

Subinite Proprietary Limited  
(Registration number 2010/018925/07)  
Financial Statements  
for the year ended 31 March 2026

# Subinite Proprietary Limited

(Registration number 2010/018925/07)

Financial Statements for the year ended 31 March 2026

## General Information

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|----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Country of incorporation and domicile</b>       | South Africa                                                                                                                                                                                            |
| <b>Nature of business and principal activities</b> | The manufacturing and wholesale of hair extension products and wholesale of hair colour products of the highest level of quality and care.                                                              |
| <b>Directors</b>                                   | Ritesh Nagar<br>Ismail Nanabhay<br>Vijay Menon<br>Rahul Agarwal<br>Vini Jain                                                                                                                            |
| <b>Registered office</b>                           | 680 Joseph Lister Street<br>Valley View Office Park<br>Constantia Kloof<br>Roodepoort<br>1709                                                                                                           |
| <b>Postal address</b>                              | Private Bag X035<br>Unit 21<br>Alberton<br>South Africa<br>1450                                                                                                                                         |
| <b>Holding company</b>                             | Godrej West Africa Holding Ltd<br>incorporated in Mauritius                                                                                                                                             |
| <b>Ultimate holding company</b>                    | Godrej Consumer Products Limited<br>incorporated in India                                                                                                                                               |
| <b>Bankers</b>                                     | CITI Bank<br>Standard Bank of South Africa Limited                                                                                                                                                      |
| <b>Auditors</b>                                    | BDO South Africa Incorporated<br>Chartered Accountants (SA)<br>Registered Auditor                                                                                                                       |
| <b>Company registration number</b>                 | 2010/018925/07                                                                                                                                                                                          |
| <b>Level of assurance</b>                          | These financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008 of South Africa.                                                            |
| <b>Preparer</b>                                    | The financial statements were independently compiled by Everest Professionals Proprietary Limited under the supervision of Renell Bekker CA (SA) and were reviewed by Adnaan Sujee (Financial Manager). |
| <b>Issued</b>                                      | 23 June 2026                                                                                                                                                                                            |

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# Subinite Proprietary Limited

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## Directors' Responsibilities and Approval

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The directors are required in terms of the Companies Act 71 of 2008 of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with IFRS® Accounting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with IFRS Accounting Standards and are based upon appropriate accounting policies consistently applied 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 board 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 have reviewed the company's cash flow forecast for the year to 31 March 2027 and, in light of this review, they must be satisfied that the company has or had access to adequate resources to continue in operation existence for the foreseeable future. Refer to note 30 of the financial statements for detail.

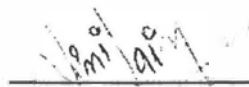
The external auditors are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on pages 6 to 7.

The report of the directors set out on pages 4 to 5 and the financial statements set out on pages 8 to 42, which have been prepared on the going concern basis, were approved by the board on 23 June 2026 and were signed on their behalf by:



**Ismail Nanabhay**  
Authorised Director

23 June 2026



**Vini Jain**  
Authorised Director

# Subinite Proprietary Limited

(Registration number 2010/018925/07)

Financial Statements for the year ended 31 March 2026

## Directors' Report

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The directors have pleasure in submitting their report on the financial statements of Subinite Proprietary Limited ("the company") for the year ended 31 March 2026.

### 1. Nature of business

Subinite Proprietary Limited is engaged in the manufacturing and wholesale of hair extension products and wholesale of hair colour products of the highest level of quality and care.. The company operates principally in South Africa.

There have been no material changes to the nature of the company's business from the prior year.

### 2. Company addresses

#### Registered office

680 Joseph Lister Street  
Valley View Office Park  
Constantia Kloof  
Roodepoort  
1709

#### Postal address

Private Bag X035  
Unit 21  
Alberton  
South Africa  
1450

### 3. Review of financial results and activities

The financial statements have been prepared in accordance with IFRS Accounting Standards and the requirements of the Companies Act 71 of 2008 of South Africa. The accounting policies have been applied consistently compared to the prior year.

Net loss of the company was R 149 707 243 (2025: R 40 114 215) after taxation of R (15 440 274) (2025: R 2 000 000).

Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements.

### 4. Authorised and issued share capital

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

### 5. Dividends

No dividends were declared or paid to the shareholder during the year under review (2025: R Nil).

### 6. Directors

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

#### Directors

Ritesh Nagar  
Ismail Nanabhay  
Vijay Menon  
Rahul Agarwal  
Vini Jain

There have been no changes to the directorate for the year under review.

### 7. Directors' interests in contracts

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

# Subinite Proprietary Limited

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## Directors' Report

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### 8. Directors' service contracts

The following director of the company has a permanent employee contract with the company:

Ismail Nanabhay

No other directors have fixed term contracts.

### 9. Holding company

The company's holding company is Godrej West Africa Holding Ltd which is incorporated in Mauritius.

### 10. Ultimate holding company

The company's ultimate holding company is Godrej Consumer Products Limited which is incorporated in India.

### 11. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report that would have a material impact on the financial statements.

### 12. Going concern

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

The financial statements have therefore been prepared in accordance with accounting policies applicable to a going concern. This assumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, including contingent obligations and commitments, will occur in the normal course of business.

As at 31 March 2026, the company has incurred a loss after tax of R 149 707 243 (2025: R 40 114 215). Management has approved several strategic initiatives, including new product launches and upgraded fibre specifications, which are expected to positively impact future profitability.

In addition, cost-saving initiatives and efficiency projects have been successfully implemented, further strengthening the company's financial outlook. Management remains confident in the company's ability to generate sustainable profits and maintain adequate liquidity going forward.

Therefore, the financial statements have been prepared on the basis of accounting policies applicable to a going concern, as the directors are satisfied that the company has sufficient resources to realise its assets and discharge its liabilities in the ordinary course of business.

### 13. Auditors

BDO South Africa Incorporated will continue in office as auditors in accordance with section 90 of the Companies Act 71 of 2008 of South Africa.

### 14. Secretary

The company had no secretary during the year.

### 15. Date of authorisation for issue of financial statements

The financial statements have been authorised for issue by the directors on 25 June 2026. No authority was given to anyone to amend the financial statements after the date of issue.

## Independent Auditor's Report

To the shareholder of  
**Subinite Proprietary Limited**

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### Opinion

We have audited the financial statements of Subinite Proprietary Limited (the company) set out on pages 8 to 42, which comprise the statement of financial position as at 31 March 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Subinite Proprietary Limited as at 31 March 2025, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

### Basis for opinion

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

### Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Subinite Proprietary Limited Financial Statements for the year ended 31 March 2025", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's report thereon.

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

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

### Responsibilities of the Directors for the Financial Statements

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

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

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

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

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

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

*BDO South Africa Inc*

**BDO South Africa Incorporated**

Registered Auditors

**S Amiroodien**

Director

Registered Auditor

23 June 2026

Wanderers Office Park

52 Corlett Drive

Illovo, 2196

# Subinite Proprietary Limited

(Registration number 2010/018925/07)

Financial Statements for the year ended 31 March 2026

## Statement of Financial Position as at 31 March 2026

|                                     | Notes | 2026<br>R          | 2025<br>R          |
|-------------------------------------|-------|--------------------|--------------------|
| <b>Assets</b>                       |       |                    |                    |
| <b>Non-Current Assets</b>           |       |                    |                    |
| Property, plant and equipment       | 3     | 120 402 442        | 121 388 170        |
| Intangible assets                   | 4     | 21 413 089         | 24 107 854         |
| Deferred tax                        | 5     | 11 670 665         | 27 110 939         |
| Other financial assets              | 8.2   | 1 819 074          | 1 669 663          |
|                                     |       | <b>155 305 270</b> | <b>174 276 626</b> |
| <b>Current Assets</b>               |       |                    |                    |
| Inventories                         | 6     | 195 108 522        | 170 536 030        |
| Trade and other receivables         | 7     | 415 438 278        | 451 881 095        |
| Cash and cash equivalents           | 8.1   | 51 503 110         | 18 560 203         |
|                                     |       | <b>662 049 910</b> | <b>640 977 328</b> |
| <b>Total Assets</b>                 |       | <b>817 355 180</b> | <b>815 253 954</b> |
| <b>Equity and Liabilities</b>       |       |                    |                    |
| <b>Equity</b>                       |       |                    |                    |
| Share capital                       | 9     | 452 090 878        | 452 090 878        |
| Accumulated loss                    |       | (258 675 239)      | (108 967 996)      |
| <b>Total Equity</b>                 |       | <b>193 415 639</b> | <b>343 122 882</b> |
| <b>Liabilities</b>                  |       |                    |                    |
| <b>Current Liabilities</b>          |       |                    |                    |
| Trade and other payables            | 10    | 353 596 258        | 260 005 231        |
| Provisions                          | 11    | 9 882 577          | 8 733 934          |
| Bank overdraft                      | 8.1   | 260 460 706        | 203 391 907        |
|                                     |       | <b>623 939 541</b> | <b>472 131 072</b> |
| <b>Total Equity and Liabilities</b> |       | <b>817 355 180</b> | <b>815 253 954</b> |

# Subinite Proprietary Limited

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## Statement of Profit or Loss and Other Comprehensive Income

|                                              | Notes | 2026<br>R            | 2025<br>R           |
|----------------------------------------------|-------|----------------------|---------------------|
| Revenue                                      | 12    | 1 427 722 356        | 1 583 322 241       |
| Cost of sales                                | 13    | (1 108 470 828)      | (1 146 810 922)     |
| <b>Gross profit</b>                          |       | <b>319 251 528</b>   | <b>436 511 319</b>  |
| Other income                                 | 14    | 244 677              | 147 303             |
| Other operating gains (losses)               | 15    | 142 826              | (2 438 096)         |
| Selling and distribution expenses            |       | (93 059 237)         | (120 700 411)       |
| Administration expenses                      |       | (207 462 614)        | (169 357 926)       |
| Operating expenses                           |       | (134 180 848)        | (168 602 481)       |
| <b>Operating loss</b>                        | 16    | <b>(115 063 668)</b> | <b>(24 440 292)</b> |
| Finance income                               | 17    | 230 312              | 286 732             |
| Finance costs                                | 18    | (19 433 613)         | (17 960 655)        |
| <b>Loss before taxation</b>                  |       | <b>(134 266 969)</b> | <b>(42 114 215)</b> |
| Taxation                                     | 19    | (15 440 274)         | 2 000 000           |
| <b>Loss for the year</b>                     |       | <b>(149 707 243)</b> | <b>(40 114 215)</b> |
| Other comprehensive income                   |       | -                    | -                   |
| <b>Total comprehensive loss for the year</b> |       | <b>(149 707 243)</b> | <b>(40 114 215)</b> |

