MOS Uitreiker Ltd

Annual financial statements for the year ended
31 December 2024

Contents

General Information

MOS Uitreiker Ltd
For the year ended 31 December 2024

1. Nature of Business

The business is involved in the educational financial support services industry. The company achieves this through sourcing capital from the open market by way of a smart asset listed on Mesh.trade. These funds are then on-lent to the company's parent company, Die MOS Inisiatief, for the expansion of its network of private schools offering mother tongue instruction.

2. Country of incorporation and domicile

The business operates in South Africa. The company was incorporated on 17/10/2023 and commenced business on the same day.

3. Address Details

Physical Address - Die Groenhuis, 38 Garsfontein Road, Waterkloof, 0081.

Postal Address - Die Groenhuis, 38 Garsfontein Road, Waterkloof, 0081.

4. Directors

- Cornelius Roedolf van der Westhuizen - 8203315010084
- Eric Wasserman - 6203175055080
- Frederick van Wyk - 5210215083080
- Jacobus Stefanus Gericke - 5505115099080
- Dawid Daniel Roodt - 6106205075087

5. Registration Numbers

Company Number - 2023/153047/07
Income Tax Reference Number - 9282868257

6. Holding Entity

Die MOS Inisiatief (Pty) Ltd

7. Ultimate Holding Entity

Trust vir Afrikaanse Onderwys incorporated in South Africa

8. Level of Assurance

These financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa as well as per the requirements in the memorandum of incorporation.

9. Issue Date

These financial statements were issued on 22 April 2025.

10. Company Secretary

Stratlaw Proprietary Limited
Registration Number: 2014/203630/07

Directors Responsibilities and Approval of Financial Report

MOS Uitreiker Ltd
For the year ended 31 December 2024

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

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

The Directors acknowledge they are ultimately responsible for the system of internal financial control established by the company and places considerable importance on maintaining a strong control environment. To enable the Directors to meet these responsibilities, they 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 financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Directors have reviewed the companys' cash flow forecast for the next financial year and, in the light of this review and the current financial position, are satisfied that the company has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the companys' financial statements. The financial statements have been examined by the companys' external auditors and their report is presented on page 9 - 11.

The financial statements set out, which have been prepared on the going concern basis, were approved and signed by the Directors on its behalf on 22 April 2025

Cornelius Roedolf van der Westhuizen	Frederick van Wyk
22 April 2025	22 April 2025

MOS Uitreiker Ltd
Audit Committee Report
For the year ended 31 December 2024

The Audit Committee of MOS Uitreiker Ltd is pleased to present its report for the financial year ended 31 December 2024. This report is prepared in accordance with the Companies Act of South Africa and the principles of good governance as outlined in King IV.

1. Mandate and Responsibilities

The Audit Committee operates under a formal mandate approved by the Board of Directors. Its responsibilities include, but are not limited to:

- Reviewing and monitoring the integrity of the company's financial reporting and disclosures;
- Overseeing the adequacy and effectiveness of internal controls and financial risk management;
- Evaluating the independence and performance of the external auditor;
- Ensuring compliance with legal and regulatory requirements;
- Reviewing the going concern assumptions and recommending the approval of financial statements.

2. Composition

The Audit Committee was constituted with the following members for the 2024 financial year:

- **Frederick van Wyk** (Chairman) – Independent Non-Executive Director
- **Jacobus Stefanus Gericke** – Independent Non-Executive Director
- **Dawid Daniel Roodt** – Independent Non-Executive Director

The Committee is satisfied that it has the appropriate mix of skills and experience to fulfil its responsibilities.

3. External Audit

PKF Pretoria Incorporated was appointed as the company's independent external auditor for the year under review. The Audit Committee:

- Evaluated the independence, objectivity, and effectiveness of the external auditor;
- Approved the audit plan, scope, and fees for the audit engagement;
- Reviewed the auditor's report and management letter;
- Confirmed that no reportable irregularities were identified during the audit;
- Ensured that the audit was conducted in accordance with International Standards on Auditing (ISAs) and the Companies Act.

The external auditor expressed an **unmodified audit opinion** on the financial statements for the year ended 31 December 2024.

