 766**	**1 076 542**
Total liabilities		**448 426 421**	**227 152 507**
Total equity and liabilities		**475 705 961**	**265 924 861**

Statement of Profit or Loss and Other Comprehensive Income

for the year ended 28 February 2026

	Note	2026 (R)	2025 (R)
Interest revenue	13.1	53 738 849	35 665 296
Fee and commission income	13.2	-	77 000
Total revenue		**53 738 849**	**35 742 296**
Finance costs	14	(34 489 180)	(24 199 246)
Profit before impairment and operating expenses		**19 249 669**	**11 543 050**
Unrealised foreign exchange gains		125	-
Expected credit loss on loans and advances to customers	7	(3 122 698)	(7 081 914)
Other operating expenses	15	(33 341 123)	(21 316 010)
Loss before tax		**(17 214 027)**	**(16 854 874)**
Taxation	16	5 659 112	4 212 397
Loss after taxation		**(11 554 915)**	**(12 642 477)**
Other comprehensive income		-	-
Total comprehensive loss for the year		**(11 554 915)**	**(12 642 477)**

Statement of Changes in Equity

for the year ended 28 February 2026

	Issued capital (R)	Accumulated loss (R)	Total (R)
Balance at 1 March 2024	**21 669 498**	**(5 268 524)**	**16 400 974**
Total comprehensive loss for the year	-	(12 642 477)	(12 642 477)
Additional contributions received from shares issued	35 013 857	-	35 013 857
Balance at 28 February 2025	**56 683 355**	**(17 911 001)**	**38 772 354**
Balance at 1 March 2025	**56 683 355**	**(17 911 001)**	**38 772 354**
Total comprehensive loss for the year	-	(11 554 915)	(11 554 915)
Additional contributions received from shares issued	62 101	-	62 101
Balance at 28 February 2026	**56 745 456**	**(29 465 916)**	**27 279 540**
Note	**10**		

Statement of Cash Flows

for the year ended 28 February 2026

	Note	2026 (R)	2025 (R)
Cash flows from operating activities			
Cash utilised from operating activities	17.1	(78 321 823)	(209 575 667)
Interest received		50 836 539	35 225 440
Net cash utilised from operating activities		**(27 485 284)**	**(174 350 227)**
Cash flows from investing activities			
Loans advanced to shareholder		(37 358 120)	(7 416 306)
Repayments received from shareholder		425 396	411 000
Promissory note granted		-	(7 106 574)
Repayment of promissory note		-	300 000
Net cash utilised from investing activities		**(36 932 724)**	**(13 811 880)**
Cash flows from financing activities			
Shares issued	10	62 101	35 013 857
Long-term borrowings raised	17.3	187 068 750	120 000 000
Long-term borrowings repaid	17.3	(2 747 098)	-
Net cash flows from financing activities		**184 383 753**	**155 013 857**
Net increase/(decrease) in cash and cash equivalents		**119 965 745**	**(33 148 250)**
Cash and cash equivalents at the beginning of the year		35 857 221	69 005 471
Cash and cash equivalents at the end of the year	**17.2**	**155 822 966**	**35 857 221**

Accounting Policies

1. General information

Altvest Credit Opportunities Fund Limited ("ACOF") was incorporated in South Africa. The principal activity of the Fund is the provision of SME loans.

2. Material accounting policy information

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

2.1 Basis of preparation

The financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS Accounting Standards and IFRIC interpretations issued and effective at the time of preparing these financial statements and the Companies Act 71 of 2008 of South Africa, as amended.

The financial statements have been prepared on the historical cost basis, except for financial instruments that are measured at amortised cost. These include loans and advances to customers, the shareholder loan, the promissory note, cash and cash equivalents, and interest-bearing borrowings.

The financial statements are presented in South African Rand (ZAR), which is the company's functional currency.

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

2.2 Standards and interpretations to existing standards that are not yet effective and have not been adopted early by the company

In the current year the Fund adopted all the relevant amendments to IFRSs that are relevant to its operations and effective for annual periods beginning on or after 1 January 2025.

IFRS	Title and details	Effective date	Expected impact
IAS 21	When a currency is exchangeable into another currency only when an entity is able to do so through markets or exchange mechanisms that create enforceable rights and obligations without undue delay at the measurement date and for a specified purpose, with a currency being considered not exchangeable if only an insignificant amount of the other currency can be obtained; in cases where a currency is not exchangeable at the measurement date, an entity must estimate the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at that date and that would faithfully reflect the prevailing economic conditions; and when a currency is not exchangeable, an entity is additionally required to disclose information that would enable users of its financial statements to evaluate how that currency's lack of exchangeability affects, or is expected to affect, its financial performance, financial position, and cash flows.	1 January 2025	The Fund operates solely within South Africa, and its functional currency is the South African Rand, which is freely exchangeable. The amendments to IAS 21 relating to non-exchangeable currencies are accordingly not applicable to the Fund's operations and have no impact on the presentation, measurement, or disclosure of the Fund's financial instruments and transactions.
IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 (Amendments)	Amendments to Illustrative Examples – Making Materiality Judgements: Disclosures about Uncertainties in Financial Statements. The amendments provide additional guidance and illustrative examples to assist entities in applying materiality judgements when disclosing information about assumptions and other sources of estimation uncertainty. The examples clarify that entities should disclose information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to carrying amounts within the next financial year.	1 March 2025	The adoption of these amendments has not had a significant impact on the presentation or measurement of the financial statements. The Fund has considered the guidance in preparing its disclosures regarding significant judgements and sources of estimation uncertainty in Note 2.10. In particular, the Fund's disclosures on impairment of intangible assets, recognition of deferred tax assets, expected credit losses on loans and advances to customers, and going concern have been prepared having regard to the new illustrative examples.

Accounting Policies (cont.)

IFRS	Title and details	Effective date	Expected impact
IFRS 9 (Amendments)	Amendments to IFRS 9 Financial Instruments – Classification and Measurement of Financial Instruments (ESG and other contingent features). The amendments clarify the assessment of whether financial assets with contingent features, including loans with ESG-linked or impact-linked interest rate adjustments, meet the solely payments of principal and interest (SPPI) criterion. Where a loan carries an interest rate that adjusts based on the borrower meeting specified environmental, social or governance targets, the assessment of whether the adjustment represents compensation consistent with a basic lending arrangement must be applied. Financial assets that do not meet the SPPI criterion are required to be classified and measured at fair value through profit or loss. The Fund has elected to early adopt the financial asset classification amendments, the related contingent features amendments, and the contractually linked instruments amendment, with effect from 1 March 2025. The trade date / settlement date derecognition amendment for financial liabilities (the EFT amendment) has not been early adopted and is disclosed in Note 2.3.	1 January 2026 (early adopted 1 March 2025)	Management has assessed each loan in the portfolio against the requirements of IFRS 9.B4.1.10A. Preferential pricing offered to qualifying borrowers (including women-owned, women-managed and women-staffed businesses) is a once-off commercial decision at origination based on the borrower's eligibility at that date. The interest rate is fixed as a margin over prime at inception and is not subject to subsequent contractual adjustment based on the borrower's ESG or impact performance. Accordingly, no loan in the current portfolio contains a contingent ESG-linked feature that would fail the SPPI criterion, and all loans continue to be classified and measured at amortised cost. The assessment will be performed at each reporting date as new loans are originated.

2.3 Standards and Interpretations to Existing Standards That Are Not Yet Effective and Have Not Been Adopted Early By The Company

The Fund has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Fund's accounting periods beginning after 1 January 2026 or later periods. The Fund will adopt the new and amended IFRSs when they become effective. The Fund has assessed, where practicable, the potential impact of all of these new and amended IFRSs that will be effective in future periods.

IFRS	Title and details	Effective date	Expected impact
IFRS 18	IFRS 18 introduces a more structured income statement, including defined operating profit subtotals and classification of income and expenses into three categories based on business activities. It requires expenses to be presented by nature, function, or a mix, and introduces management-defined performance measures (MPMs) with disclosure requirements to improve transparency. The standard also strengthens guidance on aggregation and disaggregation across financial statements and notes.	1 January 2027	The Fund anticipates that IFRS 18 will have an impact on the presentation and disclosure of the statement of profit or loss and related notes, including the introduction of new subtotals and enhanced disaggregation requirements. However, the standard is not expected to have an impact on the recognition or measurement of transactions.
IFRS 9 and IFRS 7 (Amendments)	Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, comprising: (i) the derecognition of financial liabilities settled through electronic payment systems (EFT amendment), which clarifies that an entity may elect to derecognise a financial liability settled through an EFT system before the settlement date if specified criteria are met; (ii) the derecognition of financial assets measured at fair value through other comprehensive income (FVOCI equity instruments); and (iii) the related disclosure amendments in IFRS 7.	1 January 2027	The Fund has assessed these amendments and concluded that they are not expected to have a material impact. The Fund does not have material financial liabilities settled through electronic payment systems that would be affected by the EFT amendment, and the Fund does not hold any financial assets measured at FVOCI. The related IFRS 7 disclosure amendments may give rise to additional disclosure but are not expected to result in any change to the recognition or measurement of the Fund's financial instruments.

The Fund expects the IFRS 18 amendment to have a material impact on the financial statements at the effective date. For the other new or revised standards, management does not expect a material impact on the results or financial position of the Fund.

Accounting Policies (cont.)

2.4 Intangible assets

An intangible asset is recognised when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and the cost of the asset can be measured reliably.

In the prior year ACOF acquired various intellectual property developed from Kisby Capital Partners. The various intellectual property was analysed and classified into assets of a similar nature and function as intangible assets.

The classifications derived by management are as follows:

Policies and procedures to maintain an SME lender

A suite of policies and procedures required in an environment whereby capital funding is obtained from institutional investors was purchased. It can be sold and/or transferred and is imperative to enhance sound corporate governance. They are measured at cost less accumulated impairment losses. These have been assessed as having indefinite useful lives, as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity. These are assessed for impairment at least annually, and whenever there is an indication of impairment.

Valuation models and credit scoring systems

Valuation models and credit scoring systems comprise proprietary quantitative frameworks, algorithms and analytical tools acquired from Kisby Capital Partners, used to assess the creditworthiness of prospective borrowers and determine the risk-adjusted pricing of loan facilities advanced to small and medium enterprises. These include probability of default models, loss given default frameworks, credit scoring algorithms integrating external bureau data and borrower financial information, and loan pricing tools. They were acquired at cost and are measured at cost less accumulated impairment losses. These assets have been assessed as having indefinite useful lives, as there is no foreseeable limit to the period over which they are expected to generate net cash inflows for the entity, given that the models are continuously recalculated using current borrower and market data and are not subject to contractual or technological obsolescence. They are not amortised and are assessed for impairment at least annually, and whenever there is an indication of impairment.

Customer relationships

ACOF aims to raise capital funding of Circa R5 billion in the next couple of years to be disbursed in the form of loans to SMEs. The potential customer list that expressed interest in obtaining loan funding consists of 181 (2025: 181) contact details. These contacts would not be able to be mined indefinitely. The customer lists are measured at cost less accumulated amortisation and accumulated impairment losses. Customer relationships are assessed as having a useful life of 5 years to align with planned loan disbursements.

Licences

The licences, legal contracts and royalty agreements acquired have been measured at cost and assessed as having an indefinite useful life. The licences, legal contracts and royalty agreements are assessed for impairment annually, and whenever there is an indication of impairment.

Subsequent expenditure

Subsequent expenditure on intangible assets is recognised in profit or loss as incurred.

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets. The amortisation methods and useful lives are reviewed at each reporting date and adjusted if required. The estimated useful lives are as follows:

Derecognition

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use. The gain or loss arising from derecognition is included in profit or loss in the period of derecognition.

Database of policies and procedures to maintain an SME lender	Indefinite
Customer relationships	5 years
Licences	Indefinite
Valuation models and credit scoring systems	Indefinite

2.5 Financial instruments

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

Classification and subsequent measurement

Financial assets which are debt instruments:

Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows).

Financial liabilities:

Amortised cost.

The financial instruments and risk management section presents the fund's financial instruments, categorised according to their specific classifications.

Derecognition of financial assets

The Fund derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

If the Fund transfers substantially all the risks and rewards of ownership of a financial asset, the asset is derecognised. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Fund continues to recognise the financial asset in its entirety and also recognises a collateral borrowing for the proceeds received.

Accounting Policies (cont.)

If the Fund neither transfers nor retains substantially all the risks and rewards of ownership of a transferred financial asset, the Fund determines whether it has retained control of the financial asset. If the Fund has retained control, it continues to recognise the financial asset to the extent of its continuing involvement in the financial asset. If the Fund has not retained control, it derecognises the financial asset and separately recognises any rights and obligations created or retained in the transfer.

Where the Fund has neither transferred nor retained substantially all the risks and rewards of ownership but has retained control, any retained interest in the financial asset is recognised at its fair value at the date of transfer in accordance with IFRS 9.3.2.14. The associated liability is measured so that the net carrying amount of the transferred asset and the associated liability reflects the rights and obligations the Fund has retained.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. Any cumulative gain or loss that had been recognised in other comprehensive income is reclassified from equity to profit or loss at that point.