## Subinite Proprietary Limited

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### Statement of Changes in Equity

|                                                                                                    | Share capital<br>R | Share premium<br>R | Total share capital<br>R | Accumulated loss<br>R | Total equity<br>R    |
|----------------------------------------------------------------------------------------------------|--------------------|--------------------|--------------------------|-----------------------|----------------------|
| <b>Balance at 01 April 2024</b>                                                                    | <b>262 120 800</b> | <b>92 531 200</b>  | <b>354 652 000</b>       | <b>(69 622 939)</b>   | <b>285 029 061</b>   |
| Loss for the year                                                                                  | -                  | -                  | -                        | (40 114 215)          | (40 114 215)         |
| Other comprehensive income                                                                         | -                  | -                  | -                        | -                     | -                    |
| <b>Total comprehensive loss for the year</b>                                                       | <b>-</b>           | <b>-</b>           | <b>-</b>                 | <b>(40 114 215)</b>   | <b>(40 114 215)</b>  |
| Issue of shares                                                                                    | 79 218 600         | 18 220 278         | 97 438 878               | -                     | 97 438 878           |
| Merger impact on retained earnings                                                                 | -                  | -                  | -                        | 769 158               | 769 158              |
| <b>Total contributions by and distributions to owners of company recognised directly in equity</b> | <b>79 218 600</b>  | <b>18 220 278</b>  | <b>97 438 878</b>        | <b>769 158</b>        | <b>98 208 036</b>    |
| <b>Balance at 01 April 2025</b>                                                                    | <b>341 339 400</b> | <b>110 751 478</b> | <b>452 090 878</b>       | <b>(108 967 996)</b>  | <b>343 122 882</b>   |
| Loss for the year                                                                                  | -                  | -                  | -                        | (149 707 243)         | (149 707 243)        |
| Other comprehensive income                                                                         | -                  | -                  | -                        | -                     | -                    |
| <b>Total comprehensive loss for the year</b>                                                       | <b>-</b>           | <b>-</b>           | <b>-</b>                 | <b>(149 707 243)</b>  | <b>(149 707 243)</b> |
| <b>Balance at 31 March 2026</b>                                                                    | <b>341 339 400</b> | <b>110 751 478</b> | <b>452 090 878</b>       | <b>(258 675 239)</b>  | <b>193 415 639</b>   |
| Note                                                                                               | 9                  | 9                  | 9                        |                       |                      |

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## Statement of Cash Flows

|                                                         | Notes | 2026<br>R            | 2025<br>R            |
|---------------------------------------------------------|-------|----------------------|----------------------|
| <b>Cash flows from operating activities</b>             |       |                      |                      |
| Cash used in operations                                 | 20    | 8 234 228            | (29 754 590)         |
| Interest received                                       | 17    | 230 312              | 286 732              |
| Interest paid                                           | 18    | (19 433 613)         | (17 365 976)         |
| Tax refunded                                            | 21    | -                    | 2 625 372            |
| <b>Net cash used in operating activities</b>            |       | <b>(10 969 073)</b>  | <b>(44 208 462)</b>  |
| <b>Cash flows from investing activities</b>             |       |                      |                      |
| Purchase of property, plant and equipment               | 3     | (13 660 069)         | (8 219 100)          |
| Proceeds from disposal of property, plant and equipment | 3     | 2 724 130            | 162 924              |
| Purchases of intangible assets                          | 4     | (2 071 470)          | (17 274 944)         |
| Net cash received on business combinations              | 23    | -                    | 16 192 703           |
| Movement in other financial assets (Deposits)           | 8.2   | (149 411)            | -                    |
| <b>Net cash used in investing activities</b>            |       | <b>(13 156 820)</b>  | <b>(9 138 417)</b>   |
| <b>Cash flows from financing activities</b>             |       |                      |                      |
| Repayments on lease liabilities                         |       | -                    | (2 907 706)          |
| <b>Total cash movement</b>                              |       | <b>(24 125 893)</b>  | <b>(56 254 585)</b>  |
| Cash at the beginning of the year                       |       | (184 831 703)        | (128 577 119)        |
| <b>Tota cash at the end of the year</b>                 | 8.1   | <b>(208 957 596)</b> | <b>(184 831 704)</b> |

# Subinite Proprietary Limited

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Financial Statements for the year ended 31 March 2026

## Accounting Policies

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### Corporate information

Subinite Proprietary Limited is a private company incorporated and domiciled in South Africa.

The financial statements for the year ended 31 March 2026 were approved by the board of directors on 25 June 2026.

### 1. Material accounting policies

Management has considered the principles of materiality in IFRS Practice Statement 2 Making Materiality Judgements, and only those accounting policies which are considered material have been presented in these financial statements.

#### 1.1 Basis of preparation

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

The financial statements comply with the requirements of the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

The financial statements have been prepared on the historic cost convention, and incorporate the material accounting policies set out below. They are presented in South African Rands, which is the company's functional currency and presentation currency.

These accounting policies are consistent with the previous period.

#### 1.2 Material judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS Accounting Standards requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

#### Key sources of estimation uncertainty

##### Impairment of financial assets

The impairment allowance for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the notes 6, 7 and 8.2 addressing financial assets.

##### Allowance for slow moving, damaged and obsolete inventory

An allowance is made for inventory to write inventory down to the lower of cost or net realisable value. Management have made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the operating profit note.

The allowance is calculated based on the group policy. This is split into different categories which consists of wet and dry hair and further into finished goods and raw materials. Provision percentages are based on inventory movements with sales and age of stock.

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## Accounting Policies

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### 1.2 Material judgements and sources of estimation uncertainty (continued)

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The company uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the end of the reporting period.

The carrying value less impairment provision of trade and other receivables, cash and cash equivalents and trade and other payables are assumed to approximate their fair values due to the short-term nature of trade and other receivables, cash and cash equivalents and trade and other payables. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

#### Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

The company tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time.

#### Residual values

#### Plant and machinery

Due to specialised nature of the company's plant and machinery the residual value attached to these assets has been estimated to be nil.

#### Patents and trademarks

The company has classified its patents and trademarks as intangible assets with definite useful lives due to the nature of the production trademarks and the attached patents. The intangible assets are expected to continue to generate future revenue for as long as the entity's primary product remains in demand. Given the durability of the product and the expectation that the product remains in demand for at least 20 years, the company has attached a definite useful life to the related trademarks.

#### Provisions

Provisions are inherently based on assumptions and estimates using the best information available. Additional disclosure of these estimates of provisions are included in note 11 - Provisions.

#### Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The company recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the company to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the company to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

# Subinite Proprietary Limited

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Financial Statements for the year ended 31 March 2026

## Accounting Policies

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### 1.3 Property, plant and equipment

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is not depreciated.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

| Item                   | Average useful life |
|------------------------|---------------------|
| Land                   | Indefinite          |
| Buildings              | 50 years            |
| Furniture and fixtures | 10 years            |
| Motor vehicles         | 5 years             |
| Office equipment       | 5 years             |
| IT equipment           | 3 years             |
| Leasehold improvements | 5 years             |
| Plant and machinery    | 15 years            |

### 1.4 Intangible assets

| Item            | Average useful life |
|-----------------|---------------------|
| Trademarks      | 20 years            |
| Software system | 5 years             |

The useful life and amortisation method of intangible assets are reviewed at the end of each reporting . No material changes were made.

There were no indicators of impairment for intangible assets and no impairment tests were performed.

### 1.5 Financial instruments

Note 26 Financial instruments and risk management presents the financial instruments held by the company based on their specific classifications.

#### Trade and other receivables

##### Classification

Trade and other receivables (note 7), excluding, when applicable, value added taxation and prepayments, are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the company's business model is to collect the contractual cash flows on trade and other receivables.

##### Recognition and measurement

Trade and other receivables are recognised when the company becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest rate method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

# Subinite Proprietary Limited

(Registration number 2010/018925/07)

Financial Statements for the year ended 31 March 2026

## Accounting Policies

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### 1.5 Financial instruments (continued)

#### Trade and other receivables denominated in foreign currencies

When trade and other receivables are denominated in a foreign currency, the carrying amount of the receivables are determined in the foreign currency. The carrying amount is then translated to the Rand equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in other operating gains/(losses) (note 15).

Details of foreign currency risk exposure and the management thereof are provided in the financial instruments and risk management (note 26).

#### Impairment

The company recognises a loss allowance for expected credit losses on trade and other receivables, excluding, when applicable, value added taxation and prepayments. The amount of expected credit losses is updated at each reporting date.

The company measures the loss allowance for trade 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.

A forward looking percentage is applied to the historical loss taking into account the nature of debtors and the industry.

#### Write off policy

The company 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 company recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

#### Loans from fellow subsidiary companies

##### Classification

Loans from fellow subsidiary companies (note ) are classified as financial liabilities subsequently measured at amortised cost.

##### Recognition and measurement

Loans from fellow subsidiary companies are recognised when the company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest rate method.

Interest expense, calculated on the effective interest rate method, is included in profit or loss in finance costs (note 18).

Loans from fellow subsidiary companies expose the company to liquidity risk and interest rate risk. Refer to note 26 for details of risk exposure and management thereof.

#### Trade and other payables

##### Classification

Trade and other payables (note 10), excluding, when applicable, value added taxation and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

##### Recognition and measurement

They are recognised when the company becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest rate method.

# Subinite Proprietary Limited

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Financial Statements for the year ended 31 March 2026

## Accounting Policies

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### 1.5 Financial instruments (continued)

Trade and other payables expose the company to liquidity risk and possibly to interest rate risk. Refer to note 26 for details of risk exposure and management thereof.

#### Trade and other payables denominated in foreign currencies

When trade payables are denominated in a foreign currency, the carrying amount of the payables are determined in the foreign currency. The carrying amount is then translated to the Rand equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in the other operating gains/(losses) (note 15).

Details of foreign currency risk exposure and the management thereof are provided in the financial instruments and risk management note (note 26).

#### 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 measured at fair value and subsequently measured at amortised cost.

The carrying value of cash and cash equivalents approximate their fair values due to their short-term nature.

#### Bank overdrafts

Bank overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

### 1.6 Leases

Right-of-use asset is presented under "Right-of-use assets" and lease liabilities under "Lease liabilities" in the balance sheet.

The company has elected not to recognise right-of-use assets and lease liabilities for short term leases. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

For right-of-use assets which are depreciated over their useful lives, the useful lives are presented in the following table:

| Item      | Average useful life |
|-----------|---------------------|
| Buildings | 50 years            |

### 1.7 Inventories

Inventories are measured at the lower of cost and net realisable value on the weighted average basis.

### 1.8 Employee benefits

#### Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

### 1.9 Revenue from contracts with customers

The company recognises revenue from the following major sources:

- Sales of hair extension products
- Sales of hair colour products

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

# Subinite Proprietary Limited

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Financial Statements for the year ended 31 March 2026

## Accounting Policies

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### 1.9 Revenue from contracts with customers (continued)

#### Satisfaction of performance obligations

The company's primary revenue stream is from the sale of the hair extension and hair colour goods. Revenue is measured based on the consideration specified in a contract with a customer. The company recognised revenue when it transfers control over the good to the customer.

Customers obtain control of the hair products when the goods are delivered to and have been accepted at their premises. Invoices are generated and delivered with the goods and are payable within 30 days. Discounts are provided in line with their trading terms agreement and there are early settlement discounts available.

### 1.10 Finance income and finance costs

The company's finance income and finance costs include:

- interest income; and
- interest expense.

Interest income or expense is recognised using the effective interest method.