4. Annual Financial Statements

The Audit Committee has:

- Reviewed the audited annual financial statements and considered the accounting policies, estimates, and judgements applied;
- Considered the appropriateness of the going concern basis used in preparing the financial statements;
- Reviewed the disclosures included in the financial statements for completeness and accuracy;
- Recommended the approval of the audited financial statements to the Board.

The Committee is satisfied that the audited financial statements fairly present the financial position and performance of the company in accordance with International Financial Reporting Standards and the Companies Act of South Africa.

5. Internal Controls and Risk Management

The Audit Committee has:

- Evaluated the effectiveness of the company's internal financial control systems and risk management processes;
- Considered management's self-assessment of controls and noted no material breakdowns or significant weaknesses;
- Confirmed that appropriate controls are in place to ensure the integrity of financial reporting and safeguarding of assets.

6. Going Concern

The Committee reviewed management's assessment and confirms that the company has adequate resources to continue operating for the foreseeable future. The Committee supports the directors' decision to prepare the financial statements on a going concern basis.

7. Conclusion

The Audit Committee is satisfied that it has fulfilled its responsibilities under the Companies Act and its charter. It recommends that the Board of Directors approve the annual financial statements for the year ended 31 December 2024.

Frederick van Wyk
Chairman of the Audit Committee
MOS Uitreiker Ltd
Date: 16 April 2025

Directors Report

MOS Uitreiker Ltd
For the year ended 31 December 2024

The Directors have the pleasure in submitting their report on the financial statements of MOS Uitreiker Ltd for the year ended 31 December 2024 .

1. Review of financial results and activities

The financial statements have been prepared in accordance with the IFRS accounting standards as issued by the International Accounting Standards Board (IASB), and the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year. Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements.

During the financial year ended 31 December 2024 the company issued R100 million in smart assets to investors via a public offering on mesh.trade.

This issuance represents a significant step in the company's adoption of innovative financial technologies, enhancing liquidity and broadening our investor base. The proceeds from the smart asset issuance are being strategically deployed to on-lent to the company's parent company, Die MOS Inisiatief, for the expansion of its network of private schools offering mother tongue instruction.
The issuance of these smart assets was executed in compliance with all applicable regulatory requirements to ensure transparency, security, and efficient transferability. The directors believe that this initiative unlocks new opportunities for growth and value creation.

2. Share Capital

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

3. Dividends

The companys' dividend policy is to consider an interim and a final dividend in respect of each financial year. At its discretion, the Directors may consider a special dividend, where appropriate. No dividends were declared during the financial year ended 31 December 2024.

4. Directors' interests in contracts

During the financial year, no contracts were entered into which Directors of the company had an interest and which significantly affected the business of the company.

5. Borrowing powers

Borrowing capacity is determined by the Directors in terms of the Memorandum of Incorporation, from time to time.

6. Events after the reporting period

The Directors considered material events which occurred after the reporting date and up to the date of this report. Management assessed whether the event caused any adjustment to the financial statements for the year ended 31 December 2024.
The Directors conclude that no adjustments were required at the reporting date.

7. Directors

Directors	Appointment date	Designation
C.R. van der Westhuizen	17/10/2023	Executive
E. Wasserman	17/10/2023	Non-executive
F. van Wyk	17/10/2023	Non-executive, independent, chairman
J.S. Gericke	10/01/2024	Non-executive, independent
D.D. Roodt	10/01/2024	Non-executive, independent

8. Going concern

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

The directors believes that the company has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The directors have satisfied themself that the company 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 new material changes that may adversely impact the company. The directors are also not aware of any material non- compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

9. Auditors

PKF Pretoria Incorporated was appointed as the auditors for the company for 2024.

10. Date of authorisation for issue of financial statements

The financial statements have been authorised for issue by the directors on 22 April 2025. No authority was given to anyone to amend the financial statements after the date of issue.

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Independent Auditor's report

To the Shareholders of MOS Uitreiker Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of MOS Uitreiker Limited set out on pages 12 to 26, which comprise the statement of financial position as of 31 December 2024; and the statement of comprehensive income, the statement of changes in equity; and the statement of cash flows for the year then ended; and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of MOS Uitreiker Limited as at 31 December 2024 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) 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.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "MOS Uitreiker Limited Annual financial statements for the year ended 31 December 2024", which includes the Directors' Report and the audit committee's report, as required by the Companies Act of South Africa, which we obtained prior to the date of this report. 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.

