

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

**Consolidated and Separate Annual Financial Statements
for the year ended 30 June 2025**

Audited Financial Statements

In compliance with the Companies Act 71 of 2008 of South Africa

Prepared by: CE Wolmarans

Professional designation: CA (SA)

Title: Financial Reporting Manager

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Annual Financial Statements for the year ended 30 June 2025

Index

| | Page |
|---|-------------|
| Statement of Directors' Responsibilities | 2 |
| Responsibility statement | 3 |
| Certificate by the Company Secretary | 4 |
| Report of the Audit Committee | 5 - 9 |
| Directors' Report | 10 - 12 |
| Independent Auditor's Report | 13 - 19 |
| Statements of Financial Position | 20 |
| Statements of Profit or Loss and Other Comprehensive Income | 21 |
| Statement of Changes in Equity - Group | 22 |
| Statement of Changes in Equity - Company | 23 |
| Statements of Cash Flows | 24 |
| Accounting Policies | 25 - 30 |
| Notes to the Consolidated and Separate Financial Statements | 31 - 73 |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Annual Financial Statements for the year ended 30 June 2025

Statement of Directors' Responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare financial statements for each reporting period. Under that law, the directors have prepared the consolidated and separate financial statements in accordance with International accounting standards.

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period.

In preparing these financial statements, directors are required to:

- select suitable accounting policies and then apply them consistently
- state whether applicable International Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- make judgements and accounting estimates that are reasonable and prudent
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are responsible for safeguarding the assets of the Group and Company and hence are taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the Company's website.

JAJ Loots

M Kok

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Annual Financial Statements for the year ended 30 June 2025

Chief Executive Officer's and Financial Director's Responsibility Statement

Each of the directors, whose names are stated below, hereby confirm to the best of their knowledge that:

- the annual financial statements, set out on pages 20 to 73 fairly present in all material aspects the financial position, financial performance and cash flows of the issuer in terms of IFRS® Accounting Standards
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the financial statements false or misleading
- internal financial controls have been put in place to ensure that material information relating to the issuer and its subsidiaries has been provided to effectively prepare the financial statements of the issuer
- the internal controls are adequate and effective and can be relied upon in compiling the financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls
- where we are not satisfied, we have disclosed to the audit and risk committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls and have remediated the deficiencies
- we are not aware of any fraud involving directors.

Cobus Loots

Chief executive officer

10 September 2025

Marileen Kok

Financial director

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Annual Financial Statements for the year ended 30 June 2025

Certificate by the Company Secretary

I hereby certify that Pan African Resources Funding Company Limited has lodged with the Registrar of Companies all such returns as are required of a public company in terms of the Companies Act 2008. All such returns are true, correct and up to date.

Statucor

Company Secretary

10 September 2025

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Annual Financial Statements for the year ended 30 June 2025

Report of the Audit Committee

We are pleased to present our report for the financial year ended 30 June 2025.

The principal purpose of the audit and risk committee is to assist the board in fulfilling its corporate governance and oversight responsibilities to ensure the integrity of the Group's financial and corporate reporting, while ensuring adequate systems of internal control and risk management are in place and are operating effectively. The functions of a risk committee at a Group level also fall within the ambit of the audit and risk committee.

The committee has both reporting responsibilities to the shareholders and the board and is accountable to them. It operates in line with a documented charter and complies with all relevant legislation, regulation and governance codes and executes its duties in terms of the requirements of the governance codes in the UK (for AIM) and South Africa, and through adopting King IV Report on Corporate Governance for South Africa, 2016™ (King IV™) as its code of corporate governance.

The performance of the audit and risk committee is evaluated against its charter on an annual basis and a self-evaluation of the committee's effectiveness is performed by the members and reviewed by the board.

The audit and risk committee appointed for Pan African Resources PLC, also fulfils the responsibilities pertaining to PAR Funding Company. In terms of King IV™ all three members of the audit and risk committee are independent non-executive directors.

At 30 June 2025, the audit and risk committee comprised three independent non-executive directors. Four meetings were held during the year.

The independent non-executive directors of the audit and risk committee at the date of approval of this report were:

- Dawn Earp (chairperson of the audit and risk committee)
- Thabo Mosololi
- Charles Needham

All the members of the audit and risk committee are considered by the board to have an independent and objective mindset. The board believes that the audit and risk committee members collectively have the necessary skills to carry out their duties effectively and with due care. In cases where circumstances and issues arise, which are deemed outside of the scope of expertise of the audit and risk committee members, independent services and advice from professional bodies and service providers are sourced.

AUDIT AND RISK COMMITTEE RESPONSIBILITIES AND DUTIES

The audit and risk committee fulfils its responsibilities and duties as set out in its charter. The functions of the audit and risk committee include:

- reviewing the annual financial statements, challenging the consistency and appropriateness of accounting principles, policies and practices that have been applied in the preparation, measurement and disclosures in the financial reports, culminating in a recommendation to the board for approval
- considering significant judgements and estimates applied in the preparation of the annual financial statements
- oversight of whistleblowing procedures
- monitoring the integrity of formal announcements relating to the Group's financial performance and reviewing significant financial and other reporting judgements
- reviewing the external audit reports
- reviewing the effectiveness of the external audit function
- assessing the external auditor's independence, specifying guidelines for, and authorising if applicable, the award of non-audit services to external auditor
- approving the audit fees in respect of the annual external audit
- making recommendations to the board on the appointment, reappointment or change of the Group's external auditor. Such changes are subject to shareholder approval at the Company's AGM.
- reviewing the effectiveness of the internal audit function
- reviewing the internal audit management reports with, when relevant, recommendations being made to the board

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Annual Financial Statements for the year ended 30 June 2025

Report of the Audit Committee

- approving the internal audit plan
- ensuring that a coordinated approach to all assurance activities is in place
- monitoring the Group's compliance with legal and regulatory requirements including listings requirements ensuring that effective procedures are in place relating to the Group's whistleblowing and anti-corruption policies
- evaluating the appropriateness and effectiveness of risk management, internal controls and governance processes including IT governance
- reviewing the chief executive officer's and financial director's responsibility statement in terms of paragraph 3.84(K) of the JSE Listings Requirements
- dealing with concerns relating to accounting and tax practices, significant accounting transactions including impairments, internal audit, the audit or content of financial statements and internal financial controls
- evaluating the performance of the financial director and the finance department
- reviewing the adequacy of the Group's risk management process, policies, mitigating controls and risk register
- reviewing the adequacy of the Group's insurance cover
- reviewing the governance of information and technology and the effectiveness of the Group's information systems
- reviewing the Group's going concern status to determine the appropriateness of the Group's financial statements being presented on a going concern basis, together with the solvency and liquidity assessment as part of the dividend recommendation to the board.

EXTERNAL AUDITOR

The committee is responsible for recommending the appointment or reappointment of a firm of external auditors to the board that, in turn, will recommend the appointment to shareholders. The committee is responsible for determining that the designated appointee firm and signing registered auditor have the necessary independence, experience, qualifications and skills and that the audit fee is adequate.

Oswald Wentworth was the designated audit partner for the 2025 reporting period.

PwC's appointment as external auditor for the 2025 reporting period was approved by the shareholders at the Company's previous AGM held on 21 November 2024.

The committee satisfied itself that the external auditor is independent as defined by the Companies Act 71 of 2008 and the standards stipulated by the auditing profession. The committee received the quality information from the firm regarding the individual auditor, their quality process, and the regulator's inspection letters. The audit and risk committee held meetings with the external auditor, without the presence of management and the chairperson of the audit and risk committee independently met with the external auditor as required during the financial year. The audit and risk committee has considered the information provided by the audit firm and individual auditor, as per paragraph 7.3 (e)(iii) of the JSE Debt Listings Requirements, in their assessment of the suitability of the appointment or re-appointment of the auditor.

The audit and risk committee, in consultation with executive management, agreed to the terms of engagement. The audit fee for the external audit has been considered and approved for the 2025 reporting period, taking into consideration such factors as the timing of the audit, the extent of the work required and the scope.

The committee monitors the external auditor's performance and the effectiveness of the audit process as provided in the terms of engagement and in respect of audit scope and approach. The committee reviewed and approved the annual audit plan at its meeting in June 2025 including the proposed scope, materiality levels and significant risk areas.

It was established that the approach was appropriate to be responsive to regulatory changes and organisational risks and other applicable requirements.

Through the review of external audit reports, and interactions with the external audit team, the audit and risk committee is satisfied with the quality of the external audit performed for the reporting period.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Annual Financial Statements for the year ended 30 June 2025

Report of the Audit Committee

EXTERNAL AUDITORS' INDEPENDENCE

The committee has a policy on the nature and extent of non-audit services which is reviewed regularly. The policy allows for limited other services as well as the provision of reporting accountant services in relation to capital market transactions.

The external auditors' independence is impacted by non-audit services that are provided to the client.

Pan African has put measures in place in order to prevent the impairment of the external auditors' independence, namely:

- Disallowance of certain services that may cause impairment of their independence such as providing internal audit services
- All non-audit services provided by the external auditor are preapproved by the executive committee (Exco) and the audit and risk committee
- Appropriate disclosure of all non-audit services provided by the external auditor.

The approval of non-audit services by the external auditors only occurs when there is certainty that these services will not cause any impairment to the independence of the external auditors.

Non-audit fees represented R149.5 thousand (2024: RNil) of the 2025 audit fee of R554 thousand (2024: R585 thousand) which does not affect the auditors' independence. The fees were incurred for the regulatory reporting services required for the PARS03 bond issue. Refer to note 10 to the financial statements for the disclosure of the audit and non-audit fees.

FINANCIAL REPORTING

The principal role of the audit and risk committee in relation to financial reporting is reviewing, with senior management and the external auditors, the financial results announcements and other publications to ensure statutory and regulatory compliance.

The committee has evaluated the consolidated and separate financial statements for the reporting period ended 30 June 2025 and, based on the information provided to the committee, considers that the consolidated and separate financial statements comply, in all material respects, with the requirements of the Companies Act, 71 of 2008 and IFRS Accounting Standards. The consolidated and separate financial statements were subsequently recommended to the board for approval. The audit and risk committee makes its recommendation based on a comprehensive review conducted by the executive directors and other senior management. Furthermore, compliance to King IV™ requirements are continuously being assessed and improved on.

The committee reviewed the annual financial statements and the web-based information and concluded that the key risks have been appropriately reported on.

The Company has established appropriate financial reporting procedures and the committee confirms that such procedures are operating sufficiently.

No instances of fraud involving the directors occurred during the current reporting period.

SIGNIFICANT ISSUES CONSIDERED BY THE AUDIT AND RISK COMMITTEE

Significant judgements, estimates and assumptions made by management are detailed in the notes to the consolidated and separate financial statements. Position papers were presented to the audit and risk committee by management during the course of the reporting period detailing management's critical and other significant accounting judgements and estimates. These were reviewed by the audit and risk committee and included, but were not limited to, the following areas:

| Critical accounting judgements | Audit and risk committee response |
|--|--|
| Carrying value of investments in subsidiaries and receivables from Group companies | <p>As at 30 June 2025, the Company holds investments in subsidiaries amounting to R543.6 million, non-current loans receivable from related parties amounting to R654.9 million, as well as current loans receivable from related parties amounting to R2,678.3 million.</p> <p>As at 30 June 2025, the Group had non-current loans receivable from related parties amounting to R1,305.6 million, as well as current loans receivable from related parties amounting to R2,678.3 million.</p> |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Annual Financial Statements for the year ended 30 June 2025

Report of the Audit Committee

In assessing the carrying value of the assets, management considered whether the underlying net assets of the investments support the carrying amount, the nature of the underlying assets and whether other facts and circumstances, including impairments recorded in the Consolidated and Separate financial statements, could also be indicative of impairment. Management has also performed an assessment of the expected credit losses of the receivables from related parties, which also impacts the carrying value. Based on managements' assessment, management has concluded that no impairment is required in relation to the carrying value of investments in subsidiaries. Based on management's assessment, expected credit losses amounting to R8.8 million were recognised in the current year on receivables from related parties.

The committee has concluded that no impairments, other than those disclosed in note 16 are required in relation to the carrying value of investments in subsidiaries and Receivables from related parties, and has also concluded that no expected credit losses against the Receivables from related parties are required.

Other significant accounting judgements

Going concern basis of accounting

Audit and risk committee response

The committee has reviewed the forecast net debt levels, headroom on existing facilities and compliance with debt covenants. The going concern analysis covered the period 1 July 2025 to 30 June 2027, and considered a range of downside sensitivities, including the impact of lower commodity prices and reduced production levels.

The committee concluded that it was appropriate to adopt going concern as a basis for the preparation of the annual financial statements.

INTERNAL AUDITOR

The committee performs an oversight role of the internal audit function, which is outsourced to a third party, by approval of the internal audit plan and review of the internal auditor's findings on a regular basis. The committee has satisfied itself that the internal audit function is independent and has the necessary resources, standing and authority to discharge its duties. The head of internal audit has direct access to the chairperson of the audit and risk committee and the internal auditor is invited to attend each audit and risk committee meeting.

The committee assesses the work of internal audit on a regular basis through receipt of reports on the progress of the internal audit plan. The committee met with the head of internal audit on two occasions, which enables further evaluation of the work performed.

The committee reviewed the proposed 2025 internal audit plan and assessed whether the plan addressed the key areas of risk for the Group. The committee approved the plan having discussed the scope of work in relationship to the Group's risk.

COMMITTEE REMUNERATION

Audit and risk committee members are remunerated in their capacity as non-executive directors of PAR PLC.

SUBSIDIARY COMPANIES

The functions of the audit and risk committee are also performed for each subsidiary company of the PAR PLC Group.

FINANCIAL DIRECTOR/ DEBT OFFICER

The committee assessed and is satisfied that Marileen Kok has the appropriate skills, expertise and experience, for the role of financial director and debt officer, as required by the JSE Listings Requirements and the JSE Debt Listings Requirements.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Annual Financial Statements for the year ended 30 June 2025

Report of the Audit Committee

PAR PLC's and PAR Funding Company's, financial director and debt officer, Deon Louw, retired with effect from 30 September 2024. Marileen Kok succeeded Deon Louw as PAR PLC Group financial director and debt officer and was appointed to the Company's board of directors effective 1 October 2024.

The committee considered the functioning of the Company's finance department and believes that it functions effectively, with the required controls and systems in place.

RISK MANAGEMENT

Risk management is the responsibility of the board and is integral to the achievement of the Group's objectives.

The board, through the audit and risk committee, fulfils its responsibility in reviewing the effectiveness of the Group's risk management approach and internal controls through the review of reports submitted over the course of the reporting period covering the risk management process and control environment, specifically in-depth reviews of the Group's risk registers and review of internal audit reports.

The committee is satisfied that there was no material breakdown in the internal accounting controls during the reporting period under review.

I would like to extend my appreciation to my fellow committee members, management and the external auditor for their work and support throughout the reporting period.

On behalf of the audit and risk committee:

Dawn Earp
Chairperson, Audit and Risk Committee
10 September 2025

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Annual Financial Statements for the year ended 30 June 2025

Directors' Report

The directors present their report for the year ended 30 June 2025.

1. Review of activities

Main business and operations

On 13 December 2022, Pan African Resources Funding Company Proprietary Limited (PAR Funding) issued Senior Second Ranking Secured Sustainability-linked Notes. As a result of the public debt listing, PAR Funding was converted to a public company prior thereto. The Company provides treasury services to the Pan African Resources PLC Group Companies (the PAR PLC Group).