# Subinite Proprietary Limited

(Registration number 2010/018925/07)

Financial Statements for the year ended 31 March 2026

## Notes to the Financial Statements

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### 2. New Standards and Interpretations

#### 2.1 Standards and interpretations effective and adopted in the current year

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

##### **Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability**

The amendments apply to currencies which are not exchangeable. The definition of exchangeable is provided as being when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. The amendments require an entity to estimate the spot exchange rate at measurement date when a currency is not exchangeable into another currency. Additional disclosures are also required to enable users of financial statements to understand the impact of the non-exchangeability on financial performance, financial position and cash flow.

The effective date of the amendments is for years beginning on or after 01 January 2025.

The company has adopted the amendments for the first time in the 2026 financial statements.

The impact of the amendments is not material.

#### 2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 01 April 2026 or later periods:

##### **Amendments to IFRS 19 Subsidiaries without Public Accountability - Disclosures**

Amendments were made to this disclosure-based standard, resulting in further changes to the disclosures required of subsidiaries qualifying under IFRS 19. The amendments to IFRS 19 become effective concurrently with the original standard.

The effective date of the amendments is for years beginning on or after 01 January 2027.

The company expects to adopt the amendments for the first time in the 2028 financial statements.

The impact of the amendments is currently being assessed by management.

##### **IFRS 19 Subsidiaries without Public Accountability - Disclosures**

This is a new standard which may be applied by subsidiaries which do not have public accountability. It is a disclosure only standard and provides for reduced disclosures for qualifying subsidiaries to apply, while still remaining compliant with the recognition, measurement and presentation requirements of IFRS Accounting Standards. The reduced disclosures provided in IFRS 19 may be applied by the subsidiary in their consolidated, separate or individual annual financial statements, provided that the ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards. A subsidiary has public accountability, and may not apply IFRS 19, if its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market, or if it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses.

The effective date of the standard is for years beginning on or after 01 January 2027.

The company expects to adopt the standard for the first time in the 2028 financial statements.

The impact of this standard is currently being assessed by management.

# Subinite Proprietary Limited

(Registration number 2010/018925/07)

Financial Statements for the year ended 31 March 2026

## Notes to the Financial Statements

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### 2. New Standards and Interpretations (continued)

#### IFRS 18 Presentation and Disclosure in Annual Financial Statements

This is a new standard which replaces IAS 1 Presentation of Financial Statements and introduces several new presentation requirements. The first relates to categories and subtotals in the statement of financial performance. Income and expenses will be categorised into operating, investing, financing, income taxes and discontinued operations categories, with two new subtotals, namely "operating profit" and "profit before financing and income taxes" also being required. These categories and sub totals are defined in IFRS 18 for comparability and consistency across entities. The next set of changes requires disclosures about management-defined performance measures in a single note to the annual financial statements. These include reconciliations of the performance measures to the IFRS Accounting Standards defined subtotals, as well as a description of how they are calculated, their purpose and any changes. The third set of requirements enhance the guidance on grouping of information (aggregation and disaggregation) to prevent the obscuring of information.

The effective date of the standard is for years beginning on or after 01 January 2027.

The company expects to adopt the standard for the first time in the 2028 financial statements.

The impact of this standard is currently being assessed by management.

#### Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-Dependent Electricity

Two amendments were made which deal with contracts referencing nature-dependent electricity and may not be applied to other contracts by inference. In terms of these contracts, buyers of nature-dependent electricity may have no practical ability to avoid making sales of unused electricity.

In the first instance, the amendments allow for entities to satisfy the "own-use" requirement when considering whether contracts to buy or sell non-financial items fall within the scope of IFRS 9. This will apply if the entity is, or expects to be a net purchaser of electricity. If the contract qualifies under the amendment, then the "own-use" requirement will be met and the contract will fall outside the scope of IFRS 9.

The second amendment deals with hedge accounting. It allows an entity to designate as the hedged item a variable nominal amount of forecast electricity transactions that is aligned with the variable amount of nature-dependent electricity expected to be delivered by the generation facility.

With these amendments, the International Accounting Standards Board has also introduced additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features, for example features tied to ESG-linked targets.

The effective date of the amendments is for years beginning on or after 01 January 2026.

The company expects to adopt the amendments for the first time in the 2027 financial statements.

It is unlikely that the amendments will have a material impact on the financial statements.

#### Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments

The amendments clarify the classification of financial assets with environmental, social and corporate governance (ESG) and similar features, as such features could affect whether the assets are measured at amortised cost or fair value. The amendment also clarifies the date on which a financial asset or financial liability is derecognised in cases where liabilities are settled through electronic payment systems.

The effective date of the amendments is for years beginning on or after 01 January 2026.

The company expects to adopt the amendments for the first time in the 2027 financial statements.

It is unlikely that the amendments will have a material impact on the financial statements.

# Subinite Proprietary Limited

(Registration number 2010/018925/07)

Financial Statements for the year ended 31 March 2026

## Notes to the Financial Statements

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### 2. New Standards and Interpretations (continued)

#### **Amendments to IFRS 9 and IFRS 7 - Amendments to the Disclosures of Financial Instruments**

The amendments to IFRS 7 introduce additional disclosure requirements to enhance transparency for investors regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features, for example features tied to ESG-linked targets.

The effective date of the amendments is for years beginning on or after 01 January 2026.

The company expects to adopt the amendments for the first time in the 2027 financial statements.

It is unlikely that the amendments will have a material impact on the financial statements.

#### **Annual Improvements to IFRS Accounting Standards - Volume 11**

It contains amendments to five standards namely; IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7, as a result of the International Accounting Standards Board's annual improvements project.

Hedge Accounting by a First-time Adopter in terms of IFRS 1 - Amendment to reduce inconsistency in wording of the requirements in IFRS 9 Financial Instruments in relation to hedge accounting requirements for a first-time adopter.

Gain or loss on derecognition - Amendments to delete an obsolete reference that remained in IFRS 7 after the publication of IFRS 13 Fair Value Measurement, as well as to improve consistency of wording of the requirements of IFRS 7 with IFRS 13 concepts regarding disclosure of a gain or loss on derecognition.

Derecognition of lease liabilities - The amendment clarifies that if a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to recognise any resulting gain or loss in profit or loss arising from the difference between the carrying amount of the lease liability extinguished or transferred and any consideration paid in profit or loss.

Transaction price - The amendment clarifies that trade receivables must be measured initially, in accordance with IFRS 9, at the amount determined by applying IFRS 15 Revenue from Contracts with Customers.

Determination of a 'de facto agent' in terms of IFRS 10 - The amendments are to clarify whether a party acts as a de facto agent in assessing control of an investee.

Cost method in terms of IAS 7 - Amendment to replace the term 'cost method' with 'at cost' following the earlier removal of the definition of cost method from IFRS Accounting Standards.

The effective date of the amendments is for years beginning on or after 01 January 2026.

The company expects to adopt the amendments for the first time in the 2027 financial statements.

It is unlikely that the amendments will have a material impact on the financial statements.

# Subinite Proprietary Limited

(Registration number 2010/018925/07)

Financial Statements for the year ended 31 March 2026

## Notes to the Financial Statements

### 3. Property, plant and equipment

|                            | 2026               |                          |                    | 2025               |                          |                    |
|----------------------------|--------------------|--------------------------|--------------------|--------------------|--------------------------|--------------------|
|                            | Cost               | Accumulated depreciation | Carrying value     | Cost               | Accumulated depreciation | Carrying value     |
|                            | R                  | R                        | R                  | R                  | R                        | R                  |
| Land                       | 26 900 000         | -                        | 26 900 000         | 26 900 000         | -                        | 26 900 000         |
| Buildings                  | 27 126 621         | (8 384 320)              | 18 742 301         | 24 559 438         | (7 133 197)              | 17 426 241         |
| Plant and machinery        | 118 789 998        | (57 062 584)             | 61 727 414         | 119 207 490        | (50 548 745)             | 68 658 745         |
| Furniture and fixtures     | 5 053 204          | (3 922 535)              | 1 130 669          | 5 053 204          | (3 478 491)              | 1 574 713          |
| Motor vehicles             | 6 949 662          | (3 451 574)              | 3 498 088          | 5 655 844          | (4 339 934)              | 1 315 910          |
| Office equipment           | 5 170 396          | (2 757 452)              | 2 412 944          | 3 304 524          | (2 180 954)              | 1 123 570          |
| IT equipment               | 9 349 577          | (6 785 772)              | 2 563 805          | 8 593 360          | (5 215 410)              | 3 377 950          |
| Leasehold improvements     | 3 984 398          | (3 457 113)              | 527 285            | 3 915 566          | (2 904 525)              | 1 011 041          |
| Capital - Work in progress | 2 899 936          | -                        | 2 899 936          | -                  | -                        | -                  |
| <b>Total</b>               | <b>206 223 792</b> | <b>(85 821 350)</b>      | <b>120 402 442</b> | <b>197 189 426</b> | <b>(75 801 256)</b>      | <b>121 388 170</b> |

#### Reconciliation of property, plant and equipment - 2026

|                            | Opening balance    | Additions         | Disposals          | Depreciation        | Closing balance    |
|----------------------------|--------------------|-------------------|--------------------|---------------------|--------------------|
|                            | R                  | R                 | R                  | R                   | R                  |
| Land                       | 26 900 000         | -                 | -                  | -                   | 26 900 000         |
| Buildings                  | 17 426 241         | 2 567 183         | -                  | (1 251 123)         | 18 742 301         |
| Plant and machinery        | 68 658 745         | 2 429 684         | (2 533 549)        | (6 827 466)         | 61 727 414         |
| Furniture and fixtures     | 1 574 713          | -                 | -                  | (444 044)           | 1 130 669          |
| Motor vehicles             | 1 315 910          | 3 072 165         | -                  | (889 987)           | 3 498 088          |
| Office equipment           | 1 123 570          | 1 865 872         | -                  | (576 498)           | 2 412 944          |
| IT equipment               | 3 377 950          | 756 397           | -                  | (1 570 542)         | 2 563 805          |
| Leasehold improvements     | 1 011 041          | 68 832            | -                  | (552 588)           | 527 285            |
| Capital - Work in progress | -                  | 2 899 936         | -                  | -                   | 2 899 936          |
|                            | <b>121 388 170</b> | <b>13 660 069</b> | <b>(2 533 549)</b> | <b>(12 112 248)</b> | <b>120 402 442</b> |

#### Reconciliation of property, plant and equipment - 2025

|                        | Opening balance    | Additions        | Additions through merger | Disposals        | Depreciation        | Closing balance    |
|------------------------|--------------------|------------------|--------------------------|------------------|---------------------|--------------------|
|                        | R                  | R                | R                        | R                | R                   | R                  |
| Land                   | 20 900 000         | -                | 6 000 000                | -                | -                   | 26 900 000         |
| Buildings              | 17 950 651         | -                | 689 008                  | -                | (1 213 418)         | 17 426 241         |
| Plant and machinery    | 70 355 217         | 4 115 843        | 903 161                  | (27 494)         | (6 687 982)         | 68 658 745         |
| Furniture and fixtures | 2 006 545          | 12 970           | -                        | (1 237)          | (443 565)           | 1 574 713          |
| Motor vehicles         | 1 937 353          | 4                | -                        | -                | (621 447)           | 1 315 910          |
| Office equipment       | 1 113 785          | 441 211          | 23 935                   | -                | (455 361)           | 1 123 570          |
| IT equipment           | 845 021            | 3 649 072        | -                        | (111 622)        | (1 004 521)         | 3 377 950          |
| Leasehold improvements | 1 561 909          | -                | -                        | -                | (550 868)           | 1 011 041          |
|                        | <b>116 670 481</b> | <b>8 219 100</b> | <b>7 616 104</b>         | <b>(140 353)</b> | <b>(10 977 162)</b> | <b>121 388 170</b> |

The properties are located at Erf 1469, Alrode Township, Gauteng and 17 Young Road, Pinetown, Kwazulu Natal.