Derecognition of financial liabilities

The Fund derecognises a financial liability when, and only when, the company's obligations are discharged, cancelled or have expired.

Where the terms of an existing financial liability are substantially modified, or where an existing financial liability is exchanged with the same lender for a new financial liability with substantially different terms, such modification or exchange is accounted for as a derecognition of the original financial liability and the recognition of a new financial liability. The terms are considered substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, differs by at least 10 per cent from the discounted present value of the remaining cash flows of the original financial liability in accordance with IFRS 9.B3.3.6. Where the terms are not substantially different, the modification does not result in derecognition.

Where a modification does not result in derecognition, the company adjusts the gross carrying amount of the financial liability to reflect the modified contractual cash flows. The gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate, and any resulting adjustment is recognised immediately in profit or loss as a modification gain or loss.

The difference between the carrying amount of a financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

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

Loans receivable at amortised cost

Loans to group companies, the promissory note, loans to shareholders, loans to directors, managers and employees, and loans and advances to customers are classified as financial assets subsequently measured at amortised cost. They have been classified in this manner because the contractual terms of these loans give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal outstanding, and the company's business model is to collect the contractual cash flows on these loans.

Loans and advances to customers 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.

The Fund 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 (refer to Note 22).

The Fund 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).

In assessing whether there has been a significant increase in credit risk since initial recognition, the company considers both quantitative and qualitative information. The primary quantitative indicator applied is whether contractual payments are more than 30 days past due, consistent with the rebuttable presumption in IFRS 9.5.5.11. Where contractual payments are more than 30 days past due, the company presumes that a significant increase in credit risk has occurred unless reasonable and supportable information available without undue cost or effort demonstrates otherwise. In addition to the 30-day quantitative threshold, the company considers the following qualitative indicators of a significant increase in credit risk: a borrower entering debt review or formal insolvency proceedings; adverse changes in the borrower's financial position or operating environment; known indicators of financial stress including failure to meet financial covenants or restructuring requests; and any other information that suggests the borrower's ability to meet its obligations has deteriorated since initial recognition.

Where any of the above quantitative or qualitative indicators are present, the loan is transferred from Stage 1 to Stage 2, and the loss allowance is measured at lifetime expected credit losses. The assessment is performed at each reporting date for all loans in the portfolio.

Lifetime ECL represents the expected credit loss 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.

Accounting Policies (cont.)

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 default occurring since initial recognition rather than evidence of a loan being credit-impaired at the reporting date or of an actual default occurring. The probability of default (PD) is the likelihood of an account defaulting within 90 days. An amount is considered to be in default if no payment has been received within 90 days of when it becomes due.

Loans with ESG-linked or impact-linked pricing features

Where a loan originated by the Fund carries an interest rate that adjusts based on the borrower meeting specified environmental, social, governance or impact targets after origination, the Fund assesses whether the contractual cash flows of the instrument continue to represent solely payments of principal and interest on the principal amount outstanding, in accordance with IFRS 9.B4.1.10A. The assessment considers whether the contingent rate adjustment is consistent with a basic lending arrangement, taking into account the nature of the contingent feature, the magnitude and direction of any potential rate adjustment, and whether the resulting cash flows could differ significantly from cash flows on a comparable loan without the feature.

Loans that meet the SPPI criterion despite the contingent feature are classified and measured at amortised cost. Loans that fail the SPPI criterion as a result of the contingent feature are classified and measured at fair value through profit or loss in accordance with IFRS 9.4.1.4.

Where a loan is originated with preferential pricing as a once-off commercial decision at the date of origination, with the interest rate fixed as a margin over a benchmark rate at inception and not subject to subsequent contractual adjustment based on the borrower's ESG or impact performance over the life of the loan, the loan is not regarded as carrying a contingent ESG-linked feature and meets the SPPI criterion. Such loans are accordingly classified and measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents are stated at amortised cost. For the purposes of the statement of cash flows, cash includes cash on hand, deposits held on call with banks, investments in money market instruments, and bank overdrafts. Bank overdrafts are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

Trade and other payables

Trade and other payables, excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost. They are recognised when the company becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value less transaction costs, if any. They are subsequently measured at amortised cost using the effective interest method.

Borrowings and loans from related parties

Loans from group companies, loans from shareholders and borrowings are classified as financial liabilities subsequently measured at amortised cost. Borrowings and loans from related parties are recognised when the Fund becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value less transaction costs, if any. They are subsequently measured at amortised cost using the effective interest method.

Finance cost, calculated on the effective interest method, is included in profit or loss in finance costs.

Borrowings expose the company to liquidity risk and interest rate risk. Refer to the notes for details of risk exposure and management thereof.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the Fund to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

The Fund has issued a financial guarantee of R5 million in favour of Nedbank Limited for an overdraft facility granted to its shareholder, Africa Bitcoin Corporation Limited.

Financial guarantee contracts are initially recognised at fair value. Where no premium is charged, the initial fair value is assessed with reference to the benefit conferred on the guaranteed party.

Subsequently, financial guarantee contracts are measured at the higher of the amount of the loss allowance determined in accordance with the expected credit loss requirements of IFRS 9, and the premium received on initial recognition less cumulative income recognised over the period of the guarantee. Any liability recognised is included in trade and other payables.

The guarantee is assessed for expected credit losses at each reporting date, taking into account the probability that the guaranteed party will default and the estimated loss that would result if the guarantee were called upon.

2.6 Taxation

Deferred taxation

Deferred taxation is provided for on the comprehensive basis as per the liability method in respect of all temporary differences arising between the tax bases of the assets and liabilities and their carrying values for financial reporting purposes. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date. A deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date.

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.

Accounting Policies (cont.)

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities, using the tax rates that have been enacted or substantively enacted by the financial year end date.

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 different period, directly in other comprehensive income or equity,
- or a business combination.

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

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

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

2.7 Share 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 classified as equity. Ordinary shares are recognised at no par value and classified as share capital in equity.

Dividends are recognised as a liability only when they are declared.

2.8 Revenue

Interest income

Interest is recognised on a time-proportion basis, taking account of the principal outstanding and the effective interest rate over the period to maturity, when it is probable that such income will accrue to the Fund.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (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 asset, or where appropriate a shorter period, to the amortised cost of a financial asset. Initiation fees charged to a customer on initiation of the current account are recognised as a transaction cost as part of the effective interest rate of the financial asset.

Fee and commission income

Commission income is recognised when the related transaction on which the commission is earned has been concluded. Service fee income is recognised on a monthly basis when charged to a customer's account. The performance obligation is satisfied over time as the customer consumes the benefit of the service over time. An initiation fee is charged to a customer on initiation of the account and recognised as part of the effective interest rate of the financial asset.

2.9 Impairments

Intangible assets with finite useful lives

At the end of each reporting period, the Fund reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Intangible assets with indefinite useful lives

Intangible assets that are determined to have indefinite useful lives are not amortised but are tested for impairment annually, or more frequently if events or changes in circumstances indicate that the asset may be impaired.

Impairment testing

The recoverable amount of an asset or cash-generating unit is the higher of fair value less costs of disposal and value in use. Value in use is determined by estimating the future cash flows expected to be derived from the asset or cash-generating unit and discounting those cash flows to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. The cash flow projections are based on reasonable and supportable assumptions, management-approved budgets and forecasts, and take into account projected revenue growth and expected operating conditions over the relevant period. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss. Assets are grouped at the lowest level for which there are separately identifiable cash flows that are largely independent of the cash flows of other assets or cash-generating units.

Reversal of impairment

For intangible assets with finite useful lives, previously recognised impairment losses are reversed if the reasons for the impairment no longer exist. The reversal is limited to the carrying amount that would have been determined, net of amortisation, had no impairment loss been recognised for the asset in prior periods.

Impairment losses recognised for intangible assets with indefinite useful lives are not reversed in subsequent periods.

2.10 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS Accounting Standards 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

Accounting Policies (cont.)

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

In preparing the financial statements, management has made the following critical judgements that have the most significant effect on the amounts recognised:

Recognition of deferred tax assets

The recognition of deferred tax assets requires management to assess the probability that future taxable profits will be available against which assessed tax losses can be utilised. This assessment is based on approved business plans, forecast profitability and expected future performance of the Fund.

Going concern

The directors have applied judgement in assessing whether the Fund is able to continue as a going concern for the foreseeable future. The assessment requires the directors to evaluate the Fund's financial position at the reporting date, the sufficiency and committed nature of its funding sources, the recoverability of its loan portfolio, the reasonableness of approved cash flow forecasts and the impact of reasonably possible downside scenarios over a period of at least twelve months from the date of approval of the financial statements. In applying this judgement for the current reporting period, the directors considered the losses of R11,554,915 (2025: R12,642,477) incurred in the current and prior years, the 77.5% growth in assets under management to R502,063,500 (2025: R282,759,319), the R150 million raised through the Domestic Medium Term Note programme listed on the Cape Town Stock Exchange, the R37.5 million senior debt facility concluded with the Small Enterprise Development and Finance Agency (SEDFA), the collateral coverage of 252% supporting gross loans and advances, and approved management forecasts indicating a return to profitability during the financial year ending 28 February 2028. After also considering reasonably possible downside scenarios, the directors concluded that the Fund has adequate resources to continue in operational existence for the foreseeable future and that the going concern basis of preparation remains appropriate. The assessment is performed at each reporting date and is supported by the detailed going concern disclosure in Note 20.

Sources of estimation uncertainty

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

Impairment of financial assets

Impairment of advances and loans to customers

Advances and loans to customers are disclosed net of any allowance for impairment. The allowance for impairment is determined with the incorporation of expected credit loss ("ECL") modelling, which is an area of significant judgement and estimate due to the input of key assumptions into complex provisioning methodology.

In measuring ECL, the significant estimates and judgements applied are described in loans and advances to customers in note 7.

Impairment of intangible assets with indefinite useful life

The impairment assessment of intangible assets involves significant management judgement, particularly in estimating future cash flows that support the asset's recoverable amount. These estimates are based on management approved budgets, projected revenue growths and discounted rates.

The budgets and forecasts used in impairment testing are subject to inherent uncertainty. Changes in market conditions, unexpected changes in business performance, or variations in key assumptions may result in material adjustments to impairment estimates in future periods.

Intangible assets – useful lives

The allocation of useful lives to items of intangible assets is dependent on judgement. These allocations are done based on past experience and the period over which future economic benefits are expected to be derived. Refer to note 2.4.

SPPI assessment – ESG-linked loan features

The assessment of whether loans and advances to customers meet the solely payments of principal and interest criterion requires management to evaluate the contractual terms of each loan. Following the early adoption of the amendments to IFRS 9 relating to ESG and contingent features, management has assessed each loan in the portfolio for impact-linked or ESG-linked interest rate adjustments. Management has concluded that no loan in the current portfolio contains such features and that the amortised cost classification of all loans and advances remains appropriate. This assessment will be performed at each reporting date as new loans are originated.

Notes to the Financial Statements

4. Intangible assets

2026	Cost (R)	Accumulated amortisation (R)	Carrying value (R)
Database of policies and procedures to maintain an SME lender	3 708 706	-	3 708 706
Customer relationships	5 244 506	(2 805 666)	2 438 840
Licences	341 662	-	341 662
Valuation models and credit scoring systems	463 857	-	463 857
	9 758 731	**(2 805 666)**	**6 953 065**

2025	Cost (R)	Accumulated amortisation (R)	Carrying value (R)
Database of policies and procedures to maintain an SME lender	3 708 706	-	3 708 706
Customer relationships	5 244 506	(1 762 497)	3 482 009
Licences	341 662	-	341 662
Valuation models and credit scoring systems	463 857	-	463 857
	9 758 731	**(1 762 497)**	**7 996 234**

The carrying amounts for 2026 can be reconciled as follows:

	Carrying value at beginning of year (R)	Amortisation (R)	Carrying value at end of year (R)
Database of policies and procedures	3 708 706	-	3 708 706
Customer relationships	3 482 009	(1 043 169)	2 438 840
Licences	341 662	-	341 662
Valuation models and credit scoring systems	463 857	-	463 857
	7 996 234	**(1 043 169)**	**6 953 065**

The carrying amounts for 2025 can be reconciled as follows:

	Carrying value at beginning of year (R)	Amortisation (R)	Carrying value at end of year (R)
Database of policies and procedures	3 708 706	-	3 708 706
Customer relationships	4 525 179	(1 043 170)	3 482 009
Licences	341 662	-	341 662
Valuation models and credit scoring systems	463 857	-	463 857
	9 039 404	**(1 043 170)**	**7 996 234**

Initial recognition

Intellectual property recognised through the acquisition of the business of Kisby Capital Partners ("KCP") by ACOF Pursuant to the process of commencing operations in ACOF, its management entered into an agreement with Kisby Capital Partners ("KCP") to purchase the sale business, comprising primarily all of KCP's intellectual property. The intellectual property primarily comprises business models, legal templates, policies, regulatory applications, process maps, financial models and other confidential information.

