



African Alliance Eswatini Collective Investment Scheme

Annual audited financial statements
for the year ended 30 April 2025

African Alliance Eswatini Collective Investment Scheme

Index

	Page
Approval of financial statements	3
Independent auditors' report	4 - 6
Trustee's report	7 - 8
Unit Trust Funds report	9 - 14
Accounting policies	15 - 20
African Alliance Eswatini Ligcebesha Fund	21
Statement of financial position	22
Statement of profit or loss and other comprehensive income	23
Statement of changes in net assets attributable to unit holders	24
Statement of cash flows	25
Notes to the financial statements	26 - 40
African Alliance Eswatini Lilangeni Fund	41
Statement of financial position	42
Statement of profit or loss and other comprehensive income	43
Statement of changes in net assets attributable to unit holders	44
Statement of cash flows	45
Notes to the financial statements	46 - 63
African Alliance Eswatini Managed Fund	64
Statement of financial position	65
Statement of profit or loss and other comprehensive income	66
Statement of changes in net assets attributable to unit holders	67
Statement of cash flows	68
Notes to the financial statements	69 - 83
African Alliance Eswatini Offshore Fund	84
Statement of financial position	85
Statement of profit or loss and other comprehensive income	86
Statement of changes in net assets attributable to unit holders	87
Statement of cash flows	88

African Alliance Eswatini Collective Investment Scheme

Index

Notes to the financial statements	89- 100
African Alliance Eswatini Portfolio Fund	101
Statement of financial position	102
Statement of profit or loss and other comprehensive income	103
Statement of changes in net assets attributable to unit holders	104
Statement of cash flows	105
Notes to the financial statements	106 - 122
African Alliance Eswatini Umnotfo Fund	123
Statement of financial position	124
Statement of profit or loss and other comprehensive income	125
Statement of changes in net assets attributable to unit holders	126
Statement of cash flows	127
Notes to the financial statements	128 -142

African Alliance Eswatini Collective Investment Scheme

Approval of financial statements

The directors of the management company and the trustee are responsible for the preparation, integrity and fair presentation of the financial statements of African Alliance Eswatini Collective Investment Scheme. The financial statements, presented on pages 15 to 142 have been prepared in accordance with IFRS® Accounting Standards and the Trust Deeds and include amounts based on judgments and estimates made by management.

The directors of the management company consider that, in preparing the financial statements, they have used the most appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that all IFRS Accounting Standards, which they consider to be applicable, have been followed. The directors of the management company and the trustee are satisfied that the information contained in the financial statements fairly presents the results of operations for the year and the financial position of African Alliance Eswatini Collective Investment Scheme at the year end. The trustee prepared the trustee's report and is responsible for both its accuracy and its consistency with the financial statements.

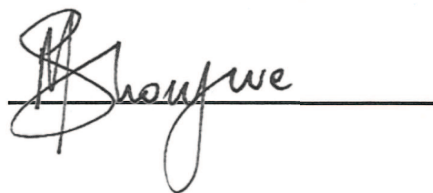
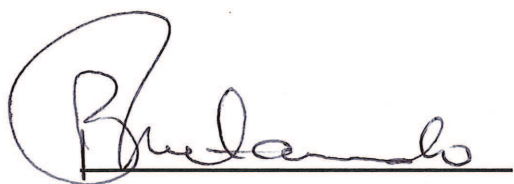
The directors of the management company and the trustee are responsible for ensuring that accounting records are kept. The accounting records should disclose, with reasonable accuracy, the financial position of the Collective Investment Scheme to enable the directors of the management company and the trustee to ensure that the financial statements comply with the relevant legislation.

The Collective Investment Scheme operated in a well-established control environment, which is regularly reviewed. This incorporates risk management and control procedures, which are designed to provide reasonable, but not absolute, assurance that assets are safeguarded and the risks, facing the business, are controlled.

The financial statements of African Alliance Eswatini Collective Investment Scheme, set out on pages 15 to 142, were approved and authorised for issue by the management company and the trustee of African Alliance Eswatini Collective Investment Scheme on 28 July 2025 and were signed by:

For African Alliance Eswatini Management Company Limited
(Management company)

For Nedbank Eswatini Limited
(Trustee of the Scheme)



Independent auditors' report**To the directors of African Alliance Eswatini Management Company Limited***Opinion*

We have audited the financial statements of each of the unit portfolio in the African Alliance Collective Investment Scheme managed by African Alliance Eswatini Management Company Limited. These unit portfolios are:

African Alliance Eswatini Ligcebesha Fund
African Alliance Eswatini Lilangeni Fund
African Alliance Eswatini Managed Fund
African Alliance Eswatini Offshore Fund
African Alliance Eswatini Portfolio Fund
African Alliance Eswatini Umnotfo Fund

Each unit portfolio's financial statements set out on pages 15 to 142 comprise of the statement of financial position as at 30 April 2025, and the statement of profit or loss and other comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the unit portfolios as at 30 April 2025, and the financial performance and the cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and in the manner required by the Trust Deeds and the Eswatini Securities Act, 2010.

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 *Auditors' Responsibilities for the Audit of Financial Statements* section of our report. We are independent of the Unit Portfolios in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Eswatini and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter-Discontinued operations and Winding up of African Alliance Eswatini Managed Fund

We draw attention to note 15 of African Alliance Eswatini Managed Fund on page 83, which indicates that the Fund Manager decided to discontinue the operations and wind up the Fund. The note states further how the Fund intends to realise its assets and settle its liabilities. We also draw attention to 1.12 of the accounting policies of the financial statements that state the financial statements of the Fund have been prepared on a basis other than going concern. Our opinion is not modified in respect of this matter.

Other Information

The directors of African Alliance Eswatini Management Company Limited are responsible for the other information. The other information comprises the Trustees report, Company Secretary's certification and unit trust funds report. Other information does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express 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 of African Alliance Eswatini Management Company Limited are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and in the manner required by the Trust Deeds and the Eswatini Securities Act, 2010, 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 ability of each scheme 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 unit portfolios or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.

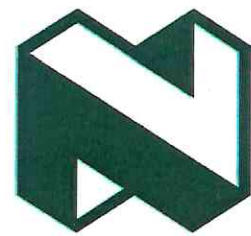
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the unit portfolios' internal control.
- Evaluate the appropriateness of accounting 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 unit portfolios' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the unit portfolios 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.

SNG Grant Thornton

SNG Grant Thornton Chartered Accountants (Eswatini)

31 July 2025



3rd July, 2025

The GM - Asset Management Eswatini
1st Floor, Matsapha Link, Portion 3 of 582,
Along College Road and Lihawu Street,
Matsapha

Dear Sir/Madam,

RE: ANNUAL REPORT FOR THE AFRICAN ALLIANCE ESWATINI MANAGEMENT COMPANY LIMITED

1. As Trustee for the African Alliance Eswatini Management Company Limited, we confirm that the following funds are established under this scheme and confirm their status of compliance as set out below with regards to the requirements of the Securities Act of 2010 and Collective Investments Schemes Rules, 2012. The scheme has been administered in accordance with the Trust and Supplemental Deeds during the period from 1st May 2024 to 30th April 2025

2. As at 30th April 2025 the compliance status was as follows:

Fund	Breach	Reason (AA Commentary)	Remedy
African Alliance Eswatini Offshore Fund	○ Fund is in breach in with the 50% local asset requirement.	○ The nature of this fund is to be 100% offshore. Many clients use this Fund as a diversifier to gain exposures not available in the local or regional markets as part of their greater portfolio.	○ The Eswatini partners of African Alliance continue to engage with the regulator to grant an exemption for this Fund from the 50% domestic allocation rule. In the interim African Alliance is not accepting inflows into the Fund until resolution is reached.

HEAD OFFICE

3rd Floor NedCentre Building, Cnr Sozisa Road and Dr Sishayi Street Mbabane Eswatini, P.O. Box 68 Mbabane Eswatini. Tel +268 3278 1000
Fax +268 2404 4060

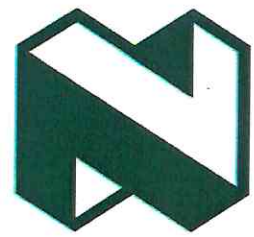
Nedbank Eswatini Limited Reg No CB39/1974 TIN 100230000

Directors: N Hlatshwayo (Chairman) | F Nkosi (Managing Director) | A Brown | M Maziya | Dr. M Mthembu | Z Kunene | G Payne | S Nkumane | P Maqetuka

Company Secretary: M Shongwe

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African Alliance Eswatini Ligcebesha Fund	○ Fund is in breach of this upper limit in respect of its holdings in Greystone Partners.	○ Africa Alliance is actively trying to sell down the Greystone position and will do so when liquidity in the counter allows.	○ African Alliance has an open order in the Eswatini market to sell down the position. However, there has been no liquidity in the stock this year and hence the position remains in breach.
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3. The following funds operated within the prescribed thresholds;

- African Alliance Eswatini Lilangeni Fund
- African Alliance Eswatini Managed Fund
- African Alliance Eswatini Portfolio Fund
- African Alliance Eswatini Umnotfo Fund

4. We trust the above is in order.

Yours sincerely,

MPENDULO SHONGWE
HEAD OF LEGAL/COMPANY SECRETARY

HEAD OFFICE

3rd Floor NedCentre Building, Cnr Sozisa Road and Dr Sishayi Street Mbabane Eswatini, P.O. Box 68 Mbabane Eswatini. Tel +268 3278 1000
Fax +268 2404 4060

Nedbank Eswatini Limited Reg No CB39/1974 TIN 100230000

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African Alliance Eswatini Collective Investment Scheme

Unit Trust Funds report

The management company and the trustee are pleased to present their report for African Alliance Eswatini Collective Investment Scheme ("the Scheme") for the year ended 30 April 2025.

The unit portfolios

The African Alliance Eswatini Collective Investment Scheme consists of the following seven unit portfolios.

African Alliance Eswatini Ligcebesha Fund

Date of establishment: 01 October 2007

Fund objective: 'Is to seek long-term growth of capital and income by investing primarily in the listed securities of issuers in the Kingdom of Eswatini.'

Investment policy: The Fund's policy is to invest in shares, stock, preference shares, debentures, debenture stocks, debenture bonds, securities issued by any organ of government, unsecured notes and unsecured debenture stocks, whether or not they have inherent option rights or are convertible, and derivatives, other than derivatives originating from the management company or the trustee, as well as liquid assets; all to be acquired at fair market prices.

Fees: A maximum fee of 2 % p.a. is permissible in terms of Clause 8.1 of the supplemental Trust Deed. Initial fees, not exceeding 5 %, are permissible in terms of Clause 8.2 of the supplemental Trust Deed.

African Alliance Eswatini Lilangeni Fund

Date of establishment: 26 July 1999

Fund objective: 'Is to maximise current income to the extent consistent with the preservation of capital and the maintenance of liquidity.'

Investment policy: The Fund's policy is to invest in a diversified portfolio of high quality money market securities and / or money market funds in the Common Monetary Area.

Fees: A maximum fee of 2% p.a. is permissible in terms of Clause 8.1 of the supplemental Trust Deed. In line with amended trust deed and supplemental deeds, a maintenance fee is charged in the form of a fixed monthly fee when the value of the total units held by an investor falls below the minimum threshold as set out in the supplemental deed.

No initial or redemption fees are charged on entry or exit from the Fund.

African Alliance Eswatini Managed Fund

Date of establishment: 05 October 1995

Fund objective: 'Is to achieve an investment medium for investors which shall have, as its primary objectives, steady growth of income and capital, a reasonable level of current income and the maximum stability for capital invested.'

Investment policy: The Fund's policy is to invest in financially sound ordinary shares and fixed income securities embracing approved securities, stock, debenture bonds and unsecured notes and derivatives, all to be acquired at fair market prices.

Fees: A maximum fee of 2% p.a. is permissible in terms of Clause 8.1 of the supplemental Trust Deed. Initial fees, not exceeding 5%, are permissible in terms of Clause 8.2 of the supplemental Trust Deed.

African Alliance Eswatini Collective Investment Scheme

Unit Trust Funds report

The unit portfolios (continued)

African Alliance Eswatini Managed Fund (continued)

On 15th April 2025, the Fund Manager recommended the winding up of African Alliance Eswatini Managed Fund (SMAN). The decision to wind up SMAN was due to the unit portfolio falling short of the critical mass sufficiently required to justify the unit portfolio's continued existence.

The underlying unit holders may switch investment in another Fund or redeem their units until mid September 2025.

The winding up procedures has been initiated and will be subject to approval from Financial Services Regulatory Authority.

African Alliance Eswatini Offshore Fund

Date of establishment: 17 March 1999

Fund objective: 'Is to provide a medium whereby investors can obtain undivided units in a globally diversified portfolio of securities outside the Kingdom of Eswatini.'

Investment policy: The Fund's policy is to invest principally in the equities, bonds, cash and property in developed countries, which investment may be made through another fund or unit trust.

Fees: A maximum fee of 2% p.a. is permissible in terms of Clause 8.1 of the supplemental Trust Deed. Initial fees, not exceeding 5%, are permissible in terms of Clause 8.2 of the supplemental Trust Deed.

African Alliance Eswatini Portfolio Fund

Date of establishment: 12 June 1998

Fund objective: 'Is to provide a medium whereby investors can obtain undivided participation in a diversified portfolio of securities both inside and outside of the Kingdom of Eswatini.'

Investment policy: The Fund's policy is to invest in securities at fair market prices.

Fees: A maximum fee of 2 % p.a. is permissible in terms of Clause 8.1 of the supplemental Trust Deed. Initial fees, not exceeding 5 %, are permissible in terms of Clause 8.2 of the supplemental Trust Deed.

African Alliance Eswatini Sisekelo Fund

Date of establishment: 23 November 2015

Fund objective: 'To preserve capital over the medium term whilst providing consistent income generation within moderate risk parameters by investing in a diversified portfolio of domestic, longer term debt securities.

Investment policy: The Fund's policy is to invest in a diversified portfolio of investments focused on income generation for unit holders.

Fees: A maximum periodic charge of 2 % p.a. is permissible in terms of Clause 8.2 of the supplemental Trust Deed. Initial fees of 5 % are permissible in terms of Clause 8.1 of the supplemental Trust Deed.

The Fund is not yet active and the Fund managers will initiate the winding up process for this Fund.

African Alliance Eswatini Collective Investment Scheme

Unit Trust Funds report

The unit portfolios (continued)

African Alliance Eswatini Umnotfo Fund

Date of establishment: 23 November 2015

Fund objective: 'To preserve capital over the medium term whilst providing consistent income generation within moderate risk parameters by investing in a diversified portfolio of domestic, longer term debt securities.

Investment policy: The Fund's policy is to invest in a diversified portfolio of investments focused on income generation for unit holders.

Fees: A maximum periodic charge of 2 % p.a. is permissible in terms of Clause 8.2 of the supplemental Trust Deed. Initial fees of 5 % are permissible in terms of Clause 8.1 of the supplemental Trust Deed.

1. Trustee

The FSRA Act 2010 requires a separate and independent trustee for the Scheme who meets the requirements of Regulation 3.6. These regulations require an Eswatini Company, Bank or Insurer who has certain systems, capital expertise and experience.

The trustee in the office at 30 April 2025 was Nedbank Eswatini Limited.

The registered address of the trustee is as follows:

Business and postal address

Corner Dr. Sishayi and Sozisa Roads
Mbabane

Eswatini

The trustee is of the opinion that, for the year ended 30 April 2025, the issue, sale, redemption and cancellation of units, the calculation of the price of the Scheme's units and the application of the Scheme's income have been carried out in accordance with the FSRA Act 2010 and the Trust Deed.

The trustee is further of the opinion that, for the year ended 30 April 2025, the Collective Investment Scheme has been managed in accordance with the limitations imposed on the investment and borrowing powers of the manager and the trustee by the FSRA Act 2010 and the Trust Deed.

2. Management company

The management company of the Trust is African Alliance Eswatini Management Company Limited, a company incorporated in Eswatini (registration number 303/1998). The management company has no advantageous commissions arrangements affecting the Collective Investment Scheme and / or any unit portfolio, nor has ever had any. The registered address of African Alliance Eswatini Management Company Limited is as follows:

Business address

1st Floor Matsapha Link
Portion 3 of Plot 582 along College Road & Lihawu Street
Matsapha
Eswatini

African Alliance Eswatini Collective Investment Scheme

Unit Trust Funds report

2. Management company (continued)

Postal address

PO Box 5727
Mbabane, H100
Eswatini

3. Portfolio Managers, Investment Administrators and Advisors

African Alliance Eswatini Management Company Limited, the management company, acted as portfolio manager, investment administrator and advisor to the Collective Investment Scheme during the entire financial year.

4. Review of activities

Main business and operations

The Collective Investment Scheme generated income (excluding net gain from financial assets at fair value through profit or loss) and incurred expenses during the year, is set out in the table below:

	<u>2025</u>		<u>2024</u>	
	<u>Income</u>	<u>Expense</u>	<u>Income</u>	<u>Expense</u>
African Alliance Eswatini Ligcebesha Fund	22 155 677	4 830 425	24 838 151	5 090 798
African Alliance Eswatini Lilangeni Fund	208 902 680	17 030 810	199 797 249	17 100 679
African Alliance Eswatini Managed Fund	1 951 146	824 599	1 973 055	821 225
African Alliance Eswatini Offshore Fund	988 727	2 597 681	158 179	2 857 655
African Alliance Eswatini Portfolio Fund	21 176 486	9 179 156	18 358 823	8 442 013
African Alliance Eswatini Umnotfo Fund	62 833 637	11 559 542	55 283 689	10 266 902

Total distributions to unit holders of the Collective Investment Scheme during the year are set out below:

	<u>2025</u>	<u>2024</u>
African Alliance Eswatini Ligcebesha Fund	17 325 262	19 599 361
African Alliance Eswatini Lilangeni Fund	191 924 368	182 389 958
African Alliance Eswatini Managed Fund	1 126 551	1 180 571
African Alliance Eswatini Portfolio Fund	11 997 477	9 916 611
African Alliance Eswatini Umnotfo Fund	48 405 345	44 887 686

Open derivative positions

None of the unit portfolios had any open derivative positions at the reporting date, nor have they ever had any.

Stock lending

None of the unit portfolios engaged in any stock lending activities during the year under review, nor have they ever done so.

Net asset values

	<u>2025</u>	<u>2024</u>
African Alliance Eswatini Ligcebesha Fund		
Net asset value for fund pricing (Emalangeni)	343 546 330	433 499 978
Units in issue	18 179 592	22 553 691
Net asset value per unit (Emalangeni)	18,90	19,22

African Alliance Eswatini Collective Investment Scheme

Unit Trust Funds report

4. Review of activities (continued)

Net asset values (continued)

	<u>2025</u>	<u>2024</u>
African Alliance Eswatini Lilangeni Fund		
Net asset value for fund pricing (Emalangeni)	1 891 361 285	1 958 896 000
Units in issue	1 891 364 069	1 958 846 286
Net asset value per unit (Emalangeni)	1,00	1,00
African Alliance Eswatini Managed Fund		
Net asset value for fund pricing (Emalangeni)	45 649 365	43 575 791
Units in issue	6 414 861	6 248 482
Net asset value per unit (Emalangeni)	7,12	6,97
African Alliance Eswatini Offshore Fund		
Net asset value for fund pricing (Emalangeni)	203 100 465	188 827 102
Units in issue	42 110 179	41 791 259
Net asset value per unit (Emalangeni)	4,82	4,52
African Alliance Eswatini Portfolio Fund		
Net asset value for fund pricing (Emalangeni)	666 354 611	602 278 331
Units in issue	102 835 243	98 532 303
Net asset value per unit (Emalangeni)	6,48	6,11
African Alliance Eswatini Umnotfo Fund		
Net asset value for fund pricing (Emalangeni)	585 390 829	515 826 954
Units in issue	580 940 077	514 438 275
Net asset value per unit (Emalangeni)	1,01	1,00

Unit prices

The highest and lowest unit prices during the reporting periods are set out below:

	<u>2024</u>	<u>2024</u>
African Alliance Eswatini Ligcebesha Fund		
Highest unit price	19,61	19,65
Lowest unit price	18,90	18,78
African Alliance Eswatini Lilangeni Fund		
Highest unit price	1,00	1,00
Lowest unit price	1,00	1,00
African Alliance Eswatini Managed Fund		
Highest unit price	7,24	7,09
Lowest unit price	6,96	6,80
African Alliance Eswatini Offshore Fund		
Highest unit price	4,71	4,71
Lowest unit price	3,97	3,97

African Alliance Eswatini Collective Investment Scheme

Unit Trust Funds report

4. Review of activities (continued)

Unit prices (continued)

African Alliance Eswatini Portfolio Fund	<u>2025</u>	<u>2024</u>
Highest unit price	6,56	6,19
Lowest unit price	6,10	5,75
African Alliance Eswatini Umnotfo Fund		
Highest unit price	1,05	1,05
Lowest unit price	0,96	1,00

5. Going concern

The Trustee and management company have made an assessment of the Scheme's ability to continue as a going concern and is satisfied that the Scheme has the resources to continue in business for the foreseeable future. Furthermore, the trustee and management company are not aware of any material uncertainties that may cast significant doubt upon the Scheme's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis with the exception of the African Alliance Eswatini Managed Fund which has been prepared on a basis other than going concern because the Fund will cease operations and is expected to be wound up.

6. Winding up

On 15th April 2025, the Fund Manager instructed Financial Services Regulatory Authority (FSRA) of its intention to wind down African Alliance Eswatini Managed Fund.

Due to the Fund falling short of the critical mass sufficiently required for the unit portfolio to be economically viable, the fund manager of the Scheme, have come to the decision to wind down the above unit portfolio.

The underlying unit holders may switch investments in another Fund or redeem their units until mid September 2025.

On 20th May 2025, the FSRA responded and requested the following preliminary documentations for consideration of the winding up:

- Board resolution approving the winding -up of the Fund
- A comprehensive plan outlining the procedures for the winding-up process.
- A signed declaration from African Alliance Eswatini Management Company Limited confirming there are no pending legal proceedings, investor disputes, or regulatory violations relating to the Fund.
- Latest Audited Financial Statements of the Fund.
- Details about the Fund's asset size and whether any investors have switched to other portfolios or received their participatory interest as of last trading date
- A copy of Supplemental deed
- Attestation from trustee/custodian in relation to winding up process
- List of unitholders (including holding balanes) affected by the winding up.

The Fund Manager is currently working on submitting the requested documents.

African Alliance Eswatini Collective Investment Scheme

Accounting Policies

1. Basis of accounting

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by International Accounting Standard Board (IASB), and interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC).

The financial statements have been prepared on the historical cost basis, except for financial assets at fair value through profit or loss which are measured at fair value.

The financial statements are presented in Emalangeni which is the Scheme's functional currency. All values are rounded to the nearest Emalangeni, except where otherwise indicated.

Summary of significant accounting policies

The Scheme has consistently applied the following accounting policies to all periods presented in these financials.

1.1 Financial instruments

Initial recognition and measurement

Financial instruments are recognised initially when the Scheme becomes a party to the contractual provisions of the instruments.

The Scheme classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial instruments are measured initially at fair value. On initial recognition, financial asset is classified as amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVPL). The classification is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Impairment of financial assets

The Scheme recognises a loss allowance for expected credit losses on all financial assets. The amount of expected credit losses is updated at each reporting date.

Loss allowance for all receivables is determined as lifetime expected credit losses (simplified approach). Loss allowance for receivables is determined in the same manner as prescribed for all financial assets at amortised cost.

The Scheme measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

African Alliance Eswatini Collective Investment Scheme

Accounting policies

1.1 Financial instruments (continued)

Measurement and recognition of expected credit losses

The Scheme makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in other operating expenses in profit or loss as a movement in credit loss allowance.

Write off policy

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

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. They are measured at amortised cost.

Bank overdraft and other financial liabilities

Bank overdrafts, borrowings and trade and other payables are initially measured at fair value and subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Scheme's accounting policy for borrowing costs.

Other financial liabilities are measured initially at fair value and subsequently at amortised cost, using the effective interest method.

African Alliance Eswatini Collective Investment Scheme

Accounting policies

1.1 Financial instruments (continued)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when :

- the rights to receive cash flows from the asset have expired; and
- the Scheme has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Scheme has transferred substantially all the risks and rewards of the asset, or (b) the Scheme had neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Scheme has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognised to the extent of the Scheme's continuing involvement in the asset. In that case, the Scheme also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Scheme has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Scheme could be required to repay.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

When the existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit and loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if :

- there is a currently enforceable legal right to offset the recognised amounts; and
- there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.2 Functional and presentation currency

The Scheme's functional currency is Emalangeni, which is the currency of the primary economic environment in which it operates. The Scheme's performance is evaluated and its liquidity is managed in Emalangeni. Therefore, Emalangeni is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The Scheme's presentation currency is also Emalangeni.

1.3 Foreign currency

Transactions in foreign currencies are translated into the functional currency at the exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on translation are recognised in profit or loss as net foreign exchange gain/(loss), except for those arising on financial instruments at fair value through profit or loss, which are recognised as a component of net gain from financial instruments at fair value through profit or loss.

African Alliance Eswatini Collective Investment Scheme

Accounting policies

1.4 Net gain/(loss) from the financial assets at fair value through profit or loss

Net gain/(loss) from financial asset at fair value through profit or loss includes all realised and unrealised fair value changes but excludes interest and dividend income.

1.5 Redeemable participating units

Redeemable participating units are redeemable at the unit holders' option and are classified as financial liabilities. The liabilities arising from the redeemable units are carried at the redemption amount, being the net asset value calculated in accordance with the Trust Deed.

