THE MANDELA RHODES FOUNDATION

BUILDING EXCEPTIONAL LEADERSHIP IN AFRICA

The Mandela Rhodes Foundation Trust Two

(Registration number IT1639/2008)

Annual Financial Statements

for the year ended 31 December 2025

General Information

Trust registration number	IT1639/2008
Country of incorporation and domicile	South Africa
Type of trust	To contribute to the development of exceptional leadership capacity in Africa
Founding person	Late Nelson Rolihlahla Mandela
Chair	Catherine O'Regan
Prescribed Officers	Chief Executive Officer Judy Sikuza Operations Director Ernst Gerber
Trustees	Mustaq Brey Janet Kabiru Peggy-Sue Khumalo John McCall MacBain (Retired 31 December 2025) Rethabile Melamu Osmond Mlonyeni Gugulethu Ncube Catherine O'Regan
Registered office	The Mandela Rhodes Building 150 St Georges Mall Cape Town 8001
Business address	The Mandela Rhodes Building 150 St Georges Mall Cape Town 8001
Postal address	P O Box 15897 Vlaeberg Cape Town South Africa 8018
Bankers	Nedbank Limited Nedbank Private Wealth Limited

General Information

Auditors	BDO South Africa Incorporated Chartered Accountants (S.A.) Registered Auditors
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Trust Property Control Act 57 of 1988.
Preparer	The annual financial statements were independently compiled by: CCFO Financial Reporting Proprietary Limited Surita Scholtz Chartered Accountant (SA)
Issued	26 March 2026

Index

The reports and statements set out below comprise the annual financial statements presented to the trustees:

Tel: +27 21 417 8800
Fax: +27 21 417 8700
www.bdo.co.za

6th Floor,
119 – 123 Hertzog
Boulevard, Foreshore,
Cape Town, 8001
PO Box 2275
Cape Town, 8000

Independent Auditor’s Report

To the Trustees of

The Mandela Rhodes Foundation Trust Two

Opinion

We have audited the financial statements of The Mandela Rhodes Foundation Trust Two (the trust) set out on pages 10 to 27, which comprise the statement of financial position as at 31 December 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 The Mandela Rhodes Foundation Trust Two as at 31 December 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 Trust Deed.

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 trustees are responsible for the other information. The other information comprises the information included in the document titled “The Mandela Rhodes Foundation Trust Two Annual Financial Statements for the year ended 31 December 2025”, which includes the Trustees' Report as required by the Trust Deed. 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 Trustees for the Financial Statements

The trustees 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 Trust Deed, and for such internal control as the trustees 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 trustees are responsible for assessing the trust'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 trustees either intend to liquidate the trust 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 trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' 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 trust'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 trust 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 trustees 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 Incorporated

BDO South Africa Incorporated
Registered Auditors

Karlien Groenewald
Director
Registered Auditor

9 April 2026

119-123 Hertzog Boulevard
Foreshore
Cape Town, 8001

Compilation Report

To the trustees of The Mandela Rhodes Foundation Trust Two

We have compiled the annual financial statements of The Mandela Rhodes Foundation Trust Two, as set out on pages 10 to 27, based on the information you have provided. These annual financial statements comprise the statement of financial position of The Mandela Rhodes Foundation Trust Two as at 31 December 2025, 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 a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these annual financial statements in accordance with IFRS Accounting Standards. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These annual financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these annual financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these annual financial statements are prepared in accordance with IFRS Accounting Standards.

CCFO Financial Reporting

CCFO Financial Reporting Proprietary Limited
Surita Scholtz
Director
Chartered Accountant (SA)

Unit 201 The Buchanan
Buchanan Square
160 Sir Lowry Road
District Six
Cape Town
7925

26 March 2026
Woodstock

Trustees' Responsibilities and Approval

The trustees are required to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the trust 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 annual financial statements.

The annual 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 judgments and estimates.

The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the trust and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the trustees sets 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 trust and all employees are required to maintain the highest ethical standards in ensuring the trust’s business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the trust is on identifying, assessing, managing and monitoring all known forms of risk across the trust. While operating risk cannot be fully eliminated, the trust endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The trustees have reviewed the trust’s cash flow forecast for the year to 31 December 2026 and, in the light of this review and the current financial position, they are satisfied that the trust has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the trust's annual financial statements. The annual financial statements have been examined by the trust's external auditors and their report is presented on pages 4 to 5.