An impairment test was performed at the financial reporting date. The intangible assets with indefinite useful lives do not generate cash flows that are largely independent of those of other assets and have accordingly been allocated to the Fund as a single cash-generating unit for the purpose of impairment testing. The recoverable amount of the cash-generating unit was determined based on value in use, calculated using a discounted cash flow model based on management-approved forecasts. No impairment was identified as the value in use of the cash-generating unit exceeded its carrying amount.

Notes to the Financial Statements (cont.)

Projection period and terminal value

The cash flow projections used in the value in use calculation cover a period of five years, being the period over which management has approved detailed financial forecasts and over which reliable estimates can be made. Cash flows beyond the five-year period are extrapolated using a terminal growth rate, reflecting the long-run sustainable growth rate of the Fund's operations. The use of a five-year projection period is consistent with management's approved business plan and with the period over which the intangible assets are expected to contribute to the generation of cash flows within the Fund.

Key assumptions

The terminal growth rate applied is 8.16% (2025: 8.16%). This rate is based on long-run South African nominal GDP growth expectations, incorporating expected long-term inflation and real economic growth. The rate does not exceed the long-run average growth rate for the South African financial services sector in which the Fund operates.

The discount rate applied is 21.0% (2025: 21.0%) on a pre-tax basis, in accordance with the requirements of IAS 36.55. The pre-tax rate has been derived from the post-tax weighted average cost of capital applicable to a South African SME lender, grossed up for the South African corporate income tax rate. The discount rate represents the rate that reflects current market assessments of the time value of money and the risks specific to the cash-generating unit, and incorporates the following components:

- Risk-free rate based on the yield on long-term South African government bonds
- Equity risk premium reflecting the South African market risk premium
- Size and specific risk premium reflecting the early-stage nature of the Fund and the SME credit market in which it operates

The projected revenue growth rates applied in the five-year forecast period are based on management-approved budgets and reflect the expected growth in assets under management, driven by planned capital raises through the DMTN programme and additional institutional mandates. The growth rates applied are consistent with past experience of capital deployment and with the Fund's demonstrated ability to grow AUM, which increased by 77.5% in the current year.

Past experience and external sources

- South African Reserve Bank monetary policy statements and interest rate projections
- National Treasury medium-term budget policy statements and GDP growth forecasts
- Industry benchmarks for South African SME lenders and credit funds
- Prime lending rate of 11.25% as at 28 February 2026 – variable rate loan revenue and borrowing cost projections

Sensitivity analysis

Management has performed a sensitivity analysis to assess the impact of reasonably possible changes in the key assumptions on the value in use of the cash-generating unit. The key assumptions to which the value in use is most sensitive are the discount rate and the terminal growth rate.

The table below shows the impact on the value in use of the cash-generating unit of a change in each key assumption, holding all other assumptions constant:

Assumption	Change	Impact on recoverable amount (R 000)	Headroom amount (R 000)	Impairment Indicated
Discount rate	Increase by 2.0% (21.0% → 23.0%)	17,388	84,262	No
Discount rate	Increase by 5.0% (21.0% → 26.0%)	35,931	65,720	No
Terminal growth rate	Decrease by 2.0% (8.16% → 6.16%)	11,546	90,104	No
Terminal growth rate	Decrease by 5.0% (8.16% → 3.16%)	24,011	77,639	No

Based on the sensitivity analysis performed, management has concluded that no reasonably possible change in any of the key assumptions would cause the carrying amount of the cash-generating unit to exceed its recoverable amount. The value in use of the cash-generating unit exceeds its carrying amount by a sufficient margin that impairment would not arise under any of the scenarios tested. Management is not aware of any other assumptions to which the value in use calculation is particularly sensitive.

The remaining useful life of the intangible assets with finite lives are 4 years.

5. Deferred tax assets

5.1 Deferred tax balance consists of:

	2026 (R)	2025 (R)
Provision for expected credit loss allowance	1 774 402	1 268 525
Assessable tax losses	9 779 688	4 626 453
Deferred taxation asset	**11 554 090**	**5 894 978**

5.2 Reconciliation of deferred tax asset

	2026 (R)	2025 (R)
Beginning of the year	5 894 978	1 682 580
Credit to income – deductible temporary differences	505 877	1 147 270
Credit to income – assessed tax losses	5 153 235	3 065 128
Deferred tax asset at the end of the year	**11 554 090**	**5 894 978**

Notes to the Financial Statements (cont.)

At the reporting date, the Fund has estimated unused assessed tax losses of R36,221,067 (2025: R17,135,011) available for offset against future taxable profits. A deferred tax asset has been recognised in full in respect of these losses as management considers it probable that sufficient future taxable profits will be available against which the losses can be utilised.

This conclusion is supported by management approved financial forecasts projecting a return to taxable profitability within the next two financial years, underpinned by the 77.5% growth in assets under management during the current year from R282,759,319 to R502,063,500, driven by the R150 million raised via the Domestic Medium Term Note programme listed on the Cape Town Stock Exchange and the R37.5 million senior debt facility concluded with the Small Enterprise Development and Finance Agency during the year. As the loan portfolio grows, interest revenue is expected to exceed operating costs and finance charges, resulting in taxable income against which the assessed losses will be utilised.

The deferred tax asset is reviewed at each reporting date and will be reduced to the extent that it is no longer probable that sufficient taxable profits will be available. In accordance with IAS 12.37, unrecognised deferred tax assets are also reassessed at each reporting date. There are no unrecognised deferred tax assets at 28 February 2026. Refer to Note 20 for the detailed going concern assessment.

6. Promissory note

	2026 (R)	2025 (R)
Africa Bitcoin Corporation Limited (previously known as Altvest Capital Limited)	11 544 851	10 439 855
Split between non-current and current portions		
Non-current asset	-	10 439 855
Current asset	11 544 851	-
	11 544 851	**10 439 855**

This Promissory Note is issued by Africa Bitcoin Corporation Limited. The note bears interest at the prevailing prime interest rate and is repayable in full within 18 months from the date of issuance, which is the 30th September 2024. The promissory note is unsecured.

The principal amount of the note, together with any accrued finance costs, was extended for an additional three-month period from the original repayment date of 31 March 2026. The revised repayment date is 30 June 2026.

Expected credit loss assessment

The promissory note is a financial asset measured at amortised cost and is subject to the expected credit loss requirements of IFRS 9. The company has assessed the credit risk associated with the promissory note at the reporting date. Africa Bitcoin Corporation Limited, the issuer of the note, is the company's shareholder and fund manager.

The company has reviewed the financial position and cash flow forecasts of Africa Bitcoin Corporation Limited and has concluded that the probability of default on the note is low, based on the continued operational activity of the shareholder and the expected settlement of the note by 30 June 2026.

Accordingly, the loss allowance has been measured at 12-month expected credit losses. The expected credit loss calculated on the promissory note is immaterial and no loss allowance has been recognised at 28 February 2026 (2025: nil).

The promissory note receivable from Africa Bitcoin Corporation Limited is not subject to any set-off arrangement with the loan to shareholder disclosed in Note 9, notwithstanding that both instruments are with the same counterparty. The amounts are accordingly presented gross on the face of the Statement of Financial Position in accordance with IAS 32.

7. Loans and advances to customers

	2026 (R)	2025 (R)
Gross loans and advances to customers	265 949 511	209 790 339
Expected credit loss on loans and advances	(10 953 099)	(7 830 399)
	254 996 412	**201 959 940**

Split between non-current and current portions

	2026 (R)	2025 (R)
Non-current asset	192 562 121	161 908 039
Current asset	62 434 291	40 051 901
	254 996 412	**201 959 940**

Notes to the Financial Statements (cont.)

Loans and advances to customers consist of various loans and advances to SME entities. The loans have terms varying from 3 months to 60 months and finance costs are charged at varying rates linked to the prime bank overdraft rate. The terms and interest rates of the loans are dependent on the credit assessment of the customer.

All structured loan facilities originated by the Fund are secured. The Fund's policy requires that adequate security is obtained from each borrower prior to the disbursement of any loan facility. Refer to the collateral section below for details of the security held against the loan portfolio.

Credit loss allowance

At the reporting date, loans in the portfolio have been classified at Stage 1, Stage 2 or Stage 3 in accordance with IFRS 9.5.5. Loans at Stage 1 are measured at 12-month expected credit losses, while loans at Stage 2 and Stage 3 are measured at lifetime expected credit losses, with Stage 3 representing loans that are credit-impaired. The rebuttable presumption in IFRS 9.5.5.11 has been triggered for those loans where contractual payments are 30 days or more past due, or where qualitative indicators of a significant increase in credit risk have been identified, resulting in their classification at Stage 2 or Stage 3. Where a borrower has arrears of less than 30 days within the Stage 1 portfolio, an additional risk-based percentage is applied to reflect repayment history. This represents a within-Stage 1 adjustment and does not constitute a significant increase in credit risk. In determining expected credit losses, management utilises the Basel III monitoring report as an input tool to determine the probability of default for each borrower, incorporating the borrower's credit history, financial statements, delinquency score and payment behaviour. The IFRS 9 ECL is not directly equivalent to the Basel III regulatory capital calculation. The IFRS 9 ECL reflects the time value of money, incorporates forward-looking information and is based on probability-weighted credit loss estimates, which differ from the standardised risk weights applied under the Basel III framework.

The majority of loans are assessed individually given the size of the portfolio and the Fund's individual credit approval process. Where collective assessment is applied, loans are grouped by shared credit risk characteristics including loan term, borrower sector, probability of default band and delinquency score.

In calculating the expected credit loss, management utilises the Basel III monitoring report which assists in determining the probability of default (PD) by assessing the creditworthiness of each borrower based on the nature of their operations. The assessment process also integrates a delinquency score, which is an externally sourced measure derived from the borrower's historical credit score and payment behaviour.

Movement in expected credit loss allowance

The movement in the expected credit loss allowance during the year is reconciled below in accordance with IFRS 7.35H:

	Stage 1 (R)	Stage 2 (R)	Stage 3 (R)	Total (R)
Loss allowance at 1 March 2025	7 830 399	-	-	7 830 399
Transfers to Stage 2	(132 567)	132 567	-	-
Transfers to Stage 3	(487 124)	-	487 124	-
New financial assets originated	1 612 488	245 841	-	1 858 329
Financial assets derecognised	(612 407)	(45 213)	-	(657 620)
Remeasurement of loss allow-ance	(2 371 330)	409 328	4 234 089	2 272 087
Transfer of credit impaired loan to stage 3 prior to write off	(350 096)	-	350 096	-
Write offs	-	-	(350 096)	(350 096)
Loss allowance at 28 February 2026	**5 489 363**	**742 523**	**4 721 213**	**10 953 099**

The expected credit loss allowance increased from R7,830,399 to R10,953,099, an increase of 39.9%, while the gross loan portfolio grew from R209,790,339 to R265,949,511, an increase of 26.8%. The disproportionate increase in the ECL allowance is principally attributable to the migration of loans from Stage 1 to Stage 2 and Stage 3 during the year. As at 28 February 2026, R18,016,013 of the gross loan portfolio is classified at Stage 2 and R35,416,638 at Stage 3, compared to nil in both stages at 28 February 2025, reflecting continued pressure on SME borrower debt service capacity from the elevated interest rate environment and financial stress identified in specific borrower accounts. In addition, one loan with a gross carrying amount of R350,096 transitioned from Stage 1 to write-off during the year when the credit impairment occurred, following the final liquidation of the borrower with no reasonable expectation of recovery. This loan does not form part of the Stage 3 closing balance.

Credit loss allowance methodology

The Fund applies the general approach to measuring expected credit losses required by IFRS 9. The loss allowance is measured at an amount equal to either the 12-month expected credit losses or the lifetime expected credit losses, depending on the stage assigned to each contract at the reporting date. The methodology incorporates a probability-weighted estimate of credit losses through the established probability of default, loss given default and exposure at default components; the time value of money through discounting future expected losses using the contractual interest rate as a proxy for the effective interest rate; reasonable and supportable forward-looking information; and a three-stage impairment approach. The expected credit loss is computed at a contract level, and the contract-level results are aggregated to arrive at the total impairment provision recognised on the loan portfolio.

Notes to the Financial Statements (cont.)

Probability of default

The probability of default applied to each contract is assembled from a Basel III floor probability of default, a delinquency-based margin and a forward-looking scalar. A regulatory floor of 0.05% per annum is applied to all contracts, consistent with the Corporate loan class under Basel III. The floor is supplemented by a margin derived through a linear function calibrated to the obligor's trade delinquency score, where a score of 1 maps to a 47.95% margin (the upper probability ceiling for High-Risk obligors) and a score of 999 maps to 0% (a fully performing obligor), with linear interpolation between these anchors. Delinquency scores are externally sourced and reflect the borrower's historical credit profile and payment behaviour. A forward-looking scalar of 1.0275 is applied to reflect the prevailing South African credit environment, calculated as the ratio of the current implied South African sovereign probability of default to the 15-year historical average. The combined annual probability of default is converted to a monthly equivalent using a survival-based transformation.

Loss given default

Loss given default is determined at a contract level based on the most valuable collateral held against the exposure, applying a regulatory floor per collateral type consistent with Basel III principles. The floors applied are 0% for financial collateral, 20% for receivables and real estate, 25% for other physical collateral, and 35% where only a guarantee or no collateral is held. The applicable floor is applied uniformly across all three stages.

