

**South African Women In Mining Investment Holdings (Pty) Ltd**  
Trading as  
**SAWIMIH**  
(Registration Number 2003/025168/07)  
**Annual Financial Statements**  
for the year ended 28 February 2022

**Audited Financial Statements**  
in compliance with the Companies Act of South Africa  
Prepared by:  
Professional designation: CA (SA)  
Title: Mrwebi Auditors and Accountants Inc

# South African Women In Mining Investment Holdings (Pty) Ltd

(Registration Number 2003/025168/07)

Annual Financial Statements for the year ended 28 February 2022

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# South African Women In Mining Investment Holdings (Pty) Ltd

(Registration Number 2003/025168/07)

Annual Financial Statements for the year ended 28 February 2022

## General Information

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<b>Country of Incorporation and Domicile</b>	South Africa
<b>Registration Number</b>	2003/025168/07
<b>Nature of Business and Principal Activities</b>	Investment holding
<b>Directors</b>	MG Mapanzela LP Ngwabeni N Qabaka N Langeni MP Sibisi
<b>Registered Office</b>	Rosebank Corner 191 Jan Smuts Ave Parktown North Gauteng 2196
<b>Bankers</b>	The Standard Bank of South Africa Limited
<b>Tax Number</b>	9117672155
<b>Level of Assurance</b>	These financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa.
<b>Auditors</b>	Blake & Associates 494 Spionkop Avenue North Riding Gauteng 2194
<b>Company Secretary</b>	TumboScott Inc Attorneys Ground Floor, Block 3 Commerce Square 39 Rivonia Road, Sandton Gauteng 2196
<b>Preparer</b>	Mrwebi Auditors and Accountants Inc Unit 9 Leogem Business Park 44 Richards Drive, Halfway House Gauteng 1685

# South African Women In Mining Investment Holdings (Pty) Ltd

(Registration Number 2003/025168/07)

Annual Financial Statements for the year ended 28 February 2022

## Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the company, and explain the transactions and financial position of the business of the company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the company and supported by reasonable and prudent judgements and estimates.

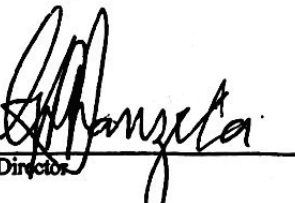
The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for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

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

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

The annual financial statements have been audited by the independent auditing firm, Blake & Associates, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the shareholders, the directors and committees of the directors. The directors believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 6 to 7.

The annual financial statements set out on pages 8 to 26, and the supplementary information set out on pages 27 to 29 which have been prepared on the going concern basis, were approved by the directors and were signed on 7 December 2022 on their behalf by:

  
Director

  
Director

# South African Women In Mining Investment Holdings (Pty) Ltd

(Registration Number 2003/025168/07)

Annual Financial Statements for the year ended 28 February 2022

## Directors' Report

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The directors present their report for the year ended 28 February 2022.

### 1. Review of financial results and activities

#### Main business and operations

The company is an Investment holding . There were no major changes herein during the year.

The company generated a profit after tax for the year ended 28 February 2022 of R30,304,524 (2021: R23,246,195).

The company's revenue increased from R20,134,989 in the prior year to R42,771,472 for the year ended 28 February 2022.

Company cash flows from operating activities changed from an inflow of R31,655,239 in the prior year to an inflow of R44,750,411 for the year ended 28 February 2022.

### 2. Going concern

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

### 3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the company.

### 4. Directors' interest in contracts

To our knowledge none of the directors had any interest in contracts entered into during the year under review.

### 5. Authorised and issued share capital

No changes were approved or made to the authorised or issued share capital of the company during the year under review.

### 6. Borrowing limitations

In terms of the Memorandum of Incorporation of the company, the directors may exercise all the powers of the company to borrow money, as they consider appropriate.

### 7. Dividend

Dividend of R27,655,457 (2021: R6,530,720) was paid to shareholders.