The annual financial statements set out on page 10, which have been prepared on the going concern basis, were approved by the trustees on 26 March 2026 and were signed on their behalf by:

Approval of financial statements

Catherine O'Regan

Mustaq Brey

Trustees' Report

1. The trust

The trustees have pleasure in submitting their report on the annual financial statements of The Mandela Rhodes Foundation Trust Two for the year ended 31 December 2025.

2. Nature of business

The Mandela Rhodes Foundation Trust Two was established on 11 April 2008 to enable and allow donors and partners in The Mandela Rhodes Foundation to have the choice that funds or other assets that they contribute to the goals of The Mandela Rhodes Foundation, be utilised exclusively for the benefit of young black South Africans.

The Founders wish to contribute to the development of exceptional leadership capacity in Africa. This objective shall be advanced through the development and implementation of the Mandela Rhodes programmes.

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

3. Review of financial results and activities

The annual financial statements have been prepared in accordance with IFRS Accounting Standards. The accounting policies have been applied consistently compared to the prior year.

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

4. Going concern

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

The trustees believe that the trust has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The trustees have satisfied himself that the trust is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The trustees are not aware of any new material changes that may adversely impact the trust. The trustees 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 trust.

5. Events after the reporting period

The trustees are not aware of any material event which occurred after the reporting date and up to the date of this report.

6. Investment

The Foundation holds 25.1% of the shares of Oxford University Press Southern Africa Proprietary Limited, of which no dividend was received in the current year (2024: R4 530 173).

7. Trustees

The trustees in office at the date of this report are as follows:

Trustees	Changes
Mustaq Brey	
Janet Kabiru	
Peggy-Sue Khumalo	
John McCall MacBain	Retired 31 December 2025
Rethabile Melamu	
Osmond Mlonyeni	
Gugulethu Ncube	
Catherine O'Regan (Chair)	

Trustees' Report

8. Donation income and donation expenses

No donations were received by the Foundation during the 2025 financial year (2024: RNil).

No donations were made to The Mandela Rhodes Foundation Trust during the 2025 financial year (2024: RNil).

9. Trustees' interests in contracts

No material contracts in which Trustees have an interest were entered into.

10. Executive Committee

The Executive Committee at 31 December 2025 were:

Janet Kabiru
Osmond Mlonyeni
Catherine O'Regan (Chair)

11. Finance, Audit and Risk Committee

The Finance, Audit and Risk Committee at 31 December 2025 were:

Mustaq Brey (Chair)
Janet Kabiru
Thobela Mfeti
Nkazi Sokhulu

12. Investment Committee

The Investment Committee at 31 December 2025 were:

Jacques Conradie
Tim Cumming (Chair)
Osmond Mlonyeni
Judy Sikuza
Muitheri Wahome

13. Auditors

BDO South Africa Incorporated was appointed as auditors for the trust for 2025.

Statement of Financial Position as at 31 December 2025

Figures in Rand	Notes	2025	2024
Assets			
Non-Current Assets			
Investments at fair value	3	4 530 174	4 530 174
Current Assets			
Trade and other receivables	4	220	301
Cash and cash equivalents	5	17 056 726	15 775 503
		17 056 946	**15 775 804**
Total Assets		**21 587 120**	**20 305 978**
Equity and Liabilities			
Equity			
Trust capital	6	1 000	1 000
Reserves		4 529 923	4 529 923
Accumulated surplus		16 498 605	15 579 630
		21 029 528	**20 110 553**
Liabilities			
Current Liabilities			
Related party payable	7	557 592	131 817
Trade and other payables	8	-	63 608
		557 592	**195 425**
Total Equity and Liabilities		**21 587 120**	**20 305 978**

Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Notes	2025	2024
Revenue	9	-	4 530 174
Operating expenses		(74 644)	(66 144)
Operating (deficit) surplus	10	**(74 644)**	**4 464 030**
Investment income	11	993 619	826 538
Surplus before taxation		**918 975**	**5 290 568**
Taxation	12	-	-
Surplus for the year		**918 975**	**5 290 568**
Other comprehensive income:			
Items that will not be reclassified to surplus or deficit:			
Gain (loss) on equity investments at fair value		-	1 153 596
Other comprehensive surplus (deficit) for the year net of taxation	13	**-**	**1 153 596**
Total comprehensive surplus (deficit) for the year		**918 975**	**6 444 164**