Exposure at default

Exposure at the reporting date is the outstanding balance per the loan management system. For forward-looking periods, exposure is projected on a deterministic basis through the contractual amortisation schedule and the resulting expected credit loss cash flows are discounted to present value using the contractual interest rate as a proxy for the effective interest rate. The projection horizon is 12 months for Stage 1 exposures (or the remaining contractual life if shorter) and the full remaining contractual life for Stage 2 exposures. For Stage 3 exposures, no forward projection is performed, and the loss allowance is measured against the exposure at the reporting date.

Calculation of the expected credit loss

For Stage 1 and Stage 2, the expected credit loss is the sum of the monthly expected credit loss instalments over the relevant horizon. For each monthly period, the expected credit loss is calculated as the projected exposure multiplied by the loss given default, the survival probability that default has not occurred in prior months, the monthly probability of default, and a discount factor based on the contractual interest rate. For Stage 3, the probability of default is set to 100% as default has already occurred, and the expected credit loss is calculated by applying the loss given default floor directly to the exposure at the reporting date.

The total expected credit loss is the sum of the contract-level expected credit losses, with the overall coverage ratio expressed as the total expected credit loss divided by the total exposure. As at 28

February 2026, total exposure at default is R265,949,511, total expected credit loss is R10,953,099, and the overall coverage ratio is 4.12%.

Forward-looking information

In accordance with IFRS 9, the ECL model incorporates the following forward-looking macroeconomic factors in adjusting the probability of default inputs:

- The prime lending rate was 11.25% at 28 February 2026. Although the rate cutting cycle that commenced in late 2024 provides moderate relief, rates remain elevated, pressuring borrower debt service capacity.
- GDP growth – modest improvement post load shedding but SME revenue and cash flow remain under pressure.
- SME sector credit conditions – tightening alternative credit access and elevated input cost inflation increase borrower financial stress risk.
- As at 28 February 2026 the overall macroeconomic outlook for the SME sector was assessed as cautiously stable. The forward-looking adjustments applied are considered appropriate to reflect the expected credit environment.
- The gross carrying amount of loans and advances to customers represents the Fund's maximum exposure to credit risk from this class of financial asset, before taking into account the effect of any collateral or other credit enhancements held, in accordance with IFRS 7.36(a). The effect of collateral and other credit enhancements is described in the collateral section of this note.

Credit rating framework

Internal credit grade	Description	Basis for recognising ECL
Performing – Stage 1	Low risk of default and no significant increase in credit risk since initial recognition. Loans within Stage 1 may include arrears of less than 30 days, in respect of which an additional within-Stage 1 risk-based percentage is applied to reflect repayment history.	12-month ECL
Doubtful – Stage 2	Contractual payments are more than 30 days past due, consistent with the rebuttable presumption in IFRS 9.5.5.11, or where other qualitative indicators of a significant increase in credit risk have been identified since initial recognition, including a borrower entering debt review, adverse changes in the borrower's financial position, or other known indicators of financial stress.	Lifetime ECL (not credit-impaired)
In default – Stage 3	Either 90 days past due or there is evidence that the asset is credit-impaired.	Lifetime ECL (credit-impaired)
Write-off	Evidence indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.	Amount is written off

Notes to the Financial Statements (cont.)

As at 28 February 2026, the loan portfolio is classified across Stage 1, Stage 2 and Stage 3, with the gross carrying amount and loss allowance allocated by stage as set out in the credit risk rating analysis above. During the year, certain loans transitioned from Stage 1 to Stage 2 and from Stage 1 to Stage 3 following either a significant increase in credit risk since initial recognition or evidence of credit impairment. The opening loss allowance at 1 March 2025 was wholly attributable to Stage 1 (2025: same). The full reconciliation per stage, including transfers, new originations, derecognitions, remeasurement and write-offs, is presented in the movement table above in accordance with IFRS 9.35H and IFRS 9.35I.

As at 28 February 2026, the gross carrying amount of loans and advances is allocated by stage as follows:

2026 (R)					
Instrument	Internal credit rating	Basis of loss allowance	Gross carrying amount	Credit loss allowance	Amortised cost
Term loans	Stage 1 – Performing	12-month ECL	212 516 860	(5 489 363)	207 027 497
Term loans	Stage 2 – Doubtful	Lifetime ECL (not impaired)	18 016 013	(742 523)	17 273 490
Term loans	Stage 3 – Credit-impaired	Lifetime ECL (impaired)	35 416 638	(4 721 213)	30 695 425
Total			**265 949 511**	**(10 953 099)**	**254 996 412**

The Stage 1 allowance covers 40 borrowers, the Stage 2 allowance covers 7 borrowers, and the Stage 3 allowance covers 3 borrowers at the reporting date.

2025 (R)					
Instrument	Internal credit rating	Basis of loss allowance	Gross carrying amount	Credit loss allowance	Amortised cost
Term loans	Stage 1 – Performing	12-month ECL	209 790 339	7 830 399	201 959 940
Total			**209 790 339**	**7 830 399**	**201 959 940**

All loans and advances in the portfolio were classified as Stage 1 (performing), with no loans classified as Stage 2 or Stage 3 in the prior period.

The 2.79% arrears rate disclosed on the Credit Quality dashboard in the Letter from the Chief Investment Officer represents loans within Stage 1 that are between 1 and 30 days past due at the reporting date, expressed as a percentage of the total gross carrying amount of R265,949,511. These loans remain classified at Stage 1, with an additional within-Stage 1 risk-based percentage applied to their probability of default to reflect repayment history. This measure is distinct from the Stage 2 and Stage 3 gross exposures disclosed in the credit risk rating analysis above.

Loan write-offs

During the year, a single loan with a gross carrying amount of R350,096 was written off following the borrower being placed in final liquidation. The loan transitioned from Stage 1 to write-off as the liquidation event triggered the Fund's writeoff conditions when the credit impairment occurred, with no realistic prospect of recovery from the liquidated estate. The write-off is reflected as a separate line item in the IFRS 7.35H movement reconciliation above. Accordingly, this loan does not form part of the Stage 3 closing balance disclosed in the credit risk rating analysis. Future loan write-offs where the loan spends an extended period at Stage 3 prior to write-off will be reflected within the Stage 3 column of the credit risk rating analysis.

ESG-linked Loan Features and SPPI Assessment

Following the early adoption of the amendments to IFRS 9 relating to the classification and measurement of financial instruments with ESG-linked or impact-linked features, management has assessed each loan in the portfolio at the reporting date to determine whether any loan carries an interest rate that adjusts based on the borrower meeting specified environmental, social or governance targets. Such features require assessment under the solely payments of principal and interest criterion.

Based on this assessment, management has concluded that no loan in the current portfolio carries ESG-linked or impact-linked interest rate adjustments that would otherwise cause the instrument to fail the SPPI criterion. All loans and advances to customers continue to be classified and measured at amortised cost. This assessment will be performed at each reporting date as new loans are originated to ensure that any future loans with ESG-linked pricing features are identified and appropriately classified at inception.

Significant Increase in Credit Risk and Staging

Management has applied the IFRS 9 expected credit loss model at the individual loan level, with each borrower assessed against the Fund's credit risk rating framework at the reporting date. Of the fifty loans advanced as at 28 February 2026, forty borrowers remained at Stage 1 with no significant increase in credit risk since initial recognition, carrying a 12-month expected credit loss measurement. Seven borrowers were migrated to Stage 2 and three borrowers were migrated to Stage 3 in accordance with the staging criteria set out in accounting policy 2.4, reflecting either a significant increase in credit risk since initial recognition or objective evidence of credit impairment at the reporting date. Lifetime expected credit losses have been recognised on the Stage 2 and Stage 3 exposures. The staging analysis is disclosed in the credit risk rating table above and reconciles to the Stage 2 exposure of R18,016,013 and Stage 3 exposure of R35,416,638 disclosed in this Note. The rebuttable presumption under IFRS 9.5.5.11 has been applied at individual loan level and the staging conclusions do not rely on the low credit risk simplification permitted under IFRS 9.B5.5.22 to B5.5.24.

Notes to the Financial Statements (cont.)

Credit risk concentrations

A credit risk concentration exists where a number of counterparties are engaged in similar activities or operate in the same geographic area or industry, such that their ability to meet contractual obligations would be similarly affected by changes in economic or other conditions.

The Fund's loan portfolio consists entirely of loans to South African SMEs, denominated in South African Rand. Management has assessed the portfolio for credit risk concentrations at the individual counterparty, group of similar counterparties, sector and geographic levels, in accordance with IFRS 7.34(c). No single external borrower represents 10% or more of the gross loan portfolio at the reporting date (2025: same), and no grouping of counterparties by sector or geographic region individually exceeds the Fund's internal concentration thresholds. The portfolio is diversified across multiple sectors and provinces within South Africa.
Management has accordingly concluded that no material credit risk concentration exists at 28 February 2026 (2025: same).

Collateral

The Fund holds collateral against all loans and advances to customers as security for all structured loan facilities originated. The primary forms of collateral held are as follows:

- Personal suretyships from the directors and/or owners of the borrowing entity
- Cession of book debtors and/or trade receivables of the borrowing entity
- Cession of business assets where applicable
- Notarial bonds over moveable assets where applicable

Collateral is assessed and valued at the inception of each loan as part of the credit approval process. The valuation of collateral is reviewed by management at each reporting date and whenever there is an indication that the value of collateral has declined materially. The Fund's policy requires that collateral is maintained at a level sufficient to cover the outstanding loan exposure. Where the value of collateral is assessed to have declined below the required coverage level, additional security is requested from the borrower.

The estimated fair value of collateral held as at 28 February 2026 amounts to R671,287,703 (2025: R571,570,552). The collateral held exceeds the gross carrying amount of loans and advances to customers of R265,949,511 (2025: R209,790,339), providing coverage of approximately 252% (2025: 272%) of the gross loan book.

Management has assessed the collateral held against all loans in the portfolio at the reporting date and is satisfied that the collateral provides adequate cover for the credit risk exposure. The Fund does not take possession of collateral held as security unless a default event has occurred. No collateral was taken into possession during the year ended 28 February 2026 (2025: nil). Where collateral is taken into possession, the Fund's policy is to realise the collateral in an orderly manner and to apply the proceeds against the outstanding loan balance.

In accordance with IFRS 7.35K(b)(iii), the Fund discloses that the loss allowance recognised on loans and advances to customers has been reduced in measurement by reference to the collateral held against the portfolio. The full carrying amount of loans and advances to customers of R254,996,412 (2025: R201,959,940) is supported by collateral, with the collateral cover serving to reduce the loss given default input applied in the Stage 1 12-month ECL calculation. No loans in the portfolio carry a nil loss allowance solely as a result of collateral; all loans carry a probability-weighted ECL within the Stage 1 12-month ECL framework, with the collateral cover reducing the overall measurement of the loss allowance recognised on the portfolio.

8. Other receivables

	2026 (R)	2025 (R)
VAT receivable	1 245 541	820 145

9. Loan to shareholder

	2026 (R)	2025 (R)
Africa Bitcoin Corporation Limited (previously known as Altvest Capital Limited)	33 589 036	2 956 488

The loan is unsecured, bears interest at the prime lending rate and is repayable on demand. During the year the Fund advanced R37,358,120 (2025: R7,416,306) and received repayments of R425,396 (2025: R411,000). The advances were approved by the Board for the purpose of operational funding support to the shareholder. The loan to shareholder is measured at amortised cost and is subject to IFRS 9 expected credit loss requirements.

Management has assessed the probability of default as low, based on Africa Bitcoin Corporation Limited's status as an active ALTX JSE-listed entity, the absence of any prior default on obligations to ACOF, and the on-demand nature of the loan. The loss allowance has been measured at 12-month expected credit losses and is immaterial. No loss allowance has been recognised at 28 February 2026 (2025: nil).

Notes to the Financial Statements (cont.)

10. Issued capital

10.1 Authorised

	2026 (R)	2025 (R)
100,000,000 ordinary shares of no-par value	-	-
1,200,000,000 unissued Class A to Class L shares of no-par value*	-	-
	-	-

* In addition to the ordinary shares, the Memorandum of Incorporation authorises twelve further classes of unspecified shares, being Class A to Class L, each comprising up to 100,000,000 no par value shares. No shares from these classes have been issued at the reporting date. The preferences, rights, limitations and other terms of each class are to be determined by the Board prior to any issue.

10.2 Issued

	Number of shares	2026 (R)	2025 (R)
Balance at 1 March 2024	**32 229 620**	**-**	**21 669 498**
Shares issued during 2025	10 949 237	-	35 013 857
Balance at 28 February 2025	**43 178 857**	**56 683 355**	**56 683 355**
Shares issued during 2026	18 265	62 101	-
Balance at 28 February 2026	**43 197 122**	**56 745 456**	-
Stated capital		56 745 456	56 683 355
Shares issued and fully paid		**56 745 456**	**56 683 355**

11. Interest-bearing borrowings

11.1 Domestic Medium Term Note Programme

	2026 (R)	2025 (R)
Domestic Medium Term Note Programme	407 204 483	226 075 965
Opening balance	226 075 965	82 742 465
Debt notes issued during the year	150 000 000	120 000 000
Finance costs capitalised and reinvested into additional debt notes	31 128 518	23 333 500

The previous debt notes are issued under an approved Domestic Medium Term Note Programme on the Cape Town Stock Exchange. This programme enables the company to raise multiple tranches of wholesale debt funding from primarily institutional investors via the issuance of applicable pricing supplements. Notes have been issued cumulatively to four South African retirement funds, of which two committed during the current financial year. The notes bear interest at the prime rate plus 2% per annum and have an original tenor of seven years from the date of issue of each note. In accordance with an irrevocable election made by each noteholder at inception, finance costs accruing to 30 June each year are capitalised into additional debt notes rather than settled in cash. The debt notes issued under the Domestic Medium Term Note Programme are unsecured.

