SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

(Registration Number 1961/002506/08)
Summary Consolidated Annual Financial Statements
for the year ended 30 June 2026

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SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

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Summary Consolidated Annual Financial Statements for the year ended 30 June 2026

Directors' Responsibilities and Approval

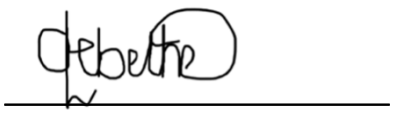
The directors are required by the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the summary consolidated annual financial statements and related financial information included in this report. These summary consolidated annual financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB®) and it is their responsibility to ensure that the summary consolidated annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the consolidated and separate statement of financial position, results of operations and business of the group, and explain the transactions and financial position of the business of the group at the end of the financial year. The summary consolidated annual financial statements are based upon appropriate accounting policies consistently applied throughout the group and supported by reasonable and prudent judgements and estimates.

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

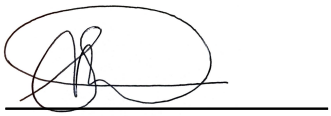
The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour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

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

The summary consolidated financial statements set out on pages 7 to 22 which have been prepared on the going concern basis, were approved by the directors and were signed on 11 November 2026 on their behalf by:



A Lebethe
Chief Executive Officer



S Mayekiso
Interim Chair of the Board

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Directors' Report

The directors present their report for the year ended 30 June 2026.

1. Incorporation

The Company is incorporated in the Republic of South Africa under the South African Companies Act as a non-profit company.

2. Nature of business

Southern African Music Rights Organisation NPC (SAMRO) carries on the business of administering the copyright in the works created by its members and other rights holders it represents.

3. Operating and financial review

The financial results of the group and company are set out on pages 7 to 22.

During the 2021 financial year, SAMRO NPC was awarded Public Benefit Organisation (PBO) Status by the receiver of revenue. This PBO status exempts SAMRO NPC from normal taxation on it's profits.

4. Going concern

As at 30 June 2026, the group’s total assets exceed its liabilities by R76.6 million, and as at 30 June 2025, the group's total assets exceeded its liabilities by R60.2 million.
As at 30 June 2026, the company’s total assets exceed its liabilities by R163.4 million, and as at 30 June 2025, the company's total assets exceeded its liabilities by R148.7 million.

The group made a loss of R3.6 million for the year (2025: loss of R4.4 million).
The company made a nil profit/ loss for the year (2025: nil profit/ loss for the year).

The company's current liabilities exceed its current assets by R361.3 million (Group: R374.2 million), indicating a net current liability position as at 30 June 2026. However, the company has considered this position in its going concern assessment and has implemented various mitigating measures to manage liquidity risks and ensure that the company remains able to meet its financial obligations as they fall due. These measures include the continued implementation of cash management policies aligned with the distribution rules, which are intended to ensure that cash resources are appropriately managed and allocated in accordance with the company's distribution requirements. Furthermore, the company holds long-term investments which management considers to be readily convertible into cash, should the need arise. These investments therefore provide an additional source of liquidity and financial flexibility to meet the company's obligations as they fall due.

The directors have reviewed the company and group’s cash flow forecast for the year to 30 June 2027 and, in light of this review and available credit facilities, including other liquid assets, they are satisfied that the company and group has access to adequate resources to continue in operational existence for the foreseeable future.

5. Dividend

SAMRO has no share capital and thus does not declare dividends.

Directors' Report

6. Directors

The directors of the company during the year and up to the date of this report are as follows:
R Hill
S Mayekiso
R Naicker
A Lebethe
L Thomas
LA Bulley
LT Luthuli
TO Mlangeni (Appointed 18 May 2026)
H Crump (Appointed 18 May 2026)
N Maweni (Ceased to be a director on 1 October 2025)
S Vilakazi (Ceased to be a director on 11 September 2025)
G Le Roux (Ceased to be a director on 01 October 2025)
VM Motloutsi (Ceased to be a director on 11 September 2025)
MD Nkosi (Ceased to be a director on 18 March 2026)

Directors' interest in contracts

No material contracts involving directors' interests were entered into in the year under review.

7. Secretary

The group's designated secretary is Marianne Fourie.

8. Independent Auditors

SizweNtsalubaGobodo Grant Thornton Inc. were the independent auditors for the year under review.