# South African Women In Mining Investment Holdings (Pty) Ltd

(Registration Number 2003/025168/07)

Annual Financial Statements for the year ended 28 February 2022

## Directors' Report

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### 8. Directors

The directors of the company during the year and up to the date of this report are as follows:

MG Mapanzela

LP Ngwabeni

N Qabaka

N Langeni

MP Sibisi

### 9. Social and ethics committee

In line with the requirements of the Companies Act of South Africa, South African Women In Mining Investment Holdings (Pty) Ltd has appointed a social and ethics committee who have presented their report at the Annual General Meeting. The members of the committee are:

**Name**

N Qabaka

N Langeni

T Phiri

G Bam

### 10. Secretary

The company designated secretary is TumboScott Inc Attorneys .

### 11. Solvency and liquidity test

The directors have performed the required solvency and liquidity tests required by the Companies Act of South Africa.

### 12. Independent Auditors

Blake & Associates were the independent auditors for the year under review.



**BLAKE & ASSOCIATES**  
CHARTERED ACCOUNTANTS (SA)

## **Independent Auditor's Report**

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**To the Shareholders of South African Women In Mining Investment Holdings (Pty) Ltd**

### **Opinion**

We have audited the financial statements of South African Women In Mining Investment Holdings (Pty) Ltd set out on pages 8 to 26, which comprise the statement of financial position as at 28 February 2022, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of South African Women In Mining Investment Holdings (Pty) Ltd as at 28 February 2022, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

### **Basis for Opinion**

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

### **Other Information**

The directors are responsible for the other information. The other information comprises the information included in the document titled "South African Women In Mining Investment Holdings (Pty) Ltd Annual Financial Statements for the year ended 28 February 2022", which includes the Directors' Report, and the statement of Directors' Responsibilities and Approval as required by the Companies Act of South Africa, which we obtained prior to the date of this report, and the supplementary information set out on pages 27 to 29. The other information does not include the financial statements and our auditor's report thereon.

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

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

### **Responsibilities of the Directors for the Financial Statements**

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

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

*Blake + Associates*

Per: RG Blake CA(SA)

Registered Auditor

07 December 2022

# South African Women In Mining Investment Holdings (Pty) Ltd

(Registration Number 2003/025168/07)

Financial Statements for the year ended 28 February 2022

## Statement of Financial Position

Figures in R

	Notes	2022	2021
<b>Assets</b>			
<b>Non-current assets</b>			
Listed investments	5	22,833,115	21,037,475
Unlisted investments	6	4,479,400	479,400
<b>Total non-current assets</b>		<b>27,312,515</b>	<b>21,516,875</b>
<b>Current assets</b>			
Shareholders' loans - withholding tax to recover		-	4,901,087
Shareholders' loans - dividends overpaid	7	-	235,471
Cash and cash equivalents	8	33,510,824	35,368,691
<b>Total current assets</b>		<b>33,510,824</b>	<b>40,505,249</b>
<b>Total assets</b>		<b>60,823,339</b>	<b>62,022,124</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Issued capital	9	8,008,312	8,008,312
Retained income		31,626,357	28,977,290
<b>Total equity</b>		<b>39,634,669</b>	<b>36,985,602</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Other financial liabilities		-	470,770
<b>Current liabilities</b>			
Trade and other payables		7,801,181	6,453,251
Current tax liabilities	4	654,319	10,063,787
Dividend payable	10	12,628,991	7,950,431
Loans from directors		104,179	98,283
<b>Total current liabilities</b>		<b>21,188,670</b>	<b>24,565,752</b>
<b>Total liabilities</b>		<b>21,188,670</b>	<b>25,036,522</b>
<b>Total equity and liabilities</b>		<b>60,823,339</b>	<b>62,022,124</b>

# South African Women In Mining Investment Holdings (Pty) Ltd

(Registration Number 2003/025168/07)