The operating results and Consolidated and Separate statements of financial position of the group and Company are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. Going concern

The Group's current assets amounting to R3,476,979 exceed the Group's current liabilities amounting to R2,918,494 by R558,485 in the current reporting period. The Group's current assets amounting to R2,267,587 exceeded the Group's current liabilities amounting to R2,235,587 by R31,960 in the previous reporting period. PAR Gold Proprietary Limited holds shares in Pan African Resources PLC (PAR PLC) amounting to R3,397,511 (2024: R1,853,466) which are readily convertible to cash and enables the group to settle its obligations in the ordinary course of business.

The Company's current assets amounting to R3,474,992 exceed the Company's current liabilities amounting to R2,820,251 by R654,741. The Company's current assets amounting to R2,265,867 exceed the Company's current liabilities amounting to R2,261,650 by R4,147 in the previous reporting period. The Company made a net loss of R3,744 (2024: R23,576) during the current reporting period.

The figures presented above are in R'000.

The RCF, Term loan, and DMTN bonds as presented in the non-current and current liabilities as at 30 June 2025 of the Group and Company are secured by guarantees issued by PAR PLC (the ultimate holding company) and fellow subsidiaries within the PAR PLC Group as disclosed in note 20.

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

3. Events after the reporting date

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

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

4. Authorised and issued share capital

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

5. Dividend

No dividend was declared or paid to the shareholder during the year.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Annual Financial Statements for the year ended 30 June 2025

Directors' Report

6. Directors

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

| | |
|--|------------------------|
| JAJ Loots | Executive director |
| M Kok (appointed 1 October 2024) | Executive director |
| IA Phoshoko | Non-executive director |
| GP Louw (resigned effective - 30 September 2024) | Executive director |

JAJ (Cobus) Loots

Non-independent director

Qualification: CA(SA), CFA® Charterholder

Date of appointment: 26 August 2009

Other directorships: Pan African Resources SA Holdings Proprietary Limited, Pan African Resources Management Services Company Proprietary Limited, Evander Gold Mines Proprietary Limited, Evander Township Limited, LTS Ventures Proprietary Limited, Barberton Blue Proprietary Limited, Barberton Green Proprietary Limited, Evander Solar Solutions Proprietary Limited, Mogale Tailings Retreatment Proprietary Limited and Charbon Minerals Proprietary Limited

Skills and experience: Cobus has many years of experience in the African mining sector. He qualified as a chartered accountant with Deloitte & Touche in South Africa. He has been a director of Pan African Resources PLC since 2009, serving as financial director from 2013 until his appointment as chief executive officer on 1 March 2015.

M (Marileen) Kok

Non-independent director

Qualification: CA(SA)

Date of appointment: 1 October 2024

Other directorships: Pan African Resources SA Holdings Proprietary Limited, Pan African Resources Management Services Proprietary Limited, Evander Gold Mining Proprietary Limited, Evander Gold Mines Proprietary Limited, Evander Township Limited, Barberton Mines Proprietary Limited, Barberton Blue Proprietary Limited, Evander Solar Solutions Proprietary Limited, Barberton Green Proprietary Limited, Mogale Tailings Retreatment Proprietary Limited, Mogale Clay Proprietary Limited and Pan African Resources Properties Proprietary Limited

Skills and experience: Marileen is a Chartered Accountant with extensive experience in the mining industry, specifically relating to financial reporting, corporate finance, governance and regulatory compliance and various other commercial matters. She joined the Group as Group Financial Manager in January 2020 and became the financial director of Pan African Resources PLC on 1 October 2024.

IA (Itumeleng) Phoshoko

Non-independent director

Qualification: BSc Mining Engineering, MBA

Date of appointment: 4 December 2019

Other directorships: Pan African Resources SA Holdings Proprietary Limited, Pan African Resources Management Services Company Proprietary Limited, Evander Gold Mining Proprietary Limited, Evander Gold Mines Proprietary Limited, Evander Township Limited, Barberton Green Proprietary Limited, Concrete Rose Proprietary Limited, Barberton Mines Proprietary Limited and Tsakagae Holdings Proprietary Limited

Skills and experience: Itumeleng holds a BSc in Mining Engineering (Wits), a Master's in Business Administration (MBA) (GIBS) and a Mine Managers Certificate of Competency (Metalliferous Mining). She is a professional female with vast experience in the South African mining industry where she acquired extensive knowledge and experience through operational and strategic roles in a number of companies. Itumeleng currently serves as a Director for a number of the Guarantor's subsidiaries and has also served as an independent non-executive director for a State owned Mining Company.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Annual Financial Statements for the year ended 30 June 2025

Directors' Report

6. Directors continued...

GP (Deon) Louw

Non-independent director

Qualification: CA(SA), CFA® Charterholder, HDip (Tax Law), AMCT (UK)

Date of appointment: 1 March 2015

Date of resignation: 30 September 2024

Other directorships: Pan African Resources SA Holdings Proprietary Limited, Pan African Resources Management Services Company Proprietary Limited, Evander Gold Mines Proprietary Limited, Evander Township Development Limited, Evander Township Limited, Bagley Terrace No 110 CC, Figit Proprietary Limited, Barberton Blue Proprietary Limited, Evander Solar Solutions Proprietary Limited, Mogale Tailings Retreatment Proprietary Limited and Pan African Resources Properties Proprietary Limited

Skills and experience: Deon has extensive finance and business experience, which includes investment banking, advisory and business administration in the finance and mining sectors. As a founding member of Investec Bank's emerging market finance team, he was involved in financing mining transactions in sub-Saharan Africa for more than a decade. He fulfilled the roles of chief financial officer of Shanduka Coal, financial director of Sentula Mining Limited, director of Resource Finance Advisers and head of resource structured finance at Investec Bank.

There were no recorded conflicts of interests involving directors for the year under review.

7. Social and ethics committee

The social and ethics committee appointed for Pan African Resources PLC, also fulfills the responsibilities pertaining to PAR Funding Company. This committee presented their report at the PAR PLC Annual General Meeting. The members of the committee are:

Name

M Kok

Y Themba

T Mosilisi

8. Secretary

The group's designated secretary is Statucor Proprietary Limited.

9. Shareholder

There have been no changes in ownership during the current or previous reporting period.

10. Independent Auditor

PwC Incorporated was the independent auditor for the period under review.



Independent auditor's report

To the shareholder of Pan African Resources Funding Company Limited

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Pan African Resources Funding Company Limited (the Company) and its subsidiaries (together the Group) as at 30 June 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa.

What we have audited

Pan African Resources Funding Company Limited's consolidated and separate financial statements set out on pages 20 to 73 comprise:

- the consolidated and separate statements of financial position as at 30 June 2025;
- the consolidated and separate statements of profit or loss and other comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

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 consolidated and separate financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PricewaterhouseCoopers Inc.
4 Lisbon Lane, Waterfall City, Jukskei View, 2090
Private Bag X36, Sunninghill, 2157
T: +27 (0) 11 797 4000, F: +27 (0) 11 209 5800
Chief Executive Officer: L S Machaba
The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.
Reg. no. 1998/012055/21, VAT reg.no. 4950174682

Independence

We are independent of the Group 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)*.

Our audit approach

Overview



Final materiality

Overall group materiality: R81.8 million, which represents 1% of the consolidated total assets.

Group audit scope

We conducted full scope audit procedures at the Company and its financially significant subsidiary, PAR Gold Proprietary Limited.

Key audit matters

Carrying value of investments in subsidiaries and receivables from related parties - Group and Company)

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (EAR Rule), we report final materiality and group audit scope below.

Final materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated and separate financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated and separate financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the final materiality for the consolidated and separate financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the consolidated and separate financial statements as a whole.

| | Consolidated financial statements | Separate financial statements |
|--|--|--|
| Final materiality | R81.8 million | R46.8 million |
| How we determined it | 1% of consolidated total assets | 1% of total assets |
| Rationale for the materiality benchmark applied | The Group is responsible for the in-house treasury function of the group, foreign exchange, interest rate and commodity trading matters, in respect of the mining entities within the Pan African Resources Plc Group. Given the nature of its activities, it is not a profit-oriented entity and, as such, an appropriate benchmark is total assets due to the large value and volume of loans and receivables that the Group has with other companies within the Pan African Resources plc Group. We chose 1% which is consistent with quantitative materiality thresholds used for similar entities of this nature. | The Group is responsible for the in-house treasury function of the group, foreign exchange, interest rate and commodity trading matters, in respect of the mining entities within the Pan African Resources Plc Group. Given the nature of its activities, it is not a profit-oriented entity and, as such, an appropriate benchmark is total assets due to the large value and volume of loans and receivables that the Group has with other companies within the Pan African Resources plc Group. We chose 1% which is consistent with quantitative materiality thresholds used for similar entities of this nature. |

Group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

We conducted full scope audit procedures at the Company and its financially significant subsidiary, PAR Gold Proprietary Limited

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In terms of ISA 701 *Communicating key audit matters in the independent auditor's report* / the EAR Rule (as applicable), we are required to report key audit matters and the outcome of audit procedures or key observations with respect to the key audit matters, and these are included below.

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| <p>Carrying value of investments in subsidiaries and receivables from related parties - Group and Company)</p> <p>As at 30 June 2025, the Company holds investments in subsidiaries amounting to R543.6 million, non-current loans receivable from related parties amounting to R654.9 million, as well as current loans receivable from related parties amounting to R2,678.3 million.</p> <p>As at 30 June 2025, the Group had non-current loans receivable from related parties amounting to R1,305.6 million, as well as current loans receivable from related parties amounting to R2,678.3 million.</p> <p>In assessing the carrying value of the assets, management considered whether the underlying net assets of the investments support the carrying amount, the nature of the underlying assets and whether other facts and circumstances, including impairments recorded in the Consolidated and Separate financial statements, could also be indicative of impairment. Management has also performed an assessment of the expected credit losses of the receivables from related parties, which also impacts the carrying value. Based on managements' assessment, management has concluded that no impairment is required in relation to the carrying value of investments in subsidiaries. Based on management's assessment, expected credit losses amounting to R8.8 million were recognised in the current year on receivables from related parties</p> <p>The recoverability of investments in subsidiaries and loans receivable from group entities is considered a Key Audit Matter due to the material impact these balances can have on the financial statements. These assets often represent substantial amounts, and their recoverability is dependent on the financial performance, future cash flows, and net asset positions of the related entities.</p> | <p>In respect of investments in subsidiaries and receivables from related parties, we evaluated and challenged managements' assessment of the carrying values.</p> <p>We independently performed an assessment of internal and external factors, including considering the market capitalisation of the Pan African Resources plc Group with reference to the carrying value of investments in subsidiaries and receivables from related parties. As a result of our work, we are satisfied that the carrying value of the Company's investments in subsidiaries and receivables from related parties (Group and Company) are appropriate as at 30 June 2025.</p> |

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Pan African Resources Funding Company Limited Consolidated and Separate Annual Financial Statements for the year ended 30 June 2025", which include(s) the Certificate by the Company Secretary, the Report of the Audit Committee and the Directors' Report as required by the Companies Act of South Africa and the other sections of the document titled "Integrated report". The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate 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 consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate 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 consolidated and separate financial statements

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

In preparing the consolidated and separate financial statements, the directors is responsible for assessing the Group's and 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 intends to liquidate the Group and/or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 Group's and 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 Group's and 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 consolidated and separate 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 Group and / or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence, regarding the financial information of the entities or business units within the Group, as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Audit tenure

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that PricewaterhouseCoopers Inc. has been the auditor of Pan African Resources Funding Company Limited for 7 year(s).

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: Oswald Wentworth
Registered Auditor
Johannesburg, South Africa
10 September 2025

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Statements of Financial Position

as at 30 June

| Figures in R `000 | Notes | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|--------------------------------------|-------|------------------|------------------|------------------|------------------|
| Assets | | | | | |
| Non-current assets | | | | | |
| Investments in subsidiaries | 12 | - | - | 543,637 | 543,637 |
| Deferred tax asset | 14 | 4,885 | 2,513 | 4,885 | 2,513 |
| Listed investment | 13 | 3,397,511 | 1,853,466 | - | - |
| Loans to related parties | 16 | 1,305,593 | 2,182,956 | 654,862 | 1,743,110 |
| Total non-current assets | | 4,707,989 | 4,038,935 | 1,203,384 | 2,289,260 |
| Current assets | | | | | |
| Trade and other receivables | 15 | 21 | 8 | 21 | 8 |
| Current tax assets | 14 | 15 | - | - | - |
| Loans to related parties | 16 | 2,678,330 | 1,860,761 | 2,678,330 | 1,860,761 |
| Cash and cash equivalents | 17 | 798,613 | 406,818 | 796,641 | 405,098 |
| Total current assets | | 3,476,979 | 2,267,587 | 3,474,992 | 2,265,867 |
| Total assets | | 8,184,968 | 6,306,522 | 4,678,376 | 4,555,127 |
| Equity and liabilities | | | | | |
| Issued capital | 18 | 4 | 4 | 4 | 4 |
| Retained income | | 300,352 | 237,739 | 51,856 | 55,600 |
| Reserves | 19 | 2,396,211 | 1,185,680 | - | - |
| Total equity | | 2,696,567 | 1,423,423 | 51,860 | 55,604 |
| Liabilities | | | | | |
| Non-current liabilities | | | | | |
| Deferred tax liabilities | 14 | 657,524 | 324,010 | - | - |
| Borrowings | 20 | 1,806,265 | 2,238,373 | 1,806,265 | 2,238,373 |
| Share-based payment obligations | 24 | 106,118 | 85,089 | - | - |
| Total non-current liabilities | | 2,569,907 | 2,647,472 | 1,806,265 | 2,238,373 |
| Current liabilities | | | | | |
| Trade and other payables | 21 | 877 | 1,072 | 715 | 967 |
| Current tax liabilities | 14 | 556 | - | 556 | - |
| Borrowings | 20 | 869,775 | 86,015 | 869,775 | 86,015 |
| Dividend payable | 22 | 1,333 | 1,333 | - | - |
| Loan from related parties | 23 | 1,921,493 | 2,098,776 | 1,949,205 | 2,174,168 |
| Share-based payment obligations | 24 | 124,460 | 48,431 | - | - |
| Total current liabilities | | 2,918,494 | 2,235,627 | 2,820,251 | 2,261,150 |
| Total liabilities | | 5,488,401 | 4,883,099 | 4,626,516 | 4,499,523 |
| Total equity and liabilities | | 8,184,968 | 6,306,522 | 4,678,376 | 4,555,127 |

The above statements of financial position should be read in conjunction with the accompanying notes.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Statements of Profit or Loss and Other Comprehensive Income

| Figures in R `000 | Notes | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|---|-------|------------------|----------------|-----------------|-----------------|
| Revenue | 8 | 793,333 | 506,900 | 726,651 | 452,422 |
| Finance income | 11 | 139 | 139 | - | 4 |
| Finance costs | 11 | (722,438) | (468,850) | (722,438) | (468,850) |
| Other income | 9 | 5,593 | 1,633 | 5,593 | 1,633 |
| Other expenses | 10 | (7,029) | (8,880) | (6,584) | (8,690) |
| Impairment loss on loan to related party | 16 | (8,781) | - | (8,781) | - |
| Profit / (loss) before tax | | 60,817 | 30,942 | (5,559) | (23,481) |
| Income tax (expense) / credit | 14 | 1,796 | (125) | 1,815 | (95) |
| Profit / (loss) for the year | | 62,613 | 30,817 | (3,744) | (23,576) |
| Other comprehensive income net of tax | | | | | |
| Components of other comprehensive income that will not be reclassified to profit or loss | | | | | |
| Investment measured at fair value through other comprehensive income | 19 | 1,544,045 | 925,201 | - | - |
| Tax thereon | 19 | (333,514) | (199,844) | - | - |
| Total other comprehensive income that will not be reclassified to profit or loss | | 1,210,531 | 725,357 | - | - |
| Total other comprehensive income net of tax | | 1,210,531 | 725,357 | - | - |
| Total comprehensive income/(loss) | | 1,273,144 | 756,174 | (3,744) | (23,576) |