The Scheme issues units at the net asset value of the existing units. The holder of participating units can redeem at any time during the year for cash equal to a proportionate unit of the Scheme's net asset value (calculated in accordance with redemption requirements). The Scheme's net asset value per unit is calculated by dividing the net assets attributable to unit holders (calculated in accordance with redemption requirements) by the number of units in issue.

1.6 Cash and cash equivalents

Cash and cash equivalents comprise deposits with banks and highly liquid financial assets with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Scheme in the management of short-term commitments, other than cash collateral provided in respect of derivatives and securities borrowing transactions.

1.7 Distributions to unit holders

In accordance with the Scheme's constitution, the Scheme fully distributes its distributable income to unit holders.

Proposed distributions to unit holders are recognised in Statement of Profit or Loss and other Comprehensive Income on the Scheme's ex-date. The distribution expense is recognised in profit or loss as a finance cost.

Distributable income excludes capital gains arising from the disposal of investments and unrealised gains or losses on revaluation of investments.

1.8 Interest income

Interest income is recognised in the profit or loss for all interest-earning financial instruments using the effective interest method.

The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial instrument (or, when appropriate, a shorter period) to the carrying amount of the financial instrument. When calculating the effective interest rate, the Scheme estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses. Interest received or receivable are recognised in profit or loss as interest income.

1.9 Dividend income

Dividend income is recognised in profit or loss on the date that the right to receive payment is established. For quoted equity securities this is usually the ex-dividend date. For unquoted securities, this is usually the date when the shareholders have approved the payment of a dividend.

Dividend income from equity securities designated as at fair value through profit or loss is recognised in the profit or loss as a separate line item.

1.10 Fees

Unless included in the effective interest calculation, fees are recognised on an accrual basis.

African Alliance Eswatini Collective Investment Scheme

Accounting policies

1.11 Income taxes

The Scheme is exempt from all forms of taxation in the Kingdom of Eswatini, provided the unit holders are currently entitled to the income of the Scheme and the Scheme fully distributes its net taxable income. However, in some instances, investment income and capital gains are subject to withholding tax deducted at the source of the income. The Scheme presents the withholding tax separately from the gross investment income in the Statement of profit or loss and other comprehensive income. For the purpose of the Statement of cash flows, cash inflows from investments are presented net of withholding taxes, when applicable.

1.12 Significant accounting judgments, estimates and assumptions

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of the assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgments

In the process of applying the Scheme's accounting policies, the following judgments, having the most significant effect on the amounts recognised in the financial statements, have been made.

Going concern

The Trustee and management company have made an assessment of the Scheme's ability to continue as a going concern and is satisfied that the Scheme has the resources to continue in business for the foreseeable future. Furthermore, the trustee and management company are not aware of any material uncertainties that may cast significant doubt upon the Scheme's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis with the exception of the African Alliance Eswatini Managed Fund which has been prepared on a basis other than going concern because the Fund will cease operations and is expected to be wound up.

Estimates and assumptions

The Scheme did not apply any estimates and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Scheme. Such changes will be reflected in those assumptions when they occur.

Fair value of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Statement of financial position cannot be derived from active markets, their fair values are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. The estimates include considerations of liquidity and model inputs, such as credit risks (both own and counterparty's), correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the Statement of financial position and the level where the instruments are disclosed in the fair value hierarchy.

1.13 Changes in accounting policies and disclosures

The Scheme has consistently applied the accounting policies as set out in Note 1.1 to 1.12 to all periods presented in these financial statements.

African Alliance Eswatini Collective Investment Scheme

Accounting policies

1.13 Changes in accounting policies and disclosures (continued)

The annual audited financial statements have been prepared in accordance with IFRS Accounting Standards on a basis consistent with the prior year except for the adoption of the following new or revised standards.

1.14 New and amended standards and interpretations

Amendments mandatorily effective for the year ending 30 April 2025

A number of new standards, amendments to standards and interpretations were effective for the current financial year. None of these had material effect on the financial statements of the Scheme.

Not yet mandatorily effective but early application allowed for the year ended 30 April 2025

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on 01 May 2025, and have not been applied in preparing the financial statements. Those which may be relevant to the Scheme are set out below. The Scheme does not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated:

Classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7)

In May 2024, the International Accounting Standards Board (IASB) issued Amendments to the classification and measurement of financial instruments which amended IFRS 9 and 7.

The requirements will be effective for annual reporting periods beginning on or after 1 January 2026 (1 May 2026 for the Scheme), with early application permitted, and are related to:

- I. settling financial liabilities using electronic payments system; and
- II. assessing contractual cash flow characteristics of financial assets, including those with sustainability-linked features.

The Scheme is in the process of assessing the impact of the new amendments.

IFRS 18 Presentation and disclosure in financial statements

IFRS 18 Will replace IAS 1 Presentation of financial statements and applies for annual periods beginning on or after 1 January 2027 (1 May 2027 for the Scheme). The new standard introduces the following key new requirements:

- I. Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal. Entities net profit will not change.
- II. Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- III. Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Scheme is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Scheme's profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Scheme is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as other.

Other accounting standards

The Lack of exchangeability (Amendments to IAS 21) is not expected to have an impact on the Scheme's financial statements.



African Alliance Eswatini Ligcebesha Fund

Audited financial statements
for the year ended 30 April 2025

African Alliance Eswatini Ligcebesha Fund

Statement of financial position as at 30 April 2025

Figures in Emalangeni	Note	2025	2024
<u>Assets</u>			
Financial assets at fair value through profit or loss	1	347 848 876	430 845 103
Interest receivable		1 935 257	2 195 562
Cash and cash equivalents	2	626 036	10 910 833
Total assets		350 410 169	443 951 498
<u>Liabilities</u>			
Management fees payable	11	589 515	724 399
Trustee fees payable	11	9 762	9 735
Audit fees payable		32 620	29 045
Distributions payable	7	6 231 942	9 688 341
Total liabilities excluding net assets attributable to unit holders		6 863 839	10 451 520
Net assets attributable to unit holders		343 546 330	433 499 978
Represented by :			
Net assets attributable to unit holders		343 546 330	433 499 978

The notes on pages 26 to 40 are an integral part of these financial statements.

African Alliance Eswatini Ligcebesha Fund

Statement of profit or loss and other comprehensive income for the year ended 30 April 2025

Figures in Emalangeni	Note	2025	2024
Income			
Net (loss) / gain from financial assets at fair value through profit or loss	1	(7 442 630)	9 655 195
Interest income	4	5 445 234	6 155 716
Dividend income		18 915 963	18 637 944
Income equalisation	5	(2 205 520)	44 491
Total income		14 713 047	34 493 346
Expenses			
Management fees	11	(4 503 047)	(4 790 954)
Trustee fees	11	(276 856)	(264 540)
Audit fees		(46 461)	(32 739)
Bank charges		(402)	(11)
Other operating expenses		(3 659)	(2 554)
Total expenses		(4 830 425)	(5 090 798)
Operating profit		9 882 622	29 402 548
Distributions to unit holders	6	(17 325 262)	(19 599 361)
(Decrease) / increase in net assets attributable to unit holders		(7 442 640)	9 803 187

The notes on pages 26 to 40 are an integral part of these financial statements.

African Alliance Eswatini Ligcebesha Fund

Statement of changes in net assets attributable to unit holders for the year ended 30 April 2025

Figures in Emalangeni	Note	Net assets attributable to unit holders	Number of units	Net asset value per unit
Balance at 01 May 2023		414 097 221	22 061 913	18,77
Contributions and redemptions by unit holders				
Issue of units during the year	8	97 468 798	5 163 807	
Redemption of units during the year	8	(87 869 228)	(4 672 029)	
Increase in net assets attributable to unit holders		9 803 187	-	
Balance at 30 April 2024	9	433 499 978	22 553 691	19,22
Balance at 01 May 2024		433 499 978	22 553 691	19,22
Contributions and redemptions by unit holders				
Issue of units during the year	8	60 091 636	3 177 561	
Redemption of units during the year	8	(142 602 644)	(7 551 660)	
Decrease in net assets attributable to unit holders		(7 442 640)	-	
Balance at 30 April 2025	9	343 546 330	18 179 592	18,90

The notes on pages 26 to 40 are an integral part of these financial statements.

African Alliance Eswatini Ligcebesha Fund

Statement of cash flows for the year ended 30 April 2025

Figures in Emalangeni	Note	2025	2024
Cash flow from operating activities			
Proceeds from sale of financial assets at fair value through profit or loss		95 869 393	27 689 354
Payments for acquisition of financial assets at fair value through profit or loss	1	(20 315 796)	(29 089 571)
Interest received		5 705 540	6 250 380
Dividend received		18 915 963	18 637 944
Trustee fees paid		(276 820)	(276 769)
Management fees paid		(4 637 931)	(4 765 918)
Audit fees paid		(42 886)	(41 560)
Bank charges paid		(402)	(11)
Other operating expenses paid		(3 669)	(2 551)
Net cash generated from operating activities		95 213 392	18 401 298
Cash flow from financing activities			
Proceeds from issue of units	8	40 622 831	79 539 514
Payment on redemption of units	8	(146 101 774)	(89 730 565)
Distributions paid to unit holders	7	(19 246)	(30 357)
Net cash used in financing activities		(105 498 189)	(10 221 408)
Net (decrease) / increase in cash and cash equivalents		(10 284 797)	8 179 890
Cash and cash equivalents at the beginning of the year		10 910 833	2 730 943
Cash and cash equivalents at the end of the year	2	626 036	10 910 833

The notes on pages 26 to 40 are an integral part of these financial statements.

African Alliance Eswatini Ligcebesha Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

1. Financial assets at fair value through profit or loss

Financial assets held for trading

Listed securities	310 848 876	386 187 203
Corporate and government bonds	37 000 000	44 657 900
Opening balance	430 845 103	419 789 692
Additions	20 315 796	29 089 571
Disposals	(93 362 341)	(27 434 796)
Unrealised (loss) / gains from financial assets at fair value through profit or loss	(9 949 682)	9 400 636
Closing balance	347 848 876	430 845 103

Net (loss) / gain from financial assets at fair value through profit or loss is analysed as follows:

Realised	2 507 052	254 559
Unrealised	(9 949 682)	9 400 636
	(7 442 630)	9 655 195

Refer to Note 3, Fair value of financial instruments, for details of the financial assets and Note 15, Analysis of total assets, for terms and conditions of the above securities.

2. Cash and cash equivalents

Cash and cash equivalents consist of :
Bank balances and liquid investments

Analysed as:

Money market investments	3 910	8 786 347
Cash at bank	622 126	2 124 486
	626 036	10 910 833

Money market investments are highly liquid investments and are subject to insignificant risks of changes in value.

Refer to Note 15, Analysis of total assets, for further details.

3. Fair value of financial instruments

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments using: quoted market prices in active market for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

African Alliance Eswatini Ligcebesha Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

3. Fair value of financial instruments (continued)

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
2025				
Investments				
African Alliance Eswatini Umnotfo Fund	-	134 325 330	-	134 325 330
Greystone Partners Limited	71 938 383	-	-	71 938 383
Inala Capital Limited	24 967 173	-	-	24 967 173
Nedbank Eswatini Limited	5 339 790	-	-	5 339 790
Royal Eswatini Sugar Corporation Limited	2 242 300	-	-	2 242 300
SBC Limited	39 006 000	-	-	39 006 000
Swaziland Empowerment Limited	33 029 900	-	-	33 029 900
Government bonds	27 000 000	-	-	27 000 000
Corporate bond	-	10 000 000	-	10 000 000
	203 523 546	144 325 330	-	347 848 876
2024				
Investments				
African Alliance Eswatini Umnotfo Fund	-	201 915 132	-	201 915 132
Greystone Partners Limited	71 938 383	-	-	71 938 383
Inala Capital Limited	31 267 125	-	-	31 267 125
Nedbank Eswatini Limited	5 517 783	-	-	5 517 783
Royal Eswatini Sugar Corporation Limited	2 004 880	-	-	2 004 880
SBC Limited	38 572 600	-	-	38 572 600
Swaziland Empowerment Limited	34 971 300	-	-	34 971 300
Government bonds	34 657 900	-	-	34 657 900
Corporate bond	-	10 000 000	-	10 000 000
	218 929 971	211 915 132	-	430 845 103

When the fair values of listed equities and debt securities are based on quoted market prices or binding dealer prices (bid prices for long positions and ask prices for short positions), without any deduction for transaction costs, the instruments are included within Level 1 of the hierarchy.

The Fund invests in securities listed on the Eswatini Stock Exchange, which is an illiquid market, and this will impact on any realisation of assets made in that market.

When financial instruments are not measured at quoted prices in an active market, they are valued using observable inputs, such as recently executed transaction prices in securities of the issuer or comparable issuers and yield curves. Adjustments are made to the valuations when necessary to recognise differences in the instruments' terms. To the extent that these inputs are observable, the Fund classifies the fair value of those investments as Level 2.

Financial instruments not measured at fair value

The carrying amount of the financial instruments not measured at fair value approximate their fair value and fair value hierarchy of those financial assets is summarised below:

African Alliance Eswatini Ligcebesha Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

3. Fair value of financial instruments (continued)

- Debt instruments, interest receivable and cash and cash equivalents are classified as level 2.
- Net assets attributable to unit holders and payables are classified as level 2.
- Payables are measured at amortised costs.

4. Interest income

Money market investments	673 405	1 109 772
Cash at bank	102 271	109 117
Debt instruments	4 669 558	4 936 827
	5 445 234	6 155 716

5. Income equalisation

Income equalisation on issue of units	1 293 610	1 905 828
Income equalisation on redemption of units	(3 499 130)	(1 861 337)
Net (expense) / income for the year	(2 205 520)	44 491

Income equalisation is accrued income / (expense) included in the price of units created and redeemed by the Fund during the accounting period. The subscription price of the units is deemed to include a deemed income payment calculated by reference to the accrued income of the units. The redemption price of each unit will also include a payment in respect of the accrued income of the unit up to the date of the redemption.

6. Distributions to unit holders

	Distribution per unit		Distributions for the year ended	
	2025	2024	2025	2024
Distributions declared at				
October	0,57	0,34	11 093 320	9 911 020
April	0,34	0,43	6 231 942	9 688 341
			17 325 262	19 599 361

African Alliance Eswatini Ligcebesha Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

7. Distributions paid to unit holders

Opening balance	(9 688 341)	(9 954 449)
Distributions for the year (Note 6)	(17 325 262)	(19 599 361)
Closing balance	6 231 942	9 688 341
	(20 781 661)	(19 865 469)
Distributions re-invested	(20 762 415)	(19 835 112)
Distributions paid	(19 246)	(30 357)
	(20 781 661)	(19 865 469)

8. Issue and redemption of units during the year

Units created during the year	60 091 636	97 468 798
Amount of units reinvested (Note 7)	(20 762 415)	(19 835 112)
Income equalisation adjustment (Note 5)	1 293 610	1 905 828
Proceeds from issue of units	40 622 831	79 539 514
Units redeemed during the year	(142 602 644)	(87 869 228)
Income equalisation adjustment (Note 5)	(3 499 130)	(1 861 337)
Payment on redemption of units	(146 101 774)	(89 730 565)

9. Redeemable participating units

The Fund's capital is represented by these redeemable participating units. Quantitative information about the Fund's capital is provided in the Statement of changes in net assets attributable to unit holders.

Each unit issued confers upon the unit holder an equal interest in the Fund, and is of equal value. A unit does not confer any interest in any particular asset or investment of the Fund. Unit holders have various rights under the Fund's Trust Deed, including the right to:

- have their unit redeemed at a proportionate unit price based on the Fund's net asset value per unit on the redemption date,
- receive income distributions, and
- participate in the termination and winding up of the Fund.

The rights, obligations and restrictions attached to each unit are identical in all respects.

For the purpose of issue and redemption of units, the net assets attributable to unit holders are calculated in accordance with the Fund's Trust Deed.

African Alliance Eswatini Ligcebesha Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

10. Capital management

As a result of the ability to issue and redeem units, the capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund. The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue or redemption of redeemable units beyond those included in the Fund's constitution.

The Fund's objectives for managing capital are:

- to invest in instruments meeting the description, risk exposure and expected return indicated in its Trust Deed,
- to achieve consistent returns while safeguarding capital by investing in a diversified portfolio, by participating in other capital markets and by using various investment strategies,
- to maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise, and
- to maintain sufficient size to make the operation of the Fund cost-efficient.

Refer to Note 12, Financial risk management objectives and policies, for the policies and processes applied by the Fund in managing its capital.

11. Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operational decisions.

Relationship - Trustee

Nedbank Eswatini Limited, a company incorporated in the Kingdom of Eswatini, provides trustee services to the Fund.

Trustee fees payable	9 762	9 735
Trustee fees charged for the year	276 856	264 540
Balances held with Nedbank Eswatini Limited:		
Equity investment	5 339 790	5 517 783
Cash at bank	622 126	2 124 486
Interest receivable	6 543	6 783
Transactions during the year with Nedbank Eswatini Limited		
Interest income	102 271	109 117

Relationship - Investment Manager

The Fund is managed by African Alliance Eswatini Management Company Limited, an investment management and administration company incorporated in the Kingdom of Eswatini. African Alliance Eswatini Management Company Limited provides management services to the Fund and receives, in return, an annual fee, collected monthly, based on the total asset value of the Fund at a rate not exceeding 2%.

African Alliance Eswatini Ligcebesha Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

11. Related parties (continued)

Relationship - Investment Manager (continued)

Management fees payable	589 515	724 399
Management fees charged for the year	4 503 047	4 790 954

Investment in the Fund made by the Fund Investment Manager:

African Alliance Eswatini Management Company Limited

	Number of Units held	Value of units held	% of units held	Distributions to unit holders	Distributions payable
Opening balance - 01 May 2023	4 955	87 482	0,02		1 998
Units acquired	11 952	230 049			
Units disposed	(12 240)	(234 282)			
Closing balance - 30 April 2024	<u>4 667</u>	<u>91 727</u>	<u>0,02</u>	<u>4 287</u>	<u>2 005</u>
Opening balance - 01 May 2024	4 667	91 727	0,02		2 005
Units acquired	104	2 008			
Units disposed	<u>(4 771)</u>	<u>(93 478)</u>			
Closing balance - 30 April 2025	-	-	-	2 008	-

Investments by the Fund made in other African Alliance Unit Trusts:

African Alliance Eswatini Lilangeni Fund

Opening balance - 01 May 2023	1 137 064	1 137 064	0,06		16 266
Units acquired	56 949 283	56 949 283			
Units disposed	<u>(49 300 000)</u>	<u>(49 300 000)</u>			
Closing balance - 30 April 2024	<u>8 786 347</u>	<u>8 786 347</u>	<u>0,45</u>	<u>1 059 701</u>	<u>66 351</u>
Opening balance - 01 May 2024	8 786 347	8 786 347	0,45		66 351
Units acquired	30 791 563	30 791 563			
Units disposed	<u>(39 574 000)</u>	<u>(39 574 000)</u>			
Closing balance - 30 April 2025	3 910	3 910	0,01	732 479	7 278

African Alliance Eswatini Ligcebesha Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

11. Related parties (continued)

Investments by the Fund made in other African Alliance Unit Trusts (continued):

	Number of Units held	Value of units held	% of units held	Distributions to unit holders	Distributions payable
African Alliance Eswatini Umnotfo Fund					
Opening balance 01 May 2023	185 158 716	192 593 394	33,91		6 934 801
Units acquired	18 948 244	19 089 571			
Units disposed	(11 904 219)	(12 000 000)			
Closing balance - 30 April 2024	192 202 741	201 915 132	37,36	14 268 741	9 193 542
Opening balance 01 May 2024	192 202 741	201 915 132	37,36		9 193 542
Units acquired	20 158 918	20 315 796			
Units disposed	(84 617 576)	(88 000 000)			
Closing balance - 30 April 2025	127 744 083	134 325 330	21,99	15 327 520	5 602 601

Investments held in other entities of African Alliance Limited:

SBC Limited

The Fund holds investments in SBC Limited, a company related to the management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding company.

Investments held in SBC Limited	39 006 000	38 572 600
Percentage holding	5,07 %	5,07 %
Dividend received during the year	449 166	898 331

Select Limited

The Fund holds investments in Select Limited, a company related to the management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding company.

Opening balance	10 000 000	10 000 000
Closing balance	10 000 000	10 000 000

Greystone Partners Limited

The Fund holds investments in Greystone Partners Limited, a company related to the management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding company.

Investments held in Greystone Partners Limited	71 938 383	71 938 383
Dividend received during the year	-	-

African Alliance Eswatini Ligcebesha Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Financial risk management objectives and policies

Introduction

The Fund's objective in managing risk is the creation and protection of unit holder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risks limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund is exposed to market risk (which include interest rate risk, currency risk and price risk), liquidity risk and credit risk arising from the financial instruments it holds.

Risk management structure

The Fund's Investment Manager is responsible for identifying and controlling risks. The directors of the management company supervise the Investment Manager and are ultimately responsible for the overall risk management of the Fund.

Risk measurement and reporting system

Financial risk is managed through the regulatory framework under the Collective Investment Undertakings Regulation, which imposes strict and specific regulations regarding the instruments that may be held by the scheme. The Scheme is additionally governed by a Trust Deed, which commits the funds to specific investment objectives and requires the investment manager to manage the Scheme in accordance therewith. Compliance limits are built into the daily pricing systems and processes. Independent checks are also carried out by the Trustee as well as the compliance functions of the Management Company to ensure compliance with limitations specified in the Trust Deed and the regulations determined under the Collective Investments Undertakings Regulation.

Risk mitigation

The Fund has investment guidelines that set out its overall business strategies, its tolerance for risk and its general risk management philosophy.

Excessive risk concentration

Concentration of risk indicates the relative sensitivity of the Fund's performance to developments affecting a particular industry or geographical location. Concentrations of risk arise when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or that have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of liquidity risk may arise from the repayment terms of financial liabilities or reliance on a particular market to realise liquid assets.

In order to avoid excessive concentrations of risk, the Fund's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. The Investment Manager is instructed to reduce exposure to manage excessive risk concentrations when they arise.

Market risk

Market risk is the risk that changes in the market prices, such as interest rates, equity prices and foreign exchange rates will affect the Fund's income or the fair value of its holdings of financial instruments.

The Fund's strategy for the management of market risk is driven by the Fund's investment objective. The investment objective of the Fund is to enhance returns and control risks. The Fund's market risk is managed on a daily basis by the investment manager in accordance with policies and procedures put in place. Details of the Fund's investment portfolio at the reporting date are disclosed in Note 15.

African Alliance Eswatini Ligcebesha Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Financial risk management objectives and policies (continued)

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rate will affect future cash flows or the fair values of financial instruments.

The interest rate exposure arises on loans and receivables, money market investments and cash at bank.

The following table demonstrates the sensitivity of the Fund's profit or loss for the year to a reasonably possible change in interest rate, with all other variables held constant. The sensitivity of the change in net assets attributable to unit holders is the effect of the assumed changes in interest rates on the net interest income for one year, based on the floating rate financial assets held at the end of the reporting period.

In practice, the actual trading results may differ from the sensitivity analysis below and the difference could be significant.

	Change in basis points	Sensitivity of interest income
2024	+/- 10	+/- 10 911
2025	+/- 10	+/- 626

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Consequently, the Fund is exposed to risks that the exchange rate of its currency, relative to other currencies, may change in a manner that has an adverse effect on the fair value or future cash flows of the portion of the Fund's assets and liabilities denominated in currencies other than the Eswatini Emalangeni and South African Rand. Eswatini Emalangeni is pegged to South African Rand in the ratio 1:1.

Accordingly, the value of the Fund's assets will not be affected favourably or unfavourably by fluctuations in currency rates and therefore the Fund will necessarily not be subject to foreign exchange risks.

Price risk

Price risk is the risk of unfavourable changes in the fair values of equities and Fund value as a result of changes in the levels of equity indices and the value of individual securities and fund prices.

Price risk is managed by the Investment Manager by diversifying the portfolio as set out by the Trust Deed.

African Alliance Eswatini Ligcebesha Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Financial risk management objectives and policies (continued)

Price risk (continued)

Considering the reasonably possible increase of 10% in security indices and individual security and fund prices, the effect on the Fund's net assets attributable to unit holders is as follows:

	2025	2024
Effect of a 10% change on the net assets attributable to unit holders	34 784 888	43 084 510

A weakening of equity prices would result in an equal but opposite effect to the amounts shown above.

Concentration of equity price risk

The following table contains an analysis of the Fund's concentration of equity price risk by geographical distribution, based on counterparties' place of primary listing or place of domicile, if not listed.

	% of equity securities	
Kingdom of Eswatini	100,00	100,00

Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected. The Fund is exposed to cash redemptions of its redeemable units on a regular basis. Units are redeemable at the holders' option, based on the Fund's Net Asset Value (NAV) per unit at the time of the redemption and calculated in accordance with the Fund's Trust Deed.

The Fund manages its obligation to repurchase the units when required to do so and its overall liquidity risk by:

- allowing for the redemptions, payments to be made within 14 days of the redemption instructions being received,
- searching for new investors,
- withdrawal of cash deposits,
- disposal of highly liquid assets, and
- disposal of other assets.

It is the Fund's policy that the Investment Manager monitors the Fund's liquidity position on a daily basis.

The following table summarises the maturity profile of the Fund's financial liabilities based on the contractual undiscounted cash flows.