Financial Statements for the year ended 28 February 2022

## Statement of Profit or Loss and Other Comprehensive Income

### Figures in R

	Notes	2022	2021
Revenue	11	42,771,472	20,134,989
Other income	12	3,000,000	40,000
Administrative expenses		(1,078,724)	(826,349)
Other expenses		(17,515,379)	(5,641,240)
Other gains and (losses)	13	2,732,003	8,754,423
<b>Profit from operating activities</b>		<b>29,909,372</b>	<b>22,461,823</b>
Finance income	14	1,102,079	1,137,449
Finance costs	15	(60,901)	(62,230)
<b>Profit before tax</b>		<b>30,950,550</b>	<b>23,537,042</b>
Income tax expense	16	(646,026)	(290,847)
<b>Profit for the year</b>		<b>30,304,524</b>	<b>23,246,195</b>

# South African Women In Mining Investment Holdings (Pty) Ltd

(Registration Number 2003/025168/07)

Financial Statements for the year ended 28 February 2022

## Statement of Changes in Equity

Figures in R	Issued capital	Retained income	Total
<b>Balance at 1 March 2020</b>	8,008,312	12,261,815	20,270,127
<b>Changes in equity</b>			
Profit for the year	-	23,246,195	23,246,195
Total comprehensive income for the year	-	23,246,195	23,246,195
Dividend recognised as distributions to shareholders	-	(6,530,720)	(6,530,720)
<b>Balance at 28 February 2021</b>	<b>8,008,312</b>	<b>28,977,290</b>	<b>36,985,602</b>
<b>Balance at 1 March 2021</b>	8,008,312	28,977,290	36,985,602
<b>Changes in equity</b>			
Profit for the year	-	30,304,524	30,304,524
Total comprehensive income for the year	-	30,304,524	30,304,524
Dividend recognised as distributions to shareholders	-	(27,655,457)	(27,655,457)
<b>Balance at 28 February 2022</b>	<b>8,008,312</b>	<b>31,626,357</b>	<b>39,634,669</b>

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# South African Women In Mining Investment Holdings (Pty) Ltd

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Financial Statements for the year ended 28 February 2022

## Statement of Cash Flows

Figures in R

Note 2022 2021

### Cash flows from operations

**Profit for the year** 30,304,524 23,246,195

### Adjustments to reconcile profit

Adjustments for income tax expense 646,026 290,847

Adjustments for finance income (793,784) (1,137,449)

Adjustments for finance costs 60,901 62,230

Adjustments for decrease in trade accounts receivable 4,901,087 -

Adjustments for decrease in prepayments 235,471 -

Adjustments for increase / (decrease) in trade accounts payable 737,789 (85,670)

Adjustments for increase in other operating payables 610,141 1,466,425

Adjustments for fair value gains and losses (2,732,003) (8,754,423)

Income tax penalties paid 537,222 723,150

**Total adjustments to reconcile profit** 4,202,850 (7,434,890)

**Net cash flows from operations** 34,507,374 15,811,305

Dividend paid (22,976,897) (4,195,773)

Dividends received 42,771,472 20,134,989

Interest paid (60,901) (62,230)

Interest received 1,102,079 1,137,449

Income taxes paid (10,592,716) (1,170,501)

**Net cash flows from operating activities** 44,750,411 31,655,239

### Cash flows used in investing activities

Purchase of other financial assets (3,063,637) (1,494,583)

**Cash flows used in investing activities** (3,063,637) (1,494,583)

### Cash flows used in financing activities

Proceeds received on issue of other financial liabilities (470,770) -

Loans received from directors 5,896 5,741

**Cash flows used in financing activities** (43,544,641) (20,129,249)

**Net (decrease) / increase in cash and cash equivalents** (1,857,867) 10,031,407

Cash and cash equivalents at beginning of the year 35,368,691 25,337,284

**Cash and cash equivalents at end of the year** 8 33,510,824 35,368,691

# South African Women In Mining Investment Holdings (Pty) Ltd

(Registration Number 2003/025168/07)

Financial Statements for the year ended 28 February 2022

## Accounting Policies

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### 1. General information

The company is incorporated as a Investment holding company and domiciled in South Africa. The address of its registered office is Rosebank Corner , 191 Jan Smuts Ave , Parktown North , Gauteng , 2196.