9. Royalty Distribution

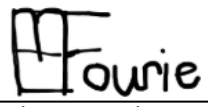
Distributions for the Company for the year, after taking into account social and cultural deductions and amounts transferred from reserves, was determined at R708.3 million (2025: R630.2 million), an increase of R78.1 million or 12.4%.

SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

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Certificate by the Company Secretary

I hereby confirm, in my capacity as company secretary of SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC, that for the financial year ended 30 June 2026, the company has filed all required returns and notices in terms of the Companies Act, 2008, with the Companies and Intellectual Property Commission and that all such returns and notices are to the best of my knowledge and belief true, correct and up to date.



Marianne Fourie
SAMRO
Company Secretary
Johannesburg

11 November 2026

Independent Auditor's Report on the Summary Consolidated Annual Financial Statements

To the Members of Southern African Music Rights Organization NPC

Opinion

The summary consolidated annual financial statements, which comprise the summary consolidated statements of financial position as at 30 June 2026, the summary consolidated statements of profit or loss and other comprehensive income, summary consolidated statements of changes in equity and summary consolidated cash flow statements for the year then ended, and related notes, are derived from the audited consolidated and separate financial statements of Southern African Music Rights Organisation NPC for the year ended 30 June 2026.

In our opinion, the accompanying summary of consolidated annual financial statements are consistent, in all material respects, with the consolidated and separate audited financial statements, are in accordance with International Accounting Standards (IAS) 34 and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Summary Consolidated Annual Financial Statements

The summary of consolidated annual financial statements does not contain all the disclosures required by IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa as applicable to summary financial statements. Reading the summary consolidated annual financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated and separate financial statements and the auditor's report thereon.

The summary consolidated annual financial statements and the audited consolidated and separate financial statements do not reflect the effects or events that occurred subsequent to the date of our report on the audited consolidated and separate financial statements.

The Audited Consolidated and Separate Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated 11 November 2026.

Director's Responsibility for the Summary Consolidated Annual Financial Statements

The directors are responsible for the preparation of the summary consolidated annual financial statements in accordance with the IAS 34 and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary consolidated annual financial statements are consistent, in all material aspects, with the audited consolidated and separate financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

SizweNtsalubaGobodo Grant Thornton Inc.

SizweNtsalubaGobodo Grant Thornton Inc.
Neridha Moodley
Registered Auditor
152 14th Road,
Noordwyk
Midrand
1687
11 November 2026

SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

(Registration Number 1961/002506/08)
Summary Consolidated Financial Statements for the year ended 30 June 2026

Statements of Profit or Loss and Other Comprehensive Income

Figures in R `000	Notes	Group 2026	Group 2025	Company 2026	Company 2025
Revenue	9	777 263	687 154	769 328	680 350
Other income	10	2 139	1 735	2 702	2 301
Distribution expenses (Royalties)		(708 315)	(630 167)	(708 315)	(630 167)
Administrative expenses		(10 701)	(11 290)	(10 469)	(11 059)
Net impairment losses on financial assets	12	(23 095)	(22 461)	(21 707)	(21 500)
Operating expenses		(204 441)	(184 560)	(195 634)	(175 762)
Other gains and (losses)	13	9 040	15 883	9 043	15 883
Loss from operating activities	14	**(158 110)**	**(143 706)**	**(155 052)**	**(139 954)**
Royalty distributions/ Undistributable income written back		91 763	74 163	91 763	74 163
Investment income	15	63 290	65 792	63 289	65 791
Loss before tax		**(3 057)**	**(3 751)**	**-**	**-**
Income tax expense		(585)	(692)	-	-
Loss for the year		**(3 642)**	**(4 443)**	**-**	**-**
Other comprehensive income net of tax					
Components of other comprehensive income that will not be reclassified to profit or loss					
Gains on revaluation of Land & buildings/ Musical instruments		5 309	5 732	-	23
Losses on remeasurements of Post-employment medical benefits		(1 767)	(192)	(1 767)	(192)
Total other comprehensive income that will not be reclassified to profit or loss		**3 542**	**5 540**	**(1 767)**	**(169)**
Components of other comprehensive income that will be reclassified to profit or loss					
Change in Fair value reserves					
Gains on mark-to-market reserve		16 535	21 629	16 535	21 629
Total change in Fair value reserves		**16 535**	**21 629**	**16 535**	**21 629**
Total other comprehensive income that will be reclassified to profit or loss		**16 535**	**21 629**	**16 535**	**21 629**
Total other comprehensive income net of tax		**20 077**	**27 169**	**14 768**	**21 460**
Total comprehensive income attributable to SAMRO members		**16 435**	**22 726**	**14 768**	**21 460**

SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

(Registration Number 1961/002506/08)
Summary Consolidated Financial Statements for the year ended 30 June 2026

Statements of Financial Position

Figures in R `000	Notes	Group 2026	Group 2025	Company 2026	Company 2025
Assets					
Non-current assets					
Property, plant and equipment		114 315	108 084	12 166	8 855
Intangible assets		4 435	5 796	4 435	5 796
Investments in subsidiaries		-	-	174	174
Investments	4	351 902	322 708	351 902	322 708
Loan to group company		-	-	174 236	173 993
Total non-current assets		**470 652**	**436 588**	**542 913**	**511 526**
Current assets					
Inventories		185	174	185	174
Trade and other receivables		347 549	183 298	358 978	194 935
Current tax assets		8 102	9 468	8 102	9 468
Cash and cash equivalents	5	807 547	838 173	807 369	837 405
Total current assets		**1 163 383**	**1 031 113**	**1 174 634**	**1 041 982**
Total assets		**1 634 035**	**1 467 701**	**1 717 547**	**1 553 508**
Equity and liabilities					
Equity					
(Accumulated loss) / retained income		(108 542)	(104 900)	13 988	13 988
Revaluation surplus		37 374	32 065	1 673	1 673
Remeasured post-employment medical benefit reserve		(1 636)	131	(1 636)	131
Mark - to - market reserve		149 408	132 873	149 408	132 873
Total equity		**76 604**	**60 169**	**163 433**	**148 665**
Liabilities					
Non-current liabilities					
Deferred tax liabilities		1 701	1 116	-	-
Post-employment medical benefits		18 135	16 754	18 135	16 754
Total non-current liabilities		**19 836**	**17 870**	**18 135**	**16 754**
Current liabilities					
Trade and other payables		66 705	49 352	65 089	47 779
Social and cultural obligations	6	51 303	51 954	51 303	51 954
Current portion of post-employment medical benefits		1 523	1 501	1 523	1 501
Distributions payable and in progress	7	1 418 064	1 286 855	1 418 064	1 286 855
Total current liabilities		**1 537 595**	**1 389 662**	**1 535 979**	**1 388 089**
Total liabilities		**1 557 431**	**1 407 532**	**1 554 114**	**1 404 843**
Total equity and liabilities		**1 634 035**	**1 467 701**	**1 717 547**	**1 553 508**

SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC

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Summary Consolidated Financial Statements for the year ended 30 June 2026

Statements of Cash Flows

Figures in R `000	Notes	Group 2026	Group 2025	Company 2026	Company 2025
Net cash flows from operations		**430 986**	**449 971**	**435 901**	**454 798**
Income taxes refunded		-	39	-	-
Royalty and social distributions to members and affiliated societies	7	(485 343)	(419 718)	(485 343)	(419 718)
Applied to social and cultural expenses		(30 224)	(25 586)	(30 224)	(25 586)
Net cash flows (used in) / from operating activities		**(84 581)**	**4 706**	**(79 666)**	**9 494**
Cash flows from investing activities					
Proceeds from sales of property, plant and equipment		265	52	264	52
Purchase of property, plant and equipment		(6 214)	(2 247)	(6 138)	(2 192)
Purchase of intangible assets		-	(1 991)	-	(1 991)
Purchases of investments		(18 946)	(5 508)	(18 946)	(5 508)
Proceeds from disposal of investments		15 561	13 418	15 561	13 418
Proceeds from loan to group company	8	-	-	450	500
Advancement of loan to group company	8	-	-	(4 850)	(5 000)
Interest received from investments and banks		58 946	61 929	58 945	61 928
Dividends received		4 344	3 863	4 344	3 863
Cash flows from investing activities		**53 956**	**69 516**	**49 630**	**65 070**
Net (decrease) / increase in cash and cash equivalents		**(30 626)**	**74 222**	**(30 036)**	**74 564**
Cash and cash equivalents at beginning of the year		838 173	763 951	837 405	762 841
Cash and cash equivalents at end of the year	**5**	**807 547**	**838 173**	**807 369**	**837 405**