The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Statement of Changes in Equity - Group

| Figures in R `000 | Issued capital | Share buy back reserve | Share option reserve | Revaluation reserve | Retained income | Total |
|---|----------------|------------------------|----------------------|---------------------|-----------------|------------------|
| Balance at 1 July 2023 | 4 | 12,535 | 3,046 | 444,742 | 206,922 | 667,249 |
| Changes in equity | | | | | | |
| Profit for the year | - | - | - | - | 30,817 | 30,817 |
| Other comprehensive loss | - | - | - | 725,357 | - | 725,357 |
| Total comprehensive loss for the year | - | - | - | 725,357 | 30,817 | 756,174 |
| Balance at 30 June 2024 | 4 | 12,535 | 3,046 | 1,170,099 | 237,739 | 1,423,423 |
| Changes in equity | | | | | | |
| Profit for the year | - | - | - | - | 62,613 | 62,613 |
| Other comprehensive income | - | - | - | 1,210,531 | - | 1,210,531 |
| Total comprehensive income for the year | - | - | - | 1,210,531 | 62,613 | 1,273,144 |
| Balance at 30 June 2025 | 4 | 12,535 | 3,046 | 2,380,630 | 300,352 | 2,696,567 |

Note **18**

The above statement of changes in equity - Group should be read in conjunction with the accompanying notes.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Statement of Changes in Equity - Company

| Figures in R `000 | Issued capital | Retained income | Total |
|--------------------------------|----------------|-----------------|---------------|
| Balance at 1 July 2023 | 4 | 79,176 | 79,180 |
| Changes in equity | | | |
| Loss for the year | - | (23,576) | (23,576) |
| Balance at 30 June 2024 | 4 | 55,600 | 55,604 |
| Changes in equity | | | |
| Loss for the year | - | (3,744) | (3,744) |
| Balance at 30 June 2025 | 4 | 51,856 | 51,860 |

Note **18**

The above statement of changes in equity - Company should be read in conjunction with the accompanying notes.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Statements of Cash Flows

| Figures in R `000 | Notes | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|---|-------|----------------|--------------------|-----------------|--------------------|
| Net cash flows from / (used in) operations | 25 | 444,670 | (1,338,014) | 397,350 | (1,317,677) |
| Dividend paid - share-based payment obligation | 24 | (114,574) | (34,716) | - | - |
| Dividends received | | 67,399 | 55,144 | - | - |
| Interest paid | | (381,528) | (206,266) | (381,528) | (206,266) |
| Interest received | | 28,738 | 30,867 | 28,597 | 30,731 |
| Income taxes paid | | (34) | (1,375) | - | (1,348) |
| Net cash flows from / (used in) operating activities | | 44,671 | (1,494,360) | 44,419 | (1,494,560) |
| Cash flows from financing activities | | | | | |
| Proceeds from borrowings | 25.3 | 1,962,124 | 2,140,000 | 1,962,124 | 2,140,000 |
| Repayments of borrowings | 25.3 | (1,615,000) | (804,658) | (1,615,000) | (804,658) |
| Payment of non-refundable fees | | - | (26,939) | - | (26,939) |
| Cash flows from financing activities | | 347,124 | 1,308,403 | 347,124 | 1,308,403 |
| Net increase / (decrease) in cash and cash equivalents | | 391,795 | (185,957) | 391,543 | (186,157) |
| Cash and cash equivalents at the beginning of the year | | 406,818 | 592,775 | 405,098 | 591,255 |
| Cash and cash equivalents at the end of the year | 17 | 798,613 | 406,818 | 796,641 | 405,098 |

* - The Group and Company classifies its loans to and from PAR PLC group companies as operating activities in the cash flow statement.

The above statements of cash flows should be read in conjunction with the accompanying notes.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Accounting Policies

1. General information

On 13 December 2022, Pan African Resources Funding Company Limited (PAR Funding) issued Senior Second Ranking Secured Sustainability-linked Notes. As a result of the public debt listing, PAR Funding Company Proprietary Limited was converted to a public company prior thereto. The Company provides treasury services to the Pan African Resources PLC Group Companies (PAR PLC Group).

The company is incorporated as a public company and domiciled in South Africa. The address of its registered office is 2nd Floor, The Firs, Rosebank, Johannesburg, 2196.

2. Statement of compliance

The financial statements of the Group and Company have been prepared in accordance with IFRS Accounting Standards as well as the SAICA Financial Reporting Guidelines as issued by the Accounting Practices Committee, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Debt Listings Requirements and the Companies Act 71 of 2008.

3. Basis of preparation

The financial statements have been prepared as a going concern (refer to note 29) on the historical cost basis, except for financial assets at fair value through other comprehensive income or fair value through profit or loss and financial instruments, which are stated at fair value. The accounting policies, inclusive of judgements and estimates, have been consistently applied for the reporting periods presented and comply with IFRS Accounting Standards.

The financial statements are presented in South African Rand (ZAR) and all amounts are rounded to the nearest thousand (R'000), except where otherwise indicated.

The individual financial results of each Group company are maintained in their functional currencies, which is determined by reference to the primary economic environment in which each company operates. The Company and its subsidiaries have determined their functional currency as the South African Rand.

4. Material accounting policies

The accounting policies, inclusive of judgements and estimates, have been consistently applied for the reporting periods presented and comply with IFRS Accounting Standards.

4.1 Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Transactions eliminated on consolidation

Intra-Group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred assets.

Loans to and from Group companies

The Group and Company classify the loans to Group companies and the loans from Group companies as operating activities in the cash flow statement based on the financing role that the Group and Company play in the broader Pan African Resources PLC group. Therefore, cash flows from loans to Group companies and loans from Group companies are presented on a gross basis on separate lines in the operating activities section of the cash flow statement.

4.2 Impairment of non-financial assets

At each reporting date, the Group and Company assess the carrying amounts of its tangible assets to determine whether there is any indication that those assets are impaired. If any such indication exists, the asset's recoverable amount is estimated as the higher of the asset's value in use or fair value less costs of disposal.

Impairment losses are immediately recognised as an expense in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Accounting Policies

4. *Material accounting policies continued...*

4.3 Financial assets

Classification, recognition and measurement

The Group and Company's financial assets are classified into the following measurement categories: instruments measured at amortised cost, instruments measured at fair value through other comprehensive income and instruments measured at fair value through profit or loss.

Financial assets are classified and measured at amortised cost only if the asset is held within a business model whose objective is to collect the contractual cash flows and contractual terms of the asset give rise to cash flows that are solely payments of principal and interest.

The Group has elected to measure equity instruments at fair value through other comprehensive income as this better reflects the strategic nature of the Group's equity investments.

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss including all derivative financial assets.

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition. Transaction costs for an item at fair value through profit or loss are expensed. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial assets at amortised cost are subsequently measured using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, and impairment losses are recognised in profit or loss.

Equity investments at fair value through other comprehensive income are subsequently measured at fair value. Other net gains and losses are recognised in other comprehensive income and never reclassified to profit or loss.

Financial assets at fair value through profit or loss are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Impairment

The Group and Company recognise loss allowances for expected credit losses (ECL) on a financial asset measured at amortised cost. The Group and Company recognise ECL based on lifetime default events for financial assets, except those that have not experienced a significant increase in credit risk, which are measured using 12-month default events. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group and Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group and Company's historical experience, informed credit assessment and includes forward looking information. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group and Company are exposed to credit risk. Credit losses are measured at the difference between the cash flows due in accordance with the contract and the cash flows the Group and Company expect to receive. A financial asset is 'credit-impaired' when one or more events that have a detrimental adverse impact on the estimated future cash flows of a financial asset have occurred.

Derecognition

Financial assets are derecognised when the right to receive cash flows from the asset has expired, or the right to receive cash flows has been transferred together with substantially all the risks and rewards of ownership, or the Group and Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Accounting Policies

4. Material accounting policies continued...

4.4 Financial liabilities

Classification, recognition and measurement

Financial liabilities are classified and accounted for as debt according to the substance of the contractual arrangements entered into. Financial liabilities are classified and measured at amortised cost or fair value through profit or loss. A financial liability is classified at fair value through profit or loss if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Borrowings and trade and other payables are initially recognised at fair value net of directly attributable transaction costs, except for derivative instruments which are initially recognised at fair value. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and/or losses are recognised in profit or loss. Any gain on derecognition is also recognised in profit or loss.

Derecognition

Financial liabilities are derecognised when the associated obligation has been discharged, cancelled or has expired. A substantial modification of the terms of a financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the extinguished financial liability and the consideration paid is recognised in profit or loss. The terms of a financial liability are considered substantially different if the present value of the cash flows under the new terms (including any fees paid net of fees received) differs by at least 10% from the present value of the financial liability's cash flows using the original effective interest rate and term. The gains or losses on non-substantial modifications are recognised as part of finance costs or income. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any cost or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified financial liability.

The gains or losses on non-substantial modifications are recognised as part of finance costs or income. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any cost or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified financial liability.

4.5 Offsetting

Financial assets and financial liabilities are offset and the net amount presented on the statement of financial position when, and only when, the Group and Company has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

4.6 Fair value measurement

Fair value is determined based on observable market data (in the case of listed investments, the market share price) or discounted cash flow models (and other valuation techniques) using assumptions considered to be reasonable and consistent with those that would be applied by a market participant. Where discounted cash flows are used, the resulting fair value measurements are considered to be at Level 3 in the fair value hierarchy as defined in IFRS 13: Fair Value Measurement as they depend to a significant extent on unobservable valuation inputs.

The determination of assumptions used in assessing the fair value of identifiable assets and liabilities is subjective and the use of different valuation assumptions could have a significant impact on financial results. In particular, expected future cash flows, which are used in discounted cash flow models, are inherently uncertain and could materially change over time. They are significantly affected by several factors including interest rates, exchange rates and discount rates.

4.7 Provisions and contingencies

A provision is a liability of uncertain timing or amount. A liability is a present obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Accounting Policies

4. Material accounting policies continued...

A contingent liability is:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A provision is recognised when:

- there is a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when it is virtually certain that reimbursement will be received when the obligation is settled. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement will not exceed the amount of the provision.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating losses.

The present obligation under an onerous contract is recognised and measured as a provision.

A constructive obligation to restructure arises only when:

- there is a detailed formal plan for the restructuring identifying at least the business or part of a business concerned, the principal locations affected, the location, function, and approximate number of employees who will be compensated for terminating their services, the expenditures that will be undertaken and when the plan will be implemented; and
- there has been raised a valid expectation in those affected that the restructuring will be carried out by starting to implement that plan or announcing its main features to those affected by it.

After initial recognition and until the liability is settled, cancelled or expires, a contingent liability is recognised in a business combination at the higher of the amount that would be recognised as a provision, and the amount initially recognised less cumulative amortisation.

Contingent assets and liabilities are not recognised, but details are disclosed in the notes to the consolidated and separate financial statements.

4.8 Borrowing costs

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

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Accounting Policies

5. Judgements and estimates

The preparation of the financial statements in accordance with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that may materially affect the application of the Group's and Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, historical experience, current and expected future economic conditions and other factors. Actual results may differ from the amounts included in the annual financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Significant assumptions and estimates

Information about other assumptions and estimation uncertainties at 30 June 2025 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next reporting period is included in the following notes:

- Note 12: Impairment of investment in subsidiaries
- Note 16: Classification of loans receivable
- Note 24: Share-based payment obligations
- Note 26.2: Expected credit losses

6. Recent accounting developments

6.1 New standards, interpretations effective for the first time at 30 June 2025

The following standards became effective during the current reporting period:

| Title | Impact | Annual period beginning on or after |
|--|---|-------------------------------------|
| Amendment to IAS 1: Presentation of Financial Statements on Classification of Liabilities as Current or Non-current ¹ | The amendment clarifies that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. A number of requirements are required to be met in conjunction with this amendment. | 1 January 2024 |
| Amendment to IAS 1: Presentation of Financial Statements on Non-current Liabilities with Covenants ¹ | The amendment clarifies that only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current, with additional guidance to explain how an entity should disclose information in the notes to understand the risk that non-current liabilities with covenants could become repayable within 12 months. | 1 January 2024 |

¹The above improvements and amendments had no material impact on the Group and Company.

There were no changes in accounting policies and disclosures adopted in the current year.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Accounting Policies

6. Recent accounting developments continued...

6.2 New standards, interpretations and amendments issued but not yet effective as at 30 June 2025

The following standards and interpretations applicable to the Group and Company, which were in issue and not yet effective as at 30 June 2025 have not been early adopted by the Group and Company:

| Title | Impact | Annual period beginning on or after |
|---|---|-------------------------------------|
| Amendment to IFRS 9: Financial Instruments and IFRS 7: Financial Instruments: Disclosures on Classification and Measurement of Financial Instruments ¹ | <p>These amendments:</p> <ul style="list-style-type: none"> Clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system. Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion. Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets). Make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI). | 1 January 2026 |
| IFRS 18: Presentation and Disclosure in Financial Statements ² | <p>This standard replaces IAS 1: Presentation of Financial Statements. It carries forward many requirements from IAS 1 unchanged.</p> <p>IFRS 18 introduces three sets of new requirements to improve companies' reporting of financial performance and provide investors with a better basis for analysing and comparing companies:</p> <ul style="list-style-type: none"> improved comparability in the statement of profit or loss through the introduction of three defined categories for income and expenses (operating, investing and financing) to improve the structure of the statement, and a requirement for all companies to provide new defined subtotals, including operating profit. enhanced transparency of management-defined performance measures with a requirement for companies to disclose explanations of those company-specific measures that are related to the statement more useful grouping of information in the financial statements through enhanced guidance on how to organise information and whether to provide it in the primary financial statements or in the notes, as well as a requirement for companies to provide more transparency about operating expenses. | 1 January 2027 |

¹ None of these amendments are expected to have a material impact on the Group and Company.

² Management is currently assessing earlier adoption of this voluntary standard for eligible subsidiaries within the Group.

IBOR Reform

A fundamental reform of major interest rate benchmarks was undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The Group has exposure to the Johannesburg Interbank Average Rate (JIBAR). During the 2022 reporting period, the South African Reserve Bank indicated its intention to move away from JIBAR and has identified a successor in the South African Rand Overnight Index Average Rate (ZARONIA). The new ZARONIA rate was published for observation during 2022 and was endorsed as a successor rate in 2023. The formal announcement of the cessation of JIBAR as a reference rate is expected in late 2025, allowing the ZARONIA market a period to develop. The cessation date of the JIBAR as a reference rate is expected to be during 2026. Accordingly, there is uncertainty surrounding the exact timing and manner in which the transition would occur and how this would affect various financial instruments issued and held by the Group. Funding Company currently monitors the Group's transition to ZARONIA and evaluates the extent to which contracts reference JIBAR, whether such contracts will need to be amended as a result of IBOR reform and how to manage communication about IBOR reform with counterparties.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

7. Segment information

Reporting segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers, who are responsible for allocating resources and assessing the performance of the operating segments, have been identified as the executive directors of PAR PLC, the holding company. The operating segments of the Group are determined based on the reports used to make strategic decisions that are reviewed by them. They consider the business principally according to the location and nature of the products and services provided, with each segment representing a strategic business unit.

The reported segments are all located in South Africa and comprise the following:

- Funding company is the centralised Treasury function of the Group which is located in Johannesburg.
- PAR Gold Proprietary Limited (PAR Gold) is the investment company for the Pan African Resources Group and holds 13.1% (2024:13.8%) in Pan African Resources PLC.
- Other includes Concrete Rose Proprietary Limited (Concrete Rose) and K2015200726 South Africa Proprietary Limited (K Company) which were previous HDP strategic partners following the black economic empowerment (BEE structure) restructure in 2018. The structure was unwound in the 2022 reporting period.