### 2. Basis of preparation and summary of significant accounting policies

The financial statements of South African Women In Mining Investment Holdings (Pty) Ltd have been prepared in accordance with International Financial Reporting Standards and the Companies Act of South Africa. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

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

#### 2.1 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A financial asset is any asset that is:

- cash;
- an equity instrument of another entity;
- a contractual right to receive cash or another financial asset from another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.
- a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
- a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include puttable financial instruments classified as equity instruments in accordance with paragraphs 16A and 16B, instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation and are classified as equity instruments in accordance with paragraphs 16C and 16D, or instruments that are contracts for the future receipt or delivery of the entity's own equity instruments.

A financial liability is any liability that is:

- a contractual obligation to deliver cash or another financial asset to another entity to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity.
- a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. Also, for these purposes the entity's own equity instruments do not include puttable financial instruments that are classified as equity instruments in accordance with paragraphs 16A and 16B, instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation and are classified as equity instruments in accordance with paragraphs 16C and 16D, or instruments that are contracts for the future receipt or delivery of the entity's own equity instruments.

As an exception, an instrument that meets the definition of a financial liability is classified as an equity instrument if it has all the features and meets the conditions in paragraphs 16A and 16B or paragraphs 16C and 16D of IAS32.

# South African Women In Mining Investment Holdings (Pty) Ltd

(Registration Number 2003/025168/07)

Financial Statements for the year ended 28 February 2022

## Accounting Policies

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### ***Basis of preparation and summary of significant accounting policies continued...***

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

A derivative is a financial instrument or other contract with all three of the following characteristics:

- its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying');
- it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and
- it is settled at a future date.

A financial liability at fair value through profit or loss is a financial liability that meets one of the following conditions:

- It meets the definition of held for trading. A financial asset or financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term, on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking or it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument);
- upon initial recognition it is designated by the entity as at fair value through profit or loss in accordance with paragraph 4.2.2 or 4.3.5
- it is designated either upon initial recognition or subsequently as at fair value through profit or loss in accordance with paragraph 6.7.1

### **Classification and recognition**

Classification of a financial instrument, or its component parts takes place on initial recognition. Each instrument is classified as a financial liability, a financial asset or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and an equity instrument.

#### *Financial assets classification*

The company classifies financial assets into the following categories:

- Financial assets subsequently measured at fair value through profit or loss
- Financial assets subsequently measured at fair value through other comprehensive income (OCI)
- Financial assets subsequently measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are either recorded in profit or loss or in OCI. For investments in equity instruments that are not held for trading, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

#### *Financial liabilities classification*

The company classifies financial liabilities into the following categories:

- Financial liabilities subsequently measured at amortised cost
- Financial liabilities subsequently measured at fair value through profit or loss

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

#### *Recognition*

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

# South African Women In Mining Investment Holdings (Pty) Ltd

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Financial Statements for the year ended 28 February 2022

## Accounting Policies

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### ***Basis of preparation and summary of significant accounting policies continued...***

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the company commits to purchase or sell the asset.

### **Initial measurement**

#### *Financial assets*

When a financial asset is recognised initially, it is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### *Financial liabilities*

Financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

### **Subsequent measurement**

#### *Financial assets*

#### *Debt instruments*

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and cash flow characteristics of the asset. Debt instruments are subsequently measured at:

- Amortised cost: assets held only for collection of principal and interest payments
  - Interest income is included in finance income using the effective interest rate method.
  - Any gain or loss on derecognition is recognised in profit or loss and presented in other gains / (losses) together with foreign exchange gains and losses.
  - Impairment losses are presented as a separate line item in the statement of profit or loss.
  - The company's financial assets at amortised cost includes trade receivables, and loans to associates and directors included under other non-current financial assets.
- Fair value through OCI: assets held only for collection of principal and interest payments and for selling the financial assets
  - Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss.
  - When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains / (losses).
  - Interest income from these financial assets is included in finance income using the effective interest rate method.
  - Foreign exchange gains and losses are presented in other gains / (losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
  - The company's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.
  - The company elected to classify irrevocably its non-listed equity investments under this category.
- Fair value through profit or loss: assets that do not meet the criteria for amortised cost or fair value through OCI
  - A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other gains / (losses) in the period in which it arises.
  - The company may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in OCI.
  - This category includes derivative instruments and listed equity investments which the company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