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Statements of Changes in Equity - Company

Figures in R `000	Revaluation surplus	Remeasured post-employment medical benefit reserve	Mark- to-market reserve	(Accumulated loss) / retained income	Total
Balance at 1 July 2024	1 650	323	111 244	13 988	127 205
Changes in equity					
Revaluation of musical instruments	23	-	-	-	23
Actuarial loss on remeasured post-employment medical benefit	-	(192)	-	-	(192)
Fair value gain on investment through other comprehensive income	-	-	21 629	-	21 629
Total comprehensive income	23	(192)	21 629	-	21 460
Balance at 30 June 2025	**1 673**	**131**	**132 873**	**13 988**	**148 665**
Balance at 1 July 2025	**1 673**	**131**	**132 873**	**13 988**	**148 665**
Changes in equity					
Actuarial loss on remeasured post-employment medical benefit	-	(1 767)	-	-	(1 767)
Fair value gain on investment through other comprehensive income	-	-	16 535	-	16 535
Total comprehensive income	-	(1 767)	16 535	-	14 768
Balance at 30 June 2026	**1 673**	**(1 636)**	**149 408**	**13 988**	**163 433**

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Statements of Changes in Equity - Group

Figures in R `000	Revaluation surplus	Remeasured post-employment medical benefit reserve	Mark- to-market reserve	(Accumulated loss) / retained income	Total
Balance at 1 July 2024	26 333	323	111 244	(100 457)	37 443
Changes in equity					
Loss for the year	-	-	-	(4 443)	(4 443)
Revaluation of musical instruments and land and buildings	5 732	-	-	-	5 732
Actuarial loss on remeasured post-employment medical benefit	-	(192)	-	-	(192)
Fair value gain on investment through other comprehensive income	-	-	21 629	-	21 629
Total comprehensive income for the year	5 732	(192)	21 629	(4 443)	22 726
Balance at 30 June 2025	**32 065**	**131**	**132 873**	**(104 900)**	**60 169**
Balance at 1 July 2025	32 065	131	132 873	(104 900)	60 169
Changes in equity					
Loss for the year	-	-	-	(3 642)	(3 642)
Revaluation of land and buildings	5 309	-	-	-	5 309
Actuarial loss on remeasured post-employment medical benefit	-	(1 767)	-	-	(1 767)
Fair value gain on investment through other comprehensive income	-	-	16 535	-	16 535
Total comprehensive income for the year	5 309	(1 767)	16 535	(3 642)	16 435
Balance at 30 June 2026	**37 374**	**(1 636)**	**149 408**	**(108 542)**	**76 604**

Material Accounting Policies

1. General information

SOUTHERN AFRICAN MUSIC RIGHTS ORGANISATION NPC ('the company') and its subsidiaries (together, 'the group') is an organisation domiciled in South Africa dedicated to the collective management of copyright in musical works of composers, songwriters and publishers.

2. Basis of preparation and material accounting policy information

These summarised consolidated financial statements for the year ended 30 June 2026 have been extracted from the full set of audited consolidated annual financial statements for the year ended 30 June 2026, which have been prepared in accordance with IFRS Accounting Standards and the Companies Act of South Africa. The summarised consolidated financial statements have been prepared using the principles of IAS 34 "Interim Financial Reporting" and should be read in conjunction with the full set of audited consolidated annual financial statements. These accounting policies have been consistently applied to all the years presented, unless otherwise stated.

Notes to the Summary Consolidated Financial Statements

Figures in R `000	Group 2026	Group 2025	Company 2026	Company 2025

3. Capital expenditure incurred

Property and equipment	6 214	2 247	6 138	2 192
Software development	-	1 991	-	1 991
	6 214	**4 238**	**6 138**	**4 183**

SAMRO has replaced the Dynamix AX ERP system. However, SAMRO was still able to make use of Dynamics AX with the support provided by the internal IT department, until the development of the new core system (for the Distributions and Member Services departments) was completed and ready for use during FY24 and FY25. The new system includes the system replacements for Licensing, Member Services, Distributions, and Finance.
- Development of the new core system for the Distributions department had been completed in the last quarter of FY24. (Distributions data feeds from the new core system into the new Acumatica system).
- The new Licensing system (i.e. Acumatica) had been implemented and in use as from November 2023.
- Developments for the new Licensing system and Finance system started after November 2023.
- Implementation and use of the new Finance system (i.e. Acumatica) commenced 01 July 2024.
- Development of the distributions section of the Acumatica system in relation to Finance was completed in October 2024.
- Development of the CRM section of the Acumatica system for the Member Services department had also been completed and ready for use as from May 2025.