A register containing the information required by Regulation 25(3) of the Companies Regulations, 2011 is available for inspection at the registered office of the company.

# Subinite Proprietary Limited

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Financial Statements for the year ended 31 March 2026

## Notes to the Financial Statements

|  | 2026<br>R | 2025<br>R |
|--|-----------|-----------|
|--|-----------|-----------|

### 4. Intangible assets

|                                      | 2026              |                               |                     | 2025              |                               |                     |
|--------------------------------------|-------------------|-------------------------------|---------------------|-------------------|-------------------------------|---------------------|
|                                      | Cost<br>R         | Accumulated amortisation<br>R | Carrying value<br>R | Cost<br>R         | Accumulated amortisation<br>R | Carrying value<br>R |
| Patents, trademarks and other rights | 24 172 430        | (16 459 046)                  | 7 713 384           | 24 172 430        | (15 783 407)                  | 8 389 023           |
| Software systems                     | 25 684 063        | (11 984 358)                  | 13 699 705          | 23 612 592        | (7 893 761)                   | 15 718 831          |
| <b>Total</b>                         | <b>49 856 493</b> | <b>(28 443 404)</b>           | <b>21 413 089</b>   | <b>47 785 022</b> | <b>(23 677 168)</b>           | <b>24 107 854</b>   |

#### Reconciliation of intangible assets - 2026

|                                      | Opening balance<br>R | Additions<br>R   | Amortisation<br>R  | Closing balance<br>R |
|--------------------------------------|----------------------|------------------|--------------------|----------------------|
| Patents, trademarks and other rights | 8 389 023            | -                | (675 639)          | 7 713 384            |
| Software systems                     | 15 718 831           | 2 071 470        | (4 090 596)        | 13 699 705           |
|                                      | <b>24 107 854</b>    | <b>2 071 470</b> | <b>(4 766 235)</b> | <b>21 413 089</b>    |

#### Reconciliation of intangible assets - 2025

|                                      | Opening balance<br>R | Additions<br>R    | Amortisation<br>R  | Closing balance<br>R |
|--------------------------------------|----------------------|-------------------|--------------------|----------------------|
| Patents, trademarks and other rights | 9 064 661            | -                 | (675 638)          | 8 389 023            |
| Software systems                     | 961 168              | 17 274 944        | (2 517 281)        | 15 718 831           |
|                                      | <b>10 025 829</b>    | <b>17 274 944</b> | <b>(3 192 919)</b> | <b>24 107 854</b>    |

The remaining amortisation period ranges – Trademarks 6 years , Software System 3 years

A register containing the information required by Regulation 25(3) of the Companies Regulations, 2011 is available for inspection at the registered office of the company.

### 5. Deferred tax

#### Deferred tax asset

|                                                              |                   |                   |
|--------------------------------------------------------------|-------------------|-------------------|
| Provisions                                                   | 4 414 971         | 3 550 234         |
| Tax loss available for set off against future taxable income | 22 682 331        | 35 854 665        |
| <b>Total deferred tax asset</b>                              | <b>27 097 302</b> | <b>39 404 899</b> |

#### Deferred tax liability

|                                     |                     |                     |
|-------------------------------------|---------------------|---------------------|
| Property plant and equipment        | (14 969 560)        | (11 400 616)        |
| Prepaid expenses                    | (457 077)           | (893 344)           |
| <b>Total deferred tax liability</b> | <b>(15 426 637)</b> | <b>(12 293 960)</b> |

# Subinite Proprietary Limited

(Registration number 2010/018925/07)

Financial Statements for the year ended 31 March 2026

## Notes to the Financial Statements

|                                                                                                                                                                                                                             | 2026<br>R         | 2025<br>R         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|
| <b>5. Deferred tax (continued)</b>                                                                                                                                                                                          |                   |                   |
| The deferred tax asset and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows: |                   |                   |
| Deferred tax asset                                                                                                                                                                                                          | 27 097 302        | 39 404 899        |
| Deferred tax liability                                                                                                                                                                                                      | (15 426 637)      | (12 293 960)      |
| <b>Total net deferred tax asset</b>                                                                                                                                                                                         | <b>11 670 665</b> | <b>27 110 939</b> |

### Reconciliation of deferred tax asset

|                                                              |                   |                   |
|--------------------------------------------------------------|-------------------|-------------------|
| At the beginning of the year                                 | 27 110 939        | 25 110 939        |
| Tax loss available for set off against future taxable income | (13 172 334)      | 837 806           |
| Lease liability                                              | -                 | (762 881)         |
| Provisions                                                   | 864 737           | (178 753)         |
| Property, plant and equipment                                | (3 568 944)       | 855 260           |
| Right-of-use assets                                          | -                 | 690 085           |
| Prepaid expenses                                             | 436 267           | 558 483           |
| <b>At the end of the year</b>                                | <b>11 670 665</b> | <b>27 110 939</b> |

Deferred tax assets are recognised for temporary differences to the extent that the realisation of the related tax benefit through future taxable profits is probable.

Management has assessed the recoverability of these deferred tax assets and determined that it is probable that sufficient future taxable profits will be available to utilize the recognized deferred tax assets. This assessment is based on:

- Forecasted future profitability supported by upgrade in Fibre quality to meet the consumer needs, new launches and further cost saving initiatives.
- The existence of taxable temporary differences that are expected to reverse in the foreseeable future;
- The company has prepared detailed projections covering a period of 5 years, which support the conclusion that the deferred tax assets are recoverable. These projections have been reviewed and approved by senior management.

### 6. Inventories

|                           |                    |                    |
|---------------------------|--------------------|--------------------|
| Raw materials, components | 59 485 192         | 44 431 546         |
| Work in progress          | 2 668 847          | 3 035 728          |
| Finished goods            | 126 621 100        | 142 167 365        |
| Goods in transit          | 17 250 684         | 13 145 154         |
|                           | 206 025 823        | 202 779 793        |
| Inventories write-downs   | (10 917 301)       | (32 243 763)       |
|                           | <b>195 108 522</b> | <b>170 536 030</b> |

The cost of inventories recognised as an expense and included in cost of sales amounted to R 1 108 470 828 (2025: R 1 174 137 082).

Inventory write-downs and reversals are included in cost of sales.

The movement in Inventory write downs is due the identification of slow moving items. A decision was taken by management to raise provision.

# Subinite Proprietary Limited

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Financial Statements for the year ended 31 March 2026

## Notes to the Financial Statements

|                                                                                                    | 2026<br>R          | 2025<br>R          |
|----------------------------------------------------------------------------------------------------|--------------------|--------------------|
| <b>7. Trade and other receivables</b>                                                              |                    |                    |
| <b>Financial instruments:</b>                                                                      |                    |                    |
| Trade receivables                                                                                  | 396 694 983        | 436 003 962        |
| Loss allowance                                                                                     | (3 529 357)        | (4 839 670)        |
| Trade receivables at amortised cost                                                                | 393 165 626        | 431 164 292        |
| Deposits                                                                                           | 7 794 801          | 6 973 194          |
| Rebate receivable                                                                                  | 4 693 547          | 3 334 324          |
| Other receivables                                                                                  | (315 224)          | (3 339 232)        |
| <b>Non-financial instruments:</b>                                                                  |                    |                    |
| Value added taxation                                                                               | 8 406 651          | 10 439 836         |
| Prepayments                                                                                        | 1 692 877          | 3 308 681          |
| <b>Total trade and other receivables</b>                                                           | <b>415 438 278</b> | <b>451 881 095</b> |
| <b>Financial instrument and non-financial instrument components of trade and other receivables</b> |                    |                    |
| At amortised cost                                                                                  | 405 338 750        | 438 132 578        |
| Non-financial instruments                                                                          | 10 099 528         | 13 748 517         |
|                                                                                                    | <b>415 438 278</b> | <b>451 881 095</b> |

### Exposure to credit risk

Trade receivables inherently expose the company to credit risk, being the risk that the company will incur financial loss if customers fail to make payments as they fall due.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are not subject to enforcement activities.

The company measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. These lifetime expected credit losses are estimated using a provision matrix, which is presented below. The provision matrix has been developed by making use of past default experience of debtors but also incorporates forward looking information and general economic conditions of the industry as at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

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|  | 2026<br>R | 2025<br>R |
|--|-----------|-----------|
|--|-----------|-----------|

### 7. Trade and other receivables (continued)

The provision matrix has been developed by making use of past default experience of debtors but also incorporates general economic conditions of the industry as at the reporting date:

|                                             | 2026<br>Estimated gross carrying amount at default<br>R | 2026<br>Loss allowance (Lifetime expected credit loss)<br>R | 2025<br>Estimated gross carrying amount at default<br>R | 2025<br>Loss allowance (Lifetime expected credit loss)<br>R |
|---------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------|
| <b>Expected credit loss rate:</b>           |                                                         |                                                             |                                                         |                                                             |
| Not past due 2026: 0.002% (2025: 0.01%)     | 194 441 593                                             | (3 529)                                                     | 146 209 878                                             | (14 631)                                                    |
| 1 month past due 2026: 0.01% (2025: 0.02%)  | 74 540 080                                              | (7 088)                                                     | 90 026 943                                              | (18 058)                                                    |
| 2 months past due 2026: 0.03% (2025: 0.05%) | 92 185 253                                              | (26 124)                                                    | 112 263 454                                             | (56 451)                                                    |
| 3 months past due 2026: 9.83% (2025: 5.4%)  | 35 528 057                                              | (3 492 616)                                                 | 87 503 687                                              | (4 750 530)                                                 |
| <b>Total</b>                                | <b>396 694 983</b>                                      | <b>(3 529 357)</b>                                          | <b>436 003 962</b>                                      | <b>(4 839 670)</b>                                          |

Recoveries may reduce the need for high future provisioning. Decline in top line resulting in lower debtors, slower collections and market conditions resulting in increase in loss allowance.

### Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade receivables:

|                                           |                    |                    |
|-------------------------------------------|--------------------|--------------------|
| Opening balance                           | (4 839 670)        | (1 317 695)        |
| Provision raised on new trade receivables | -                  | (3 521 975)        |
| Unused amount reversed                    | 1 310 313          | -                  |
| <b>Closing balance</b>                    | <b>(3 529 357)</b> | <b>(4 839 670)</b> |

Other receivables relates to rebates and insurance. Basis on the history, the amount will be recovered.