Based on the nature of the business of the Trust Scheme, the realisation of the assets will depend on the redemption requirements of the investors, as well as the investment strategy. However, for securities listed on the Eswatini Stock Exchange, the realisation of the assets will be subject to the illiquidity of the market.

African Alliance Eswatini Ligcebesha Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Financial risk management objectives and policies (continued)

For financial liabilities, the maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When a counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund is required to pay.

	<u>Within 1 month</u>	<u>1 - 3 months</u>	<u>3 - 6 months</u>	<u>Over 6 months</u>	<u>Total</u>
<u>2025</u>					
Financial liabilities					
Net assets attributable to unit holders	343 546 330	-	-	-	343 546 330
Management fees payable	589 515	-	-	-	589 515
Trustee fees payable	9 762	-	-	-	9 762
Audit fees payable	32 620	-	-	-	32 620
Distributions payable	6 231 942	-	-	-	6 231 942
	350 410 169	-	-	-	350 410 169
<u>2024</u>					
Financial liabilities					
Net assets attributable to unit holders	433 499 978	-	-	-	433 499 978
Management fees payable	724 399	-	-	-	724 399
Trustee fees payable	9 735	-	-	-	9 735
Audit fees payable	29 045	-	-	-	29 045
Distributions payable	9 688 341	-	-	-	9 688 341
	443 951 498	-	-	-	443 951 498

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge an obligation.

The Fund is exposed to the risk of credit-related losses that can occur as a result of a counterparty or issuer being unable or unwilling to honour its contractual obligations. These credit exposures exist within financing relationships and other transactions.

It is the Fund's policy to enter into financial instruments with reputable counterparties.

The Investment Manager closely monitors the creditworthiness of the Fund's counterparties (for example, brokers, custodians, managers and banks) by reviewing their credit ratings, financial statements and press releases on a regular basis.

African Alliance Eswatini Ligcebesha Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Financial risk management objectives and policies (continued)

Credit risk (continued)

The following table contains an analysis of the Fund's maximum exposure to credit risks, which are the instruments' carrying amounts in the financial statements.

Financial instruments

Financial assets at fair value through profit or loss	347 848 876	430 845 103
Interest receivable	1 935 257	2 195 562
Cash and cash equivalents	626 036	10 910 833
Total credit risk exposure	350 410 169	443 951 498

The above financial assets are subject to the expected credit loss model. The expected credit loss provision was deemed not significant for the year under review.

Fair value

The fair values of the Fund's financial assets and liabilities approximate their carrying amounts due to their short term nature.

13. Going concern

The audited financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The Board of directors of the management company are confident that the Fund will continue as a going concern for the foreseeable future.

14. Financial assets and liabilities by category

The following table analyses the carrying amounts of the financial assets and financial liabilities by category as defined in IFRS 9.

Financial assets at fair value through profit or loss

Held for trading	347 848 876	430 845 103
Financial assets at amortised costs		
Interest receivable	1 935 257	2 195 562
Cash and cash equivalents	626 036	10 910 833
Total financial assets	350 410 169	443 951 498

Financial liabilities measured at amortised cost

Net assets attributable to unit holders	343 546 330	433 499 978
Management fees payable	589 515	724 399
Trustee fees payable	9 762	9 735
Audit fees payable	32 620	29 045
Distributions payable	6 231 942	9 688 341
Total financial liabilities	350 410 169	443 951 498

African Alliance Eswatini Ligcebesha Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

15. Analysis of total assets

	Currency	Country	Maturity date	Price per unit / interest rate per annum	Holdings	Fair value/carrying value	% of Gross assets
2025							
<u>Financial assets at fair value through profit or loss</u>							
African Alliance Eswatini Umnotfo Fund	SZL	Eswatini		1,05	127 744 083	134 325 330	38,33
Greystone Partners Limited	SZL	Eswatini		3,40	21 158 348	71 938 383	20,53
Inala Capital Limited	SZL	Eswatini		1,20	20 805 977	24 967 173	7,13
Nedbank Eswatini Limited	SZL	Eswatini		15,00	355 986	5 339 790	1,52
Royal Eswatini Sugar Corporation Limited	SZL	Eswatini		17,00	131 900	2 242 300	0,64
SBC Limited	SZL	Eswatini		9,00	4 334 000	39 006 000	11,13
Swaziland Empowerment Limited	SZL	Eswatini		37,00	892 700	33 029 900	9,43
						310 848 876	88,71
Corporate bonds							
<u>Current</u>							
Select Limited	SZL	Eswatini	03 Aug 25	13,75 %	10 000 000	10 000 000	2,85
Government Fixed rate bonds							
<u>Current:</u>							
Central Bank of Eswatini	SZL	Eswatini	29 Jun 25	9,75 %	11 000 000	11 000 000	3,14
<u>Non-Current:</u>							
Central Bank of Eswatini	SZL	Eswatini	29 Dec 26	10,25 %	8 000 000	8 000 000	2,28
Central Bank of Eswatini	SZL	Eswatini	29 Mar 28	9,75 %	4 000 000	4 000 000	1,14
Central Bank of Eswatini	SZL	Eswatini	29 Jun 28	10,25 %	4 000 000	4 000 000	1,14
						27 000 000	7,71

African Alliance Eswatini Ligcebesha Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

15. Analysis of total assets (continued)

	Currency	Country	Maturity date	Interest rate / price per unit	Holdings	Fair value/carrying value	% of Gross assets
2025 (continued)							
<u>Financial assets at amortised costs</u>							
<u>Cash and cash equivalents</u>							
<u>Current</u>							
Money market investments							
African Alliance Eswatini Lilangeni Fund	SZL	Eswatini		9,77 %	3 910	3 910	-
Bank							
Nedbank Eswatini Limited	SZL	Eswatini		5,45 %	622 126	622 126	0,18
						626 036	0,18
Interest receivables						1 935 257	0,55
Total						350 410 169	100,00
<u>2024</u>							
<u>Financial assets at fair value through profit or loss</u>							
African Alliance Eswatini Umnotfo Fund	SZL	Eswatini		1,05	192 202 741	201 915 132	45,48
Greystone Partners Limited	SZL	Eswatini		3,40	21 158 348	71 938 383	16,20
Inala Capital Limited	SZL	Eswatini		1,50	20 844 750	31 267 125	7,04
Nedbank Eswatini Limited	SZL	Eswatini		15,50	355 986	5 517 783	1,24
Royal Eswatini Sugar Corporation Limited	SZL	Eswatini		15,20	131 900	2 004 880	0,45
SBC Limited	SZL	Eswatini		8,90	4 334 000	38 572 600	8,69
Swaziland Empowerment Limited	SZL	Eswatini		39,00	896 700	34 971 300	7,89
						386 187 203	86,99

African Alliance Eswatini Ligcebesha Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

15. Analysis of total assets (continued)

	Currency	Country	Maturity date	Interest rate / price per unit	Holdings	Fair value/carrying value	% of Gross assets
2024 (continued)							
Corporate bonds							
Non-current:							
Select Limited	SZL	Eswatini	03 Aug 25	13,75 %	10 000 000	10 000 000	2,25
Government Fixed rate bonds							
Current:							
Central Bank of Eswatini	SZL	Eswatini	31 Jan 25	10,00 %	7 657 900	7 657 900	1,72
Non-current:							
Central Bank of Eswatini	SZL	Eswatini	29 Jun 25	9,75 %	11 000 000	11 000 000	2,48
Central Bank of Eswatini	SZL	Eswatini	29 Dec 26	10,25 %	8 000 000	8 000 000	1,80
Central Bank of Eswatini	SZL	Eswatini	29 Mar 28	9,75 %	4 000 000	4 000 000	0,90
Central Bank of Eswatini	SZL	Eswatini	29 Jun 28	10,25 %	4 000 000	4 000 000	0,90
						34 657 900	7,81
Cash and cash equivalents							
Current:							
Money market investments							
African Alliance Eswatini Lilangeni Fund	SZL	Eswatini		9,36 %	8 786 347	8 786 347	1,98
Bank							
Nedbank Eswatini Limited	SZL	Eswatini		5,86 %	2 124 486	2 124 486	0,48
						10 910 833	2,46
Interest receivable						2 195 562	0,49
Total						443 951 498	100,00

16. Reconciliation of Net Asset Value per unit

Published price (calculated in accordance with redemption requirements)	19,24	19,65
Distributions payable	(0,34)	(0,43)
Net asset value as per IFRS	18,90	19,22

17. Events after the reporting period

There are no significant events that have occurred in respect of the Fund and the management company, subsequent to the year end, that may be relevant to the accuracy of these financial statements.



African Alliance Eswatini Lilangeni Fund

Audited financial statements
for the year ended 30 April 2025

African Alliance Eswatini Lilangeni Fund

Statement of financial position as at 30 April 2025

Figures in Emalangeni	Note	2025	2024
<u>Assets</u>			
Debt instruments	1	1 659 881 374	1 498 528 285
Interest receivable		3 015 113	4 313 591
Cash and cash equivalents	2	245 241 374	472 967 925
		<u>1 908 137 861</u>	<u>1 975 809 801</u>
<u>Liabilities</u>			
Management fees payable	10	1 172 646	1 241 812
Trustee fees payable	10	92 490	93 381
Audit fees payable		364 330	365 669
Distributions payable	6	15 147 110	15 212 939
Total liabilities excluding net assets attributable to unit holders		<u>16 776 576</u>	<u>16 913 801</u>
Net assets attributable to unit holders		<u>1 891 361 285</u>	<u>1 958 896 000</u>
Represented by :			
Net assets attributable to unit holders		<u>1 891 361 285</u>	<u>1 958 896 000</u>

The notes on pages 46 to 63 are an integral part of these financial statements.

African Alliance Eswatini Lilangeni Fund

Statement of profit or loss and other comprehensive Income for the year ended 30 April 2025

Figures in Emalangeni	Note	2025	2024
<u>Income</u>			
Interest income	4	208 902 680	199 797 249
<u>Expenses</u>			
Management fees	10	(15 256 789)	(15 493 737)
Trustee fees	10	(1 097 747)	(1 027 656)
Audit fees		(538 590)	(406 944)
Bank charges		(51 973)	(87 372)
Other operating expenses		(85 711)	(84 970)
Total operating expenses		(17 030 810)	(17 100 679)
Operating profit		191 871 870	182 696 570
Distributions to unit holders	5	(191 924 368)	(182 389 958)
(Decrease) /increase in net assets attributable to unit holders		(52 498)	306 612

The notes on pages 46 to 63 are an integral part of these financial statements.

African Alliance Eswatini Lilangeni Fund

Statement of changes in net assets attributable to unit holders for the year ended 30 April 2025

Figures in Emalangeni	Note	Net assets attributable to unit holders	Number of units	Net asset value per unit
Balance at 01 May 2023		1 815 264 478	1 815 521 376	1,00
Contributions and redemptions by unit holders				
Issue of units during the year	7	3 260 689 273	3 260 689 273	
Redemption of units during the year		(3 117 364 363)	(3 117 364 363)	
Increase in net assets attributable to unit holders		306 612	-	
Balance at 30 April 2024	8	1 958 896 000	1 958 846 286	1,00
Balance at 01 May 2024		1 958 896 000	1 958 846 286	1,00
Contributions and redemptions by unit holders				
Issue of units during the year	7	3 008 538 372	3 008 538 372	
Redemption of units during the year		(3 076 020 589)	(3 076 020 589)	
Decrease in net assets attributable to unit holders		(52 498)	-	
Balance at 30 April 2025	8	1 891 361 285	1 891 364 069	1,00

The notes on pages 46 to 63 are an integral part of these financial statements.

African Alliance Eswatini Lilangeni Fund

Statement of cash flows for the year ended 30 April 2025

Figures in Emalangeni	Note	2025	2024
Cash flows from operating activities			
Proceeds from maturities of debts instruments	1	1 441 984 504	1 343 880 321
Payments for purchase of debt instruments	1	(1 597 720 503)	(1 431 874 605)
Interest received		204 584 068	184 537 785
Trustee fees paid		(1 098 638)	(1 017 572)
Management fees paid		(15 325 955)	(15 322 767)
Audit fees paid		(539 929)	(464 306)
Bank charges paid		(51 973)	(87 372)
Other operating expenses paid		(85 711)	(84 970)
Net cash generated by operating activities		31 745 863	79 566 514
Cash flow from financing activities			
Proceeds from issue of units	7	2 822 690 873	3 090 071 907
Payment on redemption of units		(3 076 020 589)	(3 117 364 363)
Distributions paid to unit holders	6	(6 142 698)	(8 126 763)
Net cash used in financing activities		(259 472 414)	(35 419 219)
Net (decrease) / increase in cash and cash equivalents		(227 726 551)	44 147 295
Cash and cash equivalents at the beginning of the year		472 967 925	428 820 630
Cash and cash equivalents at the end of the year	2	245 241 374	472 967 925

The notes on pages 46 to 63 are an integral part of these financial statements.

African Alliance Eswatini Lilangeni Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

1. Debt instruments

Fixed deposits	179 265 096	196 550 548
Corporate bonds / notes	942 712 298	716 827 889
Treasury bills	537 903 980	585 149 848
	1 659 881 374	1 498 528 285
Opening balance	1 498 528 285	1 396 911 753
Additions	1 597 720 503	1 431 874 605
Maturities	(1 441 984 504)	(1 343 880 321)
Movement in interest accrued	5 617 090	13 622 248
Closing balance	1 659 881 374	1 498 528 285

Refer to Note 13, Analysis of total assets, for terms and conditions of the above securities.

2. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances and liquid investments	245 241 374	472 967 925
Analysed as:		
Money market investments	188 355 461	423 642 423
Cash at bank	56 885 913	49 325 502
	245 241 374	472 967 925

Money market investments are highly liquid investments and are subject to insignificant risks of changes in value.

Refer to Note 13, Analysis of total assets, for further details.

3. Fair value of financial instruments

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable directly (that is, as prices) or indirectly (that is, derived from prices). This category includes instruments using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less active, or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued, based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

African Alliance Eswatini Lilangeni Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

3. Fair value of financial instruments (continued)

Financial instruments not measured at fair value

The carrying amount of the financial instruments that are not measured at fair value approximate their fair value and the fair value hierarchy of those financial assets is summarised below:

- Debt instruments, interest receivable and cash and cash equivalents are classified as level 2.
- Net assets attributable to unit holders are classified as level 2.
- Payables are measured at amortised costs.

4. Interest income

Money market investments	59 039 456	75 600 402
Cash at bank	25 241 585	32 910 591
Loans and receivables	124 621 639	91 286 256
	208 902 680	199 797 249

5. Distributions to unit holders

Distributions declared at:

May	15 727 706	12 947 116
June	15 182 388	14 044 743
July	15 995 108	14 898 045
August	16 539 484	16 529 224
September	16 105 421	16 739 837
October	16 762 312	17 244 253
November	16 206 059	16 249 679
December	16 529 667	14 721 466
January	16 269 530	14 271 219
February	14 724 991	14 132 780
March	16 734 592	15 398 657
April	15 147 110	15 212 939
	191 924 368	182 389 958

African Alliance Eswatini Lilangeni Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

6. Distributions paid to unit holders

Opening balance	(15 212 939)	(11 567 110)
Distributions for the year (Note 5)	(191 924 368)	(182 389 958)
Closing balance	15 147 110	15 212 939
	(191 990 197)	(178 744 129)
Distributions re-invested	(185 847 499)	(170 617 366)
Distributions paid	(6 142 698)	(8 126 763)
	(191 990 197)	(178 744 129)

7. Amounts issued to unit holders for creation of units during the year

Units created during the year	3 008 538 372	3 260 689 273
Amount of units re-invested (Note 6)	(185 847 499)	(170 617 366)
Proceeds from issue of units	2 822 690 873	3 090 071 907

8. Redeemable participating units

The Fund's capital is represented by these redeemable participating units. Quantitative information about the Fund's capital is provided in the Statement of changes in net assets attributable to unit holders.

Each unit issued confers upon the unit holder an equal interest in the Fund, and is of equal value. A unit does not confer any interest in any particular asset or investment of the Fund. Unit holders have various rights under the Fund's Trust Deed, including the right to:

- have their units redeemed at a proportionate unit price, based on the Fund's net asset value per unit on the redemption date,
- receive income distributions, and
- participate in the termination and winding up of the Fund.

The rights, obligations and restrictions attached to each unit are identical in all respects.

For the purpose of issue and redemption of units, the net assets attributable to unit holders are calculated in accordance with the Fund's Trust Deed.

9. Capital management

As a result of the ability to issue and redeem units, the capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund. The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue or redemption of redeemable units beyond those included in the Fund's constitution.

The Fund's objectives for managing capital are:

- to invest in instruments meeting the description, risk exposure and expected return indicated in its Trust Deed,

African Alliance Eswatini Lilangeni Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

9. Capital management (continued)

- to achieve consistent returns while safeguarding capital by investing in a diversified portfolio, by participating in other capital markets and by using various investment strategies,
- to maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise, and
- to maintain sufficient size to make the operation of the Fund cost-efficient.

Refer to Note 11, Financial risk management objectives and policies, for the policies and processes applied by the Fund in managing its capital.

10. Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operational decisions.

Relationship - Trustee

Nedbank Eswatini Limited, a company incorporated in the Kingdom of Eswatini, provides trustee services to the Fund.

Trustee fees payable	92 490	93 381
Trustee fees charged for the year	1 097 747	1 027 656

Balances held with Nedbank Eswatini Limited:

Fixed deposits	54 331 507	65 614 521
Cash at bank	55 124 253	48 540 714
Interest receivable	365 676	199 775

Transactions during the year with Nedbank Eswatini Limited

Interest income	3 811 150	4 067 416
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Relationship - Investment Manager

The Fund is managed by African Alliance Eswatini Management Company Limited, an investment management and administration company incorporated in the Kingdom of Eswatini. African Alliance Eswatini Management Company Limited provides management services to the Fund and receives, in return, an annual fee, collected monthly, based on the total asset value of the Fund at a rate not exceeding 2%.

Management fees payable	1 172 646	1 241 812
Management fees charged for the year	15 256 789	15 493 737

African Alliance Eswatini Lilangeni Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

10. Related parties (continued)

Investments in the Fund made by the Fund Investment Manager:

African Alliance Eswatini Management Company Limited

	Number of Units held	Value of units held	% of units held	Distributions to unit holders	Distributions payable
Opening balance - 01 May 2023	4 616 977	4 616 977	0,25		30 911
Units acquired	5 662 578	5 662 578			
Units disposed	(6 984 239)	(6 984 239)			
Closing balance - 30 April 2024	3 295 316	3 295 316	0,17	361 184	24 948
Opening balance - 01 May 2024	3 295 316	3 295 316	0,17		24 948
Units acquired	28 254 256	28 254 256			
Units disposed	(24 338 121)	(24 338 121)			
Closing balance - 30 April 2025	7 211 451	7 211 451	0,38	736 767	68 180

Investments in the Fund made by other African Alliance Unit Trusts and Funds :

African Alliance Eswatini Ligcebesha Fund

Opening balance - 01 May 2023	1 137 064	1 137 064	0,06		16 266
Units acquired	56 949 283	56 949 283			
Units disposed	(49 300 000)	(49 300 000)			
Closing balance - 30 April 2024	8 786 347	8 786 347	0,45	1 059 701	66 351
Opening balance - 01 May 2024	8 786 347	8 786 347	0,45		66 351
Units acquired	30 791 563	30 791 563			
Units disposed	(39 574 000)	(39 574 000)			
Closing balance - 30 April 2025	3 910	3 910	0,01	732 479	7 278

African Alliance Eswatini Managed Fund

Opening balance - 01 May 2023	2 121 197	2 121 197	0,12	-	14 173
Units acquired	3 059 915	3 059 915			
Units disposed	(4 600 000)	(4 600 000)			
Closing balance - 30 April 2024	581 112	581 112	0,03	193 348	4 396
Opening balance - 01 May 2024	581 112	581 112	0,03		4 396
Units acquired	2 413 351	2 413 351			
Units disposed	(900 000)	(900 000)			
Closing balance - 30 April 2025	2 094 463	2 094 463	0,01	105 029	16 758

African Alliance Eswatini Lilangeni Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

10. Related parties (continued)

Investments in the Fund made by other African Alliance Unit Trusts and Funds :

	Number of Units held	Value of units held	% of units held	Distributions to unit holders	Distributions payable
<u>African Alliance Eswatini Offshore Fund</u>					
Opening balance - 01 May 2023	466	466	0,01		3,00
Units acquired	703 198	703 198			
Units disposed	(703 664)	(703 664)			
Closing balance - 30 April 2024	-	-	-	3 197	-
<u>African Alliance Eswatini Portfolio Fund</u>					
Opening balance - 01 May 2023	23 495 718	23 495 718	1,29		149 792
Units acquired	26 898 468	26 898 468			
Units disposed	(10 950 000)	(10 950 000)			
Closing balance - 30 April 2024	39 444 186	39 444 186	2,01	2 487 374	304 066
Opening balance - 01 May 2024	39 444 186	39 444 186	2,01		304 066
Units acquired	40 493 172	40 493 172			
Units disposed	(36 750 000)	(36 750 000)			
Closing balance - 30 April 2025	43 187 358	43 187 358	2,28	4 394 234	350 658
<u>African Alliance Eswatini Umnotfo Fund</u>					
Opening balance - 01 May 2023	169 443 003	169 443 003	9,33	-	1 178 925
Units acquired	99 945 037	99 945 037			
Units disposed	(122 000 000)	(122 000 000)			
Closing balance - 30 April 2024	147 388 040	147 388 040	7,52	12 290 260	1 118 000
Opening balance - 01 May 2024	147 388 040	147 388 040	7,52		1 118 000
Units acquired	151 458 904	151 458 904			
Units disposed	(134 350 000)	(134 350 000)			
Closing balance - 30 April 2025	164 496 944	164 496 944	8,70	11 259 342	1 266 709

African Alliance Eswatini Lilangeni Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

10. Related parties (continued)

Investments held in other entities of African Alliance Limited:

Select Limited

The Fund holds investments in Select Limited, a company related to the Management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding company.

Opening balance	179 469 280	170 000 000
Additions	177 667 548	179 469 280
Maturities	(179 469 280)	(170 000 000)
Closing balance	177 667 548	179 469 280

African Alliance Eswatini Limited

The Fund holds investments in African Alliance Eswatini Limited, a company related to the Management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding company.

Opening balance	-	-
Additions	17 904 388	-
Closing balance	17 904 388	-

Alliance Foods Pty Ltd

The Fund holds investments in Alliance Foods Pty Ltd, a company related to the Management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding company.

Opening balance	-	-
Additions	164 001 865	-
Closing balance	164 001 865	-

SBC Limited

The Fund holds investments in SBC Limited, a company related to the Management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding company.

Opening balance	136 387 124	50 000 000
Additions	202 652 534	136 387 124
Maturities	(136 387 124)	(50 000 000)
Closing balance	202 652 534	136 387 124

African Alliance Eswatini Lilangeni Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

10. Related parties (continued)

Greystone Partners Limited

The Fund holds investments in Greystone Partners Limited, a company related to the Management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding company.

Opening balance	25 607 877	25 000 000
Additions	28 699 894	25 607 877
Maturities	(25 607 877)	(25 000 000)
Closing balance	28 699 894	25 607 877

Lesana Lesotho Limited

The Fund holds investments in Select Limited, a company related to the Management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding company.

Opening balance	51 818 493	50 000 000
Additions	51 881 164	51 818 493
Maturities	(51 818 493)	(50 000 000)
Closing balance	51 881 164	51 818 493

11. Financial risk management objectives and policies

Introduction

The Fund's objective in managing risk is the creation and protection of unit holder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risks limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund is exposed to market risks (which include interest rate risks and currency risks), liquidity risks and credit risks arising from the financial instruments it holds.

Risk management structure

The Fund's Investment Manager is responsible for identifying and controlling risks. The directors of the management company supervise the Investment Manager and are ultimately responsible for the overall risk management of the Fund.

Risk measurement and reporting system

Financial risk is managed through the regulatory framework under the Collective Investment Undertakings Regulation 2001, which imposes strict and specific regulations regarding the instruments that may be held by the scheme. The Scheme is additionally governed by a Trust Deed, which commits the funds to specific investment objectives and requires the investment manager to manage the Scheme in accordance therewith. Compliance limits are built into the daily pricing systems and processes. Independent checks are also carried out by the Trustee as well as the compliance functions of the Management Company to ensure compliance with limitations specified in the Trust Deed and the regulations determined under the Collective Investments Undertakings Regulation, 2001.

African Alliance Eswatini Lilangeni Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

11. Financial risk management objectives and policies (continued)

Risk mitigation

The Fund has investment guidelines that set out its overall business strategies, its tolerance for risk and its general risk management philosophy.

Excessive risk concentration

Concentration of risk indicates the relative sensitivity of the Fund's performance to developments affecting a particular industry or geographical location. Concentrations of risk arise when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or that have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of liquidity risk may arise from the repayment terms of financial liabilities or reliance on a particular market to realise liquid assets.

In order to avoid excessive concentrations of risk, the Fund's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. The Investment Manager is instructed to reduce exposure to manage excessive risk concentrations when they arise.

Market risk

Market risk is the risk that changes in the market prices, such as interest rates, equity prices and foreign exchange rates will affect the Fund's income or the fair value of its holdings of financial instruments.