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 the IFRS Accounting Standards, and the requirements of the Companies Act of South Africa**,** and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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.
- 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.

PKF Pretoria Inc

PKF Pretoria Incorporated
PR Smith
Director
Registered Auditor
Date: 23 April 2025

Emwil House West
Ground Floor
15 Pony Street
Tijger Vallei Office Park
Silver Lakes
0081

Statement of Financial Position

MOS Uitreiker Ltd
As at 31 December 2024

	NOTES	31 DEC 2024
Assets		
Non-Current Assets		
Loans to related parties	7	99,897,328
Total Non-Current Assets		**99,897,328**
Current Assets		
Cash and Cash Equivalents	1	2,849
Loans to related parties	7	2,396,688
Total Current Assets		**2,399,537**
Total Assets		**102,296,866**
Equity and Liabilities		
Equity		
Share Capital	2	100
Retained Earnings		439
Total Equity		**539**
Liabilities		
Non-Current Liabilities		
Borrowings	8	100,000,000
Total Non-Current Liabilities		**100,000,000**
Current Liabilities		
Borrowings	8	2,256,164
Trade and Other Payables	4	40,000
Current Tax Liability	6	162
Total Current Liabilities		**2,296,327**
Total Liabilities		**102,296,327**
Total Equity and Liabilities		**102,296,866**

Statement of Comprehensive Income

MOS Uitreiker Ltd

For the year ended 31 December 2024

	NOTES	2024
Revenue		
Revenue	9	9,518,716
Interest and finance charges	8	9,150,000
Gross Profit		**368,716**
Other Income		
Other Income	9	995,000
Expenses		
Other Expenses	5	1,363,115
Profit Before Tax		**601**
Tax Expense		
Income Tax	6	162
Profit for the Year		**439**
Other comprehensive income		-
Total comprehensive income for the year		**439**

Statement of Changes in Equity

MOS Uitreiker Ltd
For the year ended 31 December 2024

2024

	Share capital	Retained earnings	Total equity
Issue of shares at incorporation	100		100
Comprehensive income for the year		439	439
Balance at 31 Dec 2024	**100**	**439**	**539**

Statement of Cash Flows

MOS Uitreiker Ltd

For the year ended 31 December 2024

	NOTES	2024
Cash Flows from Operating Activities		
Profit before taxation		601
Interest income		(9,518,716)
Finance cost expense		9,150,000
Non cash income through loans to related parties		(995,000)
Non cash expenses through borrowings		1,322,809
Loans to related parties advanced current year		(99,137,392)
Loans to related parties payments received		461,000
Borrowings received		99,137,291
Borrowings repayments in cash		(460,000)
Operating cash flow before working capital changes		**(39,407)**
Change in working capital		
Increase/(Decrease) in Creditors		40,000
Net cash flows generated from operations		**593**
Other Cash Flows from Operating Activities		
Interest income received		6,896,092
Finance cost paid		(6,893,836)
Net Cash Flows from Operating Activities		**2,849**
Net Cash Flows		**2,849**
Cash and Cash Equivalents		
Cash and cash equivalents at beginning of period		-
Net change in cash for period		2,849
Cash and cash equivalents at end of period	8	2,849

Accounting Policies

MOS Uitreiker Ltd
For the year ended 31 December 2024

Future standards, amendments to standards and interpretations not early adopted in the 2024 financial statements
A number of new standards and amendments to standards are effective for annual periods beginning on or after 1 January 2024 and earlier application is permitted; however, the Company has not early adopted any of the forthcoming new or amended standards in preparing these financial statements.
Amendments to standards
The Company has adopted the following amendments for the first time in the annual reporting period commencing 1 January 2024:
• Amendment to lAS 1 *Classification of liabilities as current or non-current*
• Amendment to IFRS 16 *Lease Liability in a Sale and Leaseback*
• Amendments to IAS 7 and IFRS 7 *Supplier Finance Arrangements*
These amendments did not have a material impact on the financial statements.