*Accumulated impairment - Software development	(11 522)	(11 522)	(11 522)	(11 522)
	(11 522)	**(11 522)**	**(11 522)**	**(11 522)**

*Microsoft had confirmed that it will no longer support Dynamics AX as from October 2023. Therefore, SAMRO had engaged with an external service provider in FY22 to assist with the development of a new core system (for the Distributions and Member services departments). However, the new core system as developed by this external service provider in FY22 and FY23 had not met the development criteria/needs as required by SAMRO. The SAMRO board made a decision on 21 July 2023 to discontinue the services provided by this external service provider. As a result, SAMRO has impaired the total amount of the development costs incurred up to 30 June 2023. The impairment charge for FY23 amounted to R11 522 075.09.

Contractual commitments for acquisition of intangible assets

The group had committed itself to operational expenditure of R3.9m (Business System Replacement Project costs) and capital expenditure of R2.9m (Project costs) in the 2027 financial year which have been contracted for and would be financed from its existing cash resources (FY26: Budget of R8.6m expenditure in total vs R2.5m operational expenditure actually incurred)

4. Investments

At cost	142 571	135 438	142 571	135 438
Market revaluation	149 408	132 873	149 408	132 873
Cumulative impact of Fair value adjustment on Unit Trusts- from OCI to profit	59 923	54 397	59 923	54 397
Financial assets at fair value through OCI and at fair value through profit/ loss	**351 902**	**322 708**	**351 902**	**322 708**

5. Cash and cash equivalents

Cash on hand and balances with banks	785 323	819 509	785 145	818 741
Short term investments	22 224	18 664	22 224	18 664
	807 547	**838 173**	**807 369**	**837 405**

Notes to the Summary Consolidated Financial Statements

Figures in R `000	Group 2026	Group 2025	Company 2026	Company 2025
6. Social and cultural obligations				
Social and cultural obligations	51 303	51 954	51 303	51 954
Balance at the beginning of the year	51 954	51 808	51 954	51 808
Utilisation during the year	(30 224)	(25 586)	(30 224)	(25 586)
Current funding for the year	29 573	25 732	29 573	25 732
Balance at the end of the year	**51 303**	**51 954**	**51 303**	**51 954**
6.1 Social Obligations				
Other social funds not included in distributions				
Balance at the beginning of the year	20 511	19 981	20 511	19 981
Utilisation during the year	(15 372)	(14 945)	(15 372)	(14 945)
Current funding for the year	17 744	15 475	17 744	15 475
Balance at the end of the year	**22 883**	**20 511**	**22 883**	**20 511**
Total social funds	**22 883**	**20 511**	**22 883**	**20 511**
6.2 Cultural obligations				
SAMRO Foundation and related obligations				
Balance at the beginning of the year	29 458	29 842	29 458	29 842
Utilisation during the year	(14 852)	(10 640)	(14 852)	(10 640)
Current funding for the year	11 829	10 256	11 829	10 256
Balance at the end of the year	**26 435**	**29 458**	**26 435**	**29 458**
Bequests and donations				
Balance at the beginning of the year	1 985	1 985	1 985	1 985
Utilisation during the year	-	-	-	-
Current funding for the year	-	-	-	-
Balance at the end of the year	**1 985**	**1 985**	**1 985**	**1 985**
Total cultural funds	**28 420**	**31 443**	**28 420**	**31 443**
Total social and cultural funds	**51 303**	**51 954**	**51 303**	**51 954**