### Exposure to currency risk

The net carrying amounts, in Rand, of trade and other receivables, excluding non-financial instruments, are denominated in the following currencies. The amounts have been presented in Rand by converting the foreign currency amount at the closing rate at the reporting date.

### Rand Amount

|                                                 |                    |                    |
|-------------------------------------------------|--------------------|--------------------|
| Rand                                            | 234 442 535        | 317 887 349        |
| US Dollar - USD 9 483 656 (2025: USD 6 420 532) | 162 252 448        | 118 116 613        |
|                                                 | <b>396 694 983</b> | <b>436 003 962</b> |

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|                                       | 2026<br>R            | 2025<br>R            |
|---------------------------------------|----------------------|----------------------|
| <b>8. Cash and cash equivalents</b>   |                      |                      |
| <b>8.1 Cash</b>                       |                      |                      |
| Cash and cash equivalents consist of: |                      |                      |
| Current account                       | 19 841 275           | 7 455 488            |
| Foreign bank balance                  | 31 661 835           | 11 104 715           |
| Bank overdraft                        | (260 460 706)        | (203 391 907)        |
|                                       | <b>(208 957 596)</b> | <b>(184 831 704)</b> |
| Current assets                        | 51 503 110           | 18 560 203           |
| Current liabilities                   | (260 460 706)        | (203 391 907)        |
|                                       | <b>(208 957 596)</b> | <b>(184 831 704)</b> |

### Cash and cash equivalents pledged as security

There is a pledge to Standard Bank of an unrestricted amount.

### Exposure to currency risk

#### Rand amount

|                                              |                      |                      |
|----------------------------------------------|----------------------|----------------------|
| Rand                                         | (260 460 706)        | (185 306 901)        |
| US Dollar - USD 1 850 606 (2025: USD 25 831) | 31 661 835           | 475 197              |
|                                              | <b>(228 798 871)</b> | <b>(184 831 704)</b> |

### 9.2 Other financial assets (Deposits)

The deposits are made up of the following:

|                                                                                                      |                  |                  |
|------------------------------------------------------------------------------------------------------|------------------|------------------|
| Constantia property - Setso Properties<br>The lease has been extended and will expire December 2026. | 743 106          | 743 106          |
| Ormonde Property - Dipula<br>This lease has been extended on a month to month basis.                 | 573 308          | 572 308          |
| Interest generated on the bank balance                                                               | 502 660          | 354 249          |
|                                                                                                      | <b>1 819 074</b> | <b>1 669 663</b> |

The deposits are secured in favour of the landlords in the event of default and bear interest at 6.2% per annum.

Deposits will be recoverable and no risk identified based on contract signed

The company is not allowed to utilise these deposits for working capital other than security for landlords. As such, these deposits do not meet the definition of cash and cash equivalents in terms of IAS 7.

### Exposure to interest rate risk

Refer to note 26 Financial instruments and risk management for details of interest rate risk exposure and management for cash and cash equivalents.

### Exposure to credit risk

Refer to note 26 Financial instruments and risk management for details of credit risk exposure and management for cash and cash equivalents.

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|  | 2026<br>R | 2025<br>R |
|--|-----------|-----------|
|--|-----------|-----------|

### 8. Cash and cash equivalents (continued)

#### Exposure to liquidity risk

Refer to note 26 Financial instruments and risk management for details of liquidity risk exposure and management for cash and cash equivalents.

### 9. Share capital

#### Authorised

|                                                 |             |             |
|-------------------------------------------------|-------------|-------------|
| 500 000 000 Ordinary shares (2025: 500 000 000) | 500 000 000 | 500 000 000 |
|-------------------------------------------------|-------------|-------------|

#### Reconciliation of number of shares issued:

|                 |                    |                    |
|-----------------|--------------------|--------------------|
| Opening balance | 341 339 400        | 262 120 800        |
| Issue of shares | -                  | 79 218 600         |
|                 | <b>341 339 400</b> | <b>341 339 400</b> |

Unissued ordinary shares are under the control of the directors in terms of a resolution of the shareholder passed at the last annual general meeting. This authority remains in force until the next annual general meeting.

#### Issued

|                                                 |                    |                    |
|-------------------------------------------------|--------------------|--------------------|
| 341 339 400 Ordinary shares (2025: 341 339 400) | 341 339 400        | 341 339 400        |
| Share premium                                   | 110 751 478        | 110 751 478        |
|                                                 | <b>452 090 878</b> | <b>452 090 878</b> |

All issued shares are fully paid.

### 10. Trade and other payables

#### Financial instruments:

|                              |             |             |
|------------------------------|-------------|-------------|
| Trade payables               | 254 281 695 | 221 418 178 |
| Accruals - Royalties         | -           | 2 149 220   |
| Accruals - Agents commission | 2 807 224   | 1 377 629   |
| Accruals - Other             | 19 354 745  | 12 612 739  |
| Accruals - Transport         | 46 405 559  | 10 645 050  |
| Accruals - Marketing         | 24 369 088  | 8 168 991   |

#### Non-financial instruments:

|                     |                    |                    |
|---------------------|--------------------|--------------------|
| Payroll liabilities | 2 555 796          | 2 611 270          |
| Accrued leave pay   | 3 822 151          | 1 022 154          |
|                     | <b>353 596 258</b> | <b>260 005 231</b> |

#### Financial instrument and non-financial instrument components of trade and other payables

|                           |                    |                    |
|---------------------------|--------------------|--------------------|
| At amortised cost         | 347 218 311        | 256 371 807        |
| Non-financial instruments | 6 377 947          | 3 633 424          |
|                           | <b>353 596 258</b> | <b>260 005 231</b> |

#### Exposure to currency risk

Refer to note 26 Financial instruments and financial risk management for details of currency risk exposure and management for trade and other payables.

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|  | 2026<br>R | 2025<br>R |
|--|-----------|-----------|
|--|-----------|-----------|

### 10. Trade and other payables (continued)

#### Exposure to liquidity risk

Refer to note 26 Financial instruments and risk management for details of liquidity risk exposure and management for trade and other payables.

#### Exposure to interest rate risk

Refer to note 26 Financial instruments and risk management for details of interest rate risk exposure and management for trade and other payables.

### 11. Provisions

#### Reconciliation of provisions - 2026

|                 | Opening<br>balance | Additions        | Utilised<br>during the<br>year | Closing<br>balance |
|-----------------|--------------------|------------------|--------------------------------|--------------------|
|                 | R                  | R                | R                              | R                  |
| Bonus provision | 6 533 933          | 9 882 577        | (6 533 933)                    | 9 882 577          |
| LTI provisions  | 2 200 001          | -                | (2 200 001)                    | -                  |
|                 | <b>8 733 934</b>   | <b>9 882 577</b> | <b>(8 733 934)</b>             | <b>9 882 577</b>   |

#### Reconciliation of provisions - 2025

|                 | Opening<br>balance | Additions        | Utilised<br>during the<br>year | Closing<br>balance |
|-----------------|--------------------|------------------|--------------------------------|--------------------|
|                 | R                  | R                | R                              | R                  |
| Bonus provision | 9 170 004          | 2 638 999        | (5 275 070)                    | 6 533 933          |
| LTI provisions  | 2 200 001          | -                | -                              | 2 200 001          |
|                 | <b>11 370 005</b>  | <b>2 638 999</b> | <b>(5 275 070)</b>             | <b>8 733 934</b>   |

#### Bonus provision

Bonus payout are provided monthly and payout after financial year basis on company and individual performances.

### 12. Revenue

#### Revenue from contracts with customers

|                          |                      |                      |
|--------------------------|----------------------|----------------------|
| Sale of goods - Domestic | 1 021 012 279        | 1 171 531 730        |
| Sale of goods - Foreign  | 406 710 077          | 411 790 511          |
|                          | <b>1 427 722 356</b> | <b>1 583 322 241</b> |

#### Disaggregation of revenue from contracts with customers

The company disaggregates revenue from customers as follows:

#### Sale of goods

|                                   |                      |                      |
|-----------------------------------|----------------------|----------------------|
| Sale of goods - hair extension    | 1 159 251 689        | 1 306 158 406        |
| Sale of goods - hair colour goods | 268 470 667          | 277 163 835          |
|                                   | <b>1 427 722 356</b> | <b>1 583 322 241</b> |

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|                                                                                                                                                                                             | 2026<br>R            | 2025<br>R            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| <b>12. Revenue (continued)</b>                                                                                                                                                              |                      |                      |
| <b>Timing of revenue recognition</b>                                                                                                                                                        |                      |                      |
| <b>At a point in time</b>                                                                                                                                                                   |                      |                      |
| Sale of goods                                                                                                                                                                               | 1 427 722 356        | 1 583 322 241        |
| <b>Satisfaction of performance obligations</b>                                                                                                                                              |                      |                      |
| Discounts are provided in line with their trading terms agreement and there are early settlement discounts available. The customer has the right to return with in thirty days of delivery. |                      |                      |
| <b>13. Cost of sales</b>                                                                                                                                                                    |                      |                      |
| Sale of goods                                                                                                                                                                               | 1 048 678 216        | 1 099 327 243        |
| <b>Manufactured goods:</b>                                                                                                                                                                  |                      |                      |
| Raw materials consumed                                                                                                                                                                      | 11 249 721           | 7 914 133            |
| Employee costs                                                                                                                                                                              | 26 055 730           | 16 978 349           |
| Depreciation and impairment                                                                                                                                                                 | 6 827 466            | 8 222 609            |
| Manufacturing expenses                                                                                                                                                                      | 15 659 695           | 14 368 588           |
|                                                                                                                                                                                             | <b>1 108 470 828</b> | <b>1 146 810 922</b> |
| <b>14. Other income</b>                                                                                                                                                                     |                      |                      |
| Other income                                                                                                                                                                                | 244 677              | 147 303              |
| <b>15. Other operating gains (losses)</b>                                                                                                                                                   |                      |                      |
| <b>Gains on disposals</b>                                                                                                                                                                   |                      |                      |
| Property, plant and equipment                                                                                                                                                               | 190 581              | 22 571               |
| <b>Foreign exchange losses</b>                                                                                                                                                              |                      |                      |
| Net foreign exchange losses                                                                                                                                                                 | (47 755)             | (2 460 667)          |
| <b>Total other operating gains (losses)</b>                                                                                                                                                 | <b>142 826</b>       | <b>(2 438 096)</b>   |
| <b>16. Operating loss</b>                                                                                                                                                                   |                      |                      |
| Operating loss for the year is stated after charging (crediting) the following, amongst others:                                                                                             |                      |                      |
| <b>Auditor's remuneration - external</b>                                                                                                                                                    |                      |                      |
| Audit fees                                                                                                                                                                                  | 3 112 558            | 2 493 343            |
| <b>Employee costs</b>                                                                                                                                                                       |                      |                      |
| Salaries, wages, bonuses and other benefits                                                                                                                                                 | 153 406 334          | 106 400 601          |
| Provident fund contributions                                                                                                                                                                | 4 091 439            | 3 075 580            |
| <b>Total employee costs</b>                                                                                                                                                                 | <b>157 497 773</b>   | <b>109 476 181</b>   |
| Less: Employee costs included in cost of merchandise sold and inventories                                                                                                                   | (26 055 730)         | (16 978 349)         |
| <b>Total employee costs expensed</b>                                                                                                                                                        | <b>131 442 043</b>   | <b>92 497 832</b>    |