The segment results have been based on Exco's reporting format in accordance with the disclosures presented as follows:

| 2025 R'000 | PAR Funding | PAR Gold | Other | Group |
|--|------------------|------------------|--------------|------------------|
| Revenue | | | | |
| - Finance income | 726,651 | - | - | 726,651 |
| - Dividends received | - | 67,399 | - | 67,399 |
| Finance income | - | 31 | 108 | 139 |
| Finance costs | (722,438) | - | (717) | (723,155) |
| Other income | 5,593 | - | - | 5,593 |
| Other expenses | (6,584) | (330) | (115) | (7,029) |
| Impairment of loan to related party | (8,781) | - | - | (8,781) |
| Profit/(loss) before tax | (5,559) | 67,100 | (724) | 60,817 |
| Income tax expense/(credit) | 1,815 | - | (19) | 1,796 |
| Profit/(loss) for the year excluding intra-Group transactions | (3,744) | 67,100 | (743) | 62,613 |
| Revenue | (717) | - | - | (717) |
| Finance costs | - | - | 717 | 717 |
| Profit/(loss) after tax including intra-Group transactions | (4,461) | 67,100 | (26) | 62,613 |
| Segment assets | 4,117,866 | 4,055,444 | 4,864 | 8,178,174 |
| Segment liabilities | 4,598,800 | 888,228 | 1,372 | 5,488,400 |
| Net assets | (480,934) | 3,167,216 | 3,492 | 2,689,774 |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

7. Segment information continued...

| 2024 R'000 | PAR Funding | PAR Gold | Other | Group |
|--|------------------|------------------|--------------|------------------|
| Revenue | | | | |
| - Finance income | 452,422 | - | - | 452,422 |
| - Dividends received | - | 55,144 | - | 55,144 |
| Finance income | 4 | 23 | 112 | 139 |
| Finance costs | (468,850) | - | (666) | (469,516) |
| Other income | 1,633 | - | - | 1,633 |
| Other expenses | (8,690) | (183) | (7) | (8,880) |
| Profit/(loss) before tax | (23,481) | 54,984 | (561) | 30,942 |
| Income tax (credit)/expense | (95) | (1) | (29) | (125) |
| Profit/(loss) for the year excluding intra-Group transactions | (23,576) | 54,983 | (590) | 30,817 |
| Revenue | (666) | - | - | (666) |
| Finance costs | - | - | 666 | 666 |
| Profit/(loss) after tax including intra-Group transactions | (24,242) | 54,983 | 76 | 30,817 |
| Segment assets | 4,005,456 | 2,299,537 | 1,529 | 6,306,522 |
| Segment liabilities | 4,424,113 | 457,644 | 1,338 | 4,883,095 |
| Net assets | (418,657) | 1,841,893 | 191 | 1,423,427 |

8. Revenue

Accounting policy

Finance income

The Company classifies finance income from loans to related parties as revenue. The Company also classifies finance income received on deposits at financial institutions as revenue. As the Company performs the centralised treasury function for the PAR PLC Group it forms part of its ordinary operating activities.

Finance income is recognised using the effective interest method for all interest-bearing financial instruments. In terms of the effective interest method, interest is recognised at a rate which discounts future cash receipts through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial asset.

Dividends received

The dividends from related parties are recognised as revenue of the Group at a point in time which is when PAR Gold's right, as shareholder in PAR PLC, to receive payment has been established.

| | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|---|----------------|----------------|-----------------|-----------------|
| Revenue comprises: | | | | |
| Finance income - related parties | 697,335 | 421,029 | 698,052 | 421,695 |
| Finance income - financial institutions | 28,599 | 30,727 | 28,599 | 30,727 |
| Dividends received | 67,399 | 55,144 | - | - |
| Total revenue | 793,333 | 506,900 | 726,651 | 452,422 |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|---|----------------|----------------|-----------------|-----------------|
| 9. Other income | | | | |
| Other income comprises: | | | | |
| Gain on gold trading | 5,593 | 1,633 | 5,593 | 1,633 |
| Total other income | 5,593 | 1,633 | 5,593 | 1,633 |
| 10. Other expenses | | | | |
| Other expenses comprise: | | | | |
| Accounting fees | 36 | 14 | - | - |
| Auditor's remuneration - fees | 695 | 585 | 605 | 585 |
| - current year | 644 | 518 | 554 | 518 |
| - under accrual for the previous year | 51 | 67 | 51 | 67 |
| Auditor's remuneration - other services | 150 | - | 150 | - |
| Bank charges | 253 | 254 | 249 | 250 |
| Consulting fees | 29 | 86 | - | - |
| Legal expense | 572 | 1,170 | 572 | 1,170 |
| Loss arising from realised derivative | - | 169 | - | 169 |
| Loss on foreign exchange | - | 241 | - | 241 |
| Management fees | 4,600 | 4,000 | 4,600 | 4,000 |
| Secretarial fees | 164 | 34 | 118 | 17 |
| Share register administration | 259 | 81 | 192 | 12 |
| Sponsor fees | 96 | 85 | - | 85 |
| Tax services | 175 | 142 | 98 | 142 |
| Vat expense | - | 2,019 | - | 2,019 |
| Total other expenses | 7,029 | 8,880 | 6,584 | 8,690 |
| 11. Finance (costs)/income | | | | |
| Accounting policy | | | | |
| Finance income, not included in revenue as it does not form part of the respective companies operating activities, comprises interest income received on cash deposits and the South African Revenue Services (SARS). | | | | |
| The Group and Company consider the finance costs incurred on borrowings and loans from fellow subsidiaries to be an element of the normal operating activities and therefore classifies it as an operating activity and not a financing activity. | | | | |
| 11.1 Finance income in respect of: | | | | |
| Cash and cash equivalents | 139 | 135 | - | - |
| SARS | - | 4 | - | 4 |
| Total finance income | 139 | 139 | - | 4 |
| 11.2 Finance costs included in profit or loss: | | | | |
| Borrowings | 375,326 | 194,567 | 375,326 | 194,567 |
| Unwinding of non-refundable fees | 6,429 | 5,725 | 6,429 | 5,725 |
| Facility commitment fees | 4,302 | 16,011 | 4,302 | 16,011 |
| Loans from related parties | 336,381 | 252,547 | 336,381 | 252,547 |
| Total finance costs | 722,438 | 468,850 | 722,438 | 468,850 |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|-------------------|---------------|---------------|-----------------|-----------------|
|-------------------|---------------|---------------|-----------------|-----------------|

12. Investments in subsidiaries

Accounting policy

The Company, in its separate annual financial statements, measures investments in subsidiaries at cost less accumulated impairment losses, if any.

Investments in subsidiaries are tested annually for impairment or when there is an indication of impairment and an impairment loss is recognised for the amount by which the carrying amount of the investment in a subsidiary exceeds its recoverable amount. The recoverable amount of investments in subsidiaries are determined with reference to future cash generated by the subsidiaries.

There was no indication of impairments of subsidiaries during the current or previous year.

The subsidiaries listed below are incorporated in South Africa, which is also their principal place of business.

The registered address of the Company's subsidiaries is The Firs Building, 2nd Floor, Office 204, corner Biermann and Cradock Avenues, Rosebank, Johannesburg, 2196.

12.1 The amounts included on the statements of financial position comprise the following:

| | | | | |
|-----------------------------|---|---|---------|---------|
| Investments in subsidiaries | - | - | 543,637 | 543,637 |
|-----------------------------|---|---|---------|---------|

Details of the group's subsidiaries at the end of the reporting period are as follows:

| Name of subsidiary | Statutory holding | | Principal activity | Carrying amount | |
|---|-------------------|-----------|--------------------|-----------------|----------------|
| | June 2025 | June 2024 | | June 2025 | June 2024 |
| PAR Gold Proprietary Limited ¹ | 49.9% | 49.9% | Holding company | 543,632 | 543,632 |
| Concrete Rose Proprietary Limited K2015200726 (South Africa) Proprietary Limited ¹ | 100.0% | 100.0% | Dormant | 5 | 5 |
| | - | - | Dormant | - | - |
| Total investments in subsidiaries | | | | 543,637 | 543,637 |

¹A non-controlling interest was not recognised for PAR Gold as the 50.1% shareholder (K Company) is not entitled to participate in the profits of the Company or any distributions of the Company. PAR Funding Company has control over K Company due to its ability to direct the significant activities of K Company and its exposure to variable returns from the power it exercises over K Company. K Company is consolidated in the Group results.

13. Listed investment

Accounting policy

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

Listed investments that are equity investments are subsequently measured at fair value through other comprehensive income.

The following listed investment is held by PAR Gold

| | | | | |
|---|-----------|-----------|---|---|
| Investment in Pan African Resources PLC | 3,397,511 | 1,853,466 | - | - |
|---|-----------|-----------|---|---|

Movement in listed investment

| | | | | |
|-------------------------|------------------|------------------|----------|----------|
| Balance as at 1 July | 1,853,466 | 928,265 | - | - |
| Fair value adjustment | 1,544,045 | 925,201 | - | - |
| Total investment | 3,397,511 | 1,853,466 | - | - |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

14. Income tax

Accounting policy

Income tax expense comprises current tax and deferred tax. It is recognised in profit and loss, other comprehensive income or directly in equity.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to the tax payable or receivable in respect of previous periods. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding amounts used for tax purposes. Deferred tax liabilities are recognised for taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition (other than a business combination) of other assets and liabilities in a transaction which affects neither tax nor accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised, or the liability is settled, based on tax rates and laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is recognised in profit or loss, except when it relates to items recognised directly to equity, in which case, the deferred tax is also recorded within equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or parts of the assets to be recovered.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|--|----------------|---------------|-----------------|-----------------|
| 14. Income tax continued... | | | | |
| 14.1 Income tax recognised in profit or loss: | | | | |
| South African normal tax | 575 | 125 | 556 | 95 |
| Current year | 576 | 30 | 556 | - |
| Prior year | (1) | 95 | - | 95 |
| Deferred tax | | | | |
| Originating and reversing temporary differences | (2,371) | - | (2,371) | - |
| Total income tax expense recognised in profit or loss | (1,796) | 125 | (1,815) | 95 |
| 14.2 Tax rate reconciliation | | | | |
| Income tax calculated at 27.0% | 27.00% | 27.00% | 27.00% | 27.00% |
| Exempt income | | | | |
| - Dividends received | (29.92%) | (48.12%) | 0.00% | 0.00% |
| Non-deductible expenses | | | | |
| - Legal fees | 0.25% | 1.02% | (2.77%) | (1.35%) |
| - Facility fees | 2.85% | 7.28% | (31.23%) | (9.61%) |
| - Costs of a capital nature | 0.13% | 0.14% | (0.22%) | (0.08%) |
| - Expenses incurred not in the production of income | 0.34% | 0.58% | 0.00% | 0.00% |
| Movement in provisions | 0.05% | 0.06% | (0.16%) | (0.08%) |
| Prepayments | (0.00%) | (0.01%) | 0.04% | 0.01% |
| Fair value adjustments on derivative asset | 0.00% | 0.15% | 0.00% | (0.20%) |
| Under/(over) provision - prior year | (0.00%) | 0.31% | 0.00% | (0.40%) |
| Assessed losses for which no deferred tax asset was recognised | 0.00% | 11.98% | 0.00% | (15.78%) |
| Utilisation of unrecognised assessed losses | (3.66%) | 0.00% | 39.99% | 0.00% |
| Effective tax rate | (2.95%) | 0.40% | 32.65% | (0.48%) |
| 14.3 Current tax | | | | |
| Current tax asset | 15 | - | - | - |
| Current tax liability | 556 | - | 556 | - |

The current tax asset and liability of the Group and Company relate to SARS.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|---|----------------|----------------|-----------------|-----------------|
| 14. Income tax continued... | | | | |
| 14.4 Deferred tax asset/liability | | | | |
| The analysis of deferred tax assets and deferred tax liabilities is as follows: | | | | |
| Deferred tax liabilities | | | | |
| Arising from temporary differences relating to: | | | | |
| Fair value adjustment on listed investment | 657,524 | 324,010 | - | - |
| Net deferred tax liabilities | 657,524 | 324,010 | - | - |
| Reconciliation of deferred tax liabilities | | | | |
| Net deferred tax liabilities as at 1 July | 324,010 | 124,166 | - | - |
| Recognised in other comprehensive income | 333,514 | 199,844 | - | - |
| Net deferred tax liabilities as at 30 June | 657,524 | 324,010 | - | - |
| Deferred tax assets | | | | |
| Arising from temporary differences relating to: | | | | |
| Impairment of intercompany loan | 4,885 | 2,513 | 4,885 | 2,513 |
| Net deferred tax assets | 4,885 | 2,513 | 4,885 | 2,513 |
| Reconciliation of deferred tax assets | | | | |
| Net deferred tax assets as at 1 July | 2,513 | 2,513 | 2,513 | 2,513 |
| Deferred tax recognised in profit or loss | 2,371 | - | 2,371 | - |
| Net deferred tax assets as at 30 June | 4,884 | 2,513 | 4,884 | 2,513 |
| 15. Trade and other receivables | | | | |
| Trade and other receivables comprise: | | | | |
| Prepaid expenses | 21 | 8 | 21 | 8 |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

16. Loans to related parties

Accounting policy

The loans to related parties are classified as financial assets at amortised cost, and are initially measured at fair value including transaction costs and subsequently measured at amortised cost using the effective interest method.

The recoverability of loans to related parties are assessed at each reporting date. For loans to related parties the expected credit losses are based on the "three stage" model for impairment as outlined below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Group and Company.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired.
- If the financial instrument is credit-impaired, the financial instrument is moved to 'Stage 3'.

Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.

Expected credit loss is calculated as a function of probability of default, loss given default and exposure at default. The Group and Company allocate probability of default based on the external and internal information. The financial assets of the Group and Company are with related parties that form part of the Pan African Resources PLC group of companies as well as with reputable banks that have publicly available credit ratings. Pan African Resources PLC's credit rating was confirmed as BBB+.

For the PAR Group companies, not rated by the any rating agency other than on Pan African Resources PLC level, the Group and Company allocate internal credit ratings and default rates taking into account forward looking information, based on the related party's profile and financial status.

Other financial assets expected credit loss is measured over 12-months when the credit risk is low and over lifetime where the credit risk has increased significantly.

Expected credit loss measurement period

The ECL measurement period for stage 1 exposures is 12-months or less.

A loss allowance over the full lifetime of the financial asset is required if the credit risk of that financial instrument has increased significantly since initial recognition (stage 2).

A lifetime measurement period is applied to all credit impaired (stage 3) exposures.

Lifetimes include consideration for multiple default events, i.e. where defaulted exposures are remedied, and then subsequently default again. This consideration increases the lifetime and the potential ECL.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

16. Loans to related parties continued...

Significant Increase In credit risk

In accordance with IFRS 9, all exposures are assessed to determine whether there has been significant increase in credit risk at the reporting date, in which case an impairment provision equivalent to the lifetime expected loss is recognised.

The Group and Company determine the SICR by utilising the external or internal credit rating of the counterparty.

Ratings are mapped to probability of defaults that are determined by the externally rated probability of defaults. These credit ratings are evaluated at least annually or more frequently as appropriate.

Management determines the credit rating grades of all loans at the end of the reporting period in order to determine the credit loss allowance. As external ratings are not available, these ratings are determined internally.

As part of management's evaluation of a related parties' ability to repay its debt, a variety of factors are considered.

Profitability, debt-to-equity ratio, cash flow liquidity, solvency tests, and the ability to generate future cash flows are a few of the factors considered.