New standards and amendments to standards issued but not effective
The following standards and amendments were issued but not effective for the period commencing 1 January 2024:
• Amendments to IAS 21 *Lack of exchangeability* - effective 1 January 2025
• Amendments to IFRS 9 and IFRS 7 *Classification and Measurement of Financial Instruments* - effective 1 January 2026
• IFRS 18 *Presentation and Disclosure in Financial Statements* - effective 1 January 2027. IFRS 18 introduces new categories and subtotals in the statement of profit or los. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information
• IFRS 19 *Subsidiaries without Public Accountability: Disclosures* - effective 1 January 2027
• IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures**
• Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity* - effective 1 January 2026

** The IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting*

1. Basis of preparation and summary of material accounting policies

The financial statements have been prepared on a going concern basis in accordance with the IFRS accounting standards as issued by the International Accounting Standards Board (IASB), and the Companies Act of South Africa. The financial statements have been prepared on the historical cost basis and incorporate the principal accounting policies set out below. They are presented in South African Rands (ZAR), which is the Company's functional and presentation currency.

These financial statements are the first annual financial statements of the Company since its incorporation. As such, there are no comparative figures presented for the previous period.

2. Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. Significant judgements include:
Key sources of estimation uncertainty
Taxation
Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Expected Credit Losses (ECL) on Financial Assets
The company applies the expected credit loss (ECL) model under IFRS 9 to measure impairment on financial assets. The ECL model involves complex estimation techniques and assumptions, including:

- Significant Increase in Credit Risk (SICR): Management assesses whether there has been a significant increase in credit risk since initial recognition based on quantitative and qualitative factors, such as past-due status and changes in credit ratings.
- Probability of Default (PD) and Loss Given Default (LGD): These estimates are derived using historical data, forward-looking macroeconomic factors, and industry trends.
- Forward-Looking Information: The Company incorporates macroeconomic forecasts, such as GDP growth, interest rates, inflation, and sector-specific risks, to adjust historical loss experience.

Changes in these assumptions could result in material variations in the ECL allowance.

The impairment of financial assets is accounted for as set out in note 3 of the Notes to the Financial Statements (Financial Risk Management and Impairment of Financial Assets)

3. Revenue

Revenue comprises of interest income on loans to related parties.

Interest income is recognised in profit or loss using the effective interest method taking into account the expected timing and amount of cash flows. Interest income includes the amortisation of any discount or premium or other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity calculated on an effective interest basis.

4. Financial instruments

Recognition and initial measurement

Financial instruments comprise of loans to related parties, cash and cash equivalents, borrowings and trade and other payables.

Financial instruments are initially recognised at fair value plus, in the case of a financial asset or a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial instruments at amortised cost

These include loans to related parties, borrowings and trade payables as well as cash and cash equivalents. Those debt instruments are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

Loans to related parties are classified as financial assets at amortised cost when both of the following conditions are met:
• the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
• the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
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 to related parties 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.

Borrowings are classified as financial liabilities and are initially recognised at fair value, net of transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost using the effective interest method. Interest expense is recognized in the statement of comprehensive income using the effective interest rate (EIR) method over the term of the borrowings. If the company redeems or repurchases debentures before maturity, any gain or loss is recognised in profit or loss at the date of redemption.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Impairment of Financial Assets

The Company recognises a loss allowance for expected credit losses on al loans to related parties 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 financial assets.

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

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

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

5. Tax

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

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.
Deferred tax assets and liabilities
A deferred tax liability is recognised for all taxable temporary differences.
A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.
Deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.
When management assess the extent to which is it probable that taxable profit will be available against which potential deferred tax assets can be utilised, they take into consideration that the utilisation of assessed losses are limited to the greater of 80% of the taxable income or R1 million in the year of assessment.
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
Tax expenses
Tax expense is recognised in the same component of total comprehensive income or equity as the transaction or other event that resulted in the tax expense.

6. Share capital and equity

The company has the ability to repurchase the companys' own equity instruments. Any such repurchase is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the company's own equity instruments. These are presented as treasury shares in equity.

7. Provisions and contingencies

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event; it is probable that the company will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.
Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.
Contingent assets and liabilities are not recognised in the statement of financial position. Unless the possibility of an outflow of resources embodying economic benefits is remote, a contingent liability is disclosed in the notes to the financial statements. When an inflow of economic benefits is probable, a contingent asset is disclosed in the notes to the financial statements.

8. Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

9. Impairment of assets

The Company assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset.
If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.
If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.
The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

Notes to the Financial Statements

MOS Uitreiker Ltd

For the year ended 31 December 2024

	2024
1. Cash and Cash Equivalents	
Bank accounts	2,849
Total Cash and Cash Equivalents	**2,849**

	2024
2. Share Capital	
Authorised share capital no par value shares - Amount of shares	
Class A ordinary shares	1,000
Class B ordinary shares	1
Total Authorised share capital no par value shares - Amount of shares	**1,001**
Issued - Number of Class A ordinary shares	
Shares issued at incorporation	100
Total Issued - Number of Class A ordinary shares	**100**
Issued - Amount in ZAR	
Class A ordinary shares	
Shares issued at incorporation	100
Total Class A ordinary shares	**100**
Total Issued - Amount in ZAR	**100**

The one Ordinary Class B share has been issued at no consideration.

Ordinary Shares:

Each Ordinary Share in the issued capital of the Company ranks pari passu with all other Ordinary Shares in respect of all rights, other than in respect of its voting right, and entitles its holder to -

- the right to be entered into the Securities Register of the Company as the registered holder of an Ordinary Share;
- the rights to attend, participate in, speak at and vote on any matter to be considered at, any meeting of Ordinary Shareholders;
- the right to receive any distribution by the Company, if and when declared on the Ordinary Shares, to be made in proportion to the number of Ordinary Shares held by each Ordinary Shareholder;
- the right to receive the net assets of the Company remaining upon its liquidation; and
- any other rights attaching to the Ordinary Shares in terms of the Companies Act or any other law.

Class A Ordinary Shares:
An A Ordinary Share entitles its holder to exercise one vote for every two Shares held on any matter to be decided by Shareholders (other than matters which are, in terms of this MOI or the Companies Act, to be decided solely by the holders of any other class(es) of Shares).

Class B Ordinary Shares:
The B Ordinary Share will carry 50% of the total voting rights of all issued Ordinary Shares of the Company on any matter to be decided by the Shareholders (other than matters which are, in terms of this MOI or the Companies Act, to be decided solely by the holders of any other class(es) of Shares).

3. Financial Risk Management and Impairment of Financial Assets

3.1. Credit Risk and Expected Credit Loss (ECL) Model
The Company applies the expected credit loss (ECL) model to measure impairment of financial assets in accordance with IFRS 9. The ECL model is applied to the following financial assets:

- Loans to related parties

The impairment methodology varies depending on whether there has been a significant increase in credit risk.

A financial asset is considered to be in default when one or more of the following criteria are met:

- Failure to make payments: The borrower fails to make principal or interest payments when they are due. This is the primary indicator of default.
- Bankruptcy or insolvency: The borrower is declared bankrupt or insolvent.
- Significant financial difficulty: The company believes it is probable that the borrower will be unable to pay its obligations, even if no payment is currently overdue. This can be based on factors such as declining credit ratings, adverse changes in the borrower's industry, or other indicators of financial distress.

3.2. Measurement of Expected Credit Losses

The Company applies the general approach to measure ECL:
For financial assets other than trade receivables, the Company applies a three-stage model based on changes in credit risk:

- Stage 1: 12-month ECL is recognized for financial instruments with no significant increase in credit risk.
- Stage 2: Lifetime ECL is recognized for financial instruments where credit risk has significantly increased since initial recognition.
- Stage 3: Financial assets are considered credit-impaired, and lifetime ECL is recognized. Interest income is calculated on the net carrying amount.

The entire loan receivables have been classified as Stage 1: 12-month ECL

3.3. Key Assumptions and Estimates
The calculation of ECL incorporates:

- Probability of Default (PD): Estimated using historical data and adjusted for forward-looking information.
- Loss Given Default (LGD): Based on historical loss rates and collateral recovery estimates.
- Exposure at Default (EAD): The expected balance of financial assets at the time of default.
- Macroeconomic Factors: The Company considers factors such as GDP growth, interest rates, inflation, and sector-specific risks.