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|                                                                         | 2026<br>R         | 2025<br>R          |
|-------------------------------------------------------------------------|-------------------|--------------------|
| <b>16. Operating loss (continued)</b>                                   |                   |                    |
| <b>Leases</b>                                                           |                   |                    |
| Short-term leases                                                       | 8 604 571         | 6 675 250          |
| <b>Total lease expenses</b>                                             | <b>8 604 571</b>  | <b>6 675 250</b>   |
| This relates to leases which are month on month.                        |                   |                    |
| <b>Depreciation and amortisation</b>                                    |                   |                    |
| Depreciation of property, plant and equipment                           | 12 112 248        | 10 977 162         |
| Depreciation of right-of-use assets                                     | -                 | 2 555 871          |
| Amortisation of intangible assets                                       | 4 766 235         | 3 192 919          |
| <b>Total depreciation and amortisation</b>                              | <b>16 878 483</b> | <b>16 725 952</b>  |
| Less: Depreciation included in cost of merchandise sold and inventories | (6 827 466)       | (8 222 609)        |
| <b>Total depreciation and amortisation expensed</b>                     | <b>10 051 017</b> | <b>8 503 343</b>   |
| <b>17. Finance income</b>                                               |                   |                    |
| Bank and other cash                                                     | 230 312           | 286 732            |
| <b>18. Finance costs</b>                                                |                   |                    |
| Loans from fellow subsidiary companies                                  | -                 | 594 679            |
| Lease liabilities                                                       | -                 | 82 221             |
| Bank overdraft                                                          | 19 433 613        | 17 283 755         |
|                                                                         | <b>19 433 613</b> | <b>17 960 655</b>  |
| <b>19. Taxation</b>                                                     |                   |                    |
| <b>Major components of the tax (income) expense</b>                     |                   |                    |
| <b>Deferred</b>                                                         |                   |                    |
| Originating and reversing temporary differences                         | 15 440 274        | (2 000 000)        |
| <b>Reconciliation of the tax expense (income)</b>                       |                   |                    |
| Reconciliation between accounting loss and tax expense (income).        |                   |                    |
| Accounting loss                                                         | (134 266 969)     | (42 114 215)       |
| Tax at the applicable tax rate of 27% (2025: 27%)                       | (36 252 082)      | (11 370 838)       |
| <b>Tax effect of adjustments on taxable income</b>                      |                   |                    |
| Deferred tax expense not recognised                                     | 51 778 575        | 9 805 778          |
| Non-deductible expenses - Donations                                     | (17 388)          | (152 286)          |
| Non-deductible expenses - Leasehold improvement                         | (68 831)          | (148 734)          |
| Non-deductible expenses - Capital consulting fees                       | -                 | (133 920)          |
|                                                                         | <b>15 440 274</b> | <b>(2 000 000)</b> |

The total estimated tax loss available for set off against future taxable income amounted to R 336 269 975 (2025: R 216 714 288). No deferred tax assets have been raised on assessable losses of R 68 754 227 (2025: R 55 487 877).

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|                                                     | 2026<br>R        | 2025<br>R           |
|-----------------------------------------------------|------------------|---------------------|
| <b>20. Cash generated from/(used in) operations</b> |                  |                     |
| Loss before taxation                                | (134 266 969)    | (42 114 215)        |
| <b>Adjustments for:</b>                             |                  |                     |
| Depreciation and amortisation                       | 16 878 483       | 16 725 952          |
| Profit on disposal of property, plant and equipment | (190 581)        | (22 571)            |
| Losses on exchange differences                      | -                | 2 460 667           |
| Movements in provisions                             | 1 148 643        | (2 636 071)         |
| Movement in obsolete inventory provisions           | (21 326 462)     | (25 576 161)        |
| Movement in estimated credit loss allowance         | (1 310 313)      | 3 521 975           |
| Finance income                                      | (230 312)        | (286 732)           |
| Finance costs                                       | 19 433 613       | 17 960 655          |
| <b>Changes in working capital:</b>                  |                  |                     |
| Increase in inventories                             | (3 246 030)      | (23 428 062)        |
| Decrease in trade and other receivables             | 37 753 130       | 90 059 900          |
| Increase (decrease) in trade and other payables     | 93 591 026       | (66 419 927)        |
|                                                     | <b>8 234 228</b> | <b>(29 754 590)</b> |
| <b>21. Tax refunded</b>                             |                  |                     |
| Balance at beginning of the year                    | -                | 2 625 372           |
| Balance at end of the year                          | -                | -                   |
|                                                     | <b>-</b>         | <b>2 625 372</b>    |

## 22. Changes in liabilities arising from financing activities

### Reconciliation of liabilities arising from financing activities - 2025

|                                                    | Opening<br>balance | Interest       | Other<br>non-cash<br>movements | Total<br>non-cash<br>movements | Cash flows         | Closing<br>balance |
|----------------------------------------------------|--------------------|----------------|--------------------------------|--------------------------------|--------------------|--------------------|
| Lease liabilities                                  | 2 825 485          | 82 221         | -                              | 82 221                         | (2 907 706)        | -                  |
| Loans from fellow subsidiary companies             | 67 629 265         | 594 679        | (68 223 944)                   | (67 629 265)                   | -                  | -                  |
| <b>Total liabilities from financing activities</b> | <b>70 454 750</b>  | <b>676 900</b> | <b>(68 223 944)</b>            | <b>(67 547 044)</b>            | <b>(2 907 706)</b> | <b>-</b>           |

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|                                                                                                                                                                                                                                                                 | 2026<br>R | 2025<br>R           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------------------|
| <b>23. Business combinations</b>                                                                                                                                                                                                                                |           |                     |
| <b>Merger with related entities</b>                                                                                                                                                                                                                             |           |                     |
| On 03 June 2024, Frika Weave Proprietary Limited, Godrej South Africa Proprietary Limited and Kinky Group Proprietary Limited, all related entities, merged into Subinite Proprietary Limited. All assets, liabilities and trading activities were transferred. |           |                     |
| <b>Fair value of assets acquired and liabilities assumed</b>                                                                                                                                                                                                    |           |                     |
| Property, plant and equipment                                                                                                                                                                                                                                   | -         | 7 616 104           |
| Loans recoverable                                                                                                                                                                                                                                               | -         | 68 223 996          |
| Trade and other receivables                                                                                                                                                                                                                                     | -         | 6 636 126           |
| Cash and cash equivalents                                                                                                                                                                                                                                       | -         | 16 192 703          |
| Deferred tax                                                                                                                                                                                                                                                    | -         | (513 480)           |
| Other liabilities                                                                                                                                                                                                                                               | -         | (989 065)           |
| Trade and other payables                                                                                                                                                                                                                                        | -         | (52 579)            |
| Other                                                                                                                                                                                                                                                           | -         | 325 073             |
| Total identifiable net assets                                                                                                                                                                                                                                   | -         | 97 438 878          |
|                                                                                                                                                                                                                                                                 | -         | <b>97 438 878</b>   |
| <b>Consideration paid</b>                                                                                                                                                                                                                                       |           |                     |
| Equity                                                                                                                                                                                                                                                          | -         | (79 218 600)        |
| Securities premium                                                                                                                                                                                                                                              | -         | (18 220 278)        |
|                                                                                                                                                                                                                                                                 | -         | <b>(97 438 878)</b> |

## 24. Commitments

### Authorised capital expenditure

There are no capital commitments in the current year.

## 25. Related parties

### Relationships

Ultimate holding company

Godrej Consumer Products Limited

Holding company

Godrej West Africa Holding Ltd

Fellow subsidiaries

Beleza Mozambique Limitada  
 Frika Weave Proprietary Limited  
 Godrej Africa Holdings limited  
 Godrej Mauritius Africa Holdings Limited  
 Godrej Global Middle East FZE  
 Hair Credentials Zambia Limited  
 Hair Trading (Off Shore) S.A.L  
 Kinky Group Proprietary Limited  
 Godrej Nigeria Limited (formerly Lorna Nigeria Limited)  
 SON Proprietary Limited  
 Strength of Nature LLC (USA)  
 Style Industries Limited  
 Weave Mozambique Limitada  
 Godrej South Africa Proprietary Limited

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|                                                                        | 2026<br>R            | 2025<br>R                                                                    |
|------------------------------------------------------------------------|----------------------|------------------------------------------------------------------------------|
| <b>25. Related parties (continued)</b>                                 |                      |                                                                              |
| Directors                                                              |                      | Ritesh Nagar<br>Ismail Nanabhay<br>Vijay Menon<br>Rahul Agarwal<br>Vini Jain |
| <b>Related party balances</b>                                          |                      |                                                                              |
| <b>Amounts included in trade receivables regarding related parties</b> |                      |                                                                              |
| Beleza Mozambique Limitada                                             | 43 612 559           | 58 285 223                                                                   |
| Weave Mozambique Limitada                                              | 84 936 337           | 27 753 740                                                                   |
| Godrej Nigeria Limited (formerly Lorna Nigeria Limited)                | 24 754 839           | 5 652 932                                                                    |
| Hair Trading S.A.L.                                                    | 1 922 342            | 1 795 357                                                                    |
| Godrej Global Middle East FZE                                          | 1 347 306            | 1 482 596                                                                    |
| Hair Credentials Zambia Limited                                        | 5 192 024            | 19 286 148                                                                   |
| Godrej Consumer Products Limited                                       | 521 608              | 381 974                                                                      |
|                                                                        | <b>162 287 015</b>   | <b>114 637 970</b>                                                           |
| <b>Amounts included in trade payables regarding related parties</b>    |                      |                                                                              |
| Beleza Mozambique Limited                                              | (176 492 328)        | (148 857 368)                                                                |
| Weave Mozambique Limitada                                              | (609 923)            | -                                                                            |
| Godrej Consumer Products Limited                                       | (19 714 327)         | (7 374 814)                                                                  |
| Godrej Nigeria Limited (formerly Lorna Nigeria Limited)                | (886 368)            | (842 259)                                                                    |
| Hair Credentials Zambia Limited                                        | (542 101)            | (12 878 477)                                                                 |
| Godrej Consumer Products International                                 | (46 193)             | (9 855 482)                                                                  |
| Godrej Consumer Netherlands                                            | (23 777 490)         | (6 642 632)                                                                  |
|                                                                        | <b>(222 068 730)</b> | <b>(186 451 032)</b>                                                         |
| <b>Related party transactions</b>                                      |                      |                                                                              |
| <b>Interest paid to related parties</b>                                |                      |                                                                              |
| Frika Weave Proprietary Limited                                        | -                    | 57 638                                                                       |
| Kinky Group Proprietary Limited                                        | -                    | 537 040                                                                      |
|                                                                        | <b>-</b>             | <b>594 678</b>                                                               |
| <b>Purchases from (sales to) related parties</b>                       |                      |                                                                              |
| Beleza Mozambique Limitada                                             | 651 644 619          | 815 670 008                                                                  |
| Beleza Mozambique Limitada                                             | (207 026 907)        | (227 817 069)                                                                |
| Godrej Consumer Products Limited                                       | 19 085 772           | 6 094 802                                                                    |
| Godrej Consumer Products Limited                                       | (77 393)             | (638 355)                                                                    |
| Weave Mozambique Limitada                                              | (83 689 409)         | (79 898 931)                                                                 |
| Godrej Nigeria Limited (formerly Lorna Nigeria Limited)                | 107 068              | 998 722                                                                      |
| Godrej Nigeria Limited (formerly Lorna Nigeria Limited)                | (25 134 808)         | (9 679 060)                                                                  |
| Hair Trading S.A.L.                                                    | (26 872 992)         | (30 547 630)                                                                 |
| Weave Ghana                                                            | (5 808 524)          | (5 229 234)                                                                  |
| Godrej Global Middle East FZE                                          | (7 516 512)          | (9 429 106)                                                                  |
| Hair Credentials Zambia Limited                                        | (50 583 532)         | (48 551 125)                                                                 |
| Hair Credentials Zambia Limited                                        | 12 065               | 12 970 003                                                                   |
| Godrej Consumer Products International                                 | 11 048 481           | 27 047 984                                                                   |
| Godrej Consumer Netherlands                                            | 64 746 471           | 9 363 178                                                                    |
| Strength of Nature LLC (USA)                                           | 10 390               | -                                                                            |
|                                                                        | <b>339 944 789</b>   | <b>460 354 187</b>                                                           |