The Group and Company apply a combined approach to determine the ECL for related party loans. ECL is calculated using historical data (12 months and 36 months, respectively) as well as forward-looking data such as macro-economic indicators. The calculation of the ECL is based on each individual company within the PAR PLC group's historical default rates observed over the expected life of the loans, adjusted for factors that are specific to the related party, general economic conditions and an assessment of both the current and forecast direction of the market at the reporting date, including time value for money, where appropriate. This is done to allow for risk differentiation going forward and allows for risk management strategies being implemented.

The Group and Company assess the liquidity and solvency of the borrowers before granting loans. IFRS 9 requires the company to measure the ECL at a probability-weighted amount that reflects the possibility that a credit loss occurs, and the possibility that no credit loss occurs, even if the possibility of a credit loss occurring is low. In assessing the ECL on related party receivable balances, the following is considered:

- Whether the borrower has sufficient available highly liquid current assets (which can be accessed immediately after taking into consideration any more senior external or internal loans which would need to be repaid) to repay the outstanding related party loan.
- If it was determined that the borrower does not have sufficient highly liquid current assets to repay the loan if demanded at the reporting date, the company would allow these borrowers to continue trading or to sell assets over a period of time. A cash flow forecast is then reviewed to give an indication of the expected trading cash flows and/or liquid assets expected to be generated during the recovery period.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

16. Loans to related parties continued...

The table below sets out the internal credit rating framework which is applied by management for loans for which external ratings are not available.

| Internal credit rating | Description | IFRS 9 Stage | Basis for recognising ECLs |
|------------------------|--|--------------|------------------------------------|
| Performing | Low risk of default and sufficient highly liquid assets to repay loan on demand. | Stage 1 | 12-month ECL |
| Doubtful | Past due from the date payment is demanded and insufficient highly liquid assets to repay the loan on demand, however, the carrying value of the assets is greater than the loan amount taking debt seniority into account. The prospect to generate future cash flows is considered for the PAR PLC group entities mitigating the doubtfulness of the loan. | Stage 2 | Lifetime ECL (not credit impaired) |
| In default | Past due from the date payment is demanded and the carrying value of the assets is less than the loan amount, however, lifetime operational cash flow exceeds or has the potential to exceed the loan amount. The outlook of the factors considered has limited mitigating factors. | Stage 3 | Lifetime ECL (credit impaired) |
| Write-off | There is evidence indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. | Stage 3 | Amount is written off |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

16. Loans to related parties continued...

16.1 Loans to related parties comprise the following balances

Group - 2025

| Loans to related parties | Internal credit rating | Stage per IFRS9 | Basis for loss allowance | Amortised costs | Loss allowance | Net carrying amount |
|---|------------------------|-----------------|------------------------------------|------------------|-----------------|---------------------|
| Non-current loans | | | | 1,323,680 | (18,087) | 1,305,593 |
| Pan African Resources PLC | Performing | Stage 1 | 12-month ECL | 387,636 | - | 387,636 |
| Pan African Resources Management Services Proprietary Limited | Doubtful | Stage 2 | Lifetime ECL (not credit impaired) | 328,106 | - | 328,106 |
| Barberton Blue Proprietary Limited | Performing | Stage 1 | 12-month ECL | 110,650 | - | 110,650 |
| Barberton Green Proprietary Limited | In default | Stage 3 | Lifetime ECL (credit impaired) | 32,200 | (18,087) | 14,113 |
| Evander Solar Solutions Proprietary Limited | Performing | Stage 1 | 12-month ECL | 439,268 | - | 439,268 |
| Mogale Tailings Retreatment Proprietary Limited | Performing | Stage 1 | 12-month ECL | 8,829 | - | 8,829 |
| Evander Gold Mining Company Proprietary Limited | Performing | Stage 1 | 12-month ECL | 8,136 | - | 8,136 |
| Barberton Mines Proprietary Limited | Performing | Stage 1 | 12-month ECL | 8,855 | - | 8,855 |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

16. Loans to related parties continued...

| Current loans | | | | 2,678,330 | - | 2,678,330 |
|---|------------|---------|------------------------------------|------------------|-----------------|------------------|
| PAR PLC | Performing | Stage 1 | 12-month ECL | 6,027 | - | 6,027 |
| Evander Gold Mining Company Proprietary Limited | Performing | Stage 1 | 12-month ECL | 663,762 | - | 663,762 |
| Pan African Resources Management Services Proprietary Limited | Doubtful | Stage 2 | Lifetime ECL (not credit impaired) | 361,619 | - | 361,619 |
| Barberton Blue Proprietary Limited | Performing | Stage 1 | 12-month ECL | 1,679 | - | 1,679 |
| Evander Solar Solutions Proprietary Limited | Performing | Stage 1 | 12-month ECL | 18,801 | - | 18,801 |
| Mogale Tailings Retreatment Proprietary Limited | Performing | Stage 1 | 12-month ECL | 1,619,919 | - | 1,619,919 |
| Pan African Resources SA Holdings Proprietary Limited | Performing | Stage 1 | 12-month ECL | 174 | - | 174 |
| Pan African Resources Properties Proprietary Limited | Doubtful | Stage 2 | Lifetime ECL (not credit impaired) | 6,349 | - | 6,349 |
| Total loans to Group companies | | | | 4,002,010 | (18,087) | 3,983,923 |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

16. Loans to related parties continued...

Group - 2024

| Loans to related parties | Internal credit rating | Stage per IFRS9 | Basis for loss allowance | Amortised costs | Loss allowance | Net carrying amount |
|---|------------------------|-----------------|------------------------------------|------------------|----------------|---------------------|
| Non-current loans | | | | 2,192,262 | (9,306) | 2,182,956 |
| Pan African Resources PLC | Performing | Stage 1 | 12-month ECL | 269,931 | - | 269,931 |
| Pan African Resources Management Services Proprietary Limited | Doubtful | Stage 2 | Lifetime ECL (not credit impaired) | 516,054 | - | 516,054 |
| Barberton Blue Proprietary Limited | Performing | Stage 1 | 12-month ECL | 86,013 | - | 86,013 |
| Barberton Green Proprietary Limited | Doubtful | Stage 3 | Lifetime ECL (credit impaired) | 28,334 | (9,306) | 19,028 |
| Evander Solar Solutions Proprietary Limited | Performing | Stage 1 | 12-month ECL | 301,313 | - | 301,313 |
| Mogale Tailings Retreatment Proprietary Limited | Performing | Stage 1 | 12-month ECL | 986,127 | - | 986,127 |
| Evander Gold Mining Company Proprietary Limited | Performing | Stage 1 | 12-month ECL | 2,054 | - | 2,054 |
| Barberton Mines Proprietary Limited | Performing | Stage 1 | 12-month ECL | 2,436 | - | 2,436 |
| Current loans | | | | 1,860,761 | - | 1,860,761 |
| Evander Gold Mining Company Proprietary Limited | Performing | Stage 1 | 12-month ECL | 1,141,370 | - | 1,141,370 |
| Pan African Resources Management Services Proprietary Limited | Doubtful | Stage 2 | Lifetime ECL (not credit impaired) | 252,333 | - | 252,333 |
| Barberton Blue Proprietary Limited | Performing | Stage 1 | 12-month ECL | 1,991 | - | 1,991 |
| Evander Solar Solutions Proprietary Limited | Performing | Stage 1 | 12-month ECL | 45,570 | - | 45,570 |
| Mogale Tailings Retreatment Proprietary Limited | Performing | Stage 1 | 12-month ECL | 415,698 | - | 415,698 |
| Pan African Resources Properties Proprietary Limited | Doubtful | Stage 2 | Lifetime ECL (not credit impaired) | 3,799 | - | 3,799 |
| Total loans to Group companies | | | | 4,053,023 | (9,306) | 4,043,717 |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

16. Loans to related parties continued...

Company - 2025

| Loans to related parties | Internal credit rating | Stage per IFRS9 | Basis for loss allowance | Amortised costs | Loss allowance | Net carrying amount |
|---|------------------------|-----------------|------------------------------------|------------------|-----------------|---------------------|
| Non-current loans | | | | 672,949 | (18,087) | 654,862 |
| Pan African Resources Management Services Proprietary Limited | Doubtful | Stage 2 | Lifetime ECL (not credit impaired) | 84,062 | - | 84,062 |
| Barberton Blue Proprietary Limited | Performing | Stage 1 | 12-month ECL | 110,650 | - | 110,650 |
| Barberton Green Proprietary Limited | In default | Stage 3 | Lifetime ECL (credit impaired) | 32,200 | (18,087) | 14,113 |
| Evander Solar Solutions Proprietary Limited | Performing | Stage 1 | 12-month ECL | 439,268 | - | 439,268 |
| K2015200726 (South Africa) Proprietary Limited | Doubtful | Stage 2 | Lifetime ECL (not credit impaired) | 6,769 | - | 6,769 |
| Current loans | | | | 2,678,330 | - | 2,678,330 |
| PAR PLC | Performing | Stage 1 | 12-month ECL | 6,027 | - | 6,027 |
| Evander Gold Mining Company Proprietary Limited | Performing | Stage 1 | 12-month ECL | 663,762 | - | 663,762 |
| Pan African Resources Management Services Proprietary Limited | Doubtful | Stage 2 | Lifetime ECL (not credit impaired) | 361,619 | - | 361,619 |
| Barberton Blue Proprietary Limited | Performing | Stage 1 | 12-month ECL | 1,679 | - | 1,679 |
| Mogale Tailings Retreatment Proprietary Limited | Performing | Stage 1 | 12-month ECL | 1,619,919 | - | 1,619,919 |
| Evander Solar Solutions Proprietary Limited | Performing | Stage 1 | 12-month ECL | 18,801 | - | 18,801 |
| Pan African Resources SA Holdings Proprietary Limited | Performing | Stage 1 | 12-month ECL | 174 | - | 174 |
| Pan African Resources Properties Proprietary Limited | Doubtful | Stage 2 | Lifetime ECL (not credit impaired) | 6,349 | - | 6,349 |
| Total loans to Group companies | | | | 3,351,279 | (18,087) | 3,333,192 |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

16. Loans to related parties continued...

Company - 2024

| Loans to related parties | Internal credit rating | Stage per IFRS9 | Basis for loss allowance | Amortised costs | Loss allowance | Net carrying amount |
|---|------------------------|-----------------|------------------------------------|------------------|----------------|---------------------|
| Non-current loans | | | | 1,752,416 | (9,306) | 1,743,110 |
| Pan African Resources Management Services Proprietary Limited | Doubtful | Stage 2 | Lifetime ECL (not credit impaired) | 349,229 | - | 349,229 |
| Barberton Blue Proprietary Limited | Performing | Stage 1 | 12-month ECL | 86,013 | - | 86,013 |
| Barberton Green Proprietary Limited | Doubtful | Stage 2 | Lifetime ECL (not credit impaired) | 28,334 | (9,306) | 19,028 |
| Mogale Tailings Retreatment Proprietary Limited | Performing | Stage 1 | 12-month ECL | 981,495 | - | 981,495 |
| Evander Solar Solutions Proprietary Limited | Performing | Stage 1 | 12-month ECL | 301,313 | - | 301,313 |
| K2015200726 (South Africa) Proprietary Limited | Doubtful | Stage 2 | Lifetime ECL (not credit impaired) | 6,032 | - | 6,032 |
| Current loans | | | | 1,860,761 | - | 1,860,761 |
| Evander Gold Mining Company Proprietary Limited | Performing | Stage 1 | 12-month ECL | 1,141,370 | - | 1,141,370 |
| Pan African Resources Management Services Proprietary Limited | Doubtful | Stage 2 | Lifetime ECL (not credit impaired) | 252,333 | - | 252,333 |
| Barberton Blue Proprietary Limited | Performing | Stage 1 | 12-month ECL | 1,991 | - | 1,991 |
| Mogale Tailings Retreatment Proprietary Limited | Performing | Stage 1 | 12-month ECL | 415,698 | - | 415,698 |
| Evander Solar Solutions Proprietary Limited | Performing | Stage 1 | 12-month ECL | 45,570 | - | 45,570 |
| Pan African Resources Properties Proprietary Limited | Doubtful | Stage 2 | Lifetime ECL (not credit impaired) | 3,799 | - | 3,799 |
| Total loans to Group companies | | | | 3,613,177 | (9,306) | 3,603,871 |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

16. Loans to related parties continued...

Loans to related parties have no fixed repayment terms, are unsecured and repayable on demand. Interest accrues on these loans based on the interest rates applied to the RCF (one-month JIBAR plus a margin) or prime-linked rates.

Pan African Resources PLC loan is interest-free, unsecured and has no fixed repayment terms.

Pan African Resources Management Services Company Proprietary Limited loan bears interest at a rate of 11.14% (2024:11.27%). Net loan repayments amounted to R193.8 million during the reporting period (2024: R119.3 million). An amount of R50.5 million (2024: R166.8 million) bears no interest. The Company has committed to continue to provide financial support to Pan African Management Services Proprietary Limited to enable it to settle its liabilities as they fall due and enable it to continue as a going concern until such time as its assets fairly valued exceed its liabilities.

K2015200726 (South Africa) Proprietary Limited loan bears interest at the prime interest rate of South Africa of 11.25% (2024: 11.75%). No advances or repayments were made during the current or previous reporting period. The Company has committed to continue to provide financial support to K2015200726 (South Africa) Proprietary Limited to enable it to settle its liabilities as they fall due and enable it to continue as a going concern until such time as its assets fairly valued exceed its liabilities.

Barberton Blue Proprietary Limited loan bears interest at the prime interest rate of South Africa plus a margin of 2%. Net loan advances amounted to R14.0 million during the reporting period (2024: R8.1 million). The Company has committed to continue to provide financial support to Barberton Blue Proprietary Limited to enable it to settle its liabilities as they fall due and enable it to continue as a going concern until such time as its assets fairly valued exceed its liabilities.

Barberton Green Proprietary Limited loan bears interest at the prime interest rate of South Africa plus a margin of 2%. Net loan advances amounted to R1.4 million during the reporting period (2024: R1.1 million). As a result of the delay in the start-up of operations, the internal credit rating of the loan to Barberton Green remains at stage 3 resulting in a loan impairment of R18.1 million (2024: R9.3 million). The Company has committed to continue to provide financial support to Barberton Green Proprietary Limited to enable it to settle its liabilities as they fall due and enable it to continue as a going concern until such time as its assets fairly valued exceed its liabilities.

Mogale Tailings Retreatment Proprietary Limited loan bears interest at a rate of 11.14% (2024: 11.27%). Net loan advances amounted to R11.5 million during the reporting period (2024: R1 070.5 million).

Evander Gold Mining Proprietary Limited loan contains an interest and non-interest portion. The interest-bearing loan bears interest at a rate of 11.14% (2024: 11.27%). Net loan repayments amounted to R607.8 million during the current reporting period (2024: net loan repayments amounted to R100.6 million).

Evander Solar Solutions Proprietary Limited loan bears interest at a rate of 11.14% (2024: 11.27%). Net loan advances amounted to R70.5 million during the reporting period (2024: R164.0 million).

Pan African Resources Properties Proprietary Limited is an interest-free loan. Net loan advances amounted to R2.6 million during the reporting period (2024: R3.5 million).

Fair value

The carrying value approximates fair value, due to market related interest rates being charged on these loans.

Impairment

Loans to related parties are considered for impairment under the expected credit loss model. During the 2023 reporting period the loan to Barberton Green Proprietary Limited was impaired by R9.3 million due to a delay in the start-up of operations. An additional impairment of R 8.8 million was raised in the current reporting period.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|---|---------------|---------------|-----------------|-----------------|
| 16. Loans to related parties continued... | | | | |
| 16.2 Movements in impairment of loans to related parties are as follows: | | | | |
| Stage 3 impairment losses* | | | | |
| Balance as at 1 July | 9,306 | 9,306 | 9,306 | 9,306 |
| Impairment recognised through profit or loss - Barberton Green | 8,781 | - | 8,781 | - |
| Balance as at 30 June | 18,087 | 9,306 | 18,087 | 9,306 |

* - The stage 1 and stage 2 immaterial impairment losses were not recognised in the current or previous reporting period.