Notes to the Summary Consolidated Financial Statements

Figures in R `000	Group 2026	Group 2025	Company 2026	Company 2025
7. Royalty distribution payments to members and affiliated societies				
Available for distribution at the end of the year	1 152 936	994 774	1 152 936	994 774
Distributions in progress at the end of the year	265 128	292 081	265 128	292 081
	1 418 064	**1 286 855**	**1 418 064**	**1 286 855**
Available for distribution at the beginning of the year	(994 774)	(865 639)	(994 774)	(865 639)
Distribution in progress at the beginning of the year	(292 081)	(284 930)	(292 081)	(284 930)
- Shares in musical works	(43 086)	(40 878)	(43 086)	(40 878)
- Musical works	(248 995)	(244 052)	(248 995)	(244 052)
Add:				
Distribution expenses (Royalties)	(708 315)	(630 167)	(708 315)	(630 167)
Royalty distributions/ Undistributable income written back	91 763	74 163	91 763	74 163
Less:				
Available for distribution at the end of the year	1 152 936	994 774	1 152 936	994 774
Distributions in progress at the end of the year	265 128	292 081	265 128	292 081
- Shares in musical works	51 565	43 086	51 565	43 086
- Musical works	213 563	248 995	213 563	248 995
Royalty distribution cash payments to members and affiliated societies	**(485 343)**	**(419 718)**	**(485 343)**	**(419 718)**
8. Non-licensing activities				
Decrease/ (Increase) in related party balances				
Loan to group company				
Opening balance	-	-	(176 745)	(176 478)
Intercompany charges	-	-	5 087	4 233
Administration, computer and management fees	-	-	(601)	(567)
Rental	-	-	4 964	4 687
*Other intercompany charges	-	-	724	113
(Cash Outflow): Advanced to group company	-	-	(4 850)	(5 000)
Cash inflow: Proceeds from group company	-	-	450	500
Closing balance	-	-	(176 058)	(176 745)
Decrease/ (Increase) in loan to group company	-	-	687	(267)

*Includes intercompany charges for stationery, telephone, employee benefits, and other operating expenses.

9. Revenue				
Music rights	734 905	649 191	734 905	649 191
Royalties from affiliated societies	34 423	31 159	34 423	31 159
SAMRO House rental income	7 935	6 804	-	-
Total revenue	**777 263**	**687 154**	**769 328**	**680 350**

Notes to the Summary Consolidated Financial Statements

Figures in R `000	Group 2026	Group 2025	Company 2026	Company 2025
10. Other income				
Sundry income	-	87	-	87
Administration, computer and management fees from subsidiary companies	-	-	601	567
Interest on member loans advanced	1 396	988	1 396	988
Interest on overpayment of provisional tax	101	-	101	-
Membership fee income	305	352	305	352
Bad debts recovered	337	308	299	307
Total other income	**2 139**	**1 735**	**2 702**	**2 301**
11. Employee benefits expense				
Personnel costs form part of operating expenses (refer note 14) and include:				
Salaries and bonuses	110 116	94 725	110 116	94 503
Training	1 638	1 751	1 638	1 751
Social security levies	1 182	1 167	1 182	1 165
Other employment costs	4 758	4 148	2 380	1 939
Pension - Defined contribution plans	11 411	10 970	11 411	10 935
Post-employment benefits	(364)	(58)	(364)	(58)
	128 741	**112 703**	**126 363**	**110 235**
12. Net impairment losses on financial assets				
Net impairment losses on financial assets comprises				
Trade receivables	23 095	22 461	22 637	22 202
Loans to group companies	-	-	(930)	(702)
	23 095	**22 461**	**21 707**	**21 500**
13. Other gains and (losses)				
(Loss)/ profit on disposal of property and equipment	(234)	15	(231)	15
Gain on disposal of investments	3 748	2 117	3 748	2 117
Fair value gains and (losses) on unit trusts	5 526	13 751	5 526	13 751
Total other gains and (losses)	**9 040**	**15 883**	**9 043**	**15 883**

Notes to the Summary Consolidated Financial Statements

Figures in R `000	Group 2026	Group 2025	Company 2026	Company 2025

14. Loss from operating activities

Loss from operating activities includes the following items:

Office rental and repairs[1]	6 737	6 370	4 980	4 688
Security[1]	3 861	2 027	1 825	-
Depreciation[1]	4 793	4 961	2 331	2 511
Amortisation[1]	1 361	3 576	1 361	3 576
Other operating costs[3]	6 309	5 526	6 307	5 520
Professional fees[1]	4 489	5 708	4 361	5 597
IT costs[2]	5 401	5 723	5 401	5 718
Employee benefits[1] - Refer note 11	128 741	112 703	126 363	110 235
Marketing costs[1]	4 177	3 934	4 177	3 934
Other costs[3]	12 778	11 274	12 731	11 213
Auditors remuneration[2]				
Fees (External) - current year	2 436	2 320	2 207	2 102
Fees (Internal) - current year	606	1 228	606	1 228
Fees - under provision previous years	98	107	99	106
	3 140	**3 655**	**2 911**	**3 436**
Investment management fees[1]	1 249	1 230	1 249	1 230
Social and Cultural expenses[1]				
Social	17 744	15 476	17 744	15 476
Cultural	11 829	10 256	11 829	10 256
	29 573	**25 732**	**29 573**	**25 732**