3.4. Financial risk management
The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk, and market risk (interest rate risk, foreign currency risk, and other price risk). The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. Risk management is carried out by the management team under policies approved by the board of directors.

Credit Risk:
Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company manages credit risk by monitoring outstanding receivables. The Company also enters into transactions with creditworthy counterparties, such as related parties within the MOS Group, to minimise the risk of default. The timing of the repayments limits credit risk due to the fact that interest is paid quarterly, but the principal amount is only payable in full after a period of 10 years.

Concentration risk
Credit concentration risk is the risk of loss to the company arising from an excessive concentration of exposure to a single counterparty, geographic region, market, financial instrument. This concentration typically exists when a number of counterparties are engaged in similar activities and have similar characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.

Concentration risk is managed based on the nature of the credit concentration of Die MOS Group, which has schools distributed throughout the country ranging from pre-school to high schools to online educational support services. The company's credit portfolio is well diversified, which is achieved through setting maximum exposure guidelines to individual counterparties. The company constantly reviews its concentration levels and sets maximum exposure guidelines for these. The company seeks to establish balanced portfolio profile and closely monitors credit concentrations.

As a result of the above assessment, no ECL provision has been recognised for the current period.

Liquidity Risk:
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by maintaining sufficient cash and cash equivalents and inter company loans to meet its short-term obligations. Cash flow is managed at a group level by management and distributed between the companies as needed through a central treasury function.

Maturity Analysis of Financial Assets and Liabilities (Undiscounted Cash Flows)
This maturity analysis provides information about the remaining contractual maturities of the companys' financial assets and financial liabilities:

2024	**12 months or less**	**1 to 5 years**	**5 + years**	**Total**
Assets				
Loans to related parties	14,143,494	70,144,138	149,205,834	**233,493,466**
Cash and cash equivalents	2,849			**2,849**
	14,146,343	**70,144,138**	**149,205,834**	**233,496,315**
Liabilities				
Borrowings	13,126,027	65,035,616	145,482,192	**223,643,836**
Trade and other payables	40,000			**40,000**
	13,166,027	**65,035,616**	**145,482,192**	**223,683,836**

Market Risk:
Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, and equity prices, will affect the Company's income or the value of its financial instruments. The Company's exposure to interest rate risk is limited due to the fact that both the financial liability as well as the financial asset is linked to prime, thus the income will offset the expense. As at 31 December 2024, the Company did not hold any assets or liabilities denominated in foreign currencies and was not exposed to currency risk.

Capital management policies:
Capital is actively managed to ensure that the Company is properly capitalised and funded at all times, having regard to prudent management and the needs of all stakeholders. Specifically, the Company maintains an appropriate level of liquidity at all times and the Company further ensures that it can continue to meet its expected capital and financing needs.

3.5. Movement in Loss Allowance
The table below presents the movement in the ECL allowance for the year:

Financial Asset	Opening Balance	ECL Recognised	Write-offs	Closing Balance
Loans to related parties	R0	R0	R0	R0

	2024

4. Trade and Other Payables

	2024
Trade payables	40,000
Total Trade and Other Payables	**40,000**

5. Other Expenses

	2024
Administrative expenses	40,000
Bank fees	456
Investment fee	1,322,659
Total Other Expenses	**1,363,115**

6. Tax Expense

	2024
Current Tax Expense	
South African normal tax - current year	
Income tax expense	162
Total South African normal tax - current year	**162**
Total Current Tax Expense	**162**
Total Tax Expense	**162**

Tax Rate Reconciliation

	2024
Profit before tax	601
Tax at 27%	162
Reconciliation of the tax expense	
Depreciation	-
Capital gain on disposal of assets	-
Assessed loss	-
Wear and Tear allowances	-
Total Reconciliation of the tax expense	**-**
Total Tax Rate Reconciliation	162

7. Loans to related parties

	2024
Non-current	
Die MOS Inisiatief (Pty) Ltd	99,897,328
Total Non-current	**99,897,328**
Current	
Die MOS Inisiatief (Pty) Ltd	2,396,688
Total Current	**2,396,688**
Total Loans to related parties	**102,294,016**