Write-off policy

An impaired loan is written off once all reasonable attempts at collection have been made and there is no material economic benefit expected from attempting to recover the balance outstanding. The following criteria must be met before a financial asset can be written off:

- the financial asset has been in default for the period which is deemed sufficient to determine whether the entity is able to receive any further economic benefit from the impaired loan; and
- at the point of write-off, the financial asset is fully impaired (i.e. 100% allowance) with no reasonable expectation of recovery of the asset, or a portion thereof.

Remedy for credit impairment

Continuous assessment is required to determine whether the conditions that led to a financial asset being considered to be credit impaired (i.e. stage 3) still exist. The classification of a financial asset out of stage 3 may be made subsequent to an evaluation which takes into account qualitative factors in addition to compliance with payment terms and conditions of the agreement. Qualitative factors include compliance with covenants and compliance with existing financial asset terms and conditions.

Where it has been determined that a financial asset no longer meets the criteria for significant increase in credit risk, the financial asset will be moved from stage 2 (lifetime expected credit loss model) back to stage 1 (12-month expected credit loss model) prospectively.

17. Cash and cash equivalents

Accounting policy

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.

Cash and cash equivalents are classified as financial assets measured at amortised cost.

17.1 Cash and cash equivalents included in current assets:

Cash

| | | | | |
|---------------------|---------|---------|---------|---------|
| Balances with banks | 798,613 | 406,818 | 796,641 | 405,098 |
|---------------------|---------|---------|---------|---------|

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|--|----------------|----------------|-----------------|-----------------|
| 17. Cash and cash equivalents continued... | | | | |
| 17.2 General facilities | | | | |
| General banking facilities | | | | |
| Rand Merchant Bank general term facility | 50,000 | 50,000 | 50,000 | 50,000 |
| Nedbank Limited general banking facility | 90,000 | 90,000 | 90,000 | 90,000 |
| Total undrawn facilities at year end | <u>140,000</u> | <u>140,000</u> | <u>140,000</u> | <u>140,000</u> |
| <p>The general banking facilities are secured. The facilities bear interest at the prevailing prime rate of South Africa. A quarterly commitment fee is payable on the undrawn balance.</p> <p>At the end of the reporting period, the company had not utilised its Rand Merchant Bank and Nedbank general banking facilities. Finance costs incurred and paid during the current reporting period were RNil (2024: RNil), on this facility.</p> | | | | |
| USD trading facility | <u>95,000</u> | <u>95,000</u> | <u>95,000</u> | <u>95,000</u> |
| <p>The USD trading facility relates to trading facilities held by the Group and Company for the purposes of trading gold and subsequent translation of USD gold sales into South African rand (rand). The facility is held with the following financial institutions: Nedbank Limited and Rand Merchant Bank</p> | | | | |
| Gold hedging facility (held with Nedbank and Rand Merchant Bank) | <u>270,000</u> | <u>270,000</u> | <u>270,000</u> | <u>270,000</u> |
| Precious metals hedging facility (held with Nedbank and Rand Merchant Bank) | <u>40,000</u> | <u>40,000</u> | <u>40,000</u> | <u>40,000</u> |
| 18. Issued capital | | | | |
| Accounting policy | | | | |
| <p>Ordinary shares are classified as equity. Incremental costs directly attributable to the issue or repurchase of ordinary shares are recognised as a deduction from equity, net of tax.</p> | | | | |
| Authorised and issued share capital | | | | |
| Share capital | <u>4</u> | <u>4</u> | <u>4</u> | <u>4</u> |
| Authorised | | | | |
| 1 000 no par value ordinary shares | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> | <u>1,000</u> |
| Issued | | | | |
| 100 no par value ordinary shares | <u>100</u> | <u>100</u> | <u>100</u> | <u>100</u> |
| Share reconciliation | | | | |
| Shares outstanding at 1 July | <u>4</u> | <u>4</u> | <u>4</u> | <u>4</u> |
| Shares outstanding at 30 June | <u>4</u> | <u>4</u> | <u>4</u> | <u>4</u> |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|-------------------------------------|------------------|------------------|-----------------|-----------------|
| 19. Reserves | | | | |
| Classification of reserves | | | | |
| Share buy-back reserve ¹ | 12,535 | 12,535 | - | - |
| Share option reserve ¹ | 3,046 | 3,046 | - | - |
| Revaluation reserve ² | 2,380,630 | 1,170,099 | - | - |
| Total reserves | 2,396,211 | 1,185,680 | - | - |

¹ The share buy-back and option reserve consists of historical costs relating to the equity-settled share-based payment arrangement established by PAR PLC on 1 September 2005 to specific employees, officers, directors and qualifying consultants as approved by the board. On 15 January 2018, the PAR PLC Group concluded a B-BBEE restructuring exercise with Concrete Rose as the PAR PLC Group's new B-BBEE entity. Concrete Rose's issued share capital is held 49.9% by the Company and 50.1% by strategic B-BBEE partners through a vendor-financed arrangement. The nature of the restructuring transaction gave Concrete Rose a 22.11% ownership in PAR SA Holdings. The B-BBEE entity's ultimate shareholding in PAR SA Holdings will be determined by reference to the value of PAR SA Holdings and the increase in the vendor loan on expiry of the scheme. On the effective date of the transaction, the implied option in this scheme was valued at US\$608.3 thousand. The incremental value arose due to an extension of the B-BBEE scheme's original term from 31 December 2018 to 31 December 2021, and an increase in the trickle dividend from 5% to 10%. The PAR PLC Group's B-BBEE transaction was unwound during the previous reporting period.

² The fair value reserve comprises unrealised gains and losses recognised on the PAR PLC investment measured at fair value through other comprehensive income. On 7 June 2016, the PAR PLC Group purchased shares in PAR Gold, representing 23.83% or 436.4 million of its issued share capital at the time. The accounting effect of this transaction was similar to that of a share buy-back as the PAR PLC Group acquired shares in a company that held an investment in PAR PLC. On 30 May 2018, PAR Gold publicly disposed of 130 million shares in PAR PLC resulting in its shareholding reducing to 13.1% (2024:13.8%).

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|-----------------------------------|------------------|------------------|------------------|------------------|
| 20. Borrowings | | | | |
| Borrowings comprise: | | | | |
| Revolving credit facility (RCF) | 248,285 | 197,207 | 248,285 | 197,207 |
| Term loan | 1,221,265 | 973,507 | 1,221,265 | 973,507 |
| DMTN Bonds | 1,206,490 | 804,450 | 1,206,490 | 804,450 |
| Green loan | - | 349,224 | - | 349,224 |
| Total borrowings | 2,676,040 | 2,324,388 | 2,676,040 | 2,324,388 |
| Non-current portion of borrowings | 1,806,265 | 2,238,373 | 1,806,265 | 2,238,373 |
| Current portion of borrowings | 869,775 | 86,015 | 869,775 | 86,015 |
| | 2,676,040 | 2,324,388 | 2,676,040 | 2,324,388 |

During the previous reporting period, the Group entered into a Term and Revolving Credit Facilities Agreement underwritten by RMB, with Nedbank Limited (acting through its Nedbank Corporate and Investment Banking division) as co-financier. The agreement provides for a Term loan amounting to ZAR1.3 billion, designated for the funding of the PAR PLC Group's MTR project and a refinance of the existing RCF of ZAR1 billion with a new repayment date of 30 June 2026.

The RCF has a three-year term and provides the PAR PLC Group with access to flexible and cost-effective working capital. The Term loan has a six-year term, with quarterly repayments commencing two years after the financial close date. The financial close date for this agreement for both facilities became effective on 31 July 2023.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

20. Borrowings continued...

Terms of the RCF, Term and Green loan agreement are as follows:

| | |
|---|--|
| Lenders | Rand Merchant Bank (a division of FirstRand Bank Limited) and Nedbank Limited (acting through its Nedbank Corporate and Investment Banking division) |
| Borrower | PAR Funding Company Limited |
| Guarantors: | Pan African Resources Plc; Evander Gold Mining Proprietary Limited; Barberton Mines Proprietary Limited; Evander Gold Mines Proprietary Limited; Pan African Resources SA Holdings Proprietary Limited; Mogale Tailings Retreatment Proprietary Limited; Mogale Gold Proprietary Limited, Mintails SA Soweto Cluster Proprietary Limited and Evander Solar Solutions Proprietary Limited |
| Bonds as security for the facility: | <p>The following bonds were registered in favour of the lenders:</p> <ul style="list-style-type: none"> • Mortgage bond B3644/2015- Barberton Mines / Bowwood and Main No.40 (RF) Proprietary Limited • Mortgage bond B1163/2016- Evander Gold Mining / Bowwood and Main No.40 (RF) Proprietary Limited • Mortgage bond B4673/2015- Evander Gold Mining / Bowwood and Main No.40 (RF) Proprietary Limited • Mortgage bond B7829/2015- Evander Gold Mining / Bowwood and Main No.40 (RF) Proprietary Limited • General notarial bond BN15110/2015- Barberton Mines/ Bowwood and Main No. 40 (RF) Proprietary Limited • General notarial bond BN15357/2015- Evander Gold Mining/ Bowwood and Main No. 40 (RF) Proprietary Limited • General notarial bond BN20757/2017- Evander Gold Mining/ Bowwood and Main No. 40 (RF) Proprietary Limited • General notarial bond BN20755/2017- Barberton Mines/ Bowwood and Main No. 40 (RF) Proprietary Limited • Special notarial bond BN15563/2015- Evander Gold Mining/ Bowwood and Main No. 40 (RF) Proprietary Limited • Special notarial bond BN15616/2015- Barberton Mines/ Bowwood and Main No. 40 (RF) Proprietary Limited • Special notarial bond BN20758/2017- Evander Gold Mining/ Bowwood and Main No. 40 (RF) Proprietary Limited • Special notarial bond BN20756/2017- Barberton Mines/ Bowwood and Main No. 40 (RF) Proprietary Limited • Special notarial bond BN12838/2018- Evander Gold Mining/ Bowwood and Main No. 40 (RF) Proprietary Limited |
| Ceded rights to the lenders as security for the facilities: | <ul style="list-style-type: none"> • Bank accounts • Trade debtors • Insurance proceeds • Immovable property • Shares held in subsidiaries |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|---|----------------|----------------|-----------------|-----------------|
| 20. Borrowings continued... | | | | |
| 20.1 Revolving credit facility (RCF) | | | | |
| The movement in the RCF was as follows: | | | | |
| Opening balance | 197,207 | 200,133 | 197,207 | 200,133 |
| Drawdowns | 1,250,000 | 800,000 | 1,250,000 | 800,000 |
| Finance costs incurred | 76,109 | 37,507 | 76,109 | 37,507 |
| Repayments - finance costs | (77,107) | (34,276) | (77,107) | (34,276) |
| Repayments - capital | (1,200,000) | (804,658) | (1,200,000) | (804,658) |
| Commitment fees capitalised | - | 1,626 | - | 1,626 |
| Non-refundable fees paid | - | (5,750) | - | (5,750) |
| Unwinding of non-refundable fees | 2,076 | 2,625 | 2,076 | 2,625 |
| | 248,285 | 197,207 | 248,285 | 197,207 |
| Non-current portion of RCF | - | 196,006 | - | 196,006 |
| Current portion of RCF | 248,285 | 1,201 | 248,285 | 1,201 |
| | 248,285 | 197,207 | 248,285 | 197,207 |

The terms of the RCF are as follows:

| | |
|--|--|
| Facility amount | ZAR1 billion |
| Interest rate | Depending on the rollover period based on one-month, three-month or six-month Johannesburg Interbank Average Rate (JIBAR) |
| Interest rate margin - Tranche 1 (R600 million) | 2.75% as may be adjusted in accordance with the Sustainability Performance Targets and KPIs. The margin was adjusted in the current reporting period to 2.71%. |
| Interest rate margin - Tranche 2 (R400 million) | 2.75% |
| Commitment fee | 0.9625% of the aggregate of the available commitment, payable quarterly in arrears. |
| Term of loan | 35 months effective from 31 July 2023 |
| Repayment period | Bullet repayment at the final maturity date |
| Final maturity date | 30 June 2026 |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|--|------------------|----------------|------------------|-----------------|
| 20. Borrowings continued... | | | | |
| 20.2 Term loan | | | | |
| The movement on the Term loan is as follows: | | | | |
| Opening balance | 973,507 | - | 973,507 | - |
| Drawdowns | 310,000 | 990,000 | 310,000 | 990,000 |
| Finance costs incurred | 138,982 | 59,124 | 138,982 | 59,124 |
| Repayments - finance costs | (139,588) | (58,518) | (139,588) | (58,518) |
| Repayments - capital ¹ | (65,000) | - | (65,000) | - |
| Non-refundable fees paid | - | (20,182) | - | (20,182) |
| Unwinding of non-refundable fees | 3,364 | 3,083 | 3,364 | 3,083 |
| | 1,221,265 | 973,507 | 1,221,265 | 973,507 |
| Non-current portion of term loan | 961,265 | 972,901 | 961,265 | 972,901 |
| Current portion of term loan | 260,000 | 606 | 260,000 | 606 |
| | 1,221,265 | 973,507 | 1,221,265 | 973,507 |

¹ - A voluntary prepayment was made on 30 June 2025 on the term loan amounting to R 65 million.

The terms of the facility are as follows:

| | |
|--|--|
| Facility amount | ZAR1.3 billion |
| Interest rate | Three-month JIBAR rate |
| Interest rate margin - Tranche 1 (R780 million) | 2.85% as may be adjusted in accordance with the Sustainability Performance Targets and KPIs. The margin was adjusted in the current reporting period to 2.81%. |
| Interest rate margin - Tranche 2 (R520 million) | 2.85% |
| Commitment fee | 0.9625% of the aggregate of the available commitment, payable quarterly in arrears. |
| Term of loan | Six years effective from 30 June 2023 |
| Repayment period | Quarterly repayments on 31 March, 30 June, 30 September and 31 December commencing 30 September 2025 |
| Final maturity date | 31 July 2029 |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|---|---------------|----------------|-----------------|-----------------|
| 20. Borrowings continued... | | | | |
| 20.3 Green loan | | | | |
| The movement on the Green loan is as follows: | | | | |
| Opening balance | 349,224 | - | 349,224 | - |
| Drawdowns | - | 350,000 | - | 350,000 |
| Finance costs incurred | 33,639 | 1,674 | 33,639 | 1,674 |
| Repayments - finance costs | (33,852) | (1,461) | (33,852) | (1,461) |
| Repayments - capital ¹ | (350,000) | - | (350,000) | - |
| Non-refundable fees paid | - | (1,006) | - | (1,006) |
| Unwinding of non-refundable fees | 989 | 17 | 989 | 17 |
| | <u>-</u> | <u>349,224</u> | <u>-</u> | <u>349,224</u> |
| Non-current portion of green loan | - | 269,466 | - | 269,466 |
| Current portion of green loan | - | 79,758 | - | 79,758 |
| | <u>-</u> | <u>349,224</u> | <u>-</u> | <u>349,224</u> |

¹The Green loan was prepaid during the current reporting period.