Statement of Changes in Equity

Figures in Rand	Trust capital	Revaluation reserve	Accumulated surplus	Total equity
Balance at 01 January 2024	**1 000**	**3 376 327**	**10 289 062**	**13 666 389**
Surplus for the year	-	-	5 290 568	5 290 568
Other comprehensive surplus	-	1 153 596	-	1 153 596
Total comprehensive surplus (deficit) for the year	**-**	**1 153 596**	**5 290 568**	**6 444 164**
Balance at 01 January 2025	**1 000**	**4 529 923**	**15 579 630**	**20 110 553**
Surplus for the year	-	-	918 975	918 975
Other comprehensive surplus	-	-	-	-
Total comprehensive surplus for the year	**-**	**-**	**918 975**	**918 975**
Balance at 31 December 2025	**1 000**	**4 529 923**	**16 498 605**	**21 029 528**

Statement of Cash Flows

Figures in Rand	Notes	2025	2024
Cash flows from operating activities			
Cash generated from (used in) operations	14	287 604	(1 162)
Dividend income		-	4 530 174
Finance income		993 619	826 538
Net cash from operating activities		**1 281 223**	**5 355 550**
Total cash movement for the year		**1 281 223**	**5 355 550**
Cash and cash equivalents at the beginning of the year		15 775 503	10 419 953
Total Cash and cash equivalents at end of the year	5	**17 056 726**	**15 775 503**

Accounting Policies

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 annual financial statements.

1.1 Basis of preparation

The Mandela Rhodes Foundation Trust Two is a trust established and domiciled in South Africa. The address of its registered office and principal place of business is The Mandela Rhodes Building, 150 St Georges Mall, Cape Town, 8001. Their principal activity is to contribute to the development of exceptional leadership capacity in Africa.

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS Accounting Standards and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these annual financial statements and the Trust Property Control Act 57 of 1988 as amended.

The annual financial statements comply with the requirements of the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

The financial statements have been prepared on a historical cost basis, except for the following:
• Financial assets at fair value through other comprehensive income

The principal accounting policies applied in the preparation of these annual financial statements are set out below.

These accounting policies are consistent with the previous period.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS 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.

Critical judgements in applying accounting policies

The critical judgements made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

Key sources of estimation uncertainty

Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and securities held for capital appreciation) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Trust is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined by using valuation techniques. The Trust 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 carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. 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 Trust for similar financial instruments.

Accounting Policies

1.3 Financial instruments

Financial instruments held by the trust are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the trust, as applicable, are as follows:

Financial assets which are equity instruments:
- Designated as at fair value through other comprehensive income.

Financial assets which are debt instruments:
- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows).

Financial liabilities:
- Amortised cost.

The financial instruments held by the trust based on their specific classifications are shown in note 18 below.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the trust are presented below:

Equity instruments at fair value through other comprehensive income

The trust holds certain investments in unlisted securities which are classified as subsequently measured at fair value through other comprehensive income (note 3).

They have been classified in this manner because the contractual terms of these debt instruments give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the objectives of the trust's business model is achieved by both collecting the contractual cash flows on these instruments and by selling them.

These debt instruments are recognised when the trust becomes a party to the contractual provisions. They are measured, at initial recognition, at fair value plus transaction costs, if any. They are subsequently measured at fair value.

Even though they are measured at fair value, the trust determines the amortised cost of each instrument as if they were measured at amortised cost. The difference, at reporting date, between the amortised cost and the fair value of the debt instruments, is recognised in other comprehensive income and accumulated in equity in the reserve for valuation of investments.

The amortised cost is the amount recognised on the loan 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.

Accounting Policies

1.3 Financial instruments (continued)

Application of the effective interest method

Interest income is calculated using the effective interest rate method, and is included in surplus or deficit in finance income (note 11).

The application of the effective interest method to calculate interest income on debt instruments at fair value through other comprehensive income is dependent on the credit risk of the instrument as follows:

- The effective interest rate is applied to the gross carrying amount of the instrument, provided the instrument is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.
- If a debt instrument is a purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the instrument, even if it is no longer credit-impaired.
- If a debt instrument was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the instrument in the determination of interest. If, in subsequent periods, the instrument is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Trade and other receivables

Trade and other receivables, excluding, when applicable, VAT and prepayments, are measured, subsequent to initial recognition, at amortised cost (note 4).

Trade and other receivables 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 trust's business model is to collect the contractual cash flows on donations and other receivables.