# South African Women In Mining Investment Holdings (Pty) Ltd

(Registration Number 2003/025168/07)

Financial Statements for the year ended 28 February 2022

## Accounting Policies

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### ***Basis of preparation and summary of significant accounting policies continued...***

#### *Equity instruments*

All equity investments are subsequently measured at fair value.

- Fair value through OCI: elected to present fair value gains and losses on equity investments in OCI
  - There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.
  - Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.
  - Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value.
- Fair value through profit or loss: assets that do not meet the criteria for amortised cost or fair value through OCI
  - Changes in the fair value are recognised in other gains / (losses) in the statement of profit or loss as applicable.

#### *Financial liabilities*

- Fair value through profit or loss: financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss
  - Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.
  - This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9.
  - Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.
  - Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.
  - Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The company has not designated any financial liability as at fair value through profit or loss.
- Amortised cost: Loans and borrowings
  - After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.
  - Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.
  - Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.
  - The effective interest rate amortisation is included as finance costs in the statement of profit or loss.
  - This category generally applies to interest-bearing loans and borrowings.

### **Derecognition**

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or when it is transferred and the transfer qualifies for derecognition.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an 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 the statement of profit or loss.

### **Impairment of financial assets**

A forward looking allowance for expected credit losses is recognised for all debt instruments not held at fair value through profit or loss. Expected credit losses are based on the difference between contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

# South African Women In Mining Investment Holdings (Pty) Ltd

(Registration Number 2003/025168/07)

Financial Statements for the year ended 28 February 2022

## Accounting Policies

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### ***Basis of preparation and summary of significant accounting policies continued...***

The impairment methodology applied depends on whether there has been a significant increase in credit risk:

- For credit exposures with no significant increase in credit risk since initial recognition, expected credit losses are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month expected credit loss).
- For credit exposures with significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime expected credit loss).

For trade receivables and contract assets, a simplified approach is applied in calculating expected credit losses. Instead of tracking changes in credit risk, a loss allowance is recognised based on lifetime expected credit losses at each reporting date. A provision matrix was established that is based on the company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the low credit risk simplification is applied. At every reporting date, the company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. The internal credit rating of the debt instrument is reassessed during this evaluation. It is also considered whether there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the company may also consider a financial asset to be in default when internal or external information indicates that the company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### **Loan to (from) director, manager or employee**

The loan to director, manager or employee is classified as a financial asset at amortised cost, and is initially measured at fair value including transaction costs and subsequently measured at amortised cost using the effective interest method.

The loans from directors is classified as a financial liabilities at amortised cost, and is initially measured at fair value including transaction costs and subsequently measured at amortised cost using the effective interest method.

### **Loan to (from) shareholders**

The loan to shareholders is classified as a financial asset at amortised cost, and is initially measured at fair value including transaction costs and subsequently measured at amortised cost using the effective interest method.

The loan from shareholders is classified as a financial liabilities at amortised cost, and is initially measured at fair value including transaction costs and subsequently measured at amortised cost using the effective interest method.

### **Trade and other receivables**

Trade receivables are measured at initial recognition at fair value plus transaction costs. They are subsequently measured at amortised cost using the effective interest rate method, less allowance for expected credit losses. For trade receivables and contract assets, a simplified approach is applied in calculating expected credit losses. Instead of tracking changes in credit risk, a loss allowance is recognised based on lifetime expected credit losses at each reporting date. A provision matrix was established that is based on the company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Trade and other receivables are classified as debt instruments and loan commitments at amortised cost.

### **Other financial assets**

Other financial assets are recognised initially at the fair value, including transaction costs except where the asset will subsequently be measured at fair value.