20.4 DMTN Bonds

The movement on the DMTN Bonds is as follows:

| | | | | |
|----------------------------------|------------------|----------------|------------------|----------------|
| Opening balance | 804,450 | 804,516 | 804,450 | 804,516 |
| Notes issued | 840,000 | - | 840,000 | - |
| Notes settled | (437,876) | - | (437,876) | - |
| Finance costs incurred | 126,516 | 96,262 | 126,516 | 96,262 |
| Repayments - finance costs | (126,600) | (96,328) | (126,600) | (96,328) |
| | <u>1,206,490</u> | <u>804,450</u> | <u>1,206,490</u> | <u>804,450</u> |
| Non-current portion of DMTN bond | 845,000 | 800,000 | 845,000 | 800,000 |
| Current portion of DMTN bond | 361,490 | 4,450 | 361,490 | 4,450 |
| | <u>1,206,490</u> | <u>804,450</u> | <u>1,206,490</u> | <u>804,450</u> |

A new bond was issued (PARS03) in October 2024 and a portion of the proceeds from PARS03 were utilised to part settled PARS01 during the current reporting period.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

20. Borrowings continued...

The terms of the bonds issued under the domestic medium term note programme are as follows:

| Debt security code | PARS01 | PARS02 | PARS03 |
|---|--|-----------------------------------|--|
| ISIN: | ZAG000192758 | ZAG000192766 | ZAG000209834 |
| Type of debt security: | Senior second ranking secured | Senior second ranking secured | Senior second ranking secured |
| Listing: | Sustainability segment of the JSE | Sustainability segment of the JSE | Sustainability segment of the JSE |
| Issue date: | 13 December 2022 | 13 December 2022 | 22 October 2024 |
| Issue price: | 100% | 100% | 100% |
| Nominal amount per note: | ZAR 1 million | ZAR 1 million | ZAR 1 million |
| Aggregate nominal amount: | ZAR 585 million | ZAR 215 million | ZAR 840 million |
| Reference rate: | Three-month JIBAR | Three-month JIBAR | Three-month JIBAR |
| Margin: | 3.60% | 3.75% | 3.05% |
| Interest commencement date: | 13 December 2022 | 13 December 2022 | 22 October 2024 |
| Interest payment basis: | Floating rate | Floating rate | Floating rate |
| First interest payment date: | 13 March 2023 | 13 March 2023 | 22 December 2024 |
| Interest payment terms: | Quarterly | Quarterly | Quarterly |
| Instalment dates and amounts (expressed as a percentage of the aggregate nominal amount of the notes) | n/a | n/a | 25% on 22 March 2026, 25% on 22 March 2027 and 50% on 22 March 2028 |
| Reduction in nominal amount | ZAR 437 876 000 | Rnil | Rnil |
| Maturity date: | 13 December 2025 | 13 December 2027 | 22 March 2028 |
| Final maturity amount: | 100% | 100% | 100% |
| Guarantors: | Pan African Resources PLC; Evander Gold Mining Proprietary Limited; Barberton Mines Proprietary Limited; Evander Gold Mines Proprietary Limited; and Pan African Resources SA Holdings Proprietary Limited | | Pan African Resources PLC; Evander Gold Mining Proprietary Limited; Barberton Mines Proprietary Limited; Evander Gold Mines Proprietary Limited; Pan African Resources SA Holdings Proprietary Limited; Evander Solar Solutions Proprietary Limited; Mogale Tailings Retreatment Proprietary Limited; Mogale Gold Proprietary Limited and Mintails SA Soweto Cluster Proprietary Limited |
| Dealer: | Rand Merchant Bank, a division of FirstRand Bank Limited | | |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|-------------------|---------------|---------------|-----------------|-----------------|
|-------------------|---------------|---------------|-----------------|-----------------|

20. Borrowings continued...

The following KPIs are applicable to the RCF, Term loan, Green loan and DMTN bonds

| | KPI | | |
|--------------------------------------|---|---|---|
| | Renewable energy | Land rehabilitation | Employee safety |
| Sustainability target met | -3bps margin adjustment per reporting period, commencing 30 June 2023 | -2bps margin adjustment per reporting period, commencing 30 June 2024 | -1bps margin adjustment per reporting period, commencing 30 June 2023 |
| Penalty threshold level not achieved | +3bps margin adjustment per reporting period, commencing 30 June 2023 | +2bps margin adjustment per reporting period, commencing 30 June 2024 | +1bps margin adjustment per reporting period, commencing 30 June 2023 |
| KPI's at reporting date | 8.80% | 16.50% | 8.95 per million man hours |
| Sustainability performance target | Not achieved but above PTL* | Achieved | Achieved |

* - Penalty threshold level

20.5 Financial covenants

The financial covenants listed below are in place for the RCF, Term loan, Green loan and DMTN bonds and are calculated based on the PAR PLC Group results for a 12-month period at each reporting date.

| | Ratio | 2025 | 2024 |
|--|-------|------|------|
| • The debt service cover ratio must be more than | 1.3:1 | 8.30 | 3.8 |
| • The net debt-to-equity ratio must not exceed | 1:1 | 0.21 | 0.29 |
| • The net debt-to-EBITDA ratio must not exceed | 2:1 | 0.5 | 0.8 |
| • The interest cover ratio must be greater than | 4:1 | 10.7 | 12.2 |

The Group and Company are in compliance with all the financial covenants as at 30 June 2025 and 30 June 2024.

20.6 Unutilised credit facilities

| | | | | |
|--|----------------|------------------|----------------|------------------|
| Revolving credit facility (RCF) | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Utilisation of the revolving credit facility | (250,000) | (200,000) | (250,000) | (200,000) |
| Term loan | 1,235,000 | 1,300,000 | 1,235,000 | 1,300,000 |
| Utilisation of the term loan facility | (1,235,000) | (990,000) | (1,235,000) | (990,000) |
| Green loan | - | 350,000 | - | 350,000 |
| Utilisation of the term loan facility | - | (350,000) | - | (350,000) |
| | 750,000 | 1,110,000 | 750,000 | 1,110,000 |
| General banking facility | 140,000 | 140,000 | 140,000 | 140,000 |

The Nedbank Limited and Rand Merchant Bank general banking facilities are unsecured and were unutilised in the current and previous reporting period. These facilities, when utilised, bear interest at rates linked to the South African prime interest rate.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|--|------------------|------------------|------------------|------------------|
| 21. Trade and other payables | | | | |
| Trade and other payables comprise: | | | | |
| Financial liabilities | | | | |
| Trade payables | 229 | 31 | 161 | 11 |
| Accrued liabilities | 4 | 521 | - | 436 |
| Audit fee obligation | 644 | 520 | 554 | 520 |
| Total trade and other payables | 877 | 1,072 | 715 | 967 |
| No interest is charged on trade and other payables and the fair value approximates the carrying amount given their short term nature. | | | | |
| 22. Dividend payable | | | | |
| Dividend payable comprise: | | | | |
| Dividends payable | 1,333 | 1,333 | - | - |
| Current portion of dividend payable | 1,333 | 1,333 | - | - |
| 23. Loans from related parties | | | | |
| Accounting policy | | | | |
| The loans from related parties are classified as financial liabilities at amortised cost, and are initially measured at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest method. | | | | |
| Loans from related parties comprise: | | | | |
| Interest bearing loans: | | | | |
| Loans from Barberton Mines Proprietary Limited | 1,921,493 | 1,455,428 | 1,921,493 | 1,455,408 |
| Non-interest bearing loans: | | | | |
| Pan African Resources PLC | - | 643,236 | - | 643,236 |
| Loans from Pan African Resources SA Holdings Proprietary Limited | - | 112 | - | 112 |
| Loans from PAR Gold Proprietary Limited | - | - | 27,638 | 75,338 |
| Loans from Concrete Rose Proprietary Limited | - | - | 74 | 74 |
| Total loans from Group companies | 1,921,493 | 2,098,776 | 1,949,205 | 2,174,168 |

During the current reporting period the company in the ordinary course of business received short-term deposits from its fellow subsidiaries with the PAR PLC group. Terms and conditions are determined on an arm's length basis.

Interest bearing loans:

The loan from Barberton Mines Proprietary Limited, however bears interest at the average call rate of 7.0% (2024:7.5%). Loan advances amounted to R4.8 billion (2024: R6.6 billion) and loan repayments amounted to R4.4 billion (2024: R6.3 billion) during the reporting period.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

23. Loans from related parties continued...

Non-interest bearing loans:

The loans from the related parties below have no fixed repayment terms.

The loan from PAR PLC bears no interest. Loan advances amounted to R68.1 million (2024: R246 million) and loan repayments amounted to R717.4 million (2024: R588 million) during the reporting period. The loan has been repaid in the current reporting period and the Loan to PAR PLC has been reflected under Loans to related parties (refer to note 16).

The loan from PAR Gold Proprietary Limited bears no interest. Loan advances amounted to R69.4 million (2024: R55 million) and loan repayments amounted to R117.1 million (2024: R34.7 million) during the reporting period.

The loans are unsecured and payable on demand.

24. Share-based payment obligations

Accounting policies

Cash-settled share-based payment arrangements

The fair value of the amount payable to employees in respect of cash-settled share-based payments, which are settled in cash, is recognised as an expense with a corresponding increase in the liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at the settlement date based on the fair value of the cash-settled share-based payment liability. Any changes in the liability are recognised in profit or loss.

Significant assumptions and estimates

The determination of the fair value of cash-settled share-based payment obligation is subject to management applying key assumptions and estimates. The fair value is calculated using actuarial valuations.

- To incentivise and retain the PAR PLC Group's executive directors and corporate senior management and to align their interest with those of the PAR PLC Group's stakeholders the PAR Gold long-term incentive plan (PGLIP) was introduced. The participants render service in the PAR PLC group companies and are not employees of PAR Gold.
- The shares issued by PAR Gold as part of the PGLIP are issued to the participant at a nominal value and PAR Gold incurs the obligation to repurchase the shares after vesting.
- An intergroup loan is recognised when new shares are issued to participants between PAR Gold and the company in which the participant is employed.
- The fair value adjustment is recognised as an IFRS2 expense in the profit or loss of the company in which the participant is employed, through a recovery from PAR Gold for services rendered until the vesting criteria is met.
- PAR Gold has an obligation to pay the participants the dividend only if the specified measurement criteria is fulfilled at the end of a three-year measurement period.
- The vested shares are repurchased once the dividends have been paid to the participants and PAR Gold no longer has an obligation to the participant under the LTI scheme.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|-------------------|---------------|---------------|-----------------|-----------------|
|-------------------|---------------|---------------|-----------------|-----------------|

24. Share-based payment obligations continued...

The following tables provide details regarding the cash-settled share-based payment liabilities and the inputs used in the models.

Reconciliation of the cash-settled share-based payment obligation is as follows:

| | | | | |
|--|----------------|----------------|---|---|
| Balance as at 1 July | 133,520 | 42,821 | - | - |
| New shares issued | 10,827 | 18,506 | - | - |
| Fair value adjustment | 200,805 | 106,909 | - | - |
| Dividends paid | (114,574) | (34,716) | - | - |
| Balance as at 30 June | 230,578 | 133,520 | - | - |
| Non-current liabilities | 106,118 | 85,089 | - | - |
| Current liabilities | 124,460 | 48,431 | - | - |
| Total share-based payment obligations | 230,578 | 133,520 | - | - |

PAR Gold Long term incentive share scheme

To incentivise and retain the Corporate Senior management and align their interests with those of the Group's stakeholders, a LTI was introduced and is in issue since 30 June 2021.

Number of PAR Gold shares ('000)

PAR Gold E shares

| | | | | |
|--------------------------------|---------|-------|---|---|
| Outstanding as at 1 July | 9,786 | 9,786 | - | - |
| Shares repurchased by PAR Gold | (9,786) | - | - | - |
| Shares in issue as at 30 June | - | 9,786 | - | - |

PAR Gold F shares

| | | | | |
|--------------------------------|--------|--------|---|---|
| Outstanding as at 1 July | 10,109 | 10,109 | - | - |
| Shares repurchased by PAR Gold | (159) | - | - | - |
| Shares in issue as at 30 June | 9,950 | 10,109 | - | - |

PAR Gold G shares

| | | | | |
|---------------------------------|--------|--------|---|---|
| Outstanding as at 1 July | 14,225 | - | - | - |
| Shares acquired by participants | - | 14,225 | - | - |
| Shares repurchased by PAR Gold | (197) | - | - | - |
| Shares in issue as at 30 June | 14,028 | 14,225 | - | - |

PAR Gold H shares

| | | | | |
|---------------------------------|--------|--------|---|---|
| Outstanding as at 1 July | 15,449 | - | - | - |
| Shares acquired by participants | - | 15,449 | - | - |
| Shares in issue as at 30 June | 15,449 | 15,449 | - | - |

PAR Gold I shares

| | | | | |
|---------------------------------|-------|---|---|---|
| Outstanding as at 1 July | - | - | - | - |
| Shares acquired by participants | 9,175 | - | - | - |
| Shares in issue as at 30 June | 9,175 | - | - | - |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

24. Share-based payment obligations continued...

Fair values were calculated using the Monte Carlo simulation of which the inputs are as follows:

| | PAR Gold F shares* | PAR Gold G shares | PAR Gold H share ¹ | PAR Gold I shares |
|--|-----------------------|----------------------|----------------------------------|----------------------|
| Number of shares ('000) | 9,950 | 14,028 | 15,449 | 9,175 |
| Grant date | 1 July 2022 | 1 July 2023 | 1 July 2023 | 1 July 2024 |
| Vesting date | 1 July 2025 | 30 June 2026 | 30 June 2025 | 30 June 2027 |
| Share price at grant date (based on 90 day volume weighted average price (VWAP)) | 4.19 | 3.59 | 3.60 | 5.51 |
| 90 Day VWAP as at 30 June 2025 (ZAR) | 10.40 | 10.40 | n/a | 10.40 |
| 90 Day VWAP as at 30 June 2024 (ZAR) | 5.47 | 5.47 | 5.47 | n/a |
| Probability of vesting as at 30 June 2025 (%) | 90 | 90 | n/a | 90 |
| Probability of vesting as at 30 June 2024 (%) | 76 | 90 | 90 | n/a |
| Fair value per option as at 30 June 2025 (ZAR) | 9.05 | 8.27 | n/a | 9.36 |
| Fair value per option as at 30 June 2024 (ZAR) | 3.82 | 3.82 | 4.92 | n/a |

* The PAR Gold F shares were valued at R14.04 based on the approved settlement value paid in July 2025.