# Subinite Proprietary Limited

(Registration number 2010/018925/07)

Financial Statements for the year ended 31 March 2026

## Notes to the Financial Statements

|                                                     | 2026<br>R         | 2025<br>R      |
|-----------------------------------------------------|-------------------|----------------|
| <b>25. Related parties (continued)</b>              |                   |                |
| <b>Rent paid to (received from) related parties</b> |                   |                |
| Godrej South Africa Proprietary Limited             | -                 | 700 000        |
| <b>Crosscharges expenses to related parties</b>     |                   |                |
| Godrej South Africa Proprietary Limited             | -                 | 622 665        |
| Beleza Mozambique Limitada                          | 17 127 600        | -              |
|                                                     | <b>17 127 600</b> | <b>622 665</b> |
| <b>Royalty expense paid to related parties</b>      |                   |                |
| Godrej Consumer Products Limited                    | 12 786 094        | 11 303 024     |
| <b>Other 3</b>                                      |                   |                |
| Godrej Africa Holdings Limited                      | -                 | 79 218 600     |

## 26. Financial instruments and risk management

### Categories of financial instruments

#### Categories of financial assets

##### 2026

|                             | Notes | Amortised<br>cost<br>R | Non-financial<br>assets<br>R | Total<br>R         |
|-----------------------------|-------|------------------------|------------------------------|--------------------|
| Other financial assets      | 8.3   | 1 819 074              | -                            | 1 819 074          |
| Trade and other receivables | 7     | 405 338 750            | 10 099 528                   | 415 438 278        |
| Cash and cash equivalents   | 8.1   | 51 503 110             | -                            | 51 503 110         |
|                             |       | <b>458 660 934</b>     | <b>10 099 528</b>            | <b>468 760 462</b> |

##### 2025

|                             | Notes | Amortised<br>cost<br>R | Non-financial<br>assets<br>R | Total<br>R         |
|-----------------------------|-------|------------------------|------------------------------|--------------------|
| Other financial assets      | 8.2   | 1 669 663              | -                            | 1 669 663          |
| Trade and other receivables | 7     | 438 132 578            | 13 748 517                   | 451 881 095        |
| Cash and cash equivalents   | 8.1   | 18 560 203             | -                            | 18 560 203         |
|                             |       | <b>458 362 444</b>     | <b>13 748 517</b>            | <b>472 110 961</b> |

#### Categories of financial liabilities

##### 2026

|                          | Notes | Amortised<br>cost<br>R | Non-financial<br>liabilities<br>R | Total<br>R         |
|--------------------------|-------|------------------------|-----------------------------------|--------------------|
| Trade and other payables | 10    | 347 218 311            | 6 377 947                         | 353 596 258        |
| Bank overdraft           | 8.1   | 260 460 706            | -                                 | 260 460 706        |
|                          |       | <b>607 679 017</b>     | <b>6 377 947</b>                  | <b>614 056 964</b> |

# Subinite Proprietary Limited

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Financial Statements for the year ended 31 March 2026

## Notes to the Financial Statements

### 26. Financial instruments and risk management (continued)

2025

|                          | Notes | Amortised<br>cost<br>R | Non-financial<br>liabilities<br>R | Total<br>R         |
|--------------------------|-------|------------------------|-----------------------------------|--------------------|
| Trade and other payables | 10    | 256 371 807            | 3 633 424                         | 260 005 231        |
| Bank overdraft           | 8.1   | 203 391 907            | -                                 | 203 391 907        |
|                          |       | <b>459 763 714</b>     | <b>3 633 424</b>                  | <b>463 397 138</b> |

### Pre-tax gains and losses on financial instruments

#### Gains and losses on financial assets

2026

|                                      | Note | Amortised<br>cost<br>R | Total<br>R |
|--------------------------------------|------|------------------------|------------|
| <b>Recognised in profit or loss:</b> |      |                        |            |
| Finance income                       | 17   | 230 312                | 230 312    |

2025

|                                      | Note | Amortised<br>cost<br>R | Total<br>R |
|--------------------------------------|------|------------------------|------------|
| <b>Recognised in profit or loss:</b> |      |                        |            |
| Finance income                       | 17   | 286 732                | 286 732    |

#### Gains and losses on financial liabilities

2026

|                                      | Note | Amortised<br>cost<br>R | Total<br>R   |
|--------------------------------------|------|------------------------|--------------|
| <b>Recognised in profit or loss:</b> |      |                        |              |
| Finance costs                        | 18   | (19 433 613)           | (19 433 613) |

2025

|                                      | Note | Amortised<br>cost<br>R | Leases<br>R | Total<br>R   |
|--------------------------------------|------|------------------------|-------------|--------------|
| <b>Recognised in profit or loss:</b> |      |                        |             |              |
| Finance costs                        | 18   | (17 878 434)           | (82 221)    | (17 960 655) |

### Capital risk management

The company's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the company's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.

The capital structure of the company consists of debt, which includes cash and cash equivalents disclosed in note 8 and equity as disclosed in the statement of financial position.

# Subinite Proprietary Limited

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Financial Statements for the year ended 31 March 2026

## Notes to the Financial Statements

### 26. Financial instruments and risk management (continued)

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to the shareholder, return capital to the shareholder, issue new shares or sell assets to reduce debt.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

#### Financial risk management

##### Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

##### Impairment of financial assets (ECL)

The company assesses on a forward looking basis the expected credit losses associated with its financial assets that are carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the company applies a simplified approach. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

The company performed detailed credit checks on new customer before subscribing them credit. Also for existing customers, the credit limit and outstanding balances are first verified before new sales orders are processed. This assists the team in identifying the payment patterns of the customers and to evaluate the expected credit losses.

During the financial period, in the assessment of the expected credit losses for the trade receivables, management made the decision to include all customers whereas previously the modern trade customers were not provided for but given the payment history, they now met the requirements of the ECL impairment allowance recognition.

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

The maximum exposure to credit risk is presented in the table below:

|                             | Notes | 2026                  |                       |                             | 2025                  |                       |                             |
|-----------------------------|-------|-----------------------|-----------------------|-----------------------------|-----------------------|-----------------------|-----------------------------|
|                             |       | Gross carrying amount | Credit loss allowance | Amortised cost / fair value | Gross carrying amount | Credit loss allowance | Amortised cost / fair value |
|                             |       | R                     | R                     | R                           | R                     | R                     | R                           |
| Other financial assets      | 8.2   | 1 819 974             | -                     | 1 669 663                   | 1 669 663             | -                     | 1 575 509                   |
| Trade and other receivables | /     | 408 868 107           | (3 529 357)           | 405 338 750                 | 442 972 248           | (4 839 670)           | 438 132 578                 |
| Cash and cash equivalents   | 8.1   | 51 503 110            | -                     | 51 503 110                  | 18 560 203            | -                     | 18 560 203                  |
|                             |       | <b>462 191 191</b>    | <b>(3 529 357)</b>    | <b>458 511 523</b>          | <b>463 202 114</b>    | <b>(4 839 670)</b>    | <b>458 268 290</b>          |

##### Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

# Subinite Proprietary Limited

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Financial Statements for the year ended 31 March 2026

## Notes to the Financial Statements

### 26. Financial instruments and risk management (continued)

The company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities. The company also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

In addition, the company maintains the following lines of credits:

- R 28 million overdraft facility that is unsecured with Standard Chartered Bank, of which was fully used by year end. Interest is payable at the rate linked to the prime rate plus 0.75%.
- R 250 million overdraft facility that is unsecured with Citi Bank is currently operational. Interest is payable with rate linked to prime less 1.9%.

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

#### 2026

|                            | Notes | Less than<br>1 year<br>R | 1 to 2<br>years<br>R | Over<br>5 years<br>R | Contractual<br>cash flows<br>R | Carrying<br>amount<br>R |
|----------------------------|-------|--------------------------|----------------------|----------------------|--------------------------------|-------------------------|
| <b>Current liabilities</b> |       |                          |                      |                      |                                |                         |
| Trade and other payables   | 10    | 347 218 311              | -                    | -                    | 347 218 311                    | 347 218 311             |
| Bank overdraft             | 8.1   | 260 460 706              | -                    | -                    | 260 460 706                    | 260 460 706             |
|                            |       | <b>607 679 017</b>       | <b>-</b>             | <b>-</b>             | <b>607 679 017</b>             | <b>607 679 017</b>      |

#### 2025

|                            | Notes | Less than<br>1 year<br>R | 1 to 2<br>years<br>R | Over<br>5 years<br>R | Contractual<br>cash flows<br>R | Carrying<br>amount<br>R |
|----------------------------|-------|--------------------------|----------------------|----------------------|--------------------------------|-------------------------|
| <b>Current liabilities</b> |       |                          |                      |                      |                                |                         |
| Trade and other payables   | 10    | 256 371 807              | -                    | -                    | 256 371 807                    | 256 371 807             |
| Bank overdraft             | 8.1   | 203 391 907              | -                    | -                    | 203 391 907                    | 203 391 907             |
|                            |       | <b>459 763 714</b>       | <b>-</b>             | <b>-</b>             | <b>459 763 714</b>             | <b>459 763 714</b>      |

### Foreign currency risk

The company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions. The company does not hedge foreign exchange fluctuations.