# South African Women In Mining Investment Holdings (Pty) Ltd

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## Accounting Policies

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### *Basis of preparation and summary of significant accounting policies continued...*

Other financial assets that are equity investments are subsequently measured at fair value through profit or loss. Other investments are subsequently measured at cost less impairment.

Other financial assets that are debt instruments are subsequently measured at amortised cost. Interest income is recognised on the basis of the effective interest method and is included in finance income.

### **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. These are initially recorded at fair value and subsequently carried at amortised cost.

### **Trade and other payables**

Trade payables are initially measured at fair value plus direct transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

## 2.2 Tax

Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period.

Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences.

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of:

- deductible temporary differences;
- the carry forward of unused tax losses; and
- the carry forward of unused tax credits.

### **Current tax assets and liabilities**

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

The benefit relating to a tax loss that can be carried back to recover current tax of a previous period is recognised as an asset.

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

Current tax assets and liabilities are offset only where:

- there is a legally enforceable right to set off the recognised amounts; and
- there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### **Tax expense (income)**

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, outside profit or loss, either in other comprehensive income or directly in equity.
- a business combination other than the acquisition by an investment of a subsidiary that is required to be measured at fair value through profit or loss.

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## Accounting Policies

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### *Basis of preparation and summary of significant accounting policies continued...*

Current tax and deferred tax is recognised outside profit or loss if the tax relates to items that are recognised, in the same or a different period, outside profit or loss. Therefore, current tax and deferred tax that relates to items that are recognised, in the same or a different period:

- in other comprehensive income, will be recognised in other comprehensive income;
- directly in equity, will be recognised directly in equity.

### 2.3 Revenue

Revenue is income arising in the course of an entity's ordinary activities.

The company earns income from dividends received on investments.

### 2.4 Borrowing costs

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds.

### 2.5 Related parties

A related party is a person or entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control. As a minimum, the following are regarded as related parties of the reporting entity:

- A person or a close member of that person's family is related to a reporting entity if that person:
  - has control or joint control of the reporting entity;
  - has significant influence over the reporting entity; or
  - is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- An entity is related to the reporting entity if any of the following conditions apply:
  - The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - Both entities are joint ventures of the same third party;
  - One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
  - The entity is controlled or jointly controlled by a person identified as a related party;
  - A person identified as having control or joint control over the reporting entity has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
  - The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

### 3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

# South African Women In Mining Investment Holdings (Pty) Ltd

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Financial Statements for the year ended 28 February 2022

## Accounting Policies

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### *Critical accounting estimates and judgements continued...*

#### **3.1 Critical accounting estimates and assumptions**

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

##### **3.1.1 Income taxes**

The company is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

# South African Women In Mining Investment Holdings (Pty) Ltd

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## Notes to the Financial Statements

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### 4. Current tax liabilities

Current tax liabilities comprise the following balances

Net current tax liability from all items being set off	(654,319)	(10,063,787)
<b>Total current tax liability per the statement of financial position</b>	<b>(654,319)</b>	<b>(10,063,787)</b>

### 5. Listed investments

Listed investments comprise the following balances

Sasol BEE Shares	442,050	294,700
SASOL Khanyisa Public (RF) Ltd	3,757,050	3,757,050
Exxaro Resources Limited	17,874,252	15,445,881
Exxaro Resources Ltd - held in Vunani share account	644,688	487,635
Sasol Ltd - held in Vunani share account	33,950	169,587
Fortress REIT A	-	635,158
Fortress REIT B	-	247,464
Listed investments 9	81,125	-
	<u>22,833,115</u>	<u>21,037,475</u>