The Fund's strategy for the management of market risk is driven by the Fund's investment objective. The investment objective of the Fund is to enhance returns and control risks. The Fund's market risk is managed on a daily basis by the Investment Manager, in accordance with policies and procedures put in place. Details of the Fund's investment portfolio at the reporting date are disclosed in Note 13.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rate will affect future cash flows or the fair values of financial instruments. The interest rate exposure arises on loans and receivables, money market investments and cash at bank. The following table demonstrates the sensitivity of the Fund's profit or loss for the year to a reasonably possible change in interest rate, with all other variables held constant. The sensitivity of the change in net assets attributable to unit holders is the effect of the assumed changes in interest rates on the net interest income for one year, based on the floating rate financial assets held at the end of the reporting period.

In practice, the actual trading results may differ from the sensitivity analysis that follows and the difference could be significant.

	Change in basis points	Sensitivity of interest income
Year ended 30 April 2024	+/- 10	+/-330 556
Year ended 30 April 2025	+/- 10	+/-245 241

African Alliance Eswatini Lilangeni Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

11. Financial risk management objectives and policies (continued)

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Consequently, the Fund is exposed to risks that the exchange rate of its currency, relative to other currencies, may change in a manner that has an adverse effect on the fair value or future cash flows of the portion of the Fund's assets and liabilities denominated in currencies other than the Emalangeni.

The Fund does not invest in securities and other investments that are denominated in currencies other than the Emalangeni and South African Rand. The Emalangeni is pegged to South African Rand in the ratio 1:1.

Accordingly, the value of the Fund's assets will not be affected favourably or unfavourably by fluctuations in currency rates and therefore, the Fund will necessarily not be subject to foreign exchange risks.

Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected. The Fund is exposed to cash redemptions of its redeemable units on a regular basis. Units are redeemable at the holders' option, based on the Fund's Net Asset Value (NAV) per unit at the time of the redemption, calculated in accordance with the Fund's Trust Deed.

The Fund manages its obligation to repurchase the units when required to do so and its overall liquidity risk by:

- allowing for the redemptions, payments to be made within 14 days of the redemption instructions being received,
- searching for new investors,
- withdrawal of cash deposits,

African Alliance Eswatini Lilangeni Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

11. Financial risk management objectives and policies (continued)

Liquidity risk (continued)

- disposal of highly liquid assets, and
- disposal of other assets.

It is the Fund's policy that the Investment Manager monitors the Fund's liquidity position on a daily basis.

The following table summarises the maturity profile of the Fund's financial liabilities based on the contractual undiscounted cash flows.

Based on the nature of the business of the Trust Scheme, the realisation of the assets will depend on the redemption requirements of the investors, as well as the investment strategy.

For financial liabilities, the maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When a counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund is required to pay.

	<u>Within 1 month</u>	<u>1 - 3 months</u>	<u>3 - 6 months</u>	<u>Over 6 months</u>	<u>Total</u>
2025					
Financial liabilities					
Net assets attributable to unit holders	1 891 361 285	-	-	-	1 891 361 285
Management fees payable	1 172 646	-	-	-	1 172 646
Trustee fees payable	92 490	-	-	-	92 490
Audit fees payable	364 330	-	-	-	364 330
Distributions payable	15 147 110	-	-	-	15 147 110
	1 908 137 861	-	-	-	1 908 137 861
2024					
Financial liabilities					
Net assets attributable to unit holders	1 958 896 000	-	-	-	1 958 896 000
Management fees payable	1 241 812	-	-	-	1 241 812
Trustee fees payable	93 381	-	-	-	93 381
Audit fees payable	365 669	-	-	-	365 669
Distributions payable	15 212 939	-	-	-	15 212 939
	1 975 809 801	-	-	-	1 975 809 801

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge an obligation.

The Fund is exposed to the risk of credit-related losses that can occur as a result of a counterparty or issuer being unable or unwilling to honour its contractual obligations. These credit exposures exist within financing relationships and other transactions.

It is the Fund's policy to enter into financial instruments with reputable counterparties to minimise its exposure to credit risks.

African Alliance Eswatini Lilangeni Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

11. Financial risk management objectives and policies (continued)

Credit risk (continued)

The Investment Manager closely monitors the creditworthiness of the Fund's counterparties (for example, brokers, custodians, managers and banks) by reviewing their credit ratings, financial statements and press releases on a regular basis.

The following table contains an analysis of the Fund's maximum exposure to credit risks, which are the instruments' carrying amounts in the financial statements.

Financial instruments

Debt instruments	1 659 881 374	1 498 528 285
Interest receivable	3 015 113	4 313 591
Cash and cash equivalents	245 241 374	472 967 925
Total credit risk exposure	1 908 137 861	1 975 809 801

The above financial assets are subject to the expected credit loss model for the year under review. The expected credit loss provision was deemed not significant for the year under review.

Fair value

The fair values of the Fund's financial assets and liabilities approximate their carrying amounts due to their short term nature.

12. Financial assets and liabilities by category

The following table analyses the carrying amounts of the financial assets and financial liabilities by category as defined in IFRS 9.

Financial assets at amortised costs

Debt instruments	1 659 881 374	1 498 528 285
Interest receivable	3 015 113	4 313 591
Cash and cash equivalents	245 241 374	472 967 925
Total financial assets	1 908 137 861	1 975 809 801

Financial liabilities measured at amortised cost

Net assets attributable to unit holders	1 891 361 285	1 958 896 000
Management fees payable	1 172 646	1 241 812
Trustee fees payable	92 490	93 381
Audit fees payable	364 330	365 669
Distributions payable	15 147 110	15 212 939
Total financial liabilities	1 908 137 861	1 975 809 801

African Alliance Eswatini Lilangeni Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

13. Analysis of total assets

	Currency	Country	Maturity	Interest rate per annum (%)	Holdings	Amortised cost	% of Gross assets
2025							
<u>Financial assets at amortised costs</u>							
<u>Fixed deposits</u>							
<u>Current</u>							
Eswatini Development and Savings Bank	SZL	Eswatini	06 May 25	10,15	100 000 000	104 894 247	5,50
Nedbank Eswatini Limited	SZL	Eswatini	25 Jun 25	10,20	50 000 000	54 331 507	2,85
Grindrod Bank Limited	ZAR	South Africa	23 Jan 26	8,98	20 000 000	20 039 342	1,05
						179 265 096	9,39
<u>Promissory notes</u>							
<u>Current</u>							
SBC Limited	SZL	Eswatini	11 May 25	12,50	30 000 000	31 756 849	1,66
Greystone Partners Limited	SZL	Eswatini	30 Jun 25	12,50	28 690 068	28 699 894	1,50
Fincorp Limited	SZL	Eswatini	08 Jul 25	13,25	50 000 000	57 605 137	3,02
Swaziland Building Society Limited	SZL	Eswatini	18 Jul 25	9,85	30 000 000	30 833 877	1,62
Swaziland Building Society Limited	SZL	Eswatini	25 Jul 25	10,75	50 000 000	54 123 288	2,84
SBC Limited	SZL	Eswatini	31 Jul 25	12,75	30 000 000	32 871 370	1,72
Select Limited	SZL	Eswatini	28 Aug 25	12,75	60 000 000	65 155 890	3,41
SBC Limited	SZL	Eswatini	12 Sep 25	12,75	30 000 000	32 420 753	1,70
Swaziland Building Society Limited	SZL	Eswatini	16 Sep 25	10,55	100 000 000	106 561 233	5,58
Alliance Foods Pty Ltd	SZL	Eswatini	18 Sep 25	15,00	161 219 178	164 001 865	8,57
SBC Limited	SZL	Eswatini	13 Oct 25	12,75	20 000 000	21 397 260	1,12
African Alliance Eswatini Limited	SZL	Eswatini	16 Oct 25	11,75	17 818 348	17 904 388	0,94
SBC Limited	SZL	Eswatini	20 Nov 25	13,00	30 000 000	31 784 384	1,67
Lesana Lesotho Limited	LSL	Lesotho	24 Nov 25	11,50	25 000 000	26 260 274	1,38
SBC Limited	SZL	Eswatini	16 Dec 25	13,00	50 000 000	52 421 918	2,75
Select Limited	SZL	Eswatini	23 Dec 25	12,85	20 000 000	20 908 302	1,10
Lesana Lesotho Limited	LSL	Lesotho	16 Feb 26	12,25	25 000 000	25 620 890	1,34
Select Limited	SZL	Eswatini	19 Feb 26	12,75	40 000 000	40 992 055	2,15
Eswatini Sugar Association	SZL	Eswatini	28 Feb 26	9,20	50 000 000	50 781 370	2,66
Select Limited	SZL	Eswatini	27 Mar 26	12,75	50 000 000	50 611 301	2,65
						942 712 298	49,40

African Alliance Eswatini Lilangeni Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

13. Analysis of total assets (continued)

	Currency	Country	Maturity	Interest rate per annum (%)	Holdings	Amortised cost	% of Gross assets
2025 (continued)							
Treasury bills							
Current							
Central Bank of Eswatini	SZL	Eswatini	30 May 25	9,15	24 442 412	24 822 307	1,30
Central Bank of Eswatini	SZL	Eswatini	13 Jun 25	9,15	9 776 965	9 894 610	0,52
Central Bank of Eswatini	SZL	Eswatini	13 Jun 25	10,25	18 575 891	19 775 690	1,04
Central Bank of Eswatini	SZL	Eswatini	27 Jun 25	10,45	27 168 654	29 556 630	1,55
Central Bank of Eswatini	SZL	Eswatini	11 Jul 25	9,65	28 622 736	29 462 716	1,54
Central Bank of Eswatini	SZL	Eswatini	18 Jul 25	9,15	9 774 569	9 808 874	0,51
Central Bank of Eswatini	SZL	Eswatini	25 Jul 25	9,69	19 077 287	19 568 555	1,03
Central Bank of Eswatini	SZL	Eswatini	25 Jul 25	10,40	27 180 928	29 341 700	1,54
Central Bank of Eswatini	SZL	Eswatini	08 Aug 25	9,65	23 852 280	24 375 691	1,28
Central Bank of Eswatini	SZL	Eswatini	22 Aug 25	10,20	23 227 931	24 266 506	1,27
Central Bank of Eswatini	SZL	Eswatini	22 Aug 25	10,45	45 281 090	48 535 064	2,54
Central Bank of Eswatini	SZL	Eswatini	05 Sep 25	9,69	14 308 645	14 517 571	0,76
Central Bank of Eswatini	SZL	Eswatini	10 Oct 25	10,30	75 000 000	75 444 452	3,95
Central Bank of Eswatini	SZL	Eswatini	17 Oct 25	10,35	36 257 618	38 262 465	2,01
Central Bank of Eswatini	SZL	Eswatini	28 Nov 25	10,25	32 507 809	33 073 801	1,76
Central Bank of Eswatini	SZL	Eswatini	12 Dec 25	10,25	23 219 863	23 532 855	1,23
Central Bank of Eswatini	SZL	Eswatini	09 Jan 26	10,30	36 274 013	37 410 234	1,96
Central Bank of Eswatini	SZL	Eswatini	06 Feb 26	10,30	27 205 509	27 842 715	1,46
Central Bank of Eswatini	SZL	Eswatini	06 Mar 26	10,35	18 128 809	18 411 544	0,96
						537 903 980	25,79
						1 659 881 374	86,99
Interest receivable						3 015 113	0,16
Cash and cash equivalents							
Money market investments							
Ninety One Money Market	ZAR	South Africa		7,74	11 961 831	11 961 831	0,63
Grindrod Bank Limited	ZAR	South Africa		8,58	96 376 026	96 376 026	5,05
Nedgroup Investments Limited	ZAR	South Africa		7,99	80 017 604	80 017 604	4,19
						188 355 461	9,87

African Alliance Eswatini Lilangeni Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

13. Analysis of total assets (continued)

	Currency	Country	Maturity	Interest rate per annum (%)	Holdings	Amortised cost	% of Gross assets
2025 (continued)							
Cash and cash equivalents (continued)							
Banks							
Nedbank Eswatini Limited	SZL	Eswatini		5,45	55 124 253	55 124 253	2,89
The Standard Bank of South Africa Limited	ZAR	South Africa		2,50	1 277 293	1 277 293	0,08
Standard Chartered Bank Limited	ZAR	South Africa		4,50	479 867	479 867	0,03
First National Bank Limited	SZL	Eswatini			1 000	1 000	0,001
First National Bank Limited	SZL	Eswatini		2,75	3 500	3 500	0,001
						56 885 913	2,98
						245 241 374	12,85
Total						1 908 137 861	100,00
2024							
Financial assets at amortised costs							
Fixed deposits							
Current							
Eswatini Development and Savings Bank	SZL	Eswatini	06 May 24	11,00	100 000 000	110 909 589	5,61
Nedbank Eswatini Limited	SZL	Eswatini	06 Jun 24	10,35	60 000 000	65 614 521	3,32
Grindrod Bank Limited	ZAR	South Africa	24 Jan 25	9,65	20 000 000	20 026 438	1,01
						196 550 548	9,95
Promissory notes							
Strutco Proprietary Limited	SZL	Eswatini	02 Jul 24	12,50	36 500 000	37 625 000	1,90
Swaziland Building Society Limited	SZL	Eswatini	25 Jul 24	11,15	50 000 000	54 291 986	2,75
SBC Limited	SZL	Eswatini	31 Jul 24	11,50	30 000 000	30 047 260	1,52
Select Limited	SZL	Eswatini	28 Aug 24	12,50	51 609 589	55 975 195	2,83
SBC Limited	SZL	Eswatini	12 Sep 24	12,50	30 000 000	32 383 562	1,64
Swaziland Building Society Limited	SZL	Eswatini	15 Sep 24	10,90	106 594 521	113 884 126	5,76
SBC Limited	SZL	Eswatini	13 Oct 24	12,75	20 000 000	21 404 247	1,08
African Alliance Eswatini Limited	SZL	Eswatini	16 Oct 24	11,75	15 881 250	15 978 387	0,81
Select Limited	SZL	Eswatini	15 Nov 24	13,25	30 000 000	31 829 589	1,61
Lesana Lesotho Limited	LSL	Lesotho	22 Nov 24	11,25	25 000 000	26 240 582	1,31
SBC Limited	SZL	Eswatini	15 Dec 24	13,50	50 000 000	52 552 055	2,66

African Alliance Eswatini Lilangeni Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

13. Analysis of total assets (continued)

	Currency	Country	Maturity	Interest rate per annum (%)	Holdings	Amortised cost	% of Gross assets
2024 (continued)							
Financial assets at amortised costs (continued)							
Current (continued)							
Promissory notes (continued)							
Lesana Lesotho Limited	LSL	Lesotho	16 Feb 25	11,25	25 000 000	25 577 911	1,29
Select Limited	SZL	Eswatini	19 Feb 25	13,25	40 000 000	41 030 959	2,08
Greystone Partners Limited	SZL	Eswatini	20 Feb 25	12,50	25 000 000	25 607 877	1,30
Eswatini Sugar Association Limited	SZL	Eswatini	28 Feb 25	9,40	50 000 000	50 785 479	2,57
Development Finance corporation	SZL	Eswatini	08 Mar 25	13,25	50 000 000	50 980 137	2,58
Select Limited	SZL	Eswatini	27 Mar 25	13,24	50 000 000	50 633 537	2,56
						716 827 889	36,28
Treasury bills							
Central Bank of Eswatini	SZL	Eswatini	31 May 24	9,65	28 622 736	29 772 979	1,51
Central Bank of Eswatini	SZL	Eswatini	28 Jun 24	9,65	28 622 737	29 561 092	1,50
Central Bank of Eswatini	SZL	Eswatini	26 Jul 24	10,65	12 353 009	13 355 024	0,68
Central Bank of Eswatini	SZL	Eswatini	26 Jul 24	9,65	23 852 280	24 457 671	1,24
Central Bank of Eswatini	SZL	Eswatini	09 Aug 24	9,65	23 852 281	24 369 385	1,23
Central Bank of Eswatini	SZL	Eswatini	09 Aug 24	9,90	27 931 750	29 242 399	1,48
Central Bank of Eswatini	SZL	Eswatini	23 Aug 24	10,50	45 260 652	48 515 699	2,46
Central Bank of Eswatini	SZL	Eswatini	23 Aug 24	9,65	19 081 824	19 424 879	0,98
Central Bank of Eswatini	SZL	Eswatini	05 Sep 24	9,60	14 318 367	14 521 727	0,73
Central Bank of Eswatini	SZL	Eswatini	20 Sep 24	9,60	19 086 364	19 287 163	0,98
Central Bank of Eswatini	SZL	Eswatini	09 Oct 24	10,35	75 000 000	79 359 760	4,02
Central Bank of Eswatini	SZL	Eswatini	18 Oct 24	10,35	27 193 213	28 689 138	1,45
Central Bank of Eswatini	SZL	Eswatini	18 Oct 24	9,60	28 622 362	28 720 227	1,45
Central Bank of Eswatini	SZL	Eswatini	15 Nov 24	10,20	27 873 518	28 457 716	1,44
Central Bank of Eswatini	SZL	Eswatini	27 Dec 24	10,20	13 933 141	14 065 525	0,71
Central Bank of Eswatini	SZL	Eswatini	10 Jan 25	10,20	27 873 518	28 021 515	1,42
Central Bank of Eswatini	SZL	Eswatini	10 Jan 25	10,45	27 168 654	28 024 281	1,42
Central Bank of Eswatini	SZL	Eswatini	17 Jan 25	10,50	22 630 326	23 300 866	1,18
Central Bank of Eswatini	SZL	Eswatini	24 Jan 25	10,15	23 236 005	23 268 313	1,18
Central Bank of Eswatini	SZL	Eswatini	07 Feb 25	10,55	22 620 116	23 156 244	1,17
Central Bank of Eswatini	SZL	Eswatini	07 Mar 25	10,50	27 156 391	27 578 245	1,40
						585 149 848	29,62

African Alliance Eswatini Lilangeni Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

13. Analysis of total assets (continued)

	Curren cy	Country	Maturity	Interest rate per annum (%)	Holdings	Amortised cost	% of Gross assets
2024 (continued)							
Financial assets at amortised costs (continued)							
						1 498 528 285	75,84
Interest receivable						4 313 591	0,22
Cash and cash equivalents							
Current							
Money market investments							
Ninety One Money Market	ZAR	South Africa		8,52	111 602 462	111 602 462	5,65
Grindrod Bank Limited	ZAR	South Africa		9,17	88 145 345	88 145 345	4,46
Nedgroup Investments Limited	ZAR	South Africa		8,75	81 480 831	81 480 831	4,12
Swaziland Building Society Limited	SZL	Eswatini	18 Jul 24	9,60	30 000 000	30 000 000	1,52
First National Bank Limited	SZL	Eswatini			2 000	2 000	-
						311 230 638	15,75
Treasury bills *							
Central Bank of Eswatini	SZL	Eswatini	17 May 24	9,20	24 439 433	24 439 433	1,24
Central Bank of Eswatini	SZL	Eswatini	24 May 24	9,20	19 549 164	19 549 164	0,99
Central Bank of Eswatini	SZL	Eswatini	07 Jun 24	9,20	14 663 660	14 663 660	0,74
Central Bank of Eswatini	SZL	Eswatini	12 Jun 24	9,20	24 439 433	24 439 433	1,24
Central Bank of Eswatini	SZL	Eswatini	19 Jul 24	9,20	29 320 095	29 320 095	1,48
						112 411 785	5,69
Banks							
Nedbank Eswatini Limited	SZL	Eswatini		5,95	48 540 714	48 540 714	2,46
The Standard Bank of South Africa Limited	ZAR	South Africa		2,50	1 273 831	1 273 831	0,06
Standard Chartered Bank Limited	ZAR	South Africa		8,75	(489 043)	(489 043)	(0,02)
						49 325 502	2,50
						472 967 925	23,94
Total						1 975 809 801	100,00

*Treasury bills classified under cash and cash equivalents had a tenure of less than 3 months from the date of placement.

African Alliance Eswatini Lilangeni Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

14. Going concern

The audited financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that the realisation of assets and settlements of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The Board of directors of the management Company are confident that the Fund will continue as a going concern for the foreseeable future.

15. Events after the reporting period

There are no significant events that have occurred in respect of the Fund and the management company, subsequent to the year end, that may be relevant to the accuracy of these financial statements.



African Alliance Eswatini Managed Fund

Audited financial statements
for the year ended 30 April 2025

African Alliance Eswatini Managed Fund

Statement of financial position as at 30 April 2025

Figures in Emalangeni	Note	2025	2024
Assets			
Financial assets at fair value through profit or loss	1	43 371 515	42 021 536
Interest receivable		757 258	751 945
Cash and cash equivalents	2	2 337 006	1 655 962
Total assets		46 465 779	44 429 443
Liabilities			
Management fees payable	11	68 519	65 543
Trustee fees payable	11	4 661	4 649
Audit fees payable		14 972	13 332
Other payable		36 567	36 567
Distributions payable	7	691 695	733 561
Total liabilities excluding net assets attributable to unit holders		816 414	853 652
Net assets attributable to unit holders		45 649 365	43 575 791
Represented by :			
Net assets attributable to unit holders		45 649 365	43 575 791

The notes on pages 69 to 83 are an integral part of these financial statements.

African Alliance Eswatini Managed Fund

Statement of profit or loss and other comprehensive income for the year ended 30 April 2025

Figures in Emalangeni	Note	2025	2024
<u>Income</u>			
Net gain from financial assets at fair value through profit or loss	1	868 280	455 577
Interest income	4	1 441 179	1 529 508
Dividend income		505 281	457 607
Income equalisation	5	4 686	(14 060)
Total revenue		2 819 426	2 428 632
<u>Expenses</u>			
Management fees	11	(762 279)	(766 152)
Trustee fees	11	(30 390)	(30 993)
Audit fees		(21 325)	(15 028)
Bank charges		(6 945)	(5 956)
Other operating expenses		(3 660)	(3 096)
Total expenses		(824 599)	(821 225)
Operating profit		1 994 827	1 607 407
Distributions to unit holders	6	(1 126 551)	(1 180 571)
Increase in net assets attributable to unit holders		868 276	426 836

The notes on pages 69 to 83 are an integral part of these financial statements.

African Alliance Eswatini Managed Fund

Statement of changes in net assets attributable to unit holders for the year ended 30 April 2025

Figures in Emalangeni	Note	Net assets attributable to unit holders	Number of units	Net asset value per unit
Balance at 01 May 2023		43 779 900	6 338 571	6,91
Contributions and redemptions by unit holders				
Issue of units during the year	8	3 011 440	435 698	
Redemption of units during the year	8	(3 642 385)	(525 787)	
Increase in net assets attributable to unit holders		426 836	-	
Balance at 30 April 2024	9	43 575 791	6 248 482	6,97
Balance at 01 May 2024		43 575 791	6 248 482	6,97
Contributions and redemptions by unit holders				
Issue of units during the year	8	23 487 338	3 291 345	
Redemption of units during the year	8	(22 282 040)	(3 124 966)	
Increase in net assets attributable to unit holders		868 276	-	
Balance at 30 April 2025	9	45 649 365	6 414 861	7,12

The notes on pages 69 to 83 are an integral part of these financial statements.

African Alliance Eswatini Managed Fund

Statement of cash flows for the year ended 30 April 2025

Figures in Emalangeni	Note	2025	2024
Cash flow from operating activities			
Proceeds from sale of financial assets at fair value through profit or loss		-	5 000 000
Payment for acquisition of financial assets at fair value through profit or loss	1	(481 699)	(5 373 636)
Interest received		1 435 866	1 533 596
Dividend received		505 281	457 607
Trustee fees paid		(30 377)	(28 673)
Management fees paid		(759 303)	(767 057)
Audit fees paid		(19 685)	(19 080)
Bank charges paid		(6 945)	(5 956)
Other operating expenses		(3 661)	(3 096)
Net cash generated from operating activities		639 477	793 705
Cash flow from financing activities			
Proceeds from issue of units	8	22 473 770	1 675 469
Payment on redemption of units	8	(22 422 302)	(3 668 858)
Distributions paid to unit holders	7	(9 901)	(11 941)
Net cash generated from / (used in) financing activities		41 567	(2 005 330)
Net increase / (decrease) in cash and cash equivalents		681 044	(1 211 625)
Cash and cash equivalents at the beginning of the year		1 655 962	2 867 587
Cash and cash equivalents at the end of the year	2	2 337 006	1 655 962

The notes on pages 69 to 83 are an integral part of these financial statements.

African Alliance Eswatini Managed Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

1. Financial assets at fair value through profit or loss

Equity securities	32 371 515	31 021 536
Government and corporate bonds	11 000 000	11 000 000
	43 371 515	42 021 536
Opening balance	42 021 536	41 192 323
Additions	481 699	5 373 636
Disposals	-	(5 012 550)
Unrealised (losses) /gains from financial assets at fair value through profit or loss	868 280	468 127
Closing balance	43 371 515	42 021 536
Net gain from financial assets at fair value through profit or loss is analysed as follows:		
Realised	-	(12 550)
Unrealised	868 280	468 127
	868 280	455 577

Refer to Note 3, Fair value of financial instruments, for details of the financial assets and Note 14, Analysis of total assets, for terms and conditions of the above securities.

2. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash at bank	242 543	1 074 850
Money market investments	2 094 463	581 112
	2 337 006	1 655 962

3. Fair value of financial instruments

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments using: quoted market prices in active market for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

African Alliance Eswatini Managed Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

3. Fair value of financial instruments (continued)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
2025				
<u>Investments</u>				
African Alliance Equity Prescient Fund	-	14 865 770	-	14 865 770
African Alliance Eswatini Umnotfo Fund	-	1 788 765	-	1 788 765
Greystone Partners Limited	5 867 380	-	-	5 867 380
Inala Capital Limited	4 899 600	-	-	4 899 600
SBC Limited	4 950 000	-	-	4 950 000
Fixed rate government bonds	6 000 000	-	-	6 000 000
Corporate bonds	-	5 000 000	-	5 000 000
	21 716 980	21 654 535	-	43 371 515
2024				
<u>Investments</u>				
African Alliance Equity Prescient Fund	-	12 534 488	-	12 534 488
African Alliance Eswatini Umnotfo Fund	-	1 600 168	-	1 600 168
Greystone Partners Limited	5 867 380	-	-	5 867 380
Inala Capital Limited	6 124 500	-	-	6 124 500
SBC Limited	4 895 000	-	-	4 895 000
Fixed rate government bonds	6 000 000	-	-	6 000 000
Corporate bond	-	5 000 000	-	5 000 000
	22 886 880	19 134 656	-	42 021 536

The Fund invests in managed funds which are not quoted in an active market. Investments in those funds are valued based on the Net Asset Value (NAV) per unit published by the administrator of those funds. Such a NAV is adjusted, when necessary, to reflect the effect of the time passed since the calculation date, liquidity risk, limitations on adjustments needed to the NAV per unit published by the Fund, the Fund classifies the fair value of those investments as Level 2.

African Alliance Eswatini Managed Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

3. Fair value of financial instruments (continued)

Financial instruments not measured at fair value

The carrying amount of the financial instruments not measured at fair value approximate their fair value and fair value hierarchy of those financial assets is summarised below:

- Cash and cash equivalents are classified as level 2
- Net assets attributable to unit holders are classified as level 2
- Receivables measured at amortised costs.
- Payables measured at amortised costs.

4. Interest income

Money market investments	117 390	183 568
Cash at bank	43 892	52 447
Debt instruments	1 279 897	1 293 493
	1 441 179	1 529 508

5. Income equalisation

Income equalisation on issue of units	144 948	12 413
Income equalisation on redemption of units	(140 262)	(26 473)
Net expense for the year	4 686	(14 060)

Income equalisation is accrued income / (expense) included in the price of units created and redeemed by the Fund during the accounting period. The subscription price of the units is deemed to include a deemed income payment calculated by reference to the accrued income of the units. The redemption price of each unit will also include a payment in respect of the accrued income of the unit up to the date of the redemption.

6. Distributions to unit holders

	Distribution per unit		Distributions for the year ended	
	2025	2024	30 April 2025	30 April 2024
Distributions declared at:				
October	0,07	0,07	434 856	447 010
April	0,11	0,12	691 695	733 561
			1 126 551	1 180 571

African Alliance Eswatini Managed Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

7. Distributions paid to unit holders

Opening balance	(733 561)	(913 315)
Distributions for the year (Note 6)	(1 126 551)	(1 180 571)
Closing balance	691 695	733 561
	(1 168 417)	(1 360 325)
Re-investment	(1 158 516)	(1 348 384)
Paid	(9 901)	(11 941)
	(1 168 417)	(1 360 325)

8. Issue and redemption of units during the year

Units created during the year	23 487 338	3 011 440
Amount of units reinvested (Note 7)	(1 158 516)	(1 348 384)
Income equalisation adjustment (Note 5)	144 948	12 413
Proceeds from issue of units	22 473 770	1 675 469
Units redeemed during the year	(22 282 040)	(3 642 385)
Income equalisation adjustment (Note 5)	(140 262)	(26 473)
Payment on redemption of units	(22 422 302)	(3 668 858)

9. Redeemable participating units

The Fund's capital is represented by these redeemable participating units. Quantitative information about the Fund's capital is provided in the Statement of changes in net assets attributable to unit holders.

Each unit issued confers upon the unit holder an equal interest in the Fund, and is of equal value. A unit does not confer any interest in any particular asset or investment of the Fund. Unit holders have various rights under the Fund's Trust Deed, including the right to:

- have their units redeemed at a proportionate unit price based on the Fund's net asset value per unit on the redemption date,
- receive income distributions, and
- participate in the termination and winding up of the Fund.

The rights, obligations and restrictions attached to each unit are identical in all respects.

For the purpose of issue and redemption of units, the net assets attributable to unit holders are calculated in accordance with the Fund's Trust Deed.

10. Capital management

As a result of the ability to issue and redeem units, the capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund. The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue or redemption of redeemable units beyond those included in the Fund's constitution.

African Alliance Eswatini Managed Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

10. Capital management (continued)

The Fund's objectives for managing capital are:

- to invest in instruments meeting the description, risk exposure and expected return indicated in its 'Trust Deed',
- to achieve consistent returns while safeguarding capital by investing in diversified portfolio, by participating in other capital markets and by using various investment strategies,
- to maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise, and
- to maintain sufficient size to make the operation of the Fund cost-efficient.

Refer to Note 12, Financial risk management objectives and policies, for the policies and processes applied by the Fund in managing its capital.

11. Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operational decisions.

Relationship - Trustee

Nedbank Eswatini Limited, a company incorporated in the Kingdom of Eswatini, provides trustee services to the Fund.

Trustee fees payable	4 661	4 649
Trustee fees charged for the year	30 390	30 993

Balances held with Nedbank Eswatini Limited:

Cash at bank	203 305	1 030 848
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Transactions during the year with Nedbank Eswatini Limited

Interest income	43 892	52 447
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Relationship - Investment Manager

The Fund is managed by African Alliance Eswatini Management Company Limited, a Company incorporated in the Kingdom of Eswatini. African Alliance Eswatini Management Company Limited provides management services to the Fund and receives, in return, an annual fee, collected monthly, based on the total asset value of the Fund at a rate not exceeding 2%.

Management fees payable	68 519	65 543
Management fees charged for the year	762 279	766 152

African Alliance Eswatini Managed Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

11. Related parties (continued)

Investment in the Fund made by the Fund Investment Manager:

African Alliance Eswatini Management Company Limited

	Number of units held	Value of units held	% of units held	Distributions to unit holders	Distributions payable
Opening balance - 01 May 2023	10 588	74 041	0,17		1 526
Units acquired	37 959	262 757			
Units disposed	(41 259)	(283 626)			
Closing balance - 30 April 2024	7 288	51 698	0,12	2 084	856
Opening balance - 01 May 2024	7 288	51 698	0,12		856
Units acquired	156	1 103			
Units disposed	(7 444)	(53 554)			
Closing balance - 30 April 2025	-	-	-	858	-

Investments by the Fund made in other African Alliance Unit Trusts:

African Alliance Eswatini Lilangeni Fund

Opening balance - 01 May 2023	2 121 197	2 121 197	0,12		14 173
Units acquired	3 059 915	3 059 915			
Units disposed	(4 600 000)	(4 600 000)			
Closing balance - 30 April 2024	581 112	581 112	0,03	193 348	4 396
Opening balance 01 May 2024	581 112	581 112	0,03		4 396
Units acquired	2 413 351	2 413 351			
Units disposed	(900 000)	(900 000)			
Closing balance - 30 April 2025	2 094 463	2 094 463	0,01	105 029	16 758

African Alliance Eswatini Umnnotfo Fund

Opening balance - 01 May 2023	1 383 884	1 439 451	0,25		51 831
Units acquired	139 313	140 359			
Closing balance - 30 April 2024	1 523 197	1 600 168	0,30	110 256	72 858
Opening balance - 01 May 2024	1 523 197	1 600 168	0,30		72 858
Units acquired	177 928	179 281			
Closing balance - 30 April 2025	1 701 125	1 788 765	0,29	145 816	74 608

African Alliance Eswatini Managed Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

11.Related parties (continued)

Investments made in the Fund by other African Alliance Unit Trusts:

	Number of units held	Value of units held	% of units held	Distributions received	Distributions receivable
<u>African Alliance Eswatini Portfolio Fund</u>					
Opening balance - 01 May 2024	-	-	-	-	72 858
Units acquired	2 920 460	21 000 000			
Closing balance - 30 April 2025	2 920 460	21 096 314	45,53	-	314 904

Investments held in other entities of African Alliance Limited:

Select Limited

The Fund held investments in Select Limited, a Company related to the management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding Company.

Opening balance	5 000 000	-
Additions	-	5 000 000
Closing balance	5 000 000	5 000 000

SBC Limited

The Fund held investments in SBC Limited, a Company related to the management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding Company.

Investments held in SBC Limited	4 950 000	4 895 000
Percentage holding	0,05 %	0,05 %
Dividend received during the year	57 047	171 002

Greystone Partners Limited

The Fund held investments in Greystone Partners Limited, a Company related to the management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding Company.

Investments held in Greystone Partners Limited	5 867 380	5 867 380
Dividend received during the year	-	-

African Alliance Eswatini Managed Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Financial risk management objectives and policies

Introduction

The Fund's objective in managing risk is the creation and protection of unit holder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risks limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund is exposed to market risk (which include interest rate risk, currency risk and price risk), liquidity risk and credit risk arising from the financial instruments it holds.

Risk management structure

The Fund's Investment Manager is responsible for identifying and controlling risks. The directors of the management company supervise the Investment Manager and are ultimately responsible for the overall risk management of the Fund.

Risk measurement and reporting system

Financial risk is managed through the regulatory framework under the Collective Investment Undertakings Regulation, which imposes strict and specific regulations regarding the instruments that may be held by the scheme. The Scheme is additionally governed by a Trust Deed, which commits the funds to specific investment objectives and requires the investment manager to manage the Scheme in accordance therewith. Compliance limits are built into the daily pricing systems and processes. Independent checks are also carried out by the Trustee as well as the compliance functions of the Management Company to ensure compliance with limitations specified in the Trust Deed and the regulations determined under the Collective Investments Undertakings Regulation.

Risk mitigation

The Fund has investment guidelines that set out its overall business strategies, its tolerance for risk and its general risk management philosophy.

Excessive risk concentration

Concentration of risk indicates the relative sensitivity of the Fund's performance to developments affecting a particular industry or geographical location. Concentrations of risk arise when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or that have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of liquidity risk may arise from the repayment terms of financial liabilities or reliance on a particular market to realise liquid assets.

In order to avoid excessive concentrations of risk, the Fund's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. The Investment Manager is instructed to reduce exposure to manage excessive risk concentrations when they arise.

Market risk

Market risk is the risk that changes in the market prices, such as interest rates, equity prices and foreign exchange rates will affect the Fund's income or the fair value of its holdings of financial instruments.

The Fund's strategy for the management of market risk is driven by the Fund's investment objective. The investment objective of the Fund is to enhance returns and control risks. The Fund's market risk is managed on a daily basis by the investment manager in accordance with policies and procedures put in place. Details of the Fund's investment portfolio at the reporting date are disclosed in Note 14.

African Alliance Eswatini Managed Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Financial risk management objectives and policies (continued)

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rate will affect future cash flows or the fair values of financial instruments.

The interest rate exposure arises on cash at bank.

The following table demonstrates the sensitivity of the Fund's profit or loss for the year to a reasonably possible change in interest rate, with all other variables held constant. The sensitivity of the change in net assets attributable to unit holders is the effect of the assumed changes in interest rates on the net interest income for one year, based on the floating rate financial assets held at the end of the reporting period.

In practice, the actual trading results may differ from the sensitivity analysis below and the difference could be significant.

	Change in basis points	Sensitivity of interest income
Year ended 30 April 2024	+/- 10	+/- 1 656
Year ended 30 April 2025	+/- 10	+/- 2 337

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Consequently, the Fund is exposed to risks that the exchange rate of its currency, relative to other currencies, may change in a manner that has an adverse effect on the fair value or future cash flows of the portion of the Fund's assets and liabilities denominated in currencies other than the Eswatini Emalangeni and South African Rand. Eswatini Emalangeni is pegged to South African Rand in the ratio 1:1.

Accordingly, the value of the Fund's assets will not be affected favourably or unfavourably by fluctuations in currency rates and therefore the Fund will not be subject to foreign exchange risks.

Price risk

Price risk is the risk of unfavourable changes in the fair values of equities and Fund value as a result of changes in the levels of equity indices and the value of individual securities and fund prices.

Price risk is managed by the Investment Manager by diversifying the portfolio as set out by the Trust Deed.

Considering the reasonably possible increase of 10% in security indices and individual security and fund prices, the effect on the Fund's net assets attributable to unit holders is as follows:

Effect of a 10% change on the net assets attributable to unit holders	4 337 152	4 202 154
A weakening of equity prices would result in an equal but opposite effect to the amounts shown above.		

African Alliance Eswatini Managed Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Financial risk management objectives and policies (continued)

Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected. The Fund is exposed to cash redemptions of its redeemable units on a regular basis. Units are redeemable at the holders' option, based on the Fund's Net Asset Value (NAV) per unit at the time of the redemption, calculated in accordance with the Fund's Trust Deed.

The Fund manages its obligation to repurchase the units when required to do so and its overall liquidity risk by:

- allowing for the redemptions, payments to be made within 14 days of the redemption instructions being received,
- searching for new investors,
- withdrawal of cash deposits,
- disposal of highly liquid assets, and
- disposal of other assets.

It is the Fund's policy that the Investment Manager monitors the Fund's liquidity position on a daily basis.

The following table summarises the maturity profile of the Fund's financial liabilities based on the contractual undiscounted cash flows.

Based on the nature of the business of the Trust Scheme, the realisation of the assets will depend on the redemption requirements of the investors, as well as the investment strategy. However, for securities listed on the Eswatini Stock Exchange, the realisation of the assets will be subject to the illiquidity of the market.

For financial liabilities, the maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When a counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund is required to pay.

	<u>Within 1 month</u>	<u>1 - 3 months</u>	<u>3 - 6 months</u>	<u>Over 6 months</u>	<u>Total</u>
2025					
Financial liabilities					
Net assets attributable to unit holders	45 649 365	-	-	-	45 649 365
Management fees payable	68 519	-	-	-	68 519
Trustee fees payable	4 661	-	-	-	4 661
Audit fees payable	14 972	-	-	-	14 972
Other payable	36 567	-	-	-	36 567
Distributions payable	691 695	-	-	-	691 695
	46 465 779	-	-	-	46 465 779

African Alliance Eswatini Managed Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Financial risk management objectives and policies (continued)

Liquidity risk (continued)

	<u>Within 1 month</u>	<u>1 - 3 months</u>	<u>3 - 6 months</u>	<u>Over 6 months</u>	<u>Total</u>
<u>2024</u>					
Financial liabilities					
Net assets attributable to unit holders	43 575 791	-	-	-	43 575 791
Management fees payable	65 543	-	-	-	65 543
Trustee fees payable	4 649	-	-	-	4 649
Audit fees payable	13 332	-	-	-	13 332
Other payable	36 567	-	-	-	36 567
Distributions payable	733 561	-	-	-	733 561
	<u>44 429 443</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44 429 443</u>

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge an obligation.

The Fund is exposed to the risk of credit-related losses that can occur as a result of a counterparty or issuer being unable or unwilling to honour its contractual obligations. These credit exposures exist within financing relationships and other transactions.

It is the Fund's policy to enter into financial instruments with reputable counterparties.

The Investment Manager closely monitors the creditworthiness of the Fund's counterparties (for example, brokers, custodians, managers and banks) by reviewing their credit ratings, financial statements and press releases on a regular basis.

The following table contains an analysis of the Fund's maximum exposure to credit risks, which are the instruments' carrying amounts in the financial statements.

Financial instruments

Interest receivable	757 258	751 945
Cash and cash equivalents	2 337 006	1 655 962
Total credit risk exposure	<u>3 094 264</u>	<u>2 407 907</u>

The above financial assets are subject to the expected credit loss model for the year under review. The expected credit loss provision was deemed not significant for the year under review.

Fair value

The fair values of the Fund's financial assets and liabilities approximate their carrying amounts due to their short term nature.

African Alliance Eswatini Managed Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

13. Financial assets and liabilities by category

The following table analyses the carrying amounts of the financial assets and financial liabilities by category as defined in IFRS 9.

Financial assets at fair value through profit or loss

Held for trading	43 371 515	42 021 536
------------------	------------	------------

Financial assets at amortised costs

Interest receivable	757 258	751 945
---------------------	---------	---------

Cash and cash equivalents	2 337 006	1 655 962
---------------------------	-----------	-----------

Total financial assets	46 465 779	44 429 443
-------------------------------	-------------------	-------------------

Financial liabilities measured at amortised cost

Management fees payable	68 519	65 543
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Trustee fees payable	4 661	4 649
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Audit fees payable	14 972	13 332
--------------------	--------	--------

Other payable	36 567	36 567
---------------	--------	--------

Distributions payable	691 695	733 561
-----------------------	---------	---------

Net assets attributable to unit holders	45 649 365	43 575 791
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Total financial liabilities	46 465 779	44 429 443
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African Alliance Eswatini Managed Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

14. Analysis of total assets

	Currency	Country	Maturity date	Price per unit / interest rate per annum	Holdings	Fair value/carrying value	% of Gross assets
2025							
Financial assets at fair value through profit or loss							
Equity Investments							
African Alliance Equity Prescient Fund	ZAR	South Africa		140,89	105 515	14 865 770	31,99
African Alliance Eswatini Umnotfo Fund	SZL	Eswatini		1,05	1 701 125	1 788 765	3,85
Greystone Partners Limited	SZL	Eswatini		3,40	1 725 700	5 867 380	12,63
SBC Limited	SZL	Eswatini		9,00	550 000	4 950 000	10,65
Inala Capital Limited	SZL	Eswatini		1,20	4 083 000	4 899 600	10,55
						32 371 515	69,67
Government bonds-fixed rate							
Current:							
Central Bank of Eswatini - bonds	SZL	Eswatini	29 Jun 25	9,75 %	2 000 000	2 000 000	4,30
Non-current:							
Central Bank of Eswatini - bonds	SZL	Eswatini	29 Mar 28	9,00 %	2 000 000	2 000 000	4,30
Central Bank of Eswatini - bonds	SZL	Eswatini	29 Jun 28	10,25 %	2 000 000	2 000 000	4,30
Corporate bonds							
Select Limited	SZL	Eswatini	03 Aug 25	13,75 %	5 000 000	5 000 000	10,75
						11 000 000	23,67
Interest receivable						757 258	1,63
Cash and cash equivalents							
Current:							
Nedbank Eswatini Limited	SZL	Eswatini		5,45 %	203 305	203 305	0,44
Standard Chartered Bank Limited	ZAR	South Africa		4,50 %	39 238	39 238	0,08
						242 543	0,52
Money market investments							
African Alliance Eswatini Lilangeni Fund	SZL	Eswatini		9,77 %	2 094 463	2 094 463	4,51
						2 337 006	5,03
Total						46 465 779	100,00

African Alliance Eswatini Managed Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

14. Analysis of total assets (continued)

	Currency	Country	Maturity date	Price per unit / interest rate per annum	Holdings	Fair value/carrying value	% of Gross assets
2024							
Financial assets at fair value through profit or loss							
Current:							
African Alliance Equity Prescient Fund	ZAR	South Africa		121,31	103 328	12 534 488	28,21
African Alliance Eswatini Umnotfo Fund	SZL	Eswatini		1,05	1 523 197	1 600 168	3,60
Greystone Partners Limited	SZL	Eswatini		3,40	1 725 700	5 867 380	13,21
SBC Limited	SZL	Eswatini		8,90	550 000	4 895 000	11,02
Inala Capital Limited	SZL	Eswatini		1,50	4 083 000	6 124 500	13,78
						31 021 536	69,82
Government bonds - fixed rate							
Non - current							
Central Bank of Eswatini - bonds	SZL	Eswatini	29 Jun 25	9,75 %	2 000 000	2 000 000	4,50
Central Bank of Eswatini - bonds	SZL	Eswatini	29 Mar 28	9,00 %	2 000 000	2 000 000	4,50
Central Bank of Eswatini - bonds	SZL	Eswatini	29 Jun 28	10,25 %	2 000 000	2 000 000	4,50
Corporate bonds							
Select Limited	SZL	Eswatini	03 Aug 25	13,75 %	5 000 000	5 000 000	11,24
						11 000 000	24,74
Interest receivable						751 945	1,69
Cash and cash equivalents							
Current:							
Nedbank Eswatini Limited	SZL	Eswatini		5,95 %	1 030 848	1 030 848	2,32
Standard Chartered Bank Limited	ZAR	South Africa		1,00 %	44 002	44 002	0,10
						1 074 850	2,42
Money market investments							
African Alliance Eswatini Lilangeni Fund	SZL	Eswatini		5,19 %	581 112	581 112	1,31
						1 655 962	3,73
Total						44 429 443	100,00

African Alliance Eswatini Managed Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

15. Winding up

On 15th April 2025, the Fund Manager instructed Financial Services Regulatory Authority (FSRA) of its intention to wind down African Alliance Eswatini Managed Fund.

Due to the Fund falling short of the critical mass sufficiently required for the unit portfolio to be economically viable, the fund manager of the Scheme, have come to the decision to wind down the above unit portfolio.

The underlying unit holders may switch investments in another Fund or redeem their units until mid September 2025.

On 20th May 2025, the FSRA responded and requested the following preliminary documentations for consideration of the winding up:

- Board resolution approving the winding -up of the Fund
- A comprehensive plan outlining the procedures for the winding-up process.
- A signed declaration from African Alliance Eswatini Management Company Limited confirming there are no pending legal proceedings, investor disputes, or regulatory violations relating to the Fund.
- Latest Audited Financial Statements of the Fund.
- Details about the Fund's asset size and whether any investors have switched to other portfolios or received their participatory interest as of last trading date
- A copy of Supplemental deed
- Attestation from trustee/custodian in relation to winding up process
- List of unitholders (including holding balanes) affected by the winding up.

The Fund Manager is currently working on submitting the requested documents.

16. Reconciliation of Net Asset Value per unit

Published price (calculated in accordance with redemption requirements)	7,23	7,02
Adjusted for:		
Distributions payable	(0,11)	(0,10)
Income / expense over accrual	-	0,05
Net asset value as per IFRS	<u>7,12</u>	<u>6,97</u>

17. Events after the reporting period

There are no significant events that have occurred in respect of the Fund and the management company, subsequent to the year end, that may be relevant to the accuracy of these financial statements.



African Alliance Eswatini Offshore Fund

Audited financial statements
for the year ended 30 April 2025

African Alliance Eswatini Offshore Fund

Statement of financial position as at 30 April 2025

Figures in Emalangeni	Note	2025	2024
Assets			
Financial assets at fair value through profit or loss	1	203 266 415	188 920 822
Interest receivable		3 846	6 466
Other receivables	12	2 461	-
Cash and cash equivalents	2	62 758	125 888
Total assets		203 335 480	189 053 176
Liabilities			
Management fees payable	9	197 897	188 828
Trustee fees payable	9	1 183	1 179
Audit fees payable		35 935	36 067
Total liabilities excluding net assets attributable to unit holders		235 015	226 074
Net assets attributable to unit holders		203 100 465	188 827 102
Represented by :			
Net assets attributable to unit holders		203 100 465	188 827 102

The notes on pages 89 to 100 are an integral part of these financial statements.

African Alliance Eswatini Offshore Fund

Statement of profit or loss and other comprehensive income for the year ended 30 April 2025

Figures in Emalangeni	Note	2025	2024
Income			
Net gain from financial assets at fair value through profit or loss		14 218 467	22 230 823
Interest income	4	6 600	8 551
Dividend income		982 127	149 628
Income equalisation	5	(173 835)	(628 508)
Total revenue		15 033 359	21 760 494
Expenses			
Management fees	9	(2 348 853)	(2 167 420)
Trustee fees	9	(16 254)	(15 287)
Audit fees		(53 121)	(40 136)
Other operating expenses		(5 618)	(6 304)
Total expenses		(2 423 846)	(2 229 147)
Increase in net assets attributable to unit holders		12 609 513	19 531 347

The notes on pages 89 to 100 are an integral part of these financial statements.

African Alliance Eswatini Offshore Fund

Statement of changes in net assets attributable to unit holders for the year ended 30 April 2025

Figures in Emalangeni	Note	Net assets attributable to unit holders	Number of units	Net asset value per unit
Balance at 01 May 2023		168 056 650	41 651 031	4,03
Contributions and redemptions by unit holders				
Issue of units during the year	6	4 242 915	867 978	
Redemption of units during the year	6	(3 003 810)	(727 750)	
Increase in net assets attributable to unit holders		19 531 347	-	
Balance at 30 April 2024	7	188 827 102	41 791 259	4,52
Balance at 01 May 2024		188 827 102	41 791 259	4,52
Contributions and redemptions by unit holders				
Issue of units during the year	6	8 584 543	1 615 567	
Redemption of units during the year	6	(6 920 693)	(1 296 647)	
Increase in net assets attributable to unit holders		12 609 513	-	
Balance at 30 April 2025	7	203 100 465	42 110 179	4,82

The notes on pages 89 to 100 are an integral part of these financial statements.

African Alliance Eswatini Offshore Fund

Statement of cash flows for the year ended 30 April 2025

Figures in Emalangeni	Note	2025	2024
Cash flow from operating activities			
Proceeds from sale of financial assets at fair value through profit or loss		859 794	1 630 955
Payments for acquisition of financial assets at fair value through profit or loss	1	(980 530)	(152 236)
Interest received		9 220	7 422
Dividend received		982 127	149 628
Trustee fees paid		(16 250)	(15 371)
Management fees paid		(2 339 784)	(2 143 249)
Audit fees paid		(53 253)	(45 782)
Other operating expenses paid		(8 080)	(6 304)
Net cash used in operating activities		(1 546 756)	(574 937)
Cash flow from financing activities			
Proceeds from issue of units	6	7 695 708	3 811 303
Payment on redemption of units	6	(6 205 693)	(3 200 706)
Net cash generated from financing activities		1 490 015	610 597
Net (decrease) / increase in cash and cash equivalents		(56 740)	35 661
Cash and cash equivalents at the beginning of the year		125 888	100 022
Effect of exchange rate fluctuations on cash and cash equivalents		(6 390)	(9 795)
Cash and cash equivalents at the end of the year	2	62 758	125 888

The notes on pages 89 to 100 are an integral part of these financial statements.