11.2 Small Enterprise Development and Finance Agency (SEDFA) facility

	2026 (R)	2025 (R)
Total SEDFA facility	38 113 564	-
Current portion (quarterly instalments due within 12 months)	(10 988 392)	-
Non-current portion	**27 125 172**	**-**

The above loan was received from SEDFA on 1 April 2025. The funds are deployed to small and medium enterprises that meet the qualifying criteria of SEDFA. The loan facility incurs finance costs at the prime lending rate less 0.5% per annum and is repayable on quarterly terms commencing February 2026. The maturity date of the facility is 28 February 2029.

Security

The SEDFA loan facility is secured. The following security, guarantees and cessions were provided to SEDFA as a condition of the facility:

Pledge of shares: WGW Capital Proprietary Limited pledged 3,405,544 Africa Bitcoin Corporation Limited shares with a market value of R18,730,492 at the reporting date. Tatum Keshwar Investments Proprietary Limited pledged 1,699,824 Africa Bitcoin Corporation Limited shares with a market value of R9,349,034 at the reporting date.

Personal surety: Mr. W.G. Wheatley, Chief Executive Officer, provided a personal surety amounting to R75,000,000.

Cession of loan book: ACOF ceded its rights to the proceeds of its loan book to SEDFA, granting SEDFA a security interest over ACOF's rights to receive repayments from the underlying loans in the portfolio. The cession is a security cession (cession in securitatem debiti) and not an out-and-out cession. ACOF retains the right to collect, manage and apply the proceeds of the ceded loan book in the ordinary course of its business for so long as no

Notes to the Financial Statements (cont.)

event of default has occurred under the SEDFA facility. SEDFA's rights under the cession may be exercised only on the occurrence of an event of default, including non-payment of any amount due under the facility, breach of any financial or operational covenant, or the insolvency of ACOF. The carrying amount of the loans and advances to customers ceded as security at the reporting date is disclosed in Note 7.

Cross guarantee: WGW Capital Proprietary Limited provided a cross guarantee, acting as guarantor and co-principal debtor in solidum, undertaking repayment on demand of all amounts owed by ACOF to SEDFA under the facility.

Cession of shares: The shares in WGW Capital Proprietary Limited held by the WGW Family Trust, an associate of Mr. W.G. Wheatley, were ceded as additional security.

Cession of bank account: ACOF's designated bank account in which the SEDFA loan funds are managed was ceded to SEDFA as security. The cession is a security cession (cession in securitatem debiti) over the bank account and the credit balances held therein. ACOF retains operational use of the bank account, including the right to receive deposits and effect payments in the ordinary course of business, for so long as no event of default has occurred under the SEDFA facility. SEDFA's right to call upon the cession and to take control of the account may be exercised only on the occurrence of an event of default, including non-payment of any amount due under the facility, breach of any financial or operational covenant, or the insolvency of ACOF. The cash balance held in the designated bank account at the reporting date is included within cash and cash equivalents disclosed in Note 17.2.

These security arrangements, personal surety, cessions of rights and cross guarantee were provided as a requirement by SEDFA for the granting of the facility to ACOF. Refer to Note 19 for details of the related party nature of the security providers and the guarantee fees paid in connection with these arrangements.

Split between non-current and current portions

Fair value of interest-bearing borrowings

	2026 (R)	2025 (R)
Non-current liabilities	434 329 655	226 075 965
Current liabilities	10 988 392	-
	445 318 047	**226 075 965**

In accordance with IFRS 7.25, the fair value of each class of interest-bearing borrowing is disclosed below.

DMTN debt notes: The DMTN debt notes are listed on the Cape Town Stock Exchange under bond codes 4ACD01, 4ACD03 and 4ACD04 and bear interest at prime plus 2% per annum. In accordance with the irrevocable election made by each noteholder at inception, finance costs are not paid in cash but are capitalised annually into additional debt notes on 30 June each year. The carrying amount of the notes is reconciled monthly to the value reflected by the Cape Town Stock Exchange, with movements arising solely from the capitalisation of accrued interest. The carrying amount accordingly approximates fair value as the CTSE-listed value reflects the accumulated nominal balance plus capitalised interest, and there is no active market trading in the notes that would generate a yield-driven price differential. The fair value is classified as Level 2 of the IFRS 13 fair value hierarchy.

The fair value of the DMTN notes has been determined by projecting the accumulated balance at maturity for each tranche and discounting that amount to present value using the current market yield applicable to comparable listed South African debt instruments of similar maturity and credit quality at the reporting date. The fair value is classified as Level 2 of the IFRS 13 fair value hierarchy as the valuation is based on observable market inputs, being current market yields for comparable instruments, rather than quoted prices in an active market.

SEDFA loan facility: The SEDFA loan facility bears interest at prime less 0.5% per annum and is repayable in quarterly instalments with a maturity date of 28 February 2029. The fair value has been determined by discounting the future contractual quarterly cash flows at the current market rate applicable to similar facilities at the reporting date. The fair value is classified as Level 2 of the IFRS 13 fair value hierarchy.

The carrying amount and fair value of the interest-bearing borrowings, together with the fair value hierarchy classification, are disclosed in Note 22 – Financial Instruments.

Covenants

The DMTN programme and the SEDFA loan facility are subject to certain financial and operational covenants as stipulated in the respective programme agreements and pricing supplements. The key covenants applicable to the Fund are as follows:

The Fund is required to maintain a positive net asset value at all times. As at 28 February 2026 the net asset value of the Fund was R27,279,540 (2025: R38,772,354), which is positive and compliant with this requirement. The Fund is required to deploy capital raised through the SEDFA mandate exclusively into qualifying SME loans that meet the investment criteria stipulated in the loan agreements. As at 28 February 2026 management confirms that all capital deployed is within the qualifying criteria. As at 28 February 2026 the Fund was in compliance with all financial and operational covenants applicable to the DMTN programme and the SEDFA loan facility. No covenant breaches occurred during the year and no waivers were sought or granted.

Notes to the Financial Statements (cont.)

12. Trade and other payables

	2026 (R)	2025 (R)
Trade payables	2 203 374	1 035 542
Accrued liabilities	905 000	-
Other payables	-	40 000
	3 108 374	**1 076 542**

13. Revenue

13.1 Interest income

	2026 (R)	2025 (R)
Interest income on loans and advances to SMEs	47 686 083	28 583 689
Interest on other financial instruments – banking institutions	3 188 784	6 445 159
Interest on related and intercompany loan accounts	2 863 982	636 448
	53 738 849	**35 665 296**

13.2 Fee and commission income

	2026 (R)	2025 (R)
Guarantee fee income	-	77 000
	-	**77 000**

14. Finance costs

	2026 (R)	2025 (R)
14.1 Domestic Medium Term Notes	31 128 518	24 199 246

Finance expenses relate primarily to interest incurred on debt notes issued by the Fund, which are listed on the Cape Town Stock Exchange (CTSE). These debt notes carry an interest rate of prime plus 2% per annum.

In accordance with the terms elected by each noteholder on the date of debt issuance, finance costs accruing to 30 June each year are capitalised and converted into additional debt notes. This election is made irrevocably by each noteholder at inception and accordingly no cash payment of finance costs is made during the year.

The full finance cost of R31,128,518 (2025: R24,199,246) on the DMTN notes represents a non-cash movement and is consistent with the nil finance cost cash outflow reflected in the statement of cash flows. The capitalised finance costs are included in the closing balance of interest-bearing borrowings disclosed in Note 11.1 and are reflected as non-cash flows in the borrowing's reconciliation in Note 17.3.

	2026 (R)	2025 (R)
14.2 Small Enterprise Development and Finance Agency (SEDFA) loan facility	3 360 662	-
	34 489 180	**24 199 246**

Included in the finance costs is the loan facility extended to the Fund by the Small Enterprise Development and Finance Agency (SEDFA). The SEDFA loan facility carries an interest rate of prime less 0.5% per annum and is repayable on quarterly terms.

Notes to the Financial Statements (cont.)

15. Loss before taxation

Loss before taxation is arrived at after taking into account the following operating expenses, amongst others:

	2026 (R)	2025 (R)
Accounting fees	-	339 400
Administration fee	530 832	-
Amortisation of intangible assets	1 043 170	1 043 170
Auditors' remuneration	1 231 460	1 313 388
Audit fees – 2026 (Forvis Mazars)	1 220 000	-
Audit fees – 2025 (BDO)	11 460	1 033 780
Audit fees – 2024 (BDO)	-	279 608
Bank charges	44 406	38 061
Brokerage fees	-	12 122
Total management fees	16 262 925	7 383 671
Loan management - 2%	7 107 376	4 873 083
Shared management fee	7 799 277	-
Loan deployment fee - 40%	1 356 272	2 510 588
Board member fees	245 988	205 000
Consulting fees	3 754 349	3 174 522
Fines and penalties	-	13 009
General expenses	8 595	11 116
Guarantee fees (refer to Note 19)	1 700 000	1 700 000
Loan written off	350 096	-
Legal fees	542 951	21 051
Listing and regulatory fees	520 238	2 029 549
Marketing and advertising	4 325 900	1 348 929
Meetings and conferences	62 812	345 349
Licence fees	67 742	69 266
Platform fees	616 885	520 625
Printing and stationery	377 626	170 415
Realised foreign exchange loss	54	538

	2026 (R)	2025 (R)
Travel and accommodation	1 448 856	1 420 225
Secretarial fees	4 000	6 750
Sponsorships	90 000	70 000
Subscriptions	112 235	79 857

16. Taxation

16.1 SA Normal taxation

	2026 (R)	2025 (R)
Current taxation	-	-
Deferred taxation	(5 659 112)	(4 212 397)
Tax expense per statement of comprehensive income	**(5 659 112)**	**(4 212 397)**

No current taxation is provided for as the company has a calculated taxable loss. Refer to Note 5 for the deferred tax asset raised in respect of estimated tax losses.

16.2 Reconciliation between the accounting loss and tax expense

	2026 (R)	2025 (R)
Tax adjustments on taxable income		
Tax charge at 27%	(4 647 787)	(4 550 817)
Expenses not deductible for tax purposes – amortisation of intangible assets	281 656	281 656
Other non-deductible expenses	94 647	56 764
Prior year adjustment – SARS reassessment of assessed loss	(1 387 628)	-
	(5 659 112)	**(4 212 397)**

The reconciliation above includes both permanent differences (items that are never taxable or deductible for income tax purposes) and the impact of a prior period adjustment arising from a SARS reassessment of the Fund's assessed loss carried forward. The amortisation of intangible assets of R1,043,170 is not deductible for income tax purposes as the intangible assets were acquired and recognised for accounting purposes but do not qualify for a corresponding tax deduction under the Income Tax Act. This permanent difference accordingly increases the effective tax rate above the statutory rate of 27%. The assessed tax losses giving rise to the deferred tax asset in Note 5 represent a temporary difference and do not form part of this reconciliation as they will reverse when the Fund returns to taxable profitability.

Notes to the Financial Statements (cont.)

17. Notes to statement of cash flows

17.1 Reconciliation of net loss before taxation to cash flows utilised by/generated from operations

	2026 (R)	2025 (R)
Net loss before taxation	**(17 214 027)**	**(16 854 874)**
Adjustments for non-cash items		
SEDFA administration fee	375 000	-
Amortisation of intangible assets	1 043 170	1 043 170
Expected credit loss on loans and advances	3 122 698	7 081 914
Loan written off	350 096	-
Interest income recognised in profit or loss	(53 738 849)	(35 665 296)
Finance costs on interest-bearing borrowings	34 489 180	24 199 246
Operating loss before working capital changes	**(31 572 732)**	**(20 195 840)**
Working capital changes	(46 749 091)	(189 379 827)
(Increase) in loans and advances to customers	(48,355,528)	(189 246 617)
(Increase) in other receivables	(425 396)	(407 255)
Increase in trade and other payables	2 031 834	274 045
Cash utilised by operating activities	**(78 321 823)**	**(209 575 667)**

17.2 Cash and cash equivalents

Cash and cash equivalents consist of balances with banks and investments in money market instruments. Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:

	2026 (R)	2025 (R)
Bank and cash balances	155 822 966	35 857 221

Included in the cash and cash equivalents balance are money market investments amounting to R110,917,876. This investment is highly liquid as it can be converted into cash within 3 days, and also carries an insignificant risk of changes in value since the underlying investments are in stable bonds.