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### 6. Unlisted investments

**Unlisted investments comprise the following balances**

Basadi Ba Kopane Investments (RF) (Pty) Ltd <i>valued at cost. Valuation at fair value has not been used as there is a liquidity risk due to the investment being held as part of a consortium and there could be delays exiting the consortium and possible price discounting in the event of a sale as opposed to using a principle market (like the Johannesburg Stock Exchange) to monetise the investment. Other limitations include the availability of data (inputs and assumptions) and the valuation technique used for pricing the asset.</i>	479,400	479,400
Ugesi Systems (Pty) Ltd <i>valued at cost. Ugesi Systems is a manufacturing and supplier of electric motors and electric vehicles to the global market at large.</i>	4,000,000	-
Ditswammung Mineral Resources Consortium (Pty) Ltd <i>valued at cost, the directors have received a draft indicative valuation of the underlying assets in the investment reflecting a value of this investment at 28 February 2022 of R51,8m, same as per prior year.</i>	-	-
	<u>4,479,400</u>	<u>479,400</u>

valued at cost. Valuation at fair value has not been used as there is a liquidity risk due to the investment being held as part of a consortium and there could be delays exiting the consortium and possible price discounting in the event of a sale as opposed to using a principle market (like the Johannesburg Stock Exchange) to monetise the investment. Other limitations include the availability of data (inputs and assumptions) and the valuation technique used for pricing the asset.

### 7. Shareholders' loans - dividends overpaid

**Shareholders' loans - dividends overpaid comprise the following balances**

Shareholders' loans - dividends overpaid	<u>-</u>	<u>235,471</u>
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### 8. Cash and cash equivalents

#### 8.1 Cash and cash equivalents included in current assets:

##### Cash

Balances with banks	<u>11,797</u>	<u>2,865,316</u>
<b>Other cash and cash equivalents</b>	<u>33,499,027</u>	<u>32,503,375</u>
	<u>33,510,824</u>	<u>35,368,691</u>

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## Notes to the Financial Statements

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### *Cash and cash equivalents continued...*

#### 8.2 Net cash and cash equivalents

Current assets	33,510,824	35,368,691
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#### 8.3 Detail of cash and cash equivalent balances

##### Bank balances

Bank - Standard Bank current	11,527	2,756,850
Bank - Standard Bank money market	5	100,005
Bank - Vunani Security Trust	265	8,461
<b>Total</b>	<b>11,797</b>	<b>2,865,316</b>

#### 9. Issued capital

##### Authorised and issued share capital

##### Authorised

14 000 000 Ordinary shares

##### Issued

11 662 000 Ordinary shares	8,008,312	8,008,312
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#### 10. Dividend payable

##### Dividend payable comprise:

Dividends payable	12,628,991	7,950,431
Current portion of dividend payable	12,628,991	7,950,431

#### 11. Revenue

##### Revenue comprises:

Dividends received	42,771,472	20,134,989
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#### 12. Other income

##### Other income comprises:

Investment income - Ditswammung Mineral Resources Consortium (Pty) Ltd	3,000,000	-
Other income - COVID - 19 relief	-	40,000
<b>Total other income</b>	<b>3,000,000</b>	<b>40,000</b>

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## Notes to the Financial Statements

Figures in R	2022	2021
<b>13. Other gains and (losses)</b>		
<b>Other gains and (losses) comprise:</b>		
Fair value gains and (losses) on assets	<u>2,732,003</u>	<u>8,754,423</u>
<b>14. Finance income</b>		
<b>Finance income comprises:</b>		
Interest received	<u>1,102,079</u>	<u>1,137,449</u>
<b>15. Finance costs</b>		
<b>Finance costs included in profit or loss:</b>		
Law Society in respect of funds held in trust	55,004	56,490
Loans from directors	5,897	5,740
<b>Total finance costs</b>	<u>60,901</u>	<u>62,230</u>
<b>16. Income tax expense</b>		
<b>16.1 Income tax recognised in profit or loss:</b>		
<b>Current tax</b>		
Current year	646,026	290,847
<b>16.2 The income tax for the year can be reconciled to the accounting profit as follows:</b>		
Profit before tax from operations	30,950,550	23,537,042
Income tax calculated at 28.0%	8,666,154	6,590,372
Tax effect of		
- Dividends received	(11,976,012)	(5,637,797)
- Fair value adjustment in investments	(764,961)	(2,451,238)
- Expenses not in the production of income	3,022,174	1,789,511
<b>Tax charge</b>	<u>(1,052,645)</u>	<u>290,847</u>