Trade and other receivables are recognised when the trust 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.

Related party payable

Related party payable (note 7), is classified as financial liabilities subsequently measured at amortised cost.

Related party payable is recognised when the trust becomes a party to the contractual provisions of the loan. The loan is 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.

Borrowings expose the trust to liquidity risk and interest rate risk. Refer to note 18 for details of risk exposure and management thereof.

1.3 Financial instruments (continued)

Trade and other payables

Trade and other payables, excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost (note 8).

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

Trade and other payables are subsequently measured at amortised cost using the effective interest rate method.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Trade and other payables expose the trust to liquidity risk and possibly to interest rate risk. Refer to note 18 for details of risk exposure and management thereof.

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments with original maturities of 3 months or less and bank overdrafts that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.4 Revenue recognition

Revenue from contracts with donors

Revenue is recognised when the entity satisfies performance obligations under a contract with donors. Revenue is measured at the fair value of consideration received or receivable.
The main categories of revenue and the basis of recognition are as follows:

Donations and dividends

Donations and dividends are recognised, in profit or loss, when the trust’s right to receive payment has been met.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

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

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Lack of exchangeability - amendments to IAS 21	01 January 2025	The impact of the amendments is not material.
• Lack of exchangeability - amendments to IAS 21	01 January 2025	

2.2 Standards and interpretations not yet effective

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

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• IFRS 18 Presentation and Disclosure in Financial Statements	01 January 2027	Unlikely there will be a material impact
• Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards.	01 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 7 Financial Instruments: Disclosures	01 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 9 Financial Instruments	01 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 9 Financial Instruments	01 January 2026	Unlikely there will be a material impact
• Amendments to IAS 10 Statement of Cash flows	01 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments.	01 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	01 January 2099	Unlikely there will be a material impact
• IFRS 19 Subsidiaries without Public Accountability: Disclosures	01 January 2027	Unlikely there will be a material impact
• IFRS 18 Presentation and Disclosure in Financial Statements	01 January 2027	Unlikely there will be a material impact
• Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards.	01 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 7 Financial Instruments: Disclosures	01 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 9 Financial Instruments	01 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 9 Financial Instruments	01 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 10 Consolidated Financial Statements	01 January 2026	Unlikely there will be a material impact
• Amendments to IAS 10 Statement of Cash flows	01 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments.	01 January 2026	Unlikely there will be a material impact

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

3. Investments at fair value

Equity investments at fair value through other comprehensive income:		
Unlisted securities	4 530 174	4 530 174

Unlisted securities

The equity instruments at fair value through other comprehensive income included an unlisted security (Oxford University Press Southern Africa Proprietary Limited in South Africa) denominated in Rands.

The Foundation acquired 251 shares out of 1,000 shares of Oxford University Press Southern Africa Proprietary Limited from Oxford Nominees.

The Foundation may only sell the unlisted shares in terms of the call and put options noted below.

The Foundation has granted Oxford Nominees an option to acquire all the unlisted shares as above from the Foundation. Oxford Nominees may acquire these shares upon providing at least 2 years written notice. The purchase price shall be the aggregate dividends of the 2 years preceding the transfer of shares.

Oxford Nominees has granted the Foundation an option to sell all the shares as above to Oxford Nominees. The option is exercisable by a 2 year written notice for R251 and no deemed cost.

Fair value information

Refer to note 19 Fair value information for details of valuation policies and processes.

4. Trade and other receivables

Financial instruments:		
Non-financial instruments:		
VAT	220	301
Total trade and other receivables	**220**	**301**

Categorisation of trade and other receivables

Trade and other receivables are categorised as follows in accordance with IFRS 9: Financial Instruments:

At amortised cost	-	-
Non-financial instruments	220	301
	220	**301**

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

Figures in Rand	2025	2024

5. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	641 013	314 054
Call account	16 415 713	15 461 449
	17 056 726	**15 775 503**

Call accounts are valued at market value. The investments have been classified as cash and cash equivalents, as the funds are available within 24 hours of a request being made at no significant cost to the trust.