# Subinite Proprietary Limited

(Registration number 2010/018925/07)

Financial Statements for the year ended 31 March 2026

## Notes to the Financial Statements

|  | 2026<br>R | 2025<br>R |
|--|-----------|-----------|
|--|-----------|-----------|

### 26. Financial instruments and risk management (continued)

#### Exposure in Rand

The net carrying amounts, in Rand, of the various exposures, are denominated in the following currencies. The amounts have been presented in Rand by converting the foreign currency amounts at the closing rate at the reporting date:

| US Dollar exposure:                                         | Notes |                  |                     |
|-------------------------------------------------------------|-------|------------------|---------------------|
| <b>Current assets:</b>                                      |       |                  |                     |
| Trade and other receivables USD 9 483 656 (2025: 6 420 532) | 7     | 162 252 448      | 118 116 613         |
| Cash and cash equivalents USD 1 850 606 (2025: 25 381)      | 8.1   | 31 661 835       | 475 198             |
| <b>Current liabilities:</b>                                 |       |                  |                     |
| Trade and other payables USD 11 138 771 (2025: 7 276 498)   | 10    | (190 573 233)    | (133 857 575)       |
| <b>Net US Dollar exposure</b>                               |       | <b>3 341 050</b> | <b>(15 265 764)</b> |

#### Exchange rates

##### Rand per unit of foreign currency:

|           |        |        |
|-----------|--------|--------|
| US Dollar | 17.109 | 18.400 |
| Euro      | 19.340 | 19.920 |

#### Foreign currency sensitivity analysis

The following information presents the sensitivity of the company to an increase or decrease in the respective currencies it is exposed to. The sensitivity rate is the rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated amounts and adjusts their translation at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

| Financial instrument            | Amounts<br>exposed to<br>risk<br>R | Rate increase<br>by 2%<br>R | Total impact<br>on profit after<br>tax<br>R | Rate decrease<br>by 2%<br>R | Total impact<br>on profit after<br>tax<br>R |
|---------------------------------|------------------------------------|-----------------------------|---------------------------------------------|-----------------------------|---------------------------------------------|
| <b>2026</b>                     |                                    |                             |                                             |                             |                                             |
| Trade and other receivables USD | 162 252 448                        | 3 245 049                   | 2 368 886                                   | (3 245 049)                 | (2 368 886)                                 |
| Cash and cash equivalents USD   | 31 661 835                         | 633 237                     | 462 263                                     | (633 237)                   | (462 263)                                   |
| Trade and other payables USD    | (190 573 233)                      | (3 811 465)                 | (2 782 369)                                 | 3 811 465                   | 2 782 369                                   |
|                                 |                                    | <b>66 821</b>               | <b>48 780</b>                               | <b>(66 821)</b>             | <b>(48 780)</b>                             |

| Financial instrument            | Amounts<br>exposed to<br>risk<br>R | Rate increase<br>by 2%<br>R | Total impact<br>on profit after<br>tax<br>R | Rate decrease<br>by 2%<br>R | Total impact<br>on profit after<br>tax<br>R |
|---------------------------------|------------------------------------|-----------------------------|---------------------------------------------|-----------------------------|---------------------------------------------|
| <b>2025</b>                     |                                    |                             |                                             |                             |                                             |
| Trade and other receivables USD | 118 116 613                        | 2 362 332                   | 1 724 502                                   | (2 362 332)                 | (1 724 502)                                 |
| Foreign exchange contract asset | 351 735                            | 7 035                       | 5 136                                       | (7 035)                     | (5 136)                                     |
| Cash and cash equivalents USD   | 11 104 715                         | 222 094                     | 162 129                                     | (222 094)                   | (162 129)                                   |
| Trade and other payables USD    | (133 857 575)                      | (2 677 152)                 | (1 954 321)                                 | 2 677 152                   | 1 954 321                                   |
|                                 |                                    | <b>(85 691)</b>             | <b>(62 554)</b>                             | <b>85 691</b>               | <b>62 554</b>                               |

At 31 March 2026, if the Rand/dollar exchange rate had been 2.000% (2025: 2.000%) higher or lower during the period, with all other variables held constant, profit or loss for the year would have been R 48 780 (2025: R 62 554) higher and R 48 780 (2025: R 62 554) lower.

# Subinite Proprietary Limited

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Financial Statements for the year ended 31 March 2026

## Notes to the Financial Statements

### 26. Financial instruments and risk management (continued)

If the Rand/EUR exchange rate had been 2.000% higher or lower during the period, with all other variables held constant, profit or loss for the year would have been R Nil (2025: R Nil) higher and R Nil (2025: R Nil) lower.

#### Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.

The company policy with regards to financial assets, is to invest cash at floating rates of interest and to maintain cash reserves in short-term investments in order to maintain liquidity, while also achieving a satisfactory return for the shareholder.

There have been no significant changes in the interest rate risk management policies and processes since the prior reporting period.

#### Interest rate profile

The interest rate profile of interest-bearing financial instruments at the end of the reporting period was as follows:

|                                                | Notes | Average effective interest rate |        | Carrying amount      |                      |
|------------------------------------------------|-------|---------------------------------|--------|----------------------|----------------------|
|                                                |       | 2026                            | 2025   | 2026<br>R            | 2025<br>R            |
| <b>Variable rate instruments:</b>              |       |                                 |        |                      |                      |
| <b>Assets</b>                                  |       |                                 |        |                      |                      |
| Cash and cash equivalents                      | 8     | 9.25 %                          | 8.25 % | 51 503 110           | 18 560 203           |
| <b>Liabilities</b>                             |       |                                 |        |                      |                      |
| Bank overdraft                                 | 8     | 9.25 %                          | 8.25 % | (260 460 706)        | (203 391 907)        |
| <b>Net variable rate financial instruments</b> |       |                                 |        | <b>(208 957 596)</b> | <b>(184 831 704)</b> |

#### Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

#### Fixed rate instruments

The company does not account for any fixed-rate financial assets or financial liabilities at FVTPL. Therefore a change in interest rates at the reporting date would not affect profit or loss.

#### Variable-rate instruments

A reasonable possible change of 2% in interest rates at the reporting date would have increased (decreased) equity and profit or loss after tax for the year by R 3 050 781 (2025: R 2 698 543).

This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

# Subinite Proprietary Limited

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Financial Statements for the year ended 31 March 2026

## Notes to the Financial Statements

### 26. Financial instruments and risk management (continued)

| Financial instrument | Amounts<br>exposed to<br>risk<br>R | Rate increase<br>by 2%<br>R | Total impact<br>on profit after<br>tax<br>R | Rate decrease<br>by 2%<br>R | Total impact<br>on profit after<br>tax<br>R |
|----------------------|------------------------------------|-----------------------------|---------------------------------------------|-----------------------------|---------------------------------------------|
| <b>2026</b>          |                                    |                             |                                             |                             |                                             |
| Bank and cash        | 51 503 110                         | 1 030 062                   | 751 945                                     | (1 030 062)                 | (751 945)                                   |
| Bank overdraft       | (260 460 706)                      | (5 209 214)                 | (3 802 726)                                 | 5 209 214                   | 3 802 726                                   |
|                      |                                    | <b>(4 179 152)</b>          | <b>(3 050 781)</b>                          | <b>4 179 152</b>            | <b>3 050 781</b>                            |

| Financial instrument | Amounts<br>exposed to<br>risk<br>R | Rate increase<br>by 2%<br>R | Total impact<br>on profit after<br>tax<br>R | Rate decrease<br>by 2%<br>R | Total impact<br>on profit after<br>tax<br>R |
|----------------------|------------------------------------|-----------------------------|---------------------------------------------|-----------------------------|---------------------------------------------|
| <b>2025</b>          |                                    |                             |                                             |                             |                                             |
| Bank and cash        | 18 560 203                         | 371 204                     | 270 979                                     | (371 204)                   | (270 979)                                   |
| Bank overdraft       | (203 391 907)                      | (4 067 838)                 | (2 969 522)                                 | 4 067 838                   | 2 969 522                                   |
|                      |                                    | <b>(3 696 634)</b>          | <b>(2 698 543)</b>                          | <b>3 696 634</b>            | <b>2 698 543</b>                            |

### 27. Fair value information

The carrying value less impairment provision of trade and other receivables, cash and cash equivalents and trade and other payables approximate their fair values due to the short-term nature of trade and other receivables, cash and cash equivalents and trade and other payables. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

### 28. Going concern

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

As at 31 March 2026, the company has incurred a loss after tax of R 149 707 243 (2025: R 40 114 215). Management has approved several strategic initiatives, including new product launches and upgraded fibre specifications, which are expected to positively impact future profitability.

In addition, cost-saving initiatives and efficiency projects have been successfully implemented, further strengthening the company's financial outlook. Management remains confident in the company's ability to generate sustainable profits and maintain adequate liquidity going forward.

Therefore, the financial statements have been prepared on the basis of accounting policies applicable to a going concern, as the directors are satisfied that the company has sufficient resources to realise its assets and discharge its liabilities in the ordinary course of business.

### 29. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report that would have a material impact on the financial statements.

# Subinite Proprietary Limited

(Registration number 2010/018925/07)

Financial Statements for the year ended 31 March 2026

## Notes to the Financial Statements

### 30. Directors' emoluments

#### Executive

#### 2026

|                 | Basic salary     | Bonuses and performance related payments | Allowances | Contributions (Medical aid, Pension, Provident Fund) | Other benefits | Total             |
|-----------------|------------------|------------------------------------------|------------|------------------------------------------------------|----------------|-------------------|
|                 | R                | R                                        | R          | R                                                    | R              | R                 |
| Ritesh Nagar    | -                | -                                        | -          | -                                                    | -              | -                 |
| Ismail Nanabhay | 5 486 040        | 2 179 726                                | -          | -                                                    | -              | 7 665 766         |
| Vijay Menon     | -                | -                                        | -          | -                                                    | -              | -                 |
| Rahul Agarwal   | -                | -                                        | -          | -                                                    | -              | -                 |
| Vini Jain       | 969 907          | 2 039 867                                | -          | -                                                    | -              | 3 009 774         |
|                 | <b>6 455 947</b> | <b>4 219 593</b>                         | <b>-</b>   | <b>-</b>                                             | <b>-</b>       | <b>10 675 540</b> |

#### 2025

|                        | Basic salary     | Bonuses and performance related payments | Allowances    | Contributions (Medical aid, Pension, Provident Fund) | Other benefits | Total             |
|------------------------|------------------|------------------------------------------|---------------|------------------------------------------------------|----------------|-------------------|
|                        | R                | R                                        | R             | R                                                    | R              | R                 |
| Ritesh Nagar           | -                | -                                        | -             | -                                                    | -              | -                 |
| Viabhav Rohotashwa Ram | 2 782 532        | 1 124 743                                | -             | 150 318                                              | 700 817        | 4 758 410         |
| Emmah Makomwa          | 2 416 017        | 398 541                                  | 86 848        | 158 352                                              | 68 805         | 3 128 563         |
| Dharnesh Gordhan       | -                | -                                        | -             | -                                                    | -              | -                 |
| Ismail Nanabhay        | 2 612 400        | 1 170 000                                | -             | 244 953                                              | 47 354         | 4 074 707         |
| Vijay Menon            | -                | -                                        | -             | -                                                    | -              | -                 |
| Rahul Agarwal          | -                | -                                        | -             | -                                                    | -              | -                 |
| Vini Jain              | -                | -                                        | -             | -                                                    | -              | -                 |
|                        | <b>7 810 949</b> | <b>2 693 284</b>                         | <b>86 848</b> | <b>553 623</b>                                       | <b>816 976</b> | <b>11 961 680</b> |