African Alliance Eswatini Offshore Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

1. Financial assets at fair value through profit or loss

Unlisted managed funds	203 266 415	188 920 822
Opening balance	188 920 822	168 158 923
Additions	980 530	152 236
Disposals	(486 238)	(1 004 553)
Unrealised gain from financial assets at fair value through profit or loss	13 851 301	21 614 216
Closing balance	203 266 415	188 920 822

Net gain from financial assets at fair value through profit or loss is analysed as follows:

Realised	373 556	626 402
Unrealised	13 851 301	21 614 216
Total gains	14 224 857	22 240 618

Refer to Note 3, Fair value of financial instruments, for details of the financial assets and Note 12, Analysis of total assets, for terms and conditions of the above securities.

2. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash at bank	62 758	125 888
	62 758	125 888

Money market investments and cash at bank are highly liquid investments and are subject to insignificant risks of changes in value.

Refer to Note 12, Analysis of total assets, for further details.

3. Fair value of financial instruments

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments using: quoted market prices in active market for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

African Alliance Eswatini Offshore Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

3. Fair value of financial instruments (continued)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
2025				
Hausmann Rech Global Managed Fund	-	203 266 415	-	203 266 415
	-	203 266 415	-	203 266 415
2024				
Hausmann Rech Global Managed Fund	-	188 920 822	-	188 920 822
	-	188 920 822	-	188 920 822

The Fund invests in managed funds which are not quoted in an active market. Investments in those funds are valued based on the Net Asset Value (NAV) per unit published by the administrator of those funds. Such a NAV is adjusted, when necessary, to reflect the effect of the time passed since the calculation date, liquidity risk, limitations on adjustments needed to the NAV per unit published by the Fund. The Fund classifies the fair value of those investments as Level 2.

Financial instruments not measured at fair value

The carrying amount of the financial instruments not measured at fair value approximate their fair value and fair value hierarchy of those financial assets is summarised below:

- Interest receivable and cash and cash equivalents are classified as level 2.
- Net assets attributable to unit holders are classified as level 2.
- Payables are measured at amortised costs.

4. Interest income

Cash at bank	6 600	8 551
	6 600	8 551

5. Income equalisation

Income equalisation on issue of units	(888 835)	(431 612)
Income equalisation on redemption of units	715 000	(196 896)
Net expense for the year	(173 835)	(628 508)

Income equalisation is accrued income / (expense) included in the price of units created and redeemed by the Fund during the accounting period. The subscription price of the units is deemed to include a deemed income payment calculated by reference to the accrued income of the units. The redemption price of each unit will also include a payment in respect of the accrued income of the unit up to the date of the redemption.

African Alliance Eswatini Offshore Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni	2025	2024
6. Issue and redemption of units during the year		
Units created during the year	8 584 543	4 242 915
Income equalisation adjustment (Note 5)	(888 835)	(431 612)
Proceeds from issue of units	7 695 708	3 811 303
Units redeemed during the year	(6 920 693)	(3 003 810)
Income equalisation adjustment (Note 5)	715 000	(196 896)
Payment on redemption of units	(6 205 693)	(3 200 706)

7. Redeemable participating units

The Fund's capital is represented by these redeemable participating units. Quantitative information about the Fund's capital is provided in the Statement of changes in net assets attributable to unit holders.

Each unit issued confers upon the unit holder an equal interest in the Fund, and is of equal value. A unit does not confer any interest in any particular asset or investment of the Fund. Unit holders have various rights under the Fund's Trust Deed, including the right to:

- have their unit redeemed at a proportionate unit price based on the Fund's net asset value per unit on the redemption date,
- receive income distributions, and
- participate in the termination and winding up of the Fund.

The rights, obligations and restrictions attached to each unit are identical in all respects.

For the purpose of issue and redemption of units, the net assets attributable to unit holders are calculated in accordance with the Fund's Trust Deed.

8. Capital management

As a result of the ability to issue and redeem units, the capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund. The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue or redemption of redeemable units beyond those included in the Fund's constitution.

The Fund's objectives for managing capital are:

- to invest in instruments meeting the description, risk exposure and expected return indicated in its Trust Deed,
- to achieve consistent returns while safeguarding capital by investing in a diversified portfolio, by participating in other capital markets and by using various investment strategies,
- to maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise, and
- to maintain sufficient size to make the operation of the Fund cost-efficient.

African Alliance Eswatini Offshore Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

8. Capital management (continued)

Refer to Note 10, Financial risk management objectives and policies, for the policies and processes applied by the Fund in managing its capital.

9. Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operational decisions.

Relationship - Trustee

Nedbank Eswatini Limited, a company incorporated in the Kingdom of Eswatini, provides trustee services to the Fund.

Trustee fees payable	1 183	1 179
Trustee fees charged for the year	16 254	15 287
Balances held with Nedbank Eswatini Limited		
Cash at bank	62 758	125 888

Relationship - Investment Manager

The Fund is managed by African Alliance Eswatini Management Company Limited, a company incorporated in the Kingdom of Eswatini. African Alliance Eswatini Management Company Limited provides management services to the Fund and receives, in return, an annual fee, collected monthly, based on the total asset value of the Fund at a rate not exceeding 2%.

Management fees payable	197 897	188 828
Management fees charged for the year	2 348 853	2 167 420

African Alliance Eswatini Offshore Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

9. Related parties (continued)

Investment in the Fund made by the Fund Investment Manager:

African Alliance Eswatini Management Company Limited

	Number of Units held	Value of units held	% of units held	Distributions to unit holders	Distributions payable
Opening balance - 01 May 2023	24 010	96 891	0,06		-
Units acquired	3 621	16 500			
Closing balance - 30 April 2024	27 631	124 852	0,07	-	-
Opening balance - 01 May 2024	27 631	124 852	0,07		-
Units acquired	5 210	23 837			
Units disposed	(18 413)	(87 412)			
Closing balance - 30 April 2025	14 428	69 594	0,03	-	-

Investments made by the Fund in other African Alliance Unit Trusts and Funds:

Hausmann Rech Global Managed Fund

Opening balance - 01 May 2023	8 025 539	168 158 923	44,78		-
Units acquired	6 697	152 235			
Units disposed	(73 236)	(1 630 955)			
Closing balance - 30 April 2024	7 959 000	188 920 822	70,66	-	-
Opening balance - 01 May 2024	7 959 000	188 920 822	44,78		-
Units acquired	39 164	507 703			
Units disposed	(35 384)	(859 794)			
Closing balance - 30 April 2025	7 962 780	203 266 415	69,58	52 736	-

Investments made in the Fund by other African Alliance Unit Trusts and Funds:

African Alliance Eswatini Portfolio Fund

Opening balance - 01 May 2023	31 752 528	128 118 022	76,23		-
Units acquired	380 930	1 638 343			
Closing balance - 30 April 2024	32 133 458	145 189 887	76,89	-	-
Opening balance - 01 May 2024	32 133 458	145 189 887	76,89		-
Units acquired	386 149	1 801 922			
Income from distribution to unit holders	(716 327)	(3 500 000)			
Closing balance - 30 April 2025	31 803 280	153 389 541	75,52	-	-

African Alliance Eswatini Offshore Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

10. Financial risk management objectives and policies

Introduction

The Fund's objective in managing risk is the creation and protection of unit holder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risks limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund is exposed to market risk (which include interest rate risk, currency risk and price risk), liquidity risk and credit risk arising from the financial instruments it holds.

Risk management structure

The Fund's Investment Manager is responsible for identifying and controlling risks. The directors of the management company supervise the Investment Manager and are ultimately responsible for the overall risk management of the Fund.

Risk measurement and reporting system

Financial risk is managed through the regulatory framework under the Collective Investment Undertakings Regulation 2001, which imposes strict and specific regulations regarding the instruments that may be held by the scheme. The Scheme is additionally governed by a Trust Deed, which commits the funds to specific investment objectives and requires the investment manager to manage the Scheme in accordance therewith. Compliance limits are built into the daily pricing systems and processes. Independent checks are also carried out by the Trustee as well as the compliance functions of the Management Company to ensure compliance with limitations specified in the Trust Deed and the regulations determined under the Collective Investments Undertakings Regulation, 2001.

Risk mitigation

The Fund has investment guidelines that set out its overall business strategies, its tolerance for risk and its general risk management philosophy.

Excessive risk concentration

Concentration of risk indicates the relative sensitivity of the Fund's performance to developments affecting a particular industry or geographical location. Concentrations of risk arise when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or that have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of liquidity risk may arise from the repayment terms of financial liabilities or reliance on a particular market to realise liquid assets.

In order to avoid excessive concentrations of risk, the Fund's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. The Investment Manager is instructed to reduce exposure to manage excessive risk concentrations when they arise.

Market risk

Market risk is the risk that changes in the market prices, such as interest rates, equity prices and foreign exchange rates will affect the Fund's income or the fair value of its holdings of financial instruments.

The Fund's strategy for the management of market risk is driven by the Fund's investment objective. The investment objective of the Fund is to enhance returns and control risks. The Fund's market risk is managed on a daily basis by the investment manager in accordance with policies and procedures put in place. Details of the Fund's investment portfolio at the reporting date are disclosed in Note 12.

African Alliance Eswatini Offshore Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

10. Financial risk management objectives and policies (continued)

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rate will affect future cash flows or the fair values of financial instruments.

The interest rate exposure arises on money market investments.

The following table demonstrates the sensitivity of the Fund's profit or loss for the year to a reasonably possible change in interest rate, with all other variables held constant. The sensitivity of the change in net assets attributable to unit holders is the effect of the assumed changes in interest rates on the net interest income for one year, based on the floating rate financial assets held at the end of the reporting period.

In practice, the actual trading results may differ from the sensitivity analysis below and the difference could be significant.

	Change in basis points	Sensitivity of interest income
Year ended 30 April 2024	+/- 10	+/- 126
Year ended 30 April 2025	+/- 10	+/- 63

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Consequently, the Fund is exposed to risks that the exchange rate of its currency, relative to other currencies, may change in a manner that has an adverse effect on the fair value or future cash flows of the portion of the Fund's assets and liabilities denominated in currencies other than the Eswatini Emalangeni.

The Fund invests in securities and other investments that are denominated in currencies other than the Eswatini Emalangeni.

Accordingly, the value of the Fund's assets may be affected favourably or unfavourably by fluctuations in currency rates and therefore, the Fund may be subject to foreign exchange risks.

	Change in currency rate (%)	Effect on change in net assets attributable to unit holders
		2025 2024
Currency		
USD	+/- 10%	+/-20 326 641 +/-18 892 082

Concentration of foreign currency exposure

The following table sets out the Fund's exposure to foreign currency exchange rates on monetary financial assets and liabilities and total financial assets and liabilities at the reporting date.

Currency	% of total assets
USD	99,97 99,93

African Alliance Eswatini Offshore Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

10. Financial risk management objectives and policies (continued)

Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected. The Fund is exposed to cash redemptions of its redeemable units on a regular basis. Units are redeemable at the holders' option, based on the Fund's Net Asset Value (NAV) per unit at the time of the redemption, calculated in accordance with the Fund's Trust Deed.

The Fund manages its obligation to repurchase the units when required to do so and its overall liquidity risk by:

- allowing for the redemptions, payments to be made within 14 days of the redemption instructions being received,
- searching for new investors,
- withdrawal of cash deposits,
- disposal of highly liquid assets, and
- disposal of other assets.

It is the Fund's policy that the Investment Manager monitors the Fund's liquidity position on a daily basis.

The following table summarises the maturity profile of the Fund's financial liabilities based on the contractual undiscounted cash flows.

Based on the nature of the business of the Trust Scheme, the realisation of the assets will depend on the redemption requirements of the investors, as well as the investment strategy.

For financial liabilities, the maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When a counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund is required to pay.

	<u>Within 1 month</u>	<u>1 - 3 months</u>	<u>3 - 6 months</u>	<u>Over 6 months</u>	<u>Total</u>
2025					
Financial liabilities					
Net assets attributable to unit holders	203 100 465	-	-	-	203 100 465
Management fees payable	197 897	-	-	-	197 897
Trustee fees payable	1 183	-	-	-	1 183
Audit fees payable	35 935	-	-	-	35 935
	203 335 480	-	-	-	203 335 480

African Alliance Eswatini Offshore Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

10. Financial risk management objectives and policies (continued)

Liquidity risk (continued)

	<u>Within 1 month</u>	<u>1 - 3 months</u>	<u>3 - 6 months</u>	<u>Over 6 months</u>	<u>Total</u>
2024					
Financial liabilities					
Net assets attributable to unit holders	188 827 102	-	-	-	188 827 102
Management fees payable	188 828	-	-	-	188 828
Trustee fees payable	1 179	-	-	-	1 179
Audit fees payable	36 067	-	-	-	36 067
	<u>189 053 176</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>189 053 176</u>

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge an obligation.

The Fund is exposed to the risk of credit-related losses that can occur as a result of a counterparty or issuer being unable or unwilling to honour its contractual obligations. These credit exposures exist within financing relationships and other transactions.

It is the Fund's policy to enter into financial instruments with reputable counterparties.

The Investment Manager closely monitors the creditworthiness of the Fund's counterparties (for example, brokers, custodians, managers and banks) by reviewing their credit ratings, financial statements and press releases on a regular basis.

African Alliance Eswatini Offshore Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

10. Financial risk management objectives and policies (continued)

Credit risk (continued)

The following table contains an analysis of the Fund's maximum exposure to credit risks, which are the instruments' carrying amounts in the financial statements.

Financial instruments

Interest receivable	3 846	6 466
Other receivables	2 461	-
Cash and cash equivalents	62 758	125 888
Total credit risk exposure	69 065	132 354

The above financial assets are subject to the expected credit loss model for the year under review. The expected credit loss provision was deemed not significant for the year under review.

Fair value

The fair values of the Fund's financial assets and liabilities approximate their carrying amounts due to their short term nature.

11. Financial assets and liabilities by category

The following table analyses the carrying amounts of the financial assets and financial liabilities by category as defined in IFRS 9.

Financial assets at fair value through profit or loss

Held for trading	203 266 415	188 920 822
------------------	-------------	-------------

Financial assets at amortised costs

Interest receivable	3 846	6 466
Other receivables	2 461	-
Cash and cash equivalents	62 758	125 888

Total financial assets

203 335 480	189 053 176
--------------------	--------------------

Financial liabilities measured at amortised cost

Management fees payable	197 897	188 828
Trustee fees payable	1 183	1 179
Audit fees payable	35 935	36 067
Net assets attributable to unit holders	203 100 465	188 827 102

Total financial liabilities

203 335 480	189 053 176
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African Alliance Eswatini Offshore Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Analysis of total assets

	Currency	Country	Price per unit / interest rate per annum	Holdings	Fair value	% of Gross assets
2025						
Financial assets at fair value through profit or loss						
Current:						
Hausmann Rech Global Managed Fund	USD	Mauritius	25,53	7 962 780	203 266 415	99,97
					203 266 415	99,97
Interest receivable					3 846	-
Cash and cash equivalents						
Current:						
Banks						
Nedbank Eswatini Limited	SZL	Eswatini	5,45 %	62 758	62 758	0,03
Other receivables					2 461	-
Total					203 335 480	100,00
2024						
Financial assets at fair value through profit or loss						
Current:						
Hausmann Rech Global Managed Fund	USD	Mauritius	23,74	7 959 000	188 920 822	99,93
Interest receivable					6 466	0,003
Cash and cash equivalents						
Current:						
Banks						
Nedbank Eswatini Limited	SZL	Eswatini	5,95 %	125 888	125 888	0,07
Total					189 053 176	100,00

13. Going concern

The audited financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that the realisation of assets and settlements of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The Board of directors of the management Company are confident that the Fund will continue as a going concern for the foreseeable future.

African Alliance Eswatini Offshore Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

14. Reconciliation of Net Asset Value per unit

Published price (calculated in accordance with redemption requirements)	<u>4,82</u>	<u>4,52</u>
Net asset value as per IFRS	<u>4,82</u>	<u>4,52</u>

15. Events after the reporting period

There are no significant events that have occurred in respect of the Fund and the management company, subsequent to the year end, that may be relevant to the accuracy of these financial statements.



African Alliance Eswatini Portfolio Fund

Audited financial statements
for the year ended 30 April 2025

African Alliance Eswatini Portfolio Fund

Statement of financial position as at 30 April 2025

Figures in Emalangeni	Note	2025	2024
Assets			
Financial assets at fair value through profit or loss	1	627 868 672	566 045 914
Interest receivable		3 800 807	4 019 123
Other receivables		2 461	-
Cash and cash equivalents	2	43 927 393	40 711 450
Total assets		675 599 333	610 776 487
Liabilities			
Management fees payable	11	995 363	906 800
Trustee fees payable	11	2 466	2 459
Audit fees payable		106 804	95 097
Distributions payable	7	8 140 089	7 493 800
Total liabilities excluding net assets attributable to unit holders		9 244 722	8 498 156
Net assets attributable to unit holders		666 354 611	602 278 331
Represented by :			
Net assets attributable to unit holders		666 354 611	602 278 331

The notes on pages 106 to 122 are an integral part of these financial statements.

African Alliance Eswatini Portfolio Fund

Statement of profit or loss and other comprehensive income for the year ended 30 April 2025

Figures in Emalangeni	Note	2025	2024
Income			
Net gain from financial assets at fair value through profit or loss	1	36 785 768	17 426 462
Interest income	4	13 789 104	12 258 469
Dividend income		7 308 705	6 026 204
Income equalisation	5	78 677	74 150
Total income		57 962 254	35 785 285
Expenses			
Management fees	11	(8 983 920)	(8 295 091)
Trustee fees	11	(32 509)	(30 674)
Audit fees		(152 122)	(107 196)
Bank charges		(6 945)	(5 956)
Other operating expenses		(3 660)	(3 096)
Total expenses		(9 179 156)	(8 442 013)
Operating profit		48 783 098	27 343 272
Distributions to unit holders	6	(11 997 477)	(9 916 611)
Increase in net assets attributable to unit holders		36 785 621	17 426 661

The notes on pages 106 to 122 are an integral part of these financial statements.

African Alliance Eswatini Portfolio Fund

Statement of changes in net assets attributable to unit holders for the year ended 30 April 2025

Figures in Emalangeni	Note	Net assets attributable to unit holders	Number of units	Net asset value per unit
Balance at 01 May 2023		557 478 406	93 968 603	5,93
Contributions and redemptions by unit holders				
Issue of units during the year	8	65 138 619	10 883 300	
Redemption of units during the year	8	(37 765 355)	(6 319 600)	
Increase in net assets attributable to unit holders		17 426 661	-	
Balance at 30 April 2024	9	602 278 331	98 532 303	6,11
Balance at 01 May 2024		602 278 331	98 532 303	6,11
Contributions and redemptions by unit holders				
Issue of units during the year	8	64 435 019	10 183 829	
Redemption of units during the year	8	(37 144 360)	(5 880 889)	
Increase in net assets attributable to unit holders		36 785 621	-	
Balance at 30 April 2025	9	666 354 611	102 835 243	6,48

The notes on pages 106 to 122 are an integral part of these financial statements.

African Alliance Eswatini Portfolio Fund

Statement of cash flows for the year ended 30 April 2025

Figures in Emalangeni	Note	2025	2024
Cash flows from operating activities			
Proceeds from sale of financial assets at fair value through profit or loss		13 119 839	15 000 000
Payments for acquisition of financial assets at fair value through profit or loss	1	(38 159 291)	(24 873 373)
Interest received		14 007 419	12 081 938
Dividend received		7 308 705	6 026 204
Trustee fees paid		(32 502)	(30 738)
Management fees paid		(8 895 357)	(8 226 547)
Audit fees paid		(140 413)	(136 112)
Bank charges paid		(6 945)	(5 956)
Other operating expenses paid		(3 660)	(3 096)
Net cash used in operating activities		(12 802 205)	(167 680)
Cash flows from financing activities			
Proceeds from issue of units	8	53 344 940	54 026 679
Payment on redemption of units	8	(37 290 964)	(37 918 575)
Distributions paid to unit holders	7	(35 828)	(42 663)
Net cash generated from financing activities		16 018 148	16 065 441
Net increase in cash and cash equivalents		3 215 943	15 897 761
Cash and cash equivalents at the beginning of the year		40 711 450	24 813 689
Cash and cash equivalents at the end of the year	2	43 927 393	40 711 450

The notes on pages 106 to 122 are an integral part of these financial statements.

African Alliance Eswatini Portfolio Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

1. Financial assets at fair value through profit or loss

Financial assets held for trading

Equity Investments	548 868 672	477 473 614
Government bonds	64 000 000	73 572 300
Corporate bonds	15 000 000	15 000 000
	627 868 672	566 045 914
Opening balance	566 045 914	538 746 078
Additions	38 159 291	24 873 374
Disposals	(10 629 195)	(15 037 550)
Unrealised gains from financial assets at fair value through profit or loss	34 292 662	17 464 012
Closing balance	627 868 672	566 045 914

Net gain from financial assets at fair value through profit or loss is analysed as follows:

Realised	2 493 106	(37 550)
Unrealised	34 292 662	17 464 012
	36 785 768	17 426 462

Refer to Note 3, Fair value of financial instruments, for details of the financial assets and Note 14, Analysis of total assets, for terms and conditions of the above securities.

2. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances and liquid investments	43 927 393	40 711 450
Analysed as:		
Money market investments	43 187 358	39 444 186
Cash at bank	740 035	1 267 264
	43 927 393	40 711 450

Money market investments are highly liquid investments and are subject to insignificant risks of changes in value.

Refer to Note 14, Analysis of total assets, for further details.

African Alliance Eswatini Portfolio Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

3. Fair value of financial instruments

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments using: quoted market prices in active market for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
2025				
Investments				
African Alliance Equity Prescient Fund	-	227 869 280	-	227 869 280
African Alliance Eswatini Umnotfo Fund	-	35 103 613	-	35 103 613
African Alliance Eswatini Managed Fund	-	21 096 314	-	21 096 314
African Alliance Eswatini Offshore Fund	-	153 389 541	-	153 389 541
SBC Limited	41 788 170	-	-	41 788 170
Greystone Partners Limited	49 210 954	-	-	49 210 954
Inala Capital Limited	20 410 800	-	-	20 410 800
Fixed rate bonds	64 000 000	-	-	64 000 000
Corporate bonds	-	15 000 000	-	15 000 000
	175 409 924	452 458 748	-	627 868 672

2024

Investments

African Alliance Equity Prescient Fund	-	192 181 744	-	192 181 744
African Alliance Eswatini Umnotfo Fund	-	24 053 672	-	24 053 672
African Alliance Eswatini Offshore Fund	-	145 189 887	-	145 189 887
SBC Limited	41 323 857	-	-	41 323 857
Greystone Partners Limited	49 210 954	-	-	49 210 954
Inala Capital Limited	25 513 500	-	-	25 513 500
Fixed rate bonds	73 572 300	-	-	73 572 300
Corporate bonds	-	15 000 000	-	15 000 000
	189 620 611	376 425 303	-	566 045 914

When the fair values of listed equities and debt securities are based on quoted market prices or binding dealer prices (bid prices for long positions and ask prices for short positions), without any deduction for transaction costs, the instruments are included within Level 1 of the hierarchy.

The Fund invests in securities listed on the Eswatini Stock Exchange, which is an illiquid market, and this will impact on any realisation of assets made in that market.

When financial instruments are not measured at quoted prices in an active market, they are valued using observable

African Alliance Eswatini Portfolio Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

3. Fair value of financial instruments (continued)

inputs, such as recently executed transaction prices in securities of the issuer or comparable issuers and yield curves. Adjustments are made to the valuations when necessary to recognise differences in the instruments' terms. To the extent that these inputs are observable, the Fund classifies the fair value of those investments as Level 2.

The Fund invests in managed funds which are not quoted in an active market. Investments in those funds are valued based on the Net Asset Value (NAV) per unit, published by the administrator of those funds. Such a NAV is adjusted, when necessary, to reflect the effect of the time passed since the calculation date, liquidity risk, limitations on redemptions and other factors. The Fund classifies the fair value of those investments as Level 2.

Financial instruments not measured at fair value

The carrying amount of the financial instruments not measured at fair value approximate their fair value and fair value hierarchy of those financial assets is summarised below:

- Interest receivable and cash and cash equivalents are classified as level 2.
- Net assets attributable to unit holders are classified as level 2.
- Debt instruments are measured at amortised costs
- Payables are measured at amortised costs

4. Interest income

Money market investments	4 440 711	2 641 597
Cash at bank	92 087	123 725
Debt Instruments	9 256 306	9 493 147
	13 789 104	12 258 469

5. Income equalisation

Income equalisation on issue of units	225 281	227 370
Income equalisation on redemption of units	(146 604)	(153 220)
Net income for the year	78 677	74 150

Income equalisation is accrued income / (expense) included in the price of units created and redeemed by the Fund during the accounting period. The subscription price of the units is deemed to include a deemed income payment calculated by reference to the accrued income of the units and the first distribution in respect of any unit will include a payment of capital usually equal to the amount of such income. The redemption price of each unit will also include a payment in respect of the accrued income of the unit up to the date of the redemption.