1. The loan is unsecured, accrues interest at prime plus 2% (the margin) and is repayable in quarterly payments equal to the accrued interest for the period. The capital is repayable on 30 April 2034. The Company is entitled, from time to time, to charge additional interest over and above the Margin, as determined by the board of directors of the Lender in its sole discretion. The board determined that the margin for 2024 will be 3%. The company is also entitled, from time to time, to recover from the Borrower any additional costs or expenses reasonably incurred in connection with the administration or enforcement of the Agreement.
2. Fair value of loans to related parties
   The amortised cost of the loans is R102,294,016 and approximates the fair value of these loans

8. Borrowings

	2024
Non-current	
Die MOS 10Y Prime+2% Floating Rate Bond	(100,000,000)
Total Non-current	**(100,000,000)**
Current	
Die MOS 10Y Prime+2% Floating Rate Bond	(2,256,164)
Total Current	**(2,256,164)**
Total Borrowings	**(102,256,164)**

1. The programme consists of 20,000 notes at a nominal value of R5,000 per note. Interest accrues at prime (RSA) plus 2% and is repayable in quarterly payments equal to the accrued interest for the period. The principal amount is repayable after a fixed term of 10 years being 30 April 2034.
   Die MOS 10Y Prime+2% Floating Rate Bond has been issued to raise R100 million for the expansion of Die MOS Inisiatief Group's network of private schools offering mother tongue instruction.
2. Fair value of borrowings
   The carrying amount of borrowings approximates the fair value.

The program has a 100% underwriter as well as a guarantor in the Trust vir Afrikaanse Kuns Kultuur en Erfenis

In the current year R9,150,000 (2024) interest and finance charges were recognised.

9. Related Parties

Ultimate shareholders:

Trust vir Afrikaanse Onderwys
Dagbreek Trust
OLUF H Erichsen Familie Trust
Shareholder:

Die MOS Inisiatief (Pty) Ltd
Fellow Subsidiaries:
Die MOS Skolegroep (Pty) Ltd
MOS Dienste (Pty) Ltd
MOS Eiendomme (Pty) Ltd
MOS Toep (Pty) Ltd
Vaalharts Privaatskool (Pty) Ltd
Abra-Kadabra Crèche (Pty) Ltd
Die Rots Akademie (Pty) Ltd
Hartland Akademie (Pty) Ltd
Hartland Voorskool (Pty) Ltd
Karos Akademie (Pty) Ltd
Kleinhoewe Kleuterskool (Pty) Ltd
Knikkie Knakkie Kleuterskool (Pty) Ltd
Kosmos Akademie (Pty) Ltd
MOS Futurum Akademie (Pty) Ltd
MOS Wêreldwyd (Pty) Ltd
Mossie Skooltjie (Pty) Ltd - trading as Linden Akademie
Nelan Beleggings (Pty) Ltd
South Central Investments 110 (Pty) Ltd
Knikkievallei Kleuterskool (Pty) Ltd
MOS Kenmare Eiendomme (Pty) Ltd

Other related parties:
MOS Beurse (NPC)
MOS Floreer (NPC)
Trust vir Afrikaanse Kuns Kultuur en Erfenis

Related Party Transactions

Revenue received from related party

Nature of transaction	**Related party**	**CY value**
Interest received	Die MOS Inisiatief (Pty) Ltd	9,518,707
Other income	Die MOS Inisiatief (Pty) Ltd	995,000

Related Party Balances

Amount owed by related party

Nature of balance	**Related party**	**CY value**
Loan account	Die MOS Inisiatief (Pty) Ltd	102,294,016

10. Director's Remuneration

Name	Emoluments	Other Benefits
C.R. van der Westhuizen	1,997,660	0
E. Wasserman	95,680	0
F. van Wyk	0	0
J.S. Gericke	0	0
D.D. Roodt	0	0

During the year ended 31 December 2024, the directors of the company did not receive any remuneration for their services as directors of MOS Uitreiker Ltd. The emoluments were received from other entities within the MOS Group.

11. Going Concern

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

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

12. Events after the reporting period

The Directors considered material events which occurred after the reporting date and up to the date of this report. Management assessed whether the event caused any adjustment to the financial statements for the year ended 31 December 2024. The Directors conclude that no adjustments were required at the reporting date.