Credit quality of cash at bank and short-term deposits, excluding cash on hand

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings or historical information about counterparty default rates:

Credit rating		
AAA	17 056 726	15 775 503

6. Trust capital

Capital account / Trust capital		
Balance at beginning of year	1 000	1 000

Appropriation of Funds

The entire capital and income of the Trust shall be applied solely towards the promotion of its stated objects, and no portion thereof shall be paid or transferred, directly or indirectly, (whether by way of salary, dividend, bonus or otherwise howsoever) to any of the Trustees or any other person (save in the course of undertaking its public benefit activity), by way of profit, distribution, or otherwise howsoever, provided that nothing herein contained shall prevent the payment in good faith to any person (including a Trustee) of:

- reimbursement of actual costs, expenses and commitments incurred on behalf of the Trust, and with its authority;
- and provide further that no Donor, Trustee or relative of a Donor or Trustee, shall receive any benefits from the Trust Fund, except to the extent and in the circumstances envisaged by the clauses above, nor shall any of the Trustees have any rights in the property or other assets of the Trust by virtue of them being office bearers of the Trust.

Dissolution

In the event of the dissolution of the Trust, any assets remaining after all its liabilities have been satisfied shall not be paid or distributed to the Trustees but shall be transferred to a non-profit public benefit organisation organisations having similar objects and which has/ have been approved by the Commissioner in terms of the Income Tax Act No. 58 of 1962.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

7. Related party payable

Entity with common trustees

The Mandela Rhodes Foundation Trust	557 592	131 817

The related party payable is unsecured, bears no interest and has no fixed terms of repayment.

Exposure to liquidity risk

Refer to note 18 Financial instruments and financial risk management for details of liquidity risk exposure and management.

8. Trade and other payables

Financial instruments:		
Accrued audit fees	-	63 608

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

At amortised cost	-	63 608

Exposure to liquidity risk

Refer to note 18 Financial instruments and financial risk management for details of liquidity risk exposure and management.

Fair value of trade and other payables

The fair value of trade and other payables approximates their carrying amounts.

9. Revenue

Revenue other than from contracts with customers		
Dividends received	-	4 530 174

10. Operating profit (loss)

Operating (deficit) surplus for the year is stated after charging (crediting) the following, amongst others:

Auditor's remuneration - external		
Audit fees	65 861	63 608

11. Investment income

Interest income		
Investments in financial assets:		
Bank and other cash	993 619	826 538

12. Taxation

The Mandela Rhodes Foundation Trust Two is, in terms of S10 (1) (cN) of the Income Tax Act of 1962, exempt from South African normal tax.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

13. Other comprehensive income

Components of other comprehensive income - 2024

	Gross	Tax	Net
Items that will not be reclassified to profit (loss)			
Movements on revaluation			
Loss on equity investments at fair value	1 153 596	-	1 153 596

14. Cash used in operations

	2025	2024
Surplus before taxation	918 975	5 290 568
Adjustments for:		
Dividend income	-	(4 530 174)
Interest income	(993 619)	(826 538)
Changes in working capital:		
Trade and other receivables	81	849
Trade and other payables	(63 608)	63 608
Related party payable	425 775	525
	287 604	**(1 162)**

15. Related parties

Relationships

Entities with common trustees/directors	The Mandela Rhodes Foundation Trust The Mandela Rhodes Foundation NPC The Mandela Rhodes Foundation Two NPC

In accordance with the Trust deed, trustees are not remunerated.

Related party balances

	2025	2024
Related party balance payable		
The Mandela Rhodes Foundation Trust	(557 592)	(131 817)

Related party transactions

	2025	2024
Operating expenditure paid on behalf of related party		
The Mandela Rhodes Foundation Trust	425 775	525

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

16. Going concern

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

The trustees believe that the trust has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The trustees have satisfied themselves that the trust is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The trustees are not aware of any new material changes that may adversely impact the trust. The trustees 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 trust.

17. Events after the reporting period

The trustees are not aware of any material event which occurred after the reporting date and up to the date of this report.

18. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

2025

	Notes	Fair value through other comprehen-sive income - equity instruments	Amortised cost	Total
Investments at fair value	3	4 530 174	-	4 530 174
Cash and cash equivalents	5	-	17 056 726	17 056 726
		4 530 174	**17 056 726**	**21 586 900**

2024

	Notes	Fair value through other comprehen-sive income - equity instruments	Amortised cost	Total
Investments at fair value	3	4 530 174	-	4 530 174
Cash and cash equivalents	5	-	15 775 503	15 775 503
		4 530 174	**15 775 503**	**20 305 677**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

18. Financial instruments and risk management (continued)

Categories of financial liabilities

2025

	Notes	Amortised cost	Total
Related party payable	7	557 592	557 592

2024

	Notes	Amortised cost	Total
Trade and other payables	8	63 608	63 608
Related party payable	7	131 817	131 817
		195 425	**195 425**

Financial risk management

Credit risk

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

The trust is exposed to credit risk on loans receivable (at amortised cost), debt instruments at fair value through other comprehensive income, trade and other receivables, cash and cash equivalents.