6. Distributions to unit holders

	Distribution per unit		Distributions for the year ended 30 April	
	2025	2024	2025	2024
Distributions declared at:				
October	0,04	0,03	3 857 388	2 422 806
April	0,08	0,08	8 140 089	7 493 805
			11 997 477	9 916 611

African Alliance Eswatini Portfolio Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

7. Distributions paid to unit holders

Opening balance	(7 493 800)	(8 959 162)
Distributions for the year (Note 6)	(11 997 477)	(9 916 611)
Closing balance	8 140 089	7 493 800
	(11 351 188)	(11 381 973)
Distributions re-invested	(11 315 360)	(11 339 310)
Distributions paid	(35 828)	(42 663)
	(11 351 188)	(11 381 973)

8. Issue and redemption of units during the year

Units created during the year	64 435 019	65 138 619
Amount of units reinvested	(11 315 360)	(11 339 310)
Income equalisation adjustment (Note 5)	225 281	227 370
Proceeds from issue of units	53 344 940	54 026 679
Units redeemed during the year	(37 144 360)	(37 765 355)
Income equalisation adjustment (Note 5)	(146 604)	(153 220)
Payment on redemption of units	(37 290 964)	(37 918 575)

African Alliance Eswatini Portfolio Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

9. Redeemable participating units

The Fund's capital is represented by these redeemable participating units. Quantitative information about the Fund's capital is provided in the Statement of changes in net assets attributable to unit holders.

Each unit issued confers upon the unit holder an equal interest in the Fund, and is of equal value. A unit does not confer any interest in any particular asset or investment of the Fund. Unit holders have various rights under the Fund's Trust Deed, including the right to:

- have their unit redeemed at a proportionate unit price based on the Fund's net asset value per unit on the redemption date,
- receive income distributions, and
- participate in the termination and winding up of the Fund.

The rights, obligations and restrictions attached to each unit are identical in all respects.

For the purpose of issue and redemption of units, the net assets attributable to unit holders are calculated in accordance with the Fund's Trust Deed.

10. Capital management

As a result of the ability to issue and redeem units, the capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund. The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue or redemption of redeemable units beyond those included in the Fund's constitution.

The Fund's objectives for managing capital are:

- to invest in instruments meeting the description, risk exposure and expected return indicated in its Trust Deed,
- to achieve consistent returns while safeguarding capital by investing in a diversified portfolio, by participating in other capital markets and by using various investment strategies,
- to maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise, and
- to maintain sufficient size to make the operation of the Fund cost-efficient.

Refer to Note 12, Financial risk management objectives and policies, for the policies and processes applied by the Fund in managing its capital.

11. Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operational decisions.

Relationship - Trustee

Nedbank Eswatini Limited, a Company incorporated in the Kingdom of Eswatini, provides trustee services to the Fund.

Trustee fees payable	2 466	2 459
Trustee fees charged for the year	32 509	30 674

African Alliance Eswatini Portfolio Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

11. Related parties (continued)

Balances held with Nedbank Eswatini Limited

Cash at bank	693 230	1 265 009
Interest receivable	3 184	6 444

Transactions during the year with Nedbank Eswatini Limited

Interest income	92 087	123 725
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Relationship - Investment Manager

The Fund is managed by African Alliance Eswatini Management Company Limited, a Company incorporated in the Kingdom of Eswatini. African Alliance Eswatini Management Company Limited provides management services to the Fund and receives, in return, an annual fee, collected monthly, based on the total asset value of the Fund at a rate not exceeding 2%.

Management fees payable	995 363	906 800
Management fees charged for the year	8 983 920	8 295 091

Investment in the Fund made by the Fund Investment Manager:

African Alliance Eswatini Management Company Limited

	Number of Units held	Value of units held	% of units held	Distributions to unit holders	Distributions payable
Opening balance - 01 May 2023	8 681	51 851	0,01	975	828
Units acquired	67 170	401 352			
Units disposed	(68 703)	(406 761)			
Closing balance - 30 April 2024	7 148	44 239	0,01	1 026	544
Opening balance - 01 May 2024	7 148	44 239	0,01	1 026	544
Units acquired	4 049	25 517			
Units disposed	(11 197)	(70 708)			
Closing balance - 30 April 2025	-	-	-	544	-

African Alliance Eswatini Portfolio Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

11. Related parties (continued)

Investments made by the Fund in other African Alliance Unit Trusts:

	Number of Units held	Value of units held	% of units held	Distributions received	Distributions receivable
Investments made by the Fund in other African Alliance Unit Trusts :					
<u>African Alliance Eswatini Umnotto Fund</u>					
Opening balance - 01 May 2023	18 298 700	19 033 449	3,35		685 346
Units acquired	8 538 397	8 659 105			
Units disposed	(3 940 439)	(4 007 270)			
Closing balance - 30 April 2024	22 896 658	24 053 672	4,45	1 481 468	1 095 205
Opening balance - 01 May 2024	22 896 658	24 053 672	4,45		1 095 205
Units acquired	10 487 059	10 721 778			
Closing balance - 30 April 2025	33 383 717	35 103 613	5,75	2 182 366	1 464 143
African Alliance Eswatini Managed Fund					
Opening balance - 01 May 2024	-	-			-
Units acquired	2 920 460	21 000 000			
Units disposed	-	-			
Closing balance - 30 April 2025	2 920 460	21 096 314	45,53	-	314 904

African Alliance Eswatini Lilangeni Fund

Opening balance - 01 May 2023	23 495 718	23 495 718	1,29		149 792
Units acquired	26 898 468	26 898 468			
Units disposed	(10 950 000)	(10 950 000)			
Closing balance - 30 April 2024	39 444 186	39 444 186	2,01	2 487 374	304 066
Opening balance - 01 May 2024	39 444 186	39 444 186	2,01		304 066
Units acquired	40 493 172	40 493 172			
Units disposed	(36 750 000)	(36 750 000)			
Closing balance - 30 April 2025	43 187 358	43 187 358	2,28	4 394 234	350 658

African Alliance Eswatini Portfolio Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

11. Related parties (continued)

Investments made by the Fund in other African Alliance Unit Trusts (continued):

	Number of Units held	Value of units held	% of units held	Distributions received	Distributions receivable
<u>African Alliance Eswatini Offshore Fund</u>					
Opening balance - 01 May 2023	31 752 528	128 118 022	76,23		-
Units acquired	380 930	1 638 343			
Closing balance - 30 April 2024	32 133 458	145 189 887	76,89	-	-
Opening balance - 01 May 2024	32 133 458	145 189 887	76,89		-
Units acquired	386 149	1 801 922			
Units disposed	(716 327)	(3 500 000)			
Closing balance - 30 April 2025	31 803 280	153 389 541	75,52	-	-

Investments held in other entities of African Alliance Limited:

SBC Limited

The Fund held investments in SBC Limited, a company related to the management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding company.

Investments held in SBC Limited	41 788 170	41 323 857
Percentage holding	5,02 %	5,02 %
Dividend received during the year	481 203	962 406

Select Limited

The Fund holds investments in Select Limited, a company related to the management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding company.

Opening balance	15 000 000	15 000 000
Closing balance	15 000 000	15 000 000

Greystone Partners Limited

The Fund held investments in Greystone Partners Limited, a company related to the management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding company.

Investments held in Greystone Partners Limited	49 210 954	49 210 954
Dividend received during the year	-	-

African Alliance Eswatini Portfolio Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Financial risk management objectives and policies

Introduction

The Fund's objective in managing risk is the creation and protection of unit holder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risks limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund is exposed to market risk (which include interest rate risk, currency risk and price risk), liquidity risk and credit risk arising from the financial instruments it holds.

Risk management structure

The Fund's Investment Manager is responsible for identifying and controlling risks. The directors of the management company supervise the Investment Manager and are ultimately responsible for the overall risk management of the Fund.

Risk measurement and reporting system

Financial risk is managed through the regulatory framework under the Collective Investment Undertakings Regulation 2001, which imposes strict and specific regulations regarding the instruments that may be held by the scheme. The Scheme is additionally governed by a Trust Deed, which commits the funds to specific investment objectives and requires the investment manager to manage the Scheme in accordance therewith. Compliance limits are built into the daily pricing systems and processes. Independent checks are also carried out by the Trustee as well as the compliance functions of the Management Company to ensure compliance with limitations specified in the Trust Deed and the regulations determined under the Collective Investments Undertakings Regulation, 2001.

Risk mitigation

The Fund has investment guidelines that set out its overall business strategies, its tolerance for risk and its general risk management philosophy.

Excessive risk concentration

Concentration of risk indicates the relative sensitivity of the Fund's performance to developments affecting a particular industry or geographical location. Concentrations of risk arise when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or that have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of liquidity risk may arise from the repayment terms of financial liabilities or reliance on a particular market to realise liquid assets.

In order to avoid excessive concentrations of risk, the Fund's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. The Investment Manager is instructed to reduce exposure to manage excessive risk concentrations when they arise.

Market risk

Market risk is the risk that changes in the market prices, such as interest rates, equity prices and foreign exchange rates will affect the Fund's income or the fair value of its holdings of financial instruments.

The Fund's strategy for the management of market risk is driven by the Fund's investment objective. The investment objective of the Fund is to enhance returns and control risks. The Fund's market risk is managed on a daily basis by the investment manager in accordance with policies and procedures put in place. Details of the Fund's investment portfolio at the reporting date are disclosed in Note 14.

African Alliance Eswatini Portfolio Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Financial risk management objectives and policies (continued)

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rate will affect future cash flows or the fair values of financial instruments.

The interest rate exposure arises on money market investments and cash at bank.

The following table demonstrates the sensitivity of the Fund's profit or loss for the year to a reasonably possible change in interest rate, with all other variables held constant. The sensitivity of the change in net assets attributable to unit holders is the effect of the assumed changes in interest rates on the net interest income for one year, based on the floating rate financial assets held at the end of the reporting period.

In practice, the actual trading results may differ from the sensitivity analysis below and the difference could be significant.

	Change in basis points	Sensitivity of interest income
2024	+/- 10	+/- 40 711
2025	+/- 10	+/- 43 927

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Consequently, the Fund is exposed to risks that the exchange rate of its currency, relative to other currencies, may change in a manner that has an adverse effect on the fair value or future cash flows of the portion of the Fund's assets and liabilities denominated in currencies other than the Eswatini Emalangeni, South African Rand and Lesotho Maloti. Eswatini Emalangeni is pegged to South African Rand and Lesotho Maloti in the ratio 1:1.

Accordingly, the value of the Fund's assets will not be affected favourably or unfavourably by fluctuations in currency rates and therefore the Fund will not be subject to foreign exchange risks.

Price risk

Price risk is the risk of unfavourable changes in the fair values of equities and Fund value as a result of changes in the levels of equity indices and the value of individual securities and fund prices.

Price risk is managed by the Investment Manager by diversifying the portfolio as set out by the Trust Deed.

Considering the reasonably possible increase of 10% in security indices and individual security and fund prices, the effect on the Fund's net assets attributable to unit holders is as follows:

Effect of a 10% change on the net assets attributable to unit holders	62 786 867	56 604 591
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A weakening of equity prices would result in an equal but opposite effect to the amounts shown above.

African Alliance Eswatini Portfolio Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Financial risk management objectives and policies (continued)

Price risk (continued)

Concentration of equity price risk

The following table contains an analysis of the Fund's concentration of equity price risk by geographical distribution, based on counterparties' place of primary listing or place of domicile, if not listed.

	% of equity securities	
Kingdom of Eswatini	56,86	59,75
South Africa	43,14	40,25

Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected. The Fund is exposed to cash redemptions of its redeemable units on a regular basis. Units are redeemable at the holders' option, based on the Fund's Net Asset Value (NAV) per unit at the time of the redemption, calculated in accordance with the Fund's Trust Deed.

The Fund manages its obligation to repurchase the units when required to do so and its overall liquidity risk by:

- allowing for the redemptions, payments to be made within 14 days of the redemption instructions being received,
- searching for new investors,
- withdrawal of cash deposits,
- disposal of highly liquid assets, and
- disposal of other assets.

It is the Fund's policy that the Investment Manager monitors the Fund's liquidity position on a daily basis.

African Alliance Eswatini Portfolio Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The following table summarises the maturity profile of the Fund's financial liabilities based on the contractual undiscounted cash flows.

Based on the nature of the business of the Trust Scheme, the realisation of the assets will depend on the redemption requirements of the investors, as well as the investment strategy. However, for securities listed on the Eswatini Stock Exchange, the realisation of the assets will be subject to the illiquidity of the market.

For financial liabilities, the maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When a counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund is required to pay.

	<u>Within 1 month</u>	<u>1 - 3 months</u>	<u>3 - 6 months</u>	<u>Over 6 months</u>	<u>Total</u>
2025					
Financial liabilities					
Net assets attributable to unit holders	666 354 611	-	-	-	666 354 611
Management fees payable	995 363	-	-	-	995 363
Trustee fees payable	2 466	-	-	-	2 466
Audit fees payable	106 804	-	-	-	106 804
Distributions payable	8 140 089	-	-	-	8 140 089
	675 599 333	-	-	-	675 599 333
2024					
Financial liabilities					
Net assets attributable to unit holders	602 278 331	-	-	-	602 278 331
Management fees payable	906 800	-	-	-	906 800
Trustee fees payable	2 459	-	-	-	2 459
Audit fees payable	95 097	-	-	-	95 097
Distributions payable	7 493 800	-	-	-	7 493 800
	610 776 487	-	-	-	610 776 487

African Alliance Eswatini Portfolio Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Financial risk management objectives and policies (continued)

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge an obligation.

The Fund is exposed to the risk of credit-related losses that can occur as a result of a counterparty or issuer being unable or unwilling to honour its contractual obligations. These credit exposures exist within financing relationships and other transactions.

It is the Fund's policy to enter into financial instruments with reputable counterparties.

The Investment Manager closely monitors the creditworthiness of the Fund's counterparties (for example, brokers, custodians, managers and banks) by reviewing their credit ratings, financial statements and press releases on a regular basis.

The following table contains an analysis of the Fund's maximum exposure to credit risks, which are the instruments' carrying amounts in the financial statements.

Financial instruments

Financial assets at fair value through profit or loss	627 868 672	566 045 914
Other receivable	2 461	-
Interest receivable	3 800 807	4 019 123
Cash and cash equivalents	43 927 393	40 711 450
Total credit risk exposure	675 599 333	610 776 487

The above financial assets are subject to the expected credit loss model for the year under review. The expected credit loss provision was deemed not significant for the year under review.

Fair value

The fair values of the Fund's financial assets and liabilities approximate their carrying amounts due to their short term nature.

13. Financial assets and liabilities by category

The following table analyses the carrying amounts of the financial assets and financial liabilities by category as defined in IFRS 9.

Financial assets at fair value through profit or loss

Held for trading	627 868 672	566 045 914
Financial assets at amortised costs		
Other receivable	2 461	-
Interest receivable	3 800 807	4 019 123
Cash and cash equivalents	43 927 393	40 711 450
Total financial assets	675 599 333	610 776 487

African Alliance Eswatini Portfolio Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

13 Financial assets and liabilities by category

Financial liabilities measured at amortised cost

Net assets attributable to unit holders	666 354 611	602 278 331
Management fees payable	995 363	906 800
Trustee fees payable	2 466	2 459
Audit fees payable	106 804	95 097
Distributions payable	8 140 089	7 493 800
Total financial liabilities	675 599 333	610 776 487

14. Analysis of total assets

<u>2025</u>	Currency	Country	Maturity date	Price per unit/ interest rate per annum	Holdings	Fair value/carrying value	% of Gross assets
Financial assets at fair value through profit or loss							
Equity Investments							
African Alliance Equity Prescient Fund	ZAR	South Africa		140,89	1 617 377	227 869 280	33,73
African Alliance Eswatini Umnotfo Fund	SZL	Eswatini		1,05	33 383 717	35 103 613	5,20
African Alliance Eswatini Managed Fund	SZL	Eswatini		7,22	2 920 460	21 096 314	3,12
African Alliance Eswatini Offshore Fund	SZL	Eswatini		4,82	31 803 280	153 389 541	22,70
SBC Limited	SZL	Eswatini		9,00	4 643 130	41 788 170	6,19
Greystone Partners Limited	SZL	Eswatini		3,40	14 473 810	49 210 954	7,28
Inala Capital Limited	SZL	Eswatini		1,20	17 009 000	20 410 800	3,02
						548 868 672	81,24
Government fixed bond							
Current:							
Central Bank of Eswatini - bonds	SZL	Eswatini	29 Jun 25	9,75 %	20 000 000	20 000 000	2,96
Non-current:							
Central Bank of Eswatini - bonds	SZL	Eswatini	29 Dec 26	10,25 %	24 000 000	24 000 000	3,55
Central Bank of Eswatini - bonds	SZL	Eswatini	29 Mar 28	9,00 %	10 000 000	10 000 000	1,48
Central Bank of Eswatini - bonds	SZL	Eswatini	29 Jun 28	10,25 %	10 000 000	10 000 000	1,48
						64 000 000	9,47
Corporate bond							
Current							
Select Limited	SZL	Eswatini	03 Aug 25	13,75 %	15 000 000	15 000 000	2,22
						79 000 000	11,69

African Alliance Eswatini Portfolio Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

14. Analysis of total assets (continued)

	Currency	Country	Price per unit/ interest rate per annum	Holdings	Fair value/carrying value	% of Gross assets
<u>2025 (continued)</u>						
Interest receivable					3 800 807	0,56
Other receivable					2 461	-
Cash and cash equivalents						
Current:						
Money market investments						
African Alliance Eswatini Lilangeni Fund	SZL	Eswatini	9,36 %	43 187 358	43 187 358	6,39
Bank						
Nedbank Eswatini Limited	SZL	Eswatini	5,45 %	693 230	693 230	0,09
Standard Chartered Bank	ZAR	South Africa	4,50 %	46 805	46 805	0,01
					740 035	0,11
					43 927 393	6,50
Total					675 599 333	100,00

2024

Financial assets at fair value through profit or loss

Equity Investments

African Alliance Equity Prescient Fund	ZAR	South Africa	121,31	1 584 255	192 181 744	31,47
Africab Alliance Eswatini Umnotfo Fund	SZL	Eswatini	1,05	22 896 658	24 053 672	3,94
Africab Alliance Eswatini Offshore Fund	SZL	Eswatini	4,52	32 133 458	145 189 887	23,77
SBC Limited	SZL	Eswatini	8,90	4 643 130	41 323 857	6,77
Greystone Partners Limited	SZL	Eswatini	3,40	14 473 810	49 210 954	8,06
Inala Capital Limited	SZL	Eswatini	1,50	17 009 000	25 513 500	4,18
					477 473 614	78,19

African Alliance Eswatini Portfolio Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

14. Analysis of total assets (continued)

	Currency	Country	Maturity date	Price per unit/ interest rate per annum	Holdings	Fair value/carrying value	% of Gross assets
<u>2024 (continued)</u>							
Financial assets at fair value through profit or loss (continued)							
Current:							
Central Bank of Eswatini - bond	SZL	Eswatini	31 Jan 25	10,00 %	9 572 300	9 572 300	1,57
Non-current:							
Central Bank of Eswatini - bond	LSL	Eswatini	29 Jun 25	9,75 %	20 000 000	20 000 000	3,27
Central Bank of Eswatini - bond	SZL	Eswatini	29 Dec 26	10,25 %	24 000 000	24 000 000	3,93
Central Bank of Eswatini - bond	SZL	Eswatini	29 Mar 28	9,00 %	10 000 000	10 000 000	1,64
Central Bank of Eswatini - bond	SZL	Eswatini	29 Jun 28	10,25 %	10 000 000	10 000 000	1,64
						73 572 300	12,05
Corporate bond							
Select Limited	SZL	Eswatini	03 Aug 25	13,75 %	15 000 000	15 000 000	2,46
						88 572 300	14,50
<u>Financial assets at amortised costs</u>							
Interest receivable						4 019 123	0,66
Cash and cash equivalents							
Bank							
Nedbank Eswatini Limited	SZL	Eswatini		5,85 %	1 265 009	1 265 009	0,21
Standard Chartered Bank	ZAR	South Africa		1,00 %	2 255	2 255	-
						1 267 264	0,21
<u>Money market investments</u>							
African Alliance Eswatini Lilangeni Fund	SZL	Eswatini		9,36 %	39 444 186	39 444 186	6,46
						40 711 450	6,46
Total						610 776 487	100,00

African Alliance Eswatini Portfolio Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

15. Going concern

The audited financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that the realisation of assets and settlements of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The Board of directors of the management Company are confident that the Fund will continue as a going concern for the foreseeable future.

16. Investments in other funds

At the year end, the Fund held more than 50% of the units in the following funds:

	%	%
African Alliance Eswatini Offshore Fund	75,52	76,89

The above funds have not been consolidated as, due to the voting mechanisms in terms of the Trust Deed, any voting right, attached to the units held by the African Alliance Eswatini Portfolio Fund, does not give the African Alliance Eswatini Portfolio Fund the power to control the funds.

17. Reconciliation of Net Asset Value per unit

Published price (calculated in accordance with redemption requirements)	6,56	6,19
Adjusted for:		
Distributions payable	(0,08)	(0,08)
Net asset value as per IFRS	6,48	6,11

18. Events after the reporting period

There are no significant events that have occurred in respect of the Fund and the management company, subsequent to the year end, that may be relevant to the accuracy of these financial statements.



African Alliance Eswatini Umnotfo Fund

Audited financial statements
for the year ended 30 April 2025

African Alliance Eswatini Umnotfo Fund

Statement of financial position as at 30 April 2025

Figures in Emalangeni	Note	2025	2024
<u>Assets</u>			
Debt instruments	1	440 991 453	390 637 811
Interest receivable		4 273 374	1 258 447
Other receivables		3 331	5 786
Cash and cash equivalents	2	166 639 142	149 456 422
Total assets		611 907 300	541 358 466
<u>Liabilities</u>			
Management fees payable	11	1 003 895	893 054
Trustee fees payable	11	14 739	14 693
Audit fees payable		18 964	16 886
Other payables		-	-
Distributions payable	7	25 478 873	24 606 879
Total liabilities excluding net assets attributable to unit holders		26 516 471	25 531 512
Net assets attributable to unit holders		585 390 829	515 826 954
Represented by :			
Net assets attributable to unit holders		585 390 829	515 826 954

The notes on pages 128 to 142 are an integral part of these financial statements.

African Alliance Eswatini Umnotfo Fund

Statement of profit or loss and other comprehensive income for the year ended 30 April 2025

Figures in Emalangeni	Note	2025	2024
<u>Income</u>			
Interest income	4	62 768 530	56 859 046
Income equalisation	5	65 107	(1 575 357)
Total revenue		62 833 637	55 283 689
<u>Expenses</u>			
Management fees	11	(11 152 861)	(9 908 675)
Trustee fees	11	(373 960)	(334 290)
Audit fees		(27 011)	(19 033)
Bank charges		(2 050)	(2 349)
Other operating expenses		(3 660)	(2 555)
Total expenses		(11 559 542)	(10 266 902)
Operating profit		51 274 095	45 016 787
Distributions to unit holders	6	(48 405 345)	(44 887 686)
Increase in net assets attributable to unit holders		2 868 750	129 101

The notes on pages 128 to 142 are an integral part of these financial statements.

African Alliance Eswatini Umnotfo Fund

Statement of changes in net assets attributable to unit holders for the year ended 30 April 2025

Figures in Emalangeni	Note	Net assets attributable to unit holders	Number of units	Net asset value per unit
Balance at 01 May 2023		547 447 274	546 102 274	1,00
Contributions and redemptions by unit holders				
Issue of units during the year	8	116 158 303	115 845 919	
Redemption of units during the year	8	(147 907 724)	(147 509 918)	
Decrease in net assets attributable to unit holders		129 101	-	
Balance at 30 April 2024	9	515 826 954	514 438 275	1,00
Balance at 01 May 2024		515 826 954	514 438 275	1,00
Contributions and redemptions by unit holders				
Issue of units during the year	8	203 734 549	203 181 824	
Redemption of units during the year	8	(137 039 424)	(136 680 022)	
Increase in net assets attributable to unit holders		2 868 750	-	
Balance at 30 April 2025	9	585 390 829	580 940 077	1,01

The notes on pages 128 to 142 are an integral part of these financial statements.

African Alliance Eswatini Umnotfo Fund

Statement of cash flows for the year ended 30 April 2025

Figures in Emalangeni	Note	2025	2024
Cash flows from operating activities			
Proceeds from maturities of financial assets at amortised costs	1	135 353 009	49 951 705
Payment for purchase of loans and receivables	1	(181 089 473)	(37 714 636)
Interest received		55 133 094	49 436 739
Trustee fees paid		(373 914)	(346 848)
Management fees paid		(11 042 022)	(9 943 645)
Audit fees paid		(24 932)	(24 160)
Bank charges paid		(2 050)	(2 349)
Other operating expenses paid		2 127	(3 664)
Net cash (used in) / generated from operating activities		(2 044 161)	51 353 142
Cash flow from financing activities			
Proceeds from issue of units	8	160 776 359	77 009 587
Payment on redemption of units	8	(141 166 138)	(150 736 844)
Distributions paid to unit holders	7	(383 340)	(331 649)
Net cash generated from /(used in) financing activities		19 226 881	(74 058 906)
Net increase / (decrease) in cash and cash equivalents		17 182 720	(22 705 764)
Cash and cash equivalents at beginning of the year		149 456 422	172 162 186
Cash and cash equivalents at end of the year	2	166 639 142	149 456 422

The notes on pages 128 to 142 are an integral part of these financial statements.