Notes:

[1] Included in Operating expenses

[2] Included in Administration expenses

[3] Included in Administration expenses and in Operating expenses

15. Investment income

Interest received from Banks	1 150	1 195	1 150	1 195
Interest received from Investments	57 796	60 734	57 795	60 733
Dividends	4 344	3 863	4 344	3 863
Total income from investments	**63 290**	**65 792**	**63 289**	**65 791**

Notes to the Summary Consolidated Financial Statements

Figures in R `000	Group 2026	Group 2025	Company 2026	Company 2025
16. Key management emoluments				
From the company and its controlled subsidiaries for:				
Directors				
Current emoluments				
- Non-executive directors' - fees	1 232	2 638	1 232	2 638
- Non-executive directors' - other	-	-	-	-
- Salaries	4 142	3 915	4 142	3 915
- Pension and medical contributions	507	534	507	534
- Bonuses and other fringe benefits	308	984	308	984
Total directors' current emoluments	6 189	8 071	6 189	8 071
Post-retirement benefits				
- Estimated post-retirement benefits	-	-	-	-
Total directors' emoluments	**6 189**	**8 071**	**6 189**	**8 071**
Paid by:				
- Company	6 189	8 071	6 189	8 071
- Subsidiaries	-	-	-	-
Total paid	**6 189**	**8 071**	**6 189**	**8 071**
Other key management				
Current emoluments				
- Salaries and bonuses	16 080	15 733	16 080	15 733
- Pension and medical aid contributions	1 910	1 597	1 910	1 597
- Other fringe benefits	117	89	117	89
Total other key management current emoluments	18 107	17 419	18 107	17 419
Post-retirement benefits				
- Estimated post-retirement benefits	58	5	58	5
Total other key management emoluments	**18 165**	**17 424**	**18 165**	**17 424**
Total key management emoluments	**24 354**	**25 495**	**24 354**	**25 495**

17. Events after the reporting date

No events occurred subsequent to 30 June 2026 that required the company to disclose or adjust the results as presented in these annual financial statements.

Notes to the Summary Consolidated Financial Statements

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18. Going concern

Company revenue has increased by 13.1% compared to the prior year and it is estimated that licensing revenue may increase by 8.2% during FY2027 compared to FY2026. The directors are consistently monitoring the financial performance, liquidity and solvency in order to ensure the company's ability to continue as a going concern. Operational costs will continue to be tightly controlled to mitigate any possible impact of reduced revenue levels. The directors have reviewed the company's forecasts for the next twelve months and are satisfied that the company has adequate financial resources to continue as a going concern.

As at 30 June 2026, the group's total assets exceed its liabilities by R76.6 million, and as at 30 June 2025, the group's total assets exceeded its liabilities by R60.2 million.

The group made a loss of R3.6 million for the year (2025: loss of R4.4 million).

The company's current liabilities exceed its current assets by R361.3 million (Group: R374.2 million), indicating a net current liability position as at 30 June 2026. However, the company has considered this position in its going concern assessment and has implemented various mitigating measures to manage liquidity risks and ensure that the company remains able to meet its financial obligations as they fall due. These measures include the continued implementation of cash management policies aligned with the distribution rules, which are intended to ensure that cash resources are appropriately managed and allocated in accordance with the company's distribution requirements. Furthermore, the company holds long-term investments which management considers to be readily convertible into cash, should the need arise. These investments therefore provide an additional source of liquidity and financial flexibility to meet the company's obligations as they fall due.

The directors have reviewed the company and group's cash flow forecast for the year to 30 June 2027 and, in light of this review and available credit facilities, including other liquid assets, they are satisfied that the company and group has access to adequate resources to continue in operational existence for the foreseeable future.