ACOF has issued a financial guarantee in favour of Nedbank Limited for an overdraft facility of up to R5,000,000 granted to its shareholder, Africa Bitcoin Corporation Limited. The guarantee was initially recognised at fair value, assessed as immaterial given the low probability of the guarantee being called upon, and accordingly no financial liability was recognised on initial recognition.

The guarantee is subsequently measured at the higher of the ECL loss allowance and the amount initially recognised less cumulative income amortised. The ECL at 28 February 2026 is assessed as immaterial based on the shareholder's status as an active JSE-listed entity, the absence of any default under the facility, and no indicators of financial stress at the shareholder level. No financial liability has been recognised (2025: nil). The maximum exposure to credit risk under the guarantee is R5,000,000. Refer to Note 21.

Notes supporting the cash flows

Reconciliation cashflow movements of liabilities			
	Interest-bearing borrowings (R)	Enterprise development loan (R)	Total (R)
At 1 March 2025	**226 075 965**	**-**	**226 075 965**
Cash flow advances	187 068 750	-	187 068 750
Cash flow repayments	(2 747 098)	-	(2 747 098)
	34 920 430	-	34 920 430
Interest accrued	34 489 180	-	34 489 180
SEDFA administration expenses	431 250	-	431 250
At 28 February 2026	**445 318 047**	**-**	**445 318 047**

Notes to the Financial Statements (cont.)

Reconciliation cashflow movements of liabilities	Interest-bearing borrowings (R)	Enterprise development loan (R)	Total (R)
At 1 March 2024	**82 742 465**	**1 852 500**	**84 594 965**
Cash flow advances	120 000 000	-	120 000 000
Cash flow repayments	-	-	-
	23 333 500	(1 852 500)	21 481 000
Interest accrued	23 333 500	-	23 333 500
Recognition of loan payable settled through offsetting arrangement	-	(1 852 500)	(1 852 500)
At 28 February 2025	**226 075 965**	**-**	**226 075 965**

18. Events after the reporting date

The directors have considered events arising subsequent to 28 February 2026 and up to the date of approval of the financial statements, including an assessment of the macroeconomic and geopolitical environment from both a direct and indirect perspective. From a direct perspective, the directors have evaluated changes in the South African prime lending rate, funding market conditions, the regulatory environment applicable to listed debt issuers, and broader geopolitical developments that may affect the Fund's operations, access to capital, and financial position. From an indirect perspective, the directors have evaluated the macroeconomic factors affecting the operating environment of the Fund's SME borrowers, including movements in the prime lending rate, GDP growth, inflation, fuel prices, exchange rate volatility, global commodity price movements, and SME sector credit conditions, together with the consequent impact on borrower debt service capacity and the Fund's expected credit loss assumptions.

Management has evaluated each of these factors against the Fund's risk management framework, the underlying borrower portfolio, and the forward-looking inputs incorporated into the ECL model. The Fund has no direct foreign currency exposure as all loans, borrowings, and cash balances are denominated in South African Rand, and all borrowers operate exclusively within the Republic of South Africa. Management has concluded that the macroeconomic and geopolitical conditions prevailing subsequent to year end are consistent with the assumptions applied at the reporting date and do not give rise to any adjustment to the financial statements as at 28 February 2026.

The following non-adjusting events occurred between 28 February 2026 and the date of approval of these financial statements:

a. On 28 April 2026, the Fund's parent and Fund Manager, Africa Bitcoin Corporation Limited, effected a 3-for-1 subdivision of its issued ordinary shares and listed Class C Preferred Ordinary Shares. The subdivision is at the parent level and does not affect the share capital, share count or per-share figures of the Fund.
b. On 10 April 2026, Mr. Robin Coode CA(SA) was appointed as Independent Non-Executive Director of Africa Bitcoin Corporation, and as Chairperson of the Group Audit and Risk Committee, closing a specialist audit and IFRS governance gap identified by the Board.
c. On 10 April 2026, Ms. Norma Sephuma, Independent Non-Executive Chairperson of the Board of the Fund, was appointed as Chairperson of the Board of the Fund's parent and Fund Manager, Africa Bitcoin Corporation Limited, succeeding Mr. Stafford Masie. Ms. Sephuma continues to serve as Independent Non-Executive Chairperson of the ACOF Board. The appointment is at the parent level and has no impact on the governance arrangements of the Fund.
d. At the parent level, Mr. Stafford Masie was redesignated from Executive Chairperson to Executive Director: Bitcoin Strategy with effect from 10 April 2026. The redesignation has no impact on the Fund's governance arrangements, which remain ring-fenced from the Group's Bitcoin treasury activities.
e. The Fund has appointed Questco Corporate Advisory as advisor for the proposed transfer of its R5 billion Domestic Medium Term Note programme from the Cape Town Stock Exchange to the Johannesburg Stock Exchange. The transfer remains subject to regulatory and noteholder approval and to the Fund continuing to comply with the CTSE Debt Listings Requirements until the transfer is concluded.
f. The promissory note receivable from Africa Bitcoin Corporation Limited disclosed in Note 6 was extended for a further three months, with the revised repayment date of 30 June 2026. The IFRS 9 modification assessment is set out in Note 6.

Each of the events listed above is a non-adjusting event after the reporting date in accordance with IAS 10. None of these events gives rise to an adjustment to the amounts recognised in these financial statements as at 28 February 2026.

The directors are not aware of any other matters or circumstances arising subsequent to 28 February 2026, not otherwise dealt with in these financial statements, which would significantly affect the financial position of the Fund as at that date, or the results of its operations or cash flows for the year then ended.

Notes to the Financial Statements (cont.)

19. Related parties

The following related parties are related to the company:

Relationship	Name
Shareholder/parent company	Africa Bitcoin Corporation Limited (previously known as Altvest Capital Limited)
Executive directors	WG Wheatley AS Karan TL Wheatley JL Phillips (appointed 1 August 2025)
Independent Non-Executive directors	GM Sephuma SKI Masakale M Maradzika (appointed 1 October 2025) A Kabagambe (appointed 1 October 2025) S Maputla (appointed 1 October 2025)
Former non-executive directors	E Harcourt-Wood (resigned 23 June 2025) K Sithole (resigned 12 December 2025)
Companies controlled by similar directors	Tatum Keshwar Investments (Director TL Wheatley) Proprietary Limited WGW Capital Proprietary Limited (Director WG Wheatley)
Company of close relative of shareholder's director	Vo2 Max Private Gym CC
Investee company of the parent company	Bambanani Properties Proprietary Limited

Related party transactions

The following transactions were carried out with related parties:

	2026 (R)	2025 (R)
Administration fee paid and capital raise fees earned		
Africa Bitcoin Corporation Limited	(1 356 272)	(2 510 588)
Interest received		
Africa Bitcoin Corporation Limited	2 863 983	636 447
Bambanani Properties Proprietary Limited	506 749	548 449
Vo2 Max Private Gym CC	652 302	567 086
Guarantee fees		
WGW Capital Proprietary Limited	1 500 000	1 500 000
Tatum Keshwar Investments Proprietary Limited	200 000	200 000
	1 700 000	**1 700 000**

The directors of ACOF hold majority interests in WGW Capital Proprietary Limited and Tatum Keshwar Investments Proprietary Limited. As a condition of the SEDFA loan facility granted to ACOF, these entities provided security to SEDFA in the form of pledged shares in Africa Bitcoin Corporation Limited and related guarantees. These guarantee fees are disclosed under expenses in this note and in Note 15. These entities provided security to SEDFA in connection with the SEDFA loan facility granted to ACOF, as more fully described in Note 11.2.

	2026 (R)	2025 (R)
Asset management fee		
Africa Bitcoin Corporation Limited	7 107 376	4 873 083
Shared management fee		
Africa Bitcoin Corporation Limited	7 799 277	-
Consulting fees		
Tatum Keshwar Investments Proprietary Limited	1 010 000	970 000
Marketing fees		
Bambanani Properties Proprietary Limited	4 290 413	-

Marketing fees paid to Bambanani Properties Proprietary Limited relate to media credits held by Bambanani with a reputable media company, which were utilised by the Fund for its institutional investor marketing programme during the year. The pricing was compared against alternative quotes obtained from independent service providers and the engagement was approved by the Board prior to implementation. A portion of the value of these media credits was applied in settlement of amounts owing by Bambanani to the Fund under its loan facility. The Audit and Risk Committee reviewed the transaction and confirmed that it was conducted on terms equivalent to those prevailing in arm's length transactions.

Board member fees (Non-executive directors)

	2026 (R)	2025 (R)
GM Sephuma	40 000	44 000
IQI Affiliates Proprietary Limited – SKI Masakale	60 000	59 000
Intaba Capital Proprietary Limited – E Harcourt-Wood	40 000	62 000
Corcusca Consulting Proprietary Limited – K Sithole	60 000	-
MJR Holdings (Pty) Ltd – M Maradzika	30 000	-
A Kabagambe	7 988	-
Sibo Consulting Proprietary Limited – S Maputla	8 000	-
	245 988	**165 000**

Notes to the Financial Statements (cont.)

Board member fees (Executive directors)

	2026 (R)	2025 (R)
TL Wheatley	-	40 000

Outstanding balances included in trade and other payables

	2026 (R)	2025 (R)
Africa Bitcoin Corporation Limited	847 529	-
WGW Capital Proprietary Limited	366 268	-
TL Wheatley	-	40 000
	1 213 797	**40 000**

Loans receivable (included in loans and advances to customers)

	2026 (R)	2025 (R)
Vo2 Max Private Gym CC	3 348 347	5 067 134

The loan was advanced for working capital purposes. The facility bears interest at the South African prime lending rate plus 6.25% per annum, with an effective interest rate of 18% per annum after amortisation of the initiation fee of R159,000 charged at inception. The loan is repayable over 24 monthly instalments, with the first repayment due on 1 August 2024 and the final repayment due on 1 August 2026. The default interest rate is 5% per annum, charged on overdue amounts. Repayments are collected by monthly debit order.

	2026 (R)	2025 (R)
Bambanani Properties Proprietary Limited	1 803 751	5 587 416

The facility bears interest at the South African prime lending rate plus 6.25% per annum, with an effective interest rate of 16.75% per annum. The loan is fully amortising over monthly instalments, with the first repayment due on 7 September 2025, a special repayment of R1,050,000 due on 9 February 2026, and the final repayment due on 7 December 2028. The default interest rate is 5% per annum, charged on overdue amounts. Repayments are collected by monthly debit order.

Outstanding loans to shareholders and other related companies

Loans to group companies and shareholders are disclosed in Notes 6 and 9.

Director emoluments for services rendered

2026	Paid by the company (R)	Paid by Group (R)	Total (R)
WG Wheatley			
Basic salary	6 203 145	-	6 203 145
Other short-term incentives	-	-	-
Subtotal	**6 203 145**	**-**	**6 203 145**
AS Karan			
Basic salary	1 880 000	-	**1 880 000**
Other short-term incentives	32 441	-	32 441
Subtotal	**1 912 441**	**-**	**1 912 441**
JL Phillips*			
Basic salary	1 200 000	-	1 200 000
Other short-term incentives	16 949	-	16 949
Subtotal	1 216 949	**-**	**1 216 949**

*Mr. JL Phillips was appointed as Executive Director and Financial Director of the Fund with effect from 1 August 2025. His FY2026 emoluments are disclosed for the full financial year, reflecting his prior service to the Group as Chief Financial Officer from March 2025 to 31 July 2025 and his service as Executive Director and Financial Director of the Fund from 1 August 2025 to year-end.

2025	Paid by the company (R)	Paid by Group (R)	Total (R)
WG Wheatley			
Basic salary	5 400 000	-	5 400 000
Other short-term incentives	2 639 188	-	2 639 188
Subtotal	**8 039 188**	**-**	**8 039 188**
AS Karan			
Basic salary	1 800 000	-	1 800 000
Other short-term incentives	36 363	-	36 363
Subtotal	**1 836 363**	**-**	**1 836 363**
JL Phillips			
Basic salary	100 000	-	100 000
Other short-term incentives	-	-	-
Subtotal	**100 000**	**-**	**100 000**

All related party transactions were conducted on terms equivalent to those prevailing in arm's length transactions.

Notes to the Financial Statements (cont.)

20. Going concern

	2026 (R)	2025 (R)
The company incurred a net loss for the year ended:	(11 554 915)	(12 642 477)
Total assets exceeded total liabilities by:	27 279 540	38 772 354

The Fund has incurred losses in both the current and prior financial years. Notwithstanding this, the directors are satisfied that adequate financial resources exist to support operations for the foreseeable future and the financial statements have accordingly been prepared on the going concern basis.

The directors' assessment is supported by the following: assets under management grew by 77.5% during the year from R282,759,319 to R502,063,500, driven by R150 million raised through the Domestic Medium Term Note programme and R37.5 million drawn under the SEDFA development finance facility (a fully drawn term loan with a maturity date of 28 February 2029). Capital continues to be deployed into qualifying SME loans, which will increase interest-generating assets and net interest income in the period ahead.