African Alliance Eswatini Umnotfo Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

1. Debt instruments

Corporate & Government bonds - notes	440 991 453	390 637 811
Opening balance	390 637 811	394 262 405
Additions	181 089 473	37 714 636
Maturities	(135 353 009)	(49 951 705)
Movement in interest accrued	4 617 178	8 612 475
Closing balance	440 991 453	390 637 811

2. Cash and cash equivalents

Cash and cash equivalents consist of:		
Bank balances and liquid investments	166 639 142	149 456 422
Analysed as:		
Cash at bank	2 142 198	2 068 382
Money market investments	164 496 944	147 388 040
	166 639 142	149 456 422

3. Fair value of financial instruments

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments using: quoted market prices in active market for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Financial instruments not measured at fair value

The carrying amount of the financial instruments not measured at fair value approximate their fair value and fair value hierarchy of those financial assets is summarised below:

- Interest receivable and cash and cash equivalents are classified as level 2.
- Net assets attributable to unit holders are classified as level 2.

African Alliance Eswatini Umnotfo Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

3. Fair value of financial instruments (continued)

- Payables at amortised costs are classified at level 2.

4. Interest income

Money market investments	11 786 929	15 926 903
Cash at bank	179 437	179 673
Debt instruments	50 802 164	40 752 470
	62 768 530	56 859 046

5. Income equalisation

Income equalisation on issue of units	4 191 821	1 253 763
Income equalisation on redemption of units	(4 126 714)	(2 829 120)
Net income / (expense) for the year	65 107	(1 575 357)

Income equalisation is accrued income / (expense) included in the price of units created and redeemed by the Fund during the accounting period. The subscription price of the units is deemed to include a deemed income payment calculated by reference to the accrued income of the units. The redemption price of each unit will also include a payment in respect of the accrued income of the unit up to the date of the redemption.

6. Distributions to unit holders

	Distribution per unit		Distributions for the year ended	
	30 April 2025	30 April 2024	30 April 2025	30 April 2024
Distributions declared at:				
October	0,05	0,04	22 926 473	20 280 807
April	0,04	0,05	25 478 872	24 606 879
			48 405 345	44 887 686

7. Distributions paid to unit holders

Opening balance	(24 606 879)	(20 453 321)
Distributions for the year (Note 7)	(48 405 345)	(44 887 686)
Closing balance	25 478 873	24 606 879
	(47 533 351)	(40 734 128)

African Alliance Eswatini Umnotfo Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni	2025	2024
7. Distributions paid to unit holders (continued)		
Distributions re-invested (Note 7)	(47 150 011)	(40 402 479)
Distributions paid	(383 340)	(331 649)
	(47 533 351)	(40 734 128)
8. Issue and redemption of units during the year		
Units created during the year	203 734 549	116 158 303
Amount of units re-invested (Note 8)	(47 150 011)	(40 402 479)
Income equalisation adjustment (Note 5)	4 191 821	1 253 763
Proceeds from issue of units	160 776 359	77 009 587
Units redeemed during the year	(137 039 424)	(147 907 724)
Income equalisation adjustment (Note 5)	(4 126 714)	(2 829 120)
Payment on redemption of units	(141 166 138)	(150 736 844)

9. Redeemable participating units

The Fund's capital is represented by these redeemable participating units. Quantitative information about the Fund's capital is provided in the Statement of changes in net assets attributable to unit holders.

Each unit issued confers upon the unit holder an equal interest in the Fund, and is of equal value. A unit does not confer any interest in any particular asset or investment of the Fund. Unit holders have various rights under the Fund's Trust Deed, including the right to:

- have their units redeemed at a proportionate unit price based on the Fund's net asset value per unit on the redemption date,
- receive income distributions, and
- participate in the termination and winding up of the Fund.

The rights, obligations and restrictions attached to each unit are identical in all respects.

For the purpose of issue and redemption of units, the net assets attributable to unit holders are calculated in accordance with the Fund's Trust Deed.

10. Capital management

As a result of the ability to issue and redeem units, the capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund. The Fund is not subject to externally imposed capital requirements and has no legal restrictions on the issue or redemption of redeemable units beyond those included in the Fund's constitution.

The Fund's objectives for managing capital are:

- to invest in instruments meeting the description, risk exposure and expected return indicated in its 'Trust Deed',
- to achieve consistent returns while safeguarding capital by investing in diversified portfolio, by participating in other capital markets and by using various investment strategies,

African Alliance Eswatini Umnotto Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

10. Capital management (continued)

- to maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise, and
- to maintain sufficient size to make the operation of the Fund cost-efficient.

Refer to Note 12, Financial risk management objectives and policies, for the policies and processes applied by the Fund in managing its capital.

11. Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operational decisions.

Relationship - Trustee

Nedbank Eswatini Limited, a Company incorporated in the Kingdom of Eswatini, provides trustee services to the Fund.

Trustee fees payable	14 739	14 693
Trustee fees charged for the year	373 960	334 290

Balances held with Nedbank Eswatini Limited:

Cash at bank	2 141 198	2 068 382
Interest receivable	16 100	21 092

Transactions during the year with Nedbank Eswatini Limited

Interest income	179 438	179 674
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Relationship - Investment Manager

The Fund is managed by African Alliance Eswatini Management Company Limited, an investment management and administration Company incorporated in the Kingdom of Eswatini. African Alliance Eswatini Management Company Limited provides management services to the Fund and receives, in return, an annual fee, collected monthly, based on the total asset value of the Fund at a rate not exceeding 2%.

Management fees payable	1 003 895	893 054
Management fees charged for the year	11 152 861	9 908 675

African Alliance Eswatini Umnotfo Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

11. Related parties (continued)

Investment in the Fund made by the Fund Investment Manager:

African Alliance Eswatini Management Company Limited

	Number of Units held	Value of units held	% of units held	Distributions to unit holders	Distributions payable
Opening balance - 01 May 2023	44 823	46 603	0,01		1 678
Units acquired	32 627	33 218			
Units disposed	(44 572)	(45 536)			
Closing balance - 30 April 2024	32 878	34 540	0,01	2 952	1 573
Opening balance - 01 May 2024	32 878	34 540	0,01		1 573
Units acquired	1 947	1 959			
Units disposed	(34 825)	(35 856)			
Closing balance - 30 April 2025	-	-	-	1 632	-

Investments by the Fund made in other African Alliance Unit Trusts:

African Alliance Eswatini Lilangeni Fund

Opening balance 01 May 2023	169 443 003	169 443 003	9,33		1 178 925
Units acquired	99 945 037	99 945 037			
Units disposed	(122 000 000)	(122 000 000)			
Closing balance - 30 April 2024	147 388 040	147 388 040	7,52	12 290 260	1 118 000
Opening balance - 01 May 2024	147 388 040	147 388 040	7,52		1 118 000
Units acquired	151 458 904	151 458 904			
Units disposed	(134 350 000)	(134 350 000)			
Closing balance - 30 April 2025	164 496 944	164 496 944	8,70	11 259 342	1 266 709

African Alliance Eswatini Umnotfo Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

11. Related parties (continued)

Investments in the Fund made by other African Alliance Unit Trusts:

African Alliance Eswatini Ligcebesha Fund

	Number of Units held	Value of units held	% of units held	Distributions to unit holders	Distributions payable
Opening balance - 01 May 2023	185 158 716	192 593 394	33,91		6 934 801
Units acquired	18 948 244	19 089 571			
Units disposed	(11 904 219)	(12 000 000)			
Closing balance - 30 April 2024	192 202 741	201 915 132	37,36	14 268 741	9 193 542
Opening balance - 01 May 2024	192 202 741	201 915 132	37,36		9 193 542
Units acquired	20 158 918	20 315 796			
Units disposed	(84 617 576)	(88 000 000)			
Closing balance - 30 April 2025	127 744 083	134 325 330	21,99	15 327 520	5 602 601

African Alliance Eswatini Portfolio Fund

Opening balance 01 May 2023	18 298 700	19 033 449	8,41		685 346
Units acquired	8 538 397	8 659 105			
Units redeemed	(3 940 439)	(4 007 270)			
Closing balance - 30 April 2024	22 896 658	24 053 672	4,45	1 481 468	1 095 205
Opening balance 01 May 2024	22 896 658	24 053 672	4,45		1 095 205
Units acquired	10 487 059	10 721 778			
Closing balance - 30 April 2025	33 383 717	35 103 613	5,75	2 182 366	1 464 143

African Alliance Eswatini Managed Fund

Opening balance - 01 May 2023	1 383 884	1 439 451	0,25		51 831
Units acquired	139 313	140 359			
Units disposed	-	-			
Closing balance - 30 April 2024	1 523 197	1 600 168	0,30	110 256	72 858
Opening balance - 01 May 2024	1 523 197	1 600 168	0,30		72 858
Units acquired	177 928	179 281			
Units disposed	-	-			
Closing balance - 30 April 2025	1 701 125	1 788 765	0,29	145 816	74 608

African Alliance Eswatini Umnotfo Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

11. Related parties (continued)

Investments held in other entities of African Alliance Limited:

SBC Limited

The Fund holds investments in SBC Limited, a Company related to the Management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding Company.

Opening balance	57 018 767	50 000 000
Additions	61 068 768	57 018 767
Maturities	(57 018 767)	(50 000 000)
Closing balance	61 068 768	57 018 767

Select Limited

The Fund holds investments in Select Limited, a Company related to the Management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding Company.

Opening balance	52 423 685	50 000 000
Additions	52 746 829	52 423 685
Maturities	(52 423 685)	(50 000 000)
Closing balance	52 746 829	52 423 685

Lojaf (Proprietary) Limited

The Fund holds investments in Lojaf (Proprietary) Limited, a Company related to the Management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding Company.

Opening balance	20 972 877	20 000 000
Additions	21 038 493	20 972 877
Maturities	(20 972 877)	(20 000 000)
Closing balance	21 038 493	20 972 877

Lesana Lesotho Limited

The Fund holds investments in Lesana Lesotho Limited, a Company related to the Management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding Company.

Opening balance	55 745 359	50 000 000
Additions	52 847 483	55 745 359
Maturities	(55 745 359)	(50 000 000)
Closing balance	52 847 483	55 745 359

African Alliance Eswatini Umnotfo Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

11. Related parties (continued)

Alliance Foods (Pty) Limited

The Fund holds investments in Alliance Foods (Pty) Limited, a Company related to the Management company of the Fund, by virtue of the fact that they are controlled by a common ultimate holding Company.

Opening balance	-	-
Additions	57 209 295	-
Closing balance	57 209 295	-

12. Financial risk management objectives and policies

Introduction

The Fund's objective in managing risk is the creation and protection of unit holder value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risks limits and other controls. The process of risk management is critical to the Fund's continuing profitability. The Fund is exposed to market risk (which include interest rate risk, currency risk and price risk), liquidity risk and credit risk arising from the financial instruments it holds.

Risk management structure

The Fund's Investment Manager is responsible for identifying and controlling risks. The directors of the management company supervise the Investment Manager and are ultimately responsible for the overall risk management of the Fund.

Risk measurement and reporting system

Financial risk is managed through the regulatory framework under the Collective Investment Undertakings Regulation 2001, which imposes strict and specific regulations regarding the instruments that may be held by the scheme. The Scheme is additionally governed by a Trust Deed, which commits the funds to specific investment objectives and requires the investment manager to manage the Scheme in accordance therewith. Compliance limits are built into the daily pricing systems and processes. Independent checks are also carried out by the Trustee as well as the compliance functions of the Management Company to ensure compliance with limitations specified in the Trust Deed and the regulations determined under the Collective Investments Undertakings Regulation, 2001.

Risk mitigation

The Fund has investment guidelines that set out its overall business strategies, its tolerance for risk and its general risk management philosophy.

Excessive risk concentration

Concentration of risk indicates the relative sensitivity of the Fund's performance to developments affecting a particular industry or geographical location. Concentrations of risk arise when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or that have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of liquidity risk may arise from the repayment terms of financial liabilities or reliance on a particular market to realise liquid assets.

African Alliance Eswatini Umnotfo Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Financial risk management objectives and policies (continued)

Excessive risk concentration (continued)

In order to avoid excessive concentrations of risk, the Fund's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. The Investment Manager is instructed to reduce exposure to manage excessive risk concentrations when they arise.

Market risk

Market risk is the risk that changes in the market prices, such as interest rates, equity prices and foreign exchange rates will affect the Fund's income or the fair value of its holdings of financial instruments.

The Fund's strategy for the management of market risk is driven by the Fund's investment objective. The investment objective of the Fund is to enhance returns and control risks. The Fund's market risk is managed on a daily basis by the investment manager in accordance with policies and procedures put in place. Details of the Fund's investment portfolio at the reporting date are disclosed in Note 14.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rate will affect future cash flows or the fair values of financial instruments.

The interest rate exposure arises on debt instruments, money market investments and cash at bank.

The following table demonstrates the sensitivity of the Fund's profit or loss for the year to a reasonably possible change in interest rate, with all other variables held constant. The sensitivity of the change in net assets attributable to unit holders is the effect of the assumed changes in interest rates on the net interest income for one year, based on the floating rate financial assets held at the end of the reporting period.

In practice, the actual trading results may differ from the sensitivity analysis below and the difference could be significant.

	Change in basis points	Sensitivity of interest income
Year ended 30 April 2024	+/- 10	+/- 149 456
Year ended 30 April 2025	+/- 10	+/- 166 639

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Consequently, the Fund is exposed to risks that the exchange rate of its currency, relative to other currencies, may change in a manner that has an adverse effect on the fair value or future cash flows of the portion of the Fund's assets and liabilities denominated in currencies other than the Eswatini Emalangeni. Eswatini Emalangeni is pegged to South African Rand in the ratio 1:1.

Accordingly, the value of the Fund's assets will not be affected favourably or unfavourably by fluctuations in currency rates and therefore the Fund will necessarily not be subject to foreign exchange risks.

African Alliance Eswatini Umnotfo Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Financial risk management objectives and policies (continued)

Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected. The Fund is exposed to cash redemptions of its redeemable units on a regular basis. Units are redeemable at the holders' option, based on the Fund's Net Asset Value (NAV) per unit at the time of the redemption, calculated in accordance with the Fund's Trust Deed.

The Fund manages its obligation to repurchase the units when required to do so and its overall liquidity risk by:

- allowing for the redemptions, payments to be made within 14 days of the redemption instructions being received,
- searching for new investors,
- withdrawal of cash deposits,
- disposal of highly liquid assets, and
- disposal of other assets.

It is the Fund's policy that the Investment Manager monitors the Fund's liquidity position on a daily basis.

The following table summarises the maturity profile of the Fund's financial liabilities based on the contractual undiscounted cash flows.

Based on the nature of the business of the Trust Scheme, the realisation of the assets will depend on the redemption requirements of the investors, as well as the investment strategy. However, for securities listed on the Swaziland Stock Exchange, the realisation of the assets will be subject to the illiquidity of the market.

For financial liabilities, the maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When a counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund is required to pay.

African Alliance Eswatini Umnotfo Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Financial risk management objectives and policies (continued)

Liquidity risk (continued)

	<u>Within 1 month</u>	<u>1 - 3 months</u>	<u>3 - 6 months</u>	<u>Over 6 months</u>	<u>Total</u>
2025					
Financial liabilities					
Net assets attributable to unit holders	585 390 829	-	-	-	585 390 829
Management fees payable	1 003 895	-	-	-	1 003 895
Trustee fees payable	14 739	-	-	-	14 739
Audit fees payable	18 964	-	-	-	18 964
Distributions payable	25 478 873	-	-	-	25 478 873
	611 907 300	-	-	-	611 907 300
2024					
Financial liabilities					
Net assets attributable to unit holders	515 826 954	-	-	-	515 826 954
Management fees payable	893 054	-	-	-	893 054
Trustee fees payable	14 693	-	-	-	14 693
Audit fees payable	16 886	-	-	-	16 886
Distributions payable	24 606 879	-	-	-	24 606 879
	541 358 466	-	-	-	541 358 466

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge an obligation.

The Fund is exposed to the risk of credit-related losses that can occur as a result of a counterparty or issuer being unable or unwilling to honour its contractual obligations. These credit exposures exist within financing relationships and other transactions.

It is the Fund's policy to enter into financial instruments with reputable counterparties.

African Alliance Eswatini Umnotfo Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

12. Financial risk management objectives and policies (continued)

Credit risk (continued)

The Investment Manager closely monitors the creditworthiness of the Fund's counterparties (for example, brokers, custodians, managers and banks) by reviewing their credit ratings, financial statements and press releases on a regular basis.

The following table contains an analysis of the Fund's maximum exposure to credit risks, which are the instruments' carrying amounts in the financial statements.

Financial instruments

Financial assets at amortised costs	440 991 453	390 637 811
Interest receivable	4 273 374	1 258 447
Cash and cash equivalents	166 639 142	149 456 422
Other receivables	3 331	5 786
Total credit risk exposure	611 907 300	541 358 466

The above financial assets are subject to the expected credit loss model for the year under review. The expected credit loss provision was deemed not significant for the year under review.

Fair value

The fair values of the Fund's financial assets and liabilities approximate their carrying amounts.

13. Financial assets and liabilities by category

The following table analyses the carrying amounts of the financial assets and financial liabilities by category as defined in IFRS 9.

Financial assets at amortised costs

Debt instruments	440 991 453	390 637 811
Interest receivable	4 273 374	1 258 447
Cash and cash equivalents	166 639 142	149 456 422
Other receivables	3 331	5 786
Total financial assets	611 907 300	541 358 466

Financial liabilities measured at amortised cost

Net assets attributable to unit holders	585 390 829	515 826 954
Management fees payable	1 003 895	893 054
Trustee fees payable	14 739	14 693
Audit fees payable	18 964	16 886
Other payables	-	-
Distributions payable	25 478 873	24 606 879
Total financial liabilities	611 907 300	541 358 466

African Alliance Eswatini Umnotfo Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

14. Analysis of total assets

	Currency	Country	Maturity date	Price per unit / interest rate per annum	Holdings	Amortised costs	% of Gross assets
2025							
<u>Financial assets at amortised costs</u>							
Current:							
Lesana (Lesotho) Limited	LSL	Lesotho	27 May 25	10,80 %	25 000 000	27 507 671	4,50
Structco (Proprietary) Limited	SZL	Eswatini	29 Jun 25	9,50 %	30 000 000	33 018 082	5,40
Central Bank of Eswatini	SZL	Eswatini	29 Jun 25	9,75 %	7 000 000	7 221 689	1,18
SBC Limited	SZL	Eswatini	19 Aug 25	13,50 %	30 000 000	40 940 548	6,69
Select Limited	SZL	Eswatini	30 Aug 25	13,50 %	20 000 000	21 804 932	3,56
Alliance Foods (Pty) Limited	SZL	Eswatini	18 Sep 25	23,00 %	55 734 246	57 209 295	9,35
Central Bank of Eswatini	SZL	Eswatini	10 Oct 25	10,30 %	25 000 000	25 148 151	4,11
Central Bank of Eswatini	SZL	Eswatini	29 Jan 26	9,00 %	10 000 000	10 226 899	1,67
Central Bank of Eswatini	SZL	Eswatini	29 Jan 26	9,00 %	10 000 000	10 214 960	1,67
Select Limited	SZL	Eswatini	13 Apr 26	12,75 %	15 000 000	15 094 315	2,47
Non-Current:							
Central Bank of Eswatini	SZL	Eswatini	29 Oct 26	9,00 %	10 000 000	9 889 486	1,62
Central Bank of Eswatini	SZL	Eswatini	29 Oct 26	9,00 %	10 000 000	9 858 770	1,61
Lojaf Limited	SZL	Eswatini	19 Dec 26	14,25 %	20 000 000	21 038 493	3,44
Central Bank of Eswatini	SZL	Eswatini	29 Dec 26	10,25 %	5 000 000	5 109 031	0,83
Central Bank of Eswatini	SZL	Eswatini	10 Feb 27	9,90 %	40 000 000	40 867 945	6,68
Lesana Lesotho Limited	LSL	Lesotho	17 Mar 27	11,03 %	25 000 000	25 339 812	4,14
First National Bank (Eswatini) Limited	SZL	Eswatini	12 Jul 27	11,20 %	25 000 000	27 255 342	4,45
Select Limited	SZL	Eswatini	15 Nov 27	12,35 %	15 000 000	15 847 582	2,59
Central Bank of Eswatini	SZL	Eswatini	29 Jan 28	9,50 %	10 000 000	10 180 042	1,66
SBC Limited	SZL	Eswatini	13 Apr 28	13,00 %	20 000 000	20 128 220	3,29
Central Bank of Eswatini	SZL	Eswatini	29 Jun 28	10,25 %	7 000 000	7 090 188	1,16
						440 991 453	72,07
Other receivables						3 331	0,00
<u>Cash and cash equivalents</u>							
Call deposits							
Nedbank Eswatini Limited	SZL	Eswatini		5,45 %	2 141 198	2 141 198	0,35
First National Bank (Eswatini) Limited	SZL	Eswatini		3,20 %	1 000	1 000	-
Money market investments							
African Alliance Eswatini Lilangeni Fund	SZL	Eswatini		9,36 %	164 496 944	164 496 944	26,88
						166 639 142	27,23
Interest receivable						4 273 374	0,71
Total						611 907 300	100,00

African Alliance Eswatini Umnotfo Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

14. Analysis of total assets (continued)

	Currency	Country	Maturity date	Price per unit / interest rate per annum	Holdings	Amortised costs	% of Gross assets
2024							
Financial assets at amortised costs							
Current:							
Structco (Proprietary) Limited	SZL	Eswatini	29 Jun 24	12,00 %	25 000 000	26 019 178	4,81
Motor Vehicle Accident Fund	SZL	Eswatini	30 Jun 24	9,50 %	8 000 000	8 254 027	1,52
Central Bank of Eswatini	SZL	Eswatini	26 Jul 24	10,65 %	12 353 009	13 355 024	2,47
Eswatini Government Bond	SZL	Eswatini	09 Oct 24	10,35 %	25 000 000	26 453 253	4,89
Central Bank of Eswatini	SZL	Eswatini	29 Oct 24	8,90 %	5 000 000	4 997 074	0,92
Lojaf (Proprietary) Limited	SZL	Eswatini	19 Dec 24	13,25 %	20 000 000	20 972 877	3,87
Lesana Lesotho Limited	LSL	Lesotho	17 Mar 25	11,48 %	25 000 000	28 230 291	5,21
Central Bank of Eswatini	SZL	Eswatini	13 Apr 25	8,90 %	15 000 000	15 065 836	2,78
Non-current							
Lesana Lesotho Limited	LSL	Lesotho	27 May 25	10,80 %	25 000 000	27 515 068	5,08
Central Bank of Eswatini	SZL	Eswatini	29 Jun 25	9,75 %	7 000 000	7 172 184	1,32
SBC Limited	SZL	Lesotho	19 Aug 25	13,50 %	30 000 000	36 890 548	6,81
Select Limited	SZL	Eswatini	30 Aug 25	11,00 %	20 000 000	21 476 712	3,97
Central Bank of Eswatini	SZL	Eswatini	29 Jan 26	9,00 %	10 000 000	10 229 432	1,89
Central Bank of Eswatini	SZL	Eswatini	29 Jan 26	9,00 %	10 000 000	10 201 531	1,88
Select Limitedi	SZL	Eswatini	13 Apr 26	12,75 %	15 000 000	15 094 315	2,79
Central Bank of Eswatini	SZL	Eswatini	29 Oct 26	9,00 %	10 000 000	9 812 311	1,81
Central Bank of Eswatini	SZL	Eswatini	29 Oct 26	9,00 %	10 000 000	9 761 062	1,80
Central Bank of Eswatini	SZL	Eswatini	29 Dec 26	10,25 %	5 000 000	5 072 147	0,94
Central Bank of Eswatini	SZL	Eswatini	10 Feb 27	9,90 %	40 000 000	40 878 795	7,55
Select Limited	SZL	Eswatini	15 Nov 27	12,35 %	15 000 000	15 852 658	2,93
Central Bank of Eswatini	SZL	Eswatini	29 Jan 28	9,50 %	10 000 000	10 161 026	1,88
SBC Limited	SZL	Eswatini	13 Apr 28	13,00 %	20 000 000	20 128 219	3,72
Central Bank of Eswatini	SZL	Eswatini	29 Jun 28	10,25 %	7 000 000	7 044 243	1,30
						390 637 811	72,16
Interest receivable						1 258 447	0,24
Other receivable						5 786	0,001

African Alliance Eswatini Umnotfo Fund

Notes to the financial statements for the year ended 30 April 2025

Figures in Emalangeni

2025

2024

14. Analysis of total assets (continued)

	Currency	Country	Maturity date	Price per unit / interest rate per annum	Holdings	Amortised costs	% of Gross assets
<u>2024(continued)</u>							
<u>Cash and cash equivalents</u>							
Current:							
Call deposits							
Nedbank Eswatini Limited	SZL	Eswatini		5,85 %	2 068 382	2 068 382	0,38
Money market investments							
African Alliance Eswatini Lilangeni Fund	SZL	Eswatini		9,36 %	147 388 040	147 388 040	27,23
						<u>149 456 422</u>	<u>27,61</u>
Total						<u>541 358 466</u>	<u>100,00</u>

15. Going concern

The audited financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that the realisation of assets and settlements of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The Board of directors of the management Company are confident that the Fund will continue as a going concern for the foreseeable future.

16. Reconciliation of Net Asset Value per unit

Published price (calculated in accordance with redemption requirements)	1,05	1,05
Adjusted for:		
Distributions payable	(0,04)	(0,05)
Net asset value as per IFRS	1,01	1,00

17. Events after the reporting period

There are no significant events that have occurred in respect of the Fund and the management company, subsequent to the year end, that may be relevant to the accuracy of these financial statements.