Credit risk exposure arising on cash and cash equivalents is managed by the group through dealing with well-established financial institutions with high credit ratings.

Credit loss allowances for expected credit losses are recognised for all debt instruments, but excluding those measured at fair value through profit or loss.

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

		2025			2024		
		Gross carrying amount	**Credit loss allowance**	**Amortised cost / fair value**	**Gross carrying amount**	**Credit loss allowance**	**Amortised cost / fair value**
Trade and other receivables	4	220	-	220	301	-	301
Cash and cash equivalents	5	17 056 726	-	17 056 726	15 775 503	-	15 775 503
		17 056 946	**-**	**17 056 946**	**15 775 804**	**-**	**15 775 804**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

18. Financial instruments and risk management (continued)

Liquidity risk

The trust is exposed to liquidity risk, which is the risk that the trust will encounter difficulties in meeting its obligations as they become due.

The trust manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The Trust is not exposed to significant liquidity risk as its related parties have historically provided support where needed.

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.

2025

		Less than 1 year	Total	Carrying amount
Current liabilities				
Related party payable	7	557 592	557 592	557 592

2024

		Less than 1 year	Total	Carrying amount
Current liabilities				
Related party payable	7	131 817	131 817	131 817
Trade and other payables	8	63 608	63 608	63 608

Interest rate risk

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

The Trust has significant interest bearing assets and its income operating cash flows can be affected by changes in market interest rates. The Trust has no interest bearing payables or borrowings.

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.

Trust

At 31 December 2025, if the interest rate (JIBAR) had been 2% per annum (2024: 2%) higher or lower during the period, with all other variables held constant, profit or loss for the year would have been R 431 738 (2024: R 406 120) lower and R 431 738 (2024: R 406 120) higher.

Figures in Rand	2025	2024

19. Fair value information

Valuation techniques and key unobservable inputs

The fair value of the unlisted equity investment classified as a Level 3 financial asset has been determined using a valuation technique that incorporates inputs that are not observable in active markets.

The investment is valued with reference to the contractual rights attached to the shares, including the call and put options and the dividend-based pricing mechanism set out in the shareholders' agreement. The valuation methodology considers the expected future dividends and the contractual option exercise terms, which link the realisable value of the shares to historical dividend performance rather than to market-based multiples.

Key unobservable inputs used in the valuation include management's assessment of expected future dividend distributions and the probability and timing of option exercise by either party. Management has determined that these inputs represent the best estimate of assumptions that market participants would use when pricing the investment at the reporting date.

Fair value hierarchy

The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the trust can access at measurement date.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

Levels of fair value measurements

Level 3

Recurring fair value measurements

Assets	Note		
Equity investments at fair value through other comprehensive income	3		
Unlisted shares		4 530 174	4 530 174
Total		**4 530 174**	**4 530 174**

Reconciliation of assets and liabilities measured at level 3

	Note	Opening balance	Gains (losses) recognised in other comprehensive income	Closing balance
2025				
Assets				
Equity investments at fair value through other comprehensive income	3			
Unlisted shares		4 530 174	-	4 530 174
Total		**4 530 174**	**-**	**4 530 174**

Notes to the Annual Financial Statements

19. Fair value information (continued)

2024

Assets

Equity investments at fair value through other comprehensive income	3			
Unlisted shares		3 376 578	1 153 596	4 530 174
Total		**3 376 578**	**1 153 596**	**4 530 174**

Sensitivity to unobservable inputs

Changes in the significant unobservable inputs, in particular assumptions relating to future dividend distributions or the timing of option exercise, could result in a different fair value measurement. However, based on current information and contractual arrangements, management does not consider that reasonably possible changes in these inputs would result in a material change to the carrying value of the investment at the reporting date.

Fair value movements

There were no gains or losses recognised in other comprehensive income in respect of this investment during the 2025 financial year (2024: gain of R1,153,596). The absence of movement in the current year is attributable to the stability of the underlying valuation inputs and the absence of changes to the contractual terms governing the investment.