Management-approved forecasts project that the Fund will achieve profitability for the first time during the financial year ending 28 February 2028. While the Fund has incurred losses in both the current and prior financial years, this is consistent with the early-stage nature of an SME credit fund where capital is initially raised and progressively deployed into the loan portfolio before interest revenue scales sufficiently to cover finance costs and operating expenses. The forecast path to profitability is based on the following key assumptions: assets under management are expected to continue growing as capital raised is progressively deployed into the loan portfolio; the net interest margin is expected to be maintained at current levels, with lending rates linked to prime and borrowing costs fixed at prime plus 2% per annum as disclosed in Note 11; and the operating cost base is projected to grow at a rate below revenue growth as the Fund achieves greater operational scale. The discount rate and terminal growth rate assumptions applied in management's forecasts are consistent with those disclosed in Note 4, being a discount rate of 21.0% and a terminal growth rate of 8.16%. Collateral coverage stands at approximately 252% of the gross loan book.

The directors are not aware of any new material changes that may adversely impact the company. The direc-tors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

21. Commitments and guarantees

Altvest Credit Opportunities Fund Limited has provided a guarantee of R5 million in favour of Nedbank Limited for an overdraft facility granted to its shareholder, Africa Bitcoin Corporation Limited. The facility is utilised by Africa Bitcoin Corporation Limited for operational funding. As at the reporting date, no default has occurred under the facility, and the directors consider the likelihood of the guarantee being called upon to be low. Accordingly, no liability has been recognised in respect of this guarantee.

The initial fair value of the guarantee was assessed as immaterial, and no liability has been recognised.

22. Financial instruments

Categories of financial instruments

2026			
Categories of financial assets	Fair value through P/L (R)	Amortised cost (R)	Total (R)
Shareholder loan	-	33 589 036	33 589 036
Loans and advances to customers	-	254 996 412	254 996 412
Cash and cash equivalents	-	155 822 966	155 822 966
Promissory note	-	11 544 851	11 544 851
Total	**-**	**455 953 265**	**455 953 265**

2025			
Categories of financial assets	Fair value through P/L (R)	Amortised cost (R)	Total (R)
Shareholder loan	-	2 956 488	2 956 488
Loans and advances to customers	-	201 959 940	201 959 940
Cash and cash equivalents	-	35 857 221	35 857 221
Promissory note	-	10 439 855	10 439 855
Total	**-**	**251 213 504**	**251 213 504**

Notes to the Financial Statements (cont.)

2026			
Categories of financial liabilities	**Fair value through P/L (R)**	**Amortised cost (R)**	**Total (R)**
Trade and other payables	-	2 203 374	2 203 374
Interest-bearing borrowings (including debt notes)	-	445 318 047	445 318 047
Total	**-**	**447 521 421**	**447 521 421**

2025			
Categories of financial liabilities	**Fair value through P/L (R)**	**Amortised cost (R)**	**Total (R)**
Trade and other payables	-	1 076 542	1 076 542
Interest-bearing borrowings (including debt notes)	-	226 075 965	226 075 965
Total	**-**	**227 152 507**	**227 152 507**

Market risk

The Fund's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk. The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance. Risk management is carried out under policies approved by management. The market risk model has performed as expected and the market risk framework continues to ensure adequate management of exposures. All measures have remained within the Board approved limits over the period.

Liquidity risk

Liquidity risk arises from the Fund's potential inability to meet its payment obligations when they fall due or only being able to meet these obligations by incurring excessive costs. Liquidity risk is driven by the ma-turity profile of the Fund's assets and liabilities as well as client behaviour. To manage and mitigate the liquidity risk introduced by its business activities, the company seeks to optimise its funding profile within structural and regulatory constraints to enable its businesses to operate in an efficient and sustainable manner. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and continued financial support from the shareholder. The Fund focuses on continually monitoring and analysing the impact of potential risks on its funding and liquidity position to ensure business activities are preserved and funding is available and stable. This ensures the company can operate through periods of stress when access to funding is constrained. The Fund holds a liquidity buffer in the form of cash and cash equivalents. Liquidity coverage ratios and funding gap analyses are reviewed regularly by management.

The table below analyses the Fund's financial liabilities and financial assets into relevant maturity groupings based on the remaining period at the financial year end date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Undiscounted maturity analysis of financial instruments – 2026

Class	Carrying amount	Total	Within 1 year	1 to 5 years	6 to 7 years
Non-current assets					
Loans and advances to customers	192 562 121	224 283 903	-	224 283 903	-
Current assets					
Loans and advances to customers	62 434 291	88 452 474	88 452 474	-	-
Loan to shareholder	33 589 036	35 478 669	35 478 669	-	-
Promissory note	11 544 851	11 977 883	11 977 883	-	-
Cash and cash equivalents	155 822 966	155 822 966	155 822 966	-	-
Total assets	**455 953 265**	**516 015 895**	**291 731 992**	**224 283 903**	**-**
Non-current liabilities					
Interest-bearing borrowings (including debt notes)	445 318 047	871 003 264	11 724 464	34 976 389	824 302 411
Current liabilities					
Trade and other payables	2 203 374	2 203 374	2 203 374	-	-
Financial guarantee contracts*	5 000 000	5 000 000	5 000 000	-	-
Total liabilities	**452 521 421**	**878 206 638**	**18 927 838**	**34 976 389**	**824 302 411**

* The R5,000,000 financial guarantee in favour of Nedbank Limited represents the maximum exposure if called. No financial liability has been recognised on the statement of financial position as the expected credit loss has been assessed as immaterial (refer to Note 21). The amount is included in the undiscounted contractual cash flows for completeness but is not an expected outflow.

Notes to the Financial Statements (cont.)

Undiscounted contractual cash flows represent the full contractual amounts receivable or payable without discounting and accordingly exceed the carrying amounts of financial instruments measured at amortised cost. The differences represent future contractual interest not yet accrued at the reporting date. For non-current loans and advances to customers, the excess of R31,721,782 (undiscounted cash flows R224,283,903 less carrying amount R192,562,121) represents future interest income receivable over the remaining loan terms. For interest-bearing borrowings, the excess of R425,685,218 (undiscounted cash flows R871,003,264 less carrying amount R445,318,047) represents future finance charges payable, inclusive of compounding on the DMTN notes over their remaining terms to maturity.

Undiscounted maturity analysis of financial instruments – 2025

Class	Carrying amount	Total	Within 1 year	1 to 5 years	6 to 7 years
Non-current assets					
Loans and advances to customers	161 908 039	213 656 556	-	213 656 556	-
Promissory note	10 439 855	11 786 301	-	11 786 301	-
Current assets					
Loans and advances to customers	40 051 901	52 853 158	52 853 158	-	-
Loan to shareholder	2 956 488	2 956 488	2 956 488	-	-
Cash and cash equivalents	35 857 221	35 857 221	35 857 221	-	-
Total assets	**251 213 504**	**317 109 724**	**91 666 867**	**225 442 857**	**-**
Non-current liabilities					
Interest-bearing borrowings (including debt notes)	226 075 965	408 853 329	-	-	408 853 329
Current liabilities					
Trade and other payables	1 076 543	1 076 543	1 076 543	-	-
Financial guarantee contracts	5 000 000	5 000 000	5 000 000	-	-
Total liabilities	**232 152 508**	**414 929 872**	**6 076 543**	**-**	**408 853 329**

The following controls are in place to manage liquidity risk: cash flow forecasts are prepared and reviewed regularly by management; a liquidity buffer is maintained in the form of cash and cash equivalents and money market instruments; the maturity profile of assets and liabilities is monitored to identify and man-age funding gaps; and the Fund maintains access to committed funding through the DMTN programme and the SEDFA facility.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The company manages credit risk through robust credit assessments and approval processes, risk grading models, regular monitoring of exposures and loan portfolio diversification by sector and borrower type.

The maximum exposure to credit risk in respect of the financial guarantee contract issued to Nedbank Limited in favour of Africa Bitcoin Corporation Limited is R5,000,000, being the maximum amount the Fund would be required to pay if the guarantee were called upon in full. Refer to Note 21 for further details of the guarantee, the ECL assessment performed at the reporting date, and the basis for the conclusion that no financial liability has been recognised.

The following controls are in place to manage credit risk: individual credit assessments are performed for each borrower prior to loan approval using the Basel III monitoring framework; the Investment Committee approves all loans and advances; collateral is assessed and valued at inception and reviewed at each reporting date; the loan portfolio is monitored monthly for arrears and deterioration in borrower financial position; and expected credit losses are calculated and reviewed at each reporting date.

Notes to the Financial Statements (cont.)

Credit risk rating grades analysis

The following table sets out the credit risk rating grades analysis for financial assets and financial guarantee contracts

Instrument	Internal Credit Grade	Basis of Allowance	Gross Carrying Amount 2026	Amount ECL Allowance	Net Carrying Amount 2026
2026					
Loans and advances to customers	Performing - Stage 1	12-month ECL	212 516 860	(5 489 363)	207 027 497
Loans and advances to customers	Doubtful - Stage 2	Lifetime ECL (not credit impaired)	18 016 013	(742 523)	17 273 490
Loans and advances to customers	Credit impaired - Stage 3	Lifetime ECL (credit impaired)	35 416 638	(4 721 213)	30 695 425
Shareholder loan	Performing - Stage 1	12-month ECL	33 589 036	-	33 589 036
Promissory note	Performing - Stage 1	12-month ECL	11 544 851	-	11 544 851
Cash and cash equivalents	Not rated - low risk	Not applicable	155 822 966	-	155 822 966
Financial guarantee contract (Nedbank – ABC)	Performing - Stage 1	12-month ECL	5 000 000	-	5 000 000

Instrument	Internal Credit Grade	Basis of Allowance	Gross Carrying Amount 2026	Amount ECL Allowance	Net Carrying Amount 2026
2025					
Loans and advances to customers	Performing - Stage 1	12-month ECL	209 790 339	(7 830 399)	201 959 940
Shareholder loan	Performing - Stage 1	12-month ECL	2 956 488	-	2 956 488
Promissory note	Performing - Stage 1	12-month ECL	10 439 855	-	10 439 855
Financial guarantee contract (Nedbank – ABC)	Performing - Stage 1	12-month ECL	5 000 000	-	5 000 000
Cash and cash equivalents	Not rated- low risk	Not applicable	35 857 221	-	35 857 221

The Fund has issued a financial guarantee in favour of Nedbank Limited for an overdraft facility of up to R5,000,000 granted to Africa Bitcoin Corporation Limited. The guarantee was provided to enable Africa Bitcoin Corporation Limited to obtain the overdraft facility for the purpose of supporting its operational cash flow requirements. As a condition of granting the facility, Nedbank Limited required ACOF to provide security for the obligations of Africa Bitcoin Corporation Limited under the facility, which was satisfied through the issuance of this financial guarantee. The maximum exposure to credit risk in respect of this guarantee is R5,000,000, being the maximum amount the Fund would be required to pay if the guarantee were called upon in full. The expected credit loss has been assessed as immaterial based on the shareholder's status as an active JSE-listed entity and the absence of any default or financial stress indicators. No liability has been recognised at 28 February 2026 (2025: nil). Refer to Note 21 for further details.

All loans and advances to customers, the shareholder loan, and the promissory note are classified as performing at Stage 1 at the reporting date. No financial assets are classified at Stage 2 or Stage 3. Cash and cash equivalents are placed with major South African financial institutions of high credit standing and are not subject to the internal credit grading framework applied to loan assets. The financial guarantee contract represents the maximum exposure under the guarantee issued to Nedbank Limited in favour of Africa Bitcoin Corporation Limited. The ECL on the financial guarantee contract and on cash and cash equivalents is assessed as immaterial at the reporting date.

Loans and advances to customers

Altvest Credit Opportunities Fund ("Fund") developed a lending platform ("Platform") infrastructure specifically aimed at SME finance solutions. This platform is augmented by 3rd party data fees and credit analysis by skilled individuals, with the ultimate aim of developing a robust understanding of the creditworthiness of prospective borrowers. Assessing the creditworthiness of Small and Medium Enterprises (SMEs) is crucial for ACOF in determining the risk profile of potential borrowers and ensuring that all loan transactions are within an acceptable risk and return appetite.

The credit risk which the Fund faces arises mainly from consumer loans and advances. The ACOF business credit scoring measures the credit behaviour and affordability of a business and its directors leveraging expert external providers as well as proprietary capabilities from data captured from the business's financial statements and forecasts. The business credit scoring process aims to deliver a risk assessment of each company for the ultimate investment decision of the Fund.

The process involves evaluating a number of factors including credit history, financial statements, business stability, and overall market conditions. The Investment committee approves loans and advances to customers.

Other

The Fund's cash resources are placed with major South African financial institutions of high credit standing and approved by the executive committee comprising senior executives. Receivables are reflected

Notes to the Financial Statements (cont.)

net of expected credit losses, which are considered adequate. An expected credit loss is recognised based on a forward-looking, probability-weighted estimation of credit losses in accordance with IFRS 9, taking into account past events, current conditions and reasonable and supportable forecasts of future economic conditions. The recognition of an expected credit loss does not require an identified loss event to have occurred.

Loss allowance on loans and avances to customers

In accordance with the rebuttable presumption in IFRS 9, that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, other factors are also considered in making this determination (a customer enters debt review or a non-financial indication of increased risk is observed).