Notes to the Summary Consolidated Financial Statements

Figures in R `000

19. New standards, interpretations, and amendments

19.1 Standards, interpretations and amendments that are not yet effective at June 2026:

The Group has considered the following new standards and interpretations and amendments to existing standards, which are not yet effective as at June 2026 but are effective for the financial years commencing as reflected in the table:

Number	Title	Effective for year commencing	Expected effect on Annual Financial statements
IFRS 18	Presentation and Disclosure in Financial Statements: IFRS 18 replaces IAS 1 Presentation of Financial Statements with a focus on updates to the statement of profit or loss. The amendment requires enhanced profit or loss performance measures that are reported outside the financial statements and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.	1-Jan-27	A significant change to the primary financial statements is expected. The standard is expected to change the presentation and disclosures of the financial statements but is not expected to impact the financial position or net results. The assessment of existing Statement of Profit or loss and Other Comprehensive Income line items against the requirements of the new standard to identify items that may require reclassification between categories is ongoing. The group will seek, where practicable, to ensure consistent application across the business and to enhance the clarity and usefulness of its financial statements for users. The implementation will be undertaken through a robust process, supported by ongoing engagement with key stakeholders.
IFRS 19	Subsidiaries without Public Accountability - Disclosures: IFRS 19 simplifies disclosures for subsidiaries without public accountability, reducing costs while maintaining usefulness for stakeholders. Subsidiaries that elect to apply IFRS 19 will follow the same recognition, measurement and presentation requirements of those standards will be replaced with the reduced requirements of IFRS 19.	1-Jan-27	IFRS 19 will not be applied to the Group financial statements as the Group does not fall within the scope of the standard. The impact on the individual subsidiaries is still being assessed.
Amendments to IFRS 19	Subsidiaries without Public Accountability - Disclosures: The IASB reduced the disclosure requirements by excluding disclosure objectives relating to supplier finance arrangements, lack of exchangeability, Pillar Two model rules, classification and measurement of financial instruments, and non-current liabilities with covenants. It reduced disclosure requirements relating to supplier finance arrangements. It excluded disclosure requirements that are in fact guidance, not requirements. It replaced disclosure requirements relating to management-defined performance measures by a cross-reference to IFRS 18.	1-Jan-27	Impact is still being assessed.

Notes to the Summary Consolidated Financial Statements

Figures in R `000

New standards, interpretations, and amendments continued...

19.2 Standards and Interpretations effective and adopted in the current year

At the date of authorisation of these financial statements for the year ended 30 June 2026, the following IFRS Accounting Standards were adopted. The amendments with effective dates for years commencing on or after 01 January 2026 were eary adopted by the Group.

Number	Title	Effective for year commencing	Effect on Annual Financial statements
Amendments to IAS 21	Lack of Exchangeability: The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.	1-Jan-25	The amendment had no impact on the financial statements as no foreign exchange transactions took place in economies subject to lack of exchangeability, during the current financial year. This amendment is not anticipated have a material impact on the financial statements going forward should instances as such, occur.
Amendment to IFRS 9	Financial instruments – Transaction Price: This amendment removes the conflict between IFRS 9 and IFRS 15 over the amount at which the trade receivable is initially measured. Under IFRS 15, a trade receivable may be recognised at an amount that differs from the transaction price e.g., when the transaction price is variable. Conversely, IFRS 9 requires that companies initially measure trade receivables without a significant financing component at the transaction price. IFRS 9 has been amended to require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15.	1-Jan-26	The standard does not have an impact on the recognition and measurement of trade receivables. The measurement of the transaction price is entity-specific rather than relying on fair values.
Amendment to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments- These amendments: • clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; • clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; • add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and • make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).	1-Jan-26	The standard does not have an impact on the financial liabilities as the group has not elected to derecognise financial liabilities before its cash settlement date. The relevant disclosures for the equity investments designated at FVOCI have been provided in the full audited group set of financial statements. The rest of the amendments do not have a material impact on the financial statements.

Notes to the Summary Consolidated Financial Statements

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New standards, interpretations, and amendments continued...

Annual Improvements to IFRS Accounting Standards Volume 11	The amendments were made to address potential inconsistencies and potential confusions in the standards relating to: IFRS 1 dealing with hedge accounting by a first-time adopter IFRS 7 dealing with gain or loss on derecognition and disclosures in the implementation guidance IFRS 9 dealing with lessee derecognition of lease liabilities and transaction price IFRS 10 dealing with determination of 'de facto agent' IAS 7 dealing with the term 'cost method'	1-Jan-26	The standard does not have a material impact on the financial statements.