Loans receivable are subject to the expected credit loss provisions of IFRS 9 Financial Instruments, which requires a loss allowance to be recognised for all exposures to credit risk. The loss allowance for loans receivable is calculated based on twelve month expected losses if the credit risk has not increased significantly since initial recognition. In cases where the credit risk has increased significantly since initial recognition, the loss allowance is calculated based on lifetime expected credit losses. The loss allowance is updated to either twelve month or lifetime expected credit losses at each reporting date based on changes in the credit risk since initial recognition. If a loan is considered to have a low credit risk at the reporting date, then it is assumed that the credit risk has not increased significantly since initial recognition. On the other hand, if a loan is in arrears more than 30 days, then it is assumed that there has been a significant increase in credit risk since initial recognition.

Definition of default and credit-impaired financial assets

In accordance with the rebuttable presumption in IFRS 9, default has occurred when a financial asset is more than 90 days past due. A curing event to exit the past due status may occur only with full payment of current and arrear balances. In addition, a default also occurs when a debtor is assessed as unlikely to pay its credit obligations due to an external event that has a detrimental impact on the estimated future cash flows of that debtor, including death and insolvency.

Write-off policy

The company writes off a financial asset when there is no realistic prospect of recovery. The following indicators are used to

determine when a write-off is appropriate:

- The borrower is deceased and there are no recoverable assets in the estate
- The borrower is formally insolvent or in final liquidation with no prospect of dividend recovery
- Legal enforcement has been fully exhausted without recovery and no further legal recourse is available
- The loan has been in default for a continuous period exceeding 12 months with no payment received and no reasonable prospect of future payment
- Account fraud has been confirmed and the borrower cannot be located
- The debt has prescribed in terms of the Prescription Act 68 of 1969

Financial assets written off may still be subject to enforcement activities under the company's recovery strategies, taking into account legal advice where appropriate. Any recoveries made post write-off are recognised in profit or loss under other income in the period in which the recovery is received.

The maximum exposure to credit risk in respect of the financial guarantee contract is the maximum amount the Fund would have to pay if the guarantee were called upon, being R5,000,000. Refer to Note 21 for further details of the guarantee.

2026	Gross Carrying amount	Credit loss allowance
Loans and advances to customers	265 949 511	(10 953 099)
Shareholder loan	33 589 036	-
Promissory note	11 544 851	
Cash and cash equivalents	155 822 966	-
Financial guarantee contracts	5 000 000	-
	471 906 364	**(10 953 099)**

2025	Gross Carrying amount	Credit loss allowance
Loans and advances to customers	209 790 339	(7 830 399)
Group loans receivables	2 956 488	-
Promissory note	10 439 855	-
Cash and cash equivalents	35 857 221	-
Financial guarantee contracts	5 000 000	-
	264 043 903	**(7 830 399)**

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's long-term debt obligations and long-term loans with variable con-tractual interest rates. Cash and bank balances and other loans are subject to variable rates. This risk is man-aged by apportioning the cash reserves to the accounts with the most favourable rate.

Notes to the Financial Statements (cont.)

The following controls are in place to manage interest rate risk: the Fund monitors the prime lending rate and its impact on both interest revenue from variable rate loans and finance costs on variable rate borrowings on a monthly basis; the interest rate sensitivity analysis is reviewed at each reporting date; and management apportions cash reserves to accounts with the most favourable rates to optimise net interest income.

The interest rate sensitivity based upon loans and advances to customers, cash balances, the loan to shareholder and the promissory note bearing interest at varying rates linked to the prime lending rate, with a 1% fluctuation, will cause interest income to increase or decrease by R4,520,674 (2025: R2,512,135) per annum.

The finance costs sensitivity based upon debt notes bearing interest at rates linked to the prime bank overdraft rate, with a 1% fluctuation, will cause the interest expense to move by R2,260,759 (2025: R827,424) per annum.

Fair value

For short-term financial instruments, the directors consider that carrying amounts approximate fair values. For long-term financial instruments, being the DMTN debt notes and the SEDFA loan facility, fair values have been determined as disclosed in Note 11.

Capital risk management

For the purposes of capital management, the Fund defines capital as total equity plus interest-bearing borrowings. As at 28 February 2026 capital comprised the following:

	2026 (R)	2025 (R)
Total equity	27 279 540	38 772 354
Interest-bearing borrowings	445 318 047	226 075 965
Total capital	**472 597 587**	**264 848 318**

The primary objective of capital management is to ensure that the Fund maintains a sufficient capital base to support its SME lending operations, meet its obligations to noteholders and funders as they fall due, and sustain the growth of assets under management. The Fund raises capital through the issuance of DMTN debt notes to institutional investors and through equity contributions from its shareholder, Africa Bitcoin Corporation Limited, and deploys that capital exclusively into qualifying SME loans.

The company's objectives when managing capital are to safeguard its ability to continue as a going concern, provide returns for shareholders, and deliver benefits for other stakeholders while maintaining an optimal capital structure to reduce the cost of capital. To achieve these objectives, the company employs a comprehensive capital management strategy that includes regular monitoring of its capital adequacy and proactive management of its debt and equity structure.

The executive directors are actively involved in the daily operations of the Fund and in capital management decisions. The capital structure is reviewed at each reporting date with the objective of maintaining an appropriate balance between debt and equity having regard to the Fund's funding requirements, the cost of capital, the maturity profile of interest-bearing borrowings, and prevailing market conditions.

To manage capital risk, the Fund has implemented the following policies and practices:

- Capital monitoring: The Fund monitors its capital position on an ongoing basis through review of total equity, interest-bearing borrowings, the gearing position and compliance with the financial covenants attaching to the DMTN debt notes and the SEDFA development finance facility, as disclosed in Note 11.
- Stakeholder engagement: The Fund engages with its noteholders, funders and shareholder on capital and funding matters to ensure that capital management practices remain aligned with the obligations under the DMTN programme memorandum and the SEDFA facility agreement.
- Contingency planning: The Fund retains access to additional funding through further issuances under the DMTN programme and through equity contributions from its shareholder, Africa Bitcoin Corporation Limited, to address capital requirements as they arise.
- Periodic review: The capital structure is reviewed periodically by management, having regard to market conditions, the Fund's operational requirements, and the covenants attaching to interest-bearing borrowings.
- Through these capital management practices the Fund seeks to maintain financial stability, support the continued growth of assets under management, and meet its obligations to noteholders, funders and the shareholder as they fall due.

23. Segment reporting

Basis of segmentation and mandatory application of IFRS 8

IFRS 8 Operating Segments requires an entity whose debt or equity instruments are traded in a public market to disclose information about its operating segments. Altvest Credit Opportunities Fund Limited has debt instruments listed on the Cape Town Stock Exchange under bond codes 4ACD01, 4ACD03 and 4ACD04. This listing constitutes a public market as contemplated by IFRS 8 paragraph 2, and compliance with IFRS 8 is accordingly mandatory for the year ended 28 February 2026.

Identification of operating segments and the chief operating decision maker

An operating segment is a component of an entity that engages in business activities from which revenues may be earned and expenses incurred, whose operating results are regularly reviewed by the chief operating decision maker ('CODM') and for which discrete financial information is available.

Notes to the Financial Statements (cont.)

The CODM of the Fund has been identified as the Board of Directors, which reviews performance and allocates resources on a total Fund basis.

Following assessment of the Fund's business activities, the Board has determined that the Fund operates as a single operating segment, being the origination and management of structured loans to small and medium enterprises ('SMEs') within the Republic of South Africa.

All capital is raised through the DMTN programme listed on the CTSE and through the SEDFA facility, and is deployed exclusively into qualifying SME loans. No separate geographic distinction exists, as all activities are conducted within South Africa.

As the Fund operates as a single reportable segment:

- No aggregation of segments has been applied
- Segment information is fully reflected in the primary financial statements and related notes
- No reconciliation is required, as there are no differences between segment information and reported results

Measurement basis used by the CODM

The Board evaluates the performance of the single segment using the following key measures: total interest revenue, net interest income after finance costs, expected credit loss charge, other operating expenses, loss before and after taxation, and growth in assets under management ('AUM'). These measures correspond directly to the line items presented in the Statement of Profit or Loss and Other Comprehensive Income. All capital allocation decisions are made on a total Fund basis, with no allocation of resources between sub-segments.

These measures are consistent with those presented in:

- Statement of Profit or Loss and Other Comprehensive Income
- Statement of Financial Position

All capital allocation decisions are made on a total Fund basis, with no allocation between sub-segments.

Segment information

As the Fund has only one operating segment, all financial information relating to this segment is presented in the primary financial statements and the accompanying notes. Accordingly, revenue, profit or loss, assets and liabilities are not separately disclosed in this note, as this would duplicate information already present-ed in the statement of comprehensive income and statement of financial position.

Disaggregation of revenue

All revenue of the Fund is interest revenue earned within the single operating segment. Disaggregation of revenue is presented in Note 13.1.

	2026 (R)	2025 (R)
Assets under management	502 063 500	282 759 319
Increase in AUM	219 304 181	178 347 357
Percentage growth	77.5%	170.8%

Assets under management

The CODM monitors AUM as a key performance measure of the Fund's growth and capital deployment capacity. AUM is disclosed as follows:

AUM represents total interest-bearing borrowings plus issued share capital subscribed by investors, reflecting gross capital deployed into the Fund.

Information about major customers

The Fund's revenue is derived from SME lending, cash investments, and related party loan accounts. No single external customer contributed 10% or more of total revenue during the year ended 28 February 2026 (2025: same).

Geographic information

All operations of the Fund are conducted exclusively within the Republic of South Africa. All revenue is earned locally, all assets are located within South Africa, and all liabilities are denominated in South African Rand. Accordingly, no further geographic disaggregation is required.

Glossary of terms

Glossary of terms

The following abbreviations and defined terms are used throughout this Annual Integrated Report. Where a term is defined in the Companies Act, the JSE Listings Requirements, the CTSE Debt Listings Requirements, IFRS, or the King Code of Corporate Governance for South Africa, it bears the same meaning in this Report unless the context indicates otherwise.

ABC	Africa Bitcoin Corporation Limited (Registration Number 2021/540736/06), the JSE-listed parent of ACOF, formerly known as Altvest Capital Limited.
ACOF	Altvest Credit Opportunities Fund Limited (Registration Number 2022/737301/06), a wholly-owned private credit subsidiary of ABC providing secured lending to South African small and medium-sized enterprises.
AIR	Annual Integrated Report.
ARC	Audit and Risk Committee, a statutory committee of the Board constituted in accordance with section 94 of the Companies Act.
BACC	JSE share code for ABC's Class C Preferred Ordinary Shares (ISIN: ZAE000338448), through which public investors access the ACOF mandate.
BANC	NSX share code for ABC's Class C Preferred Ordinary Shares.
Board	The Board of Directors of Altvest Credit Opportunities Fund Limited.
Companies Act	The Companies Act 71 of 2008, as amended, of the Republic of South Africa.
CTSE	Cape Town Stock Exchange, on which ACOF's DMTN debt notes (bond codes 4ACD01, 4ACD03 and 4ACD04) are currently listed.
DMTN	Domestic Medium Term Note programme, a R5 billion debt issuance programme under which ACOF issues notes to institutional investors.
ECL	Expected Credit Loss, the IFRS 9 impairment measurement applied to ACOF's loans and advances to customers.
FAIS	Financial Advisory and Intermediary Services Act 37 of 2002
FY2026	The financial year ended 28 February 2026.
FYE	Financial year end. ACOF's financial year ends on the last day of February.
Fundee	An SME borrower funded through ACOF; the recipient of capital and a beneficiary of the Fundee Impact Storytelling Initiative.
Group	Africa Bitcoin Corporation Limited and its subsidiaries taken as a whole, including ACOF.
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board.

INED	Independent Non-Executive Director, as defined in the King Code of Corporate Governance.
JSE	JSE Limited, the licensed exchange under the Financial Markets Act operating the Johannesburg Stock Exchange.
JSE Debt Listings Requirements	The Debt Listings Requirements of the JSE, applicable to issuers of listed debt.
King Code	The King Code of Corporate Governance for South Africa, encompassing King IV (currently applied) and King V (applicable for financial years commencing on or after 1 January 2026; the Fund will apply King V from 1 March 2026).
NAV	Net asset value, being total assets less total liabilities as reported in accordance with IFRS.
NCA	National Credit Act, No. 34 of 2005, as amended.
NCR	National Credit Regulator, established under the National Credit Act.
NCRCP	NCR credit provider registration number. ACOF: NCRCP18241.
NED	Non-Executive Director.
RemNom Committee	The Remuneration and Nomination Committee of the Board (renamed Remuneration and Nomination Committee at Group level).
POPIA	Protection of Personal Information Act, No. 4 of 2013.
SARB	South African Reserve Bank.
SEC	Social and Ethics Committee, a statutory committee of the Board established in accordance with section 72(4) of the Companies Act, read with regulation 43.
SEDFA	Small Enterprise Development and Finance Agency, a state development finance institution.
SENS	Stock Exchange News Service, the JSE's official news service through which listed issuers publish regulatory announcements.
SME	Small and medium-sized enterprise.

altvest
credit opportunities fund

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