¹ These shares vested in the current reporting period and a dividend was declared amounting to R 4.68.

| | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|--|----------------|--------------------|-----------------|--------------------|
| 25. Cash flows from operating activities | | | | |
| 25.1 Cash flows from operating activities | | | | |
| Profit before tax | 60,817 | 30,942 | (5,559) | (23,481) |
| Adjustments for: | | | | |
| Finance income | (726,073) | (451,895) | (726,651) | (452,426) |
| Finance costs | 722,438 | 468,850 | 722,438 | 468,850 |
| VAT capitalised on non-refundables fees | - | 1,300 | - | 1,300 |
| Impairment losses recognised in profit or loss | 8,781 | - | 8,781 | - |
| Fair value gains and losses | - | 169 | - | 169 |
| Increase in trade and other receivables | (13) | (8) | (13) | (8) |
| Increase in trade and other payables | (195) | 509 | (252) | 423 |
| Prior year fair value reversal on derivative | - | 8,325 | - | 8,325 |
| Gross inflows in loans to related parties | 6,654,455 | 5,368,395 | 6,654,434 | 5,368,395 |
| Gross outflows in loans to related parties | (5,948,142) | (6,591,017) | (5,948,161) | (6,591,019) |
| Gross inflows in loans from related parties | 5,198,104 | 6,755,323 | 5,334,901 | 6,865,452 |
| Gross outflows in loans from related parties | (5,525,502) | (6,928,907) | (5,642,568) | (6,963,657) |
| Net cash flows from /(used in) operations | 444,670 | (1,338,014) | 397,350 | (1,317,677) |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|---|------------------|------------------|------------------|------------------|
| 25. Cash flows from operating activities continued... | | | | |
| 25.2 Income tax paid | | | | |
| Income tax expense recognised in profit or loss | (1,796) | 125 | (1,815) | 95 |
| Add: deferred tax recognised in profit or loss | 2,371 | - | 2,371 | - |
| | 575 | 125 | 556 | 95 |
| Current tax receivable at the beginning of the year | - | 1,250 | - | 1,253 |
| Current tax (payable) at the end of the year | (541) | - | (556) | - |
| Income tax paid during the year | 34 | 1,375 | - | 1,348 |
| 25.3 Reconciliation of liabilities arising from financing activities | | | | |
| Opening balance at 1 July | 2,324,388 | 1,004,649 | 2,324,388 | 1,004,649 |
| Changes from financing cash flows | 347,124 | 1,335,343 | 347,124 | 1,335,343 |
| Proceeds from borrowings | 1,962,124 | 2,140,000 | 1,962,124 | 2,140,000 |
| Repayment of borrowings | (1,615,000) | (804,657) | (1,615,000) | (804,657) |
| Other changes | 4,528 | (15,604) | 4,528 | (15,604) |
| Finance costs incurred | 375,246 | 194,567 | 375,246 | 194,567 |
| Finance costs paid | (377,147) | (190,583) | (377,147) | (190,583) |
| Restructuring fees | 6,429 | (19,588) | 6,429 | (19,588) |
| Closing balance as at 30 June | 2,676,040 | 2,324,388 | 2,676,040 | 2,324,388 |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|-------------------|---------------|---------------|-----------------|-----------------|
|-------------------|---------------|---------------|-----------------|-----------------|

26. Financial risk management

Capital management

The Group and Company manages its solvency to ensure that it will continue as a going concern while maximising a sustainable return to shareholders through the optimisation of the debt and equity ratios. The Company's overall strategy remained unchanged from the previous year.

Financial instruments are measured at fair value and are grouped into levels 1 and 2 based on the extent to which fair value is observable.

The levels are classified as follows:

Level 1 - fair value is based on quoted prices in active markets for identical financial assets or liabilities.

Level 2 - fair value is determined using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

Level 3 - fair value is determined on inputs not based on observable market data.

Categories of financial instruments*:

Financial assets:

At amortised cost

| | | | | |
|---------------------------|-----------|-----------|-----------|-----------|
| Cash and cash equivalents | 798,613 | 406,818 | 796,641 | 405,098 |
| Loans to related parties | 3,983,923 | 4,043,717 | 3,333,192 | 3,603,871 |

At fair value through other comprehensive income

| | | | | |
|-------------------|-----------|-----------|---|---|
| Listed investment | 3,397,511 | 1,853,466 | - | - |
|-------------------|-----------|-----------|---|---|

Financial liabilities:

At amortised cost

| | | | | |
|----------------------------|-----------|-----------|-----------|-----------|
| Borrowings - non-current | 1,806,265 | 2,238,373 | 1,806,265 | 2,238,373 |
| Borrowings - current | 869,775 | 86,015 | 869,775 | 86,015 |
| Loans from related parties | 1,921,493 | 2,098,776 | 1,949,205 | 2,174,168 |
| Trade and other payables | 877 | 1,072 | 715 | 967 |

**Listed investments are classified as level 1 as its share price is quoted on a stock exchange. All other financial instruments of the Group and Company are classified as level 3.*

The directors consider the carrying amounts of financial assets and liabilities to approximate their fair values.

26.1 Financial risk management

The Group and Company seeks to minimise the effect of financial risks by using derivative financial instruments to hedge risk exposures where appropriate. The use of any financial derivatives is approved by the Pan African Resources' board, which also continually provide guidance on a continuous basis on managing foreign exchange, interest rate, credit and liquidity risk in line with Pan African Resources' Group treasury policy. Exposure limits are reviewed regularly. The Group and Company does not enter into financial derivatives for speculative use.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|-------------------|---------------|---------------|-----------------|-----------------|
|-------------------|---------------|---------------|-----------------|-----------------|

26. Financial risk management continued...

26.2 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and Company.

Credit risk consists mainly of cash deposits, cash equivalents and loans to group companies.

The combined maximum credit risk exposure to the company is as follows:

| | | | | |
|---------------------------|------------------|-----------|------------------|-----------|
| Loans to related parties | 3,983,923 | 4,043,717 | 3,333,192 | 3,603,871 |
| Cash and cash equivalents | 798,613 | 406,818 | 796,641 | 405,098 |

The risk is managed by the application of funding approvals, liquidity analysis and monitoring procedures.

The central treasury function provides credit risk management for the Group-wide exposure in respect of a diversified banking and other financial institutions. These are evaluated regularly for financial robustness especially in the current global economic environment. Management has evaluated treasury's counterparty risk and does not expect any treasury counterparties to fail in meeting their obligations. The credit risk or the risk of financial loss due to intergroup companies not meeting their obligations, is managed at a group level.

For all financial assets measured at amortised cost, the company calculates the expected credit loss based on contractual payment terms of the asset. None of the loans have fixed contractual repayment terms and are repayable on demand. The exposure to credit risk is influenced by the individual characteristics and long and short-term nature of the counterparty with whom the Group and Company have transacted. Financial assets at amortised cost are carefully monitored and reviewed on a regular basis for expected credit loss and impairment based on our credit risk policy.

Cash and cash equivalents

The Group and Company only deposit cash with major banks with high-quality credit standings and limits exposure to any one counterparty.

Loans to related parties

A Pan African Resources Group inter-company loan repayment assessment was performed. The Group's strategy is that of developing and mining. The Group's strategy is not to dispose of its core assets and recover it through sale. Based on the above analysis a conclusion was reached that the inter-company loans within the Group and Company are recoverable, except for Barberton Green. A further impairment on the Barberton Green loan was recognised in the current period.

Concentration of credit risk

The Group and Company has assessed the concentration of credit risk and the following concentrations have been assessed: counterparty-specific (financial institutions and related party companies).

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|-------------------|---------------|---------------|-----------------|-----------------|
|-------------------|---------------|---------------|-----------------|-----------------|

26. Financial risk management continued...

26.3 Market risk

The risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group and Company's activities expose it primarily to the financial risks of changes in interest rate risk.

26.3.1 Interest rate risk

The Group and Company is exposed to interest rate risk as it borrows and invests funds at both fixed and floating interest rates. Fluctuations in interest rates impact on short-term investment and financing activities, giving rise to interest rate risk. In the ordinary course of business, the company receives cash proceeds from the holding company's subsidiaries and is required to fund working capital and capital expenditure requirements. Cash is managed to ensure that surplus funds are invested to maximise returns whilst ensuring that capital is safeguarded to the maximum extent by only investing with reputable financial institutions. Contractual arrangements for committed borrowing facilities are maintained to meet the normal and contingent funding needs.

Interest rate sensitivity

The Group and Company's revolving credit facility, term loan facility, DMTN bond and loans to group companies incur interest based on JIBAR or prime-linked rates. Loans from group companies incur interest at the average call rates. A reasonably possible change in interest rates during the year as noted in the table would have increased/decreased equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Impact on profit/(loss) for the period

Financial assets

| | | | | |
|---------------------------------|------------------|-----------|------------------|-----------|
| Loans to related parties | 3,983,923 | 4,043,717 | 3,333,192 | 3,603,871 |
| Finance income | 697,335 | 421,029 | 698,052 | 421,695 |
| 10% increase | 46,400 | 31,016 | 46,400 | 31,016 |
| 10% (decrease) | (46,395) | (30,880) | (46,395) | (30,880) |

Financial liabilities

| | | | | |
|-------------------|------------------|-----------|------------------|-----------|
| Borrowings | 2,676,040 | 2,324,388 | 2,676,040 | 2,324,388 |
| Finance costs | 375,326 | 194,567 | 375,326 | 194,567 |
| 10% increase | 1,502 | 14,074 | 1,502 | 14,074 |
| 10% (decrease) | (1,502) | (14,074) | (1,502) | (14,074) |

Loans from related parties

| | | | | |
|----------------|------------------|------------------|------------------|------------------|
| | 1,921,493 | 2,098,776 | 1,949,205 | 2,174,168 |
| Finance costs | 336,381 | 252,547 | 336,381 | 252,547 |
| 10% increase | 37,071 | 26,938 | 37,071 | 26,938 |
| 10% (decrease) | (36,868) | (26,938) | (36,868) | (26,938) |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|-------------------|---------------|---------------|-----------------|-----------------|
|-------------------|---------------|---------------|-----------------|-----------------|

26. Financial risk management continued...

26.3.2 Price risk

The Group's exposure to equity securities price risk arises from an investment held by the group in the ultimate holding company PAR PLC and is classified in the Statement of financial positions at fair value through other comprehensive income. PAR PLC Shares are publicly traded on the Johannesburg Stock Exchange and the London Stock Exchange.

Sensitivity

The table below summarises the impact of an increase/decrease on the share price of the investment. The analysis is based on the assumption that the equity indexes had increased/decreased by the same percentage of the ALSI movement (21% in 2025 and 8% in 2024) with all other variables held constant.

Impact on other comprehensive income

| | | | | |
|---|---------|---------|---|---|
| Investment in Pan African Resources PLC | 712,801 | 148,277 | - | - |
|---|---------|---------|---|---|

26.4 Liquidity risk

Ultimate responsibility for liquidity risk management rests with the board, but is delegated to the executive management, which has an established liquidity risk management framework for the management of the Group and Company's short-term funding and liquidity requirements. This framework involves daily monitoring of the Group and Company's cash position, regular review of cash flow forecasts and maturity profiles of financial assets and liabilities. Liquidity risk is managed by maintaining adequate working capital reserves and borrowing capacity on banking facilities. Liquidity risk is centrally managed within the PAR PLC Group by the treasury function performed by the Company.

The Group and Company makes use of its function as central treasury to the PAR PLC Group to appropriately allocate and manage the cash flows in the group. PAR Funding Company therefore has the ability to direct the cash flows through out the group and can therefore call on loans to the group companies at times when it is required to settle short-term cash demands. PAR Funding Group therefore has the ability to settle its short-term funding obligations by calling funding from the companies that it has issued loans to and has the ability to use those funds, in conjunction with other funds in the company such as cash on hand to repay loans to its borrowers and group companies.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

26. Financial risk management continued...

| Contractual maturities of financial assets | Carrying amount | Less than 12 months | Year 2 | Year 3 | Year 4 and beyond | Total contractual cash flows |
|--|-----------------|---------------------|-----------|--------|-------------------|------------------------------|
| Year ended 30 June 2025 - Group | | | | | | |
| Loans to related parties | 3,983,923 | 2,678,330 | 1,305,593 | - | - | 3,983,923 |
| Cash and cash equivalents | 798,613 | 798,613 | - | - | - | 798,613 |
| Listed investment | 3,397,511 | - | 3,397,511 | - | - | 3,397,511 |
| Year ended 30 June 2024 - Group | | | | | | |
| Loans to related parties | 4,043,717 | 1,860,761 | 2,182,956 | - | - | 4,043,717 |
| Cash and cash equivalents | 406,818 | 406,818 | - | - | - | 406,818 |
| Listed investment | 1,853,466 | - | 1,853,466 | - | - | 1,853,466 |
| Year ended 30 June 2025 - Company | | | | | | |
| Loans to related parties | 3,333,192 | 2,678,330 | 654,862 | - | - | 3,333,192 |
| Cash and cash equivalents | 796,641 | 796,641 | - | - | - | 796,641 |
| Year ended 30 June 2024 - Company | | | | | | |
| Loans to related parties | 3,603,871 | 1,860,761 | 1,743,110 | - | - | 3,603,871 |
| Cash and cash equivalents | 405,098 | 405,098 | - | - | - | 405,098 |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

26. Financial risk management continued...

The Group and Company has access to financing facilities from the RCF, Term loan and the general banking facilities. The Group and Company had utilised R250 million (2024: R200 million) of the RCF and had R750 million (2024: R800 million) available at the reporting date. The Group and Company had utilised R1 300 million (2024: R 990 million) of the Term loan and had RNil (2024: R310 million) available at the reporting date. The general banking facility amounting to R140 million was unutilised and available (2024: R140 million) at the reporting date.

The Group and Company expects to meet its obligations from its operating cash flows and the borrowing capacity on its existing banking facilities.

| Contractual maturities of financial liabilities | Carrying amount | Less than 6 months | 6 to 12 months | Year 2 | Year 3 | Year 4 and beyond | Total contractual cash flows |
|--|-----------------|--------------------|----------------|-----------|-----------|-------------------|------------------------------|
| Year ended 30 June 2025 - Group | | | | | | | |
| Trade and other payables excluding non-financial liabilities (Note 21) | 877 | 877 | - | - | - | - | 877 |
| Borrowings (Note 20) | 2,676,040 | 415,468 | 710,092 | 701,169 | 1,054,881 | 356,990 | 3,238,600 |
| Dividend payable (Note 22) | 1,333 | - | 1,333 | - | - | - | 1,333 |
| Loans from related parties (Note 23) | 1,921,493 | 1,921,493 | - | - | - | - | 1,921,493 |
| Year ended 30 June 2024 - Group | | | | | | | |
| Trade and other payables excluding non-financial liabilities (Note 21) | 1,072 | 1,072 | - | - | - | - | 1,072 |
| Borrowings (Note 20) | 2,324,388 | 183,848 | 211,032 | 1,269,645 | 426,177 | 942,009 | 3,032,711 |
| Dividend payable (Note 22) | 1,333 | - | 1,333 | - | - | - | 1,333 |
| Loans from related parties (Note 23) | 2,098,776 | 2,098,776 | - | - | - | - | 2,098,776 |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

26. Financial risk management continued...

| Contractual maturities of financial liabilities | Carrying amount | Less than 6 months | 6 to 12 months | Year 2 | Year 3 | Year 4 and beyond | Total contractual cash flows |
|--|-----------------|--------------------|----------------|-----------|-----------|-------------------|------------------------------|
| Year ended 30 June 2025 - Company | | | | | | | |
| Non-derivatives | | | | | | | |
| Trade and other payables excluding non-financial liabilities (Note 21) | 715 | 715 | - | - | - | - | 715 |
| Borrowings (Note 20) | 2,676,040 | 415,468 | 710,092 | 701,169 | 1,054,881 | 356,990 | 3,238,600 |
| Loans from related parties (Note 23) | 1,949,205 | 1,949,205 | - | - | - | - | 1,949,205 |
| Year ended 30 June 2024 - Company | | | | | | | |
| Trade and other payables excluding non-financial liabilities (Note 21) | 967 | 967 | - | - | - | - | 967 |
| Borrowings (Note 20) | 2,324,388 | 183,848 | 211,032 | 1,269,645 | 426,177 | 942,009 | 3,032,711 |
| Loans from related parties companies (Note 23) | 2,174,168 | 2,174,168 | - | - | - | - | 2,174,168 |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

| Figures in R `000 | Group 2025 | Group 2024 | Company 2025 | Company 2024 |
|---|----------------|----------------|-----------------|-----------------|
| 27. Related parties | | | | |
| Pan African Resources PLC is the only shareholder and therefore the holding company and its subsidiaries are related parties. | | | | |
| 27.1 Related party balances | | | | |
| Related party balances are disclosed in notes 12, 16 and 23. | | | | |
| 27.2 Transactions with related parties | | | | |
| Statement of profit or loss and other comprehensive income | | | | |
| Revenue - Finance income | | | | |
| Evander Gold Mining Proprietary Limited * | 390,042 | 256,473 | 390,042 | 256,473 |
| Barberton Blue Proprietary Limited * | 10,376 | 8,705 | 10,376 | 8,705 |
| Pan African Resources Management Services Proprietary Limited * | 42,536 | 50,476 | 42,536 | 50,476 |
| Evander Solar Proprietary Limited * | 40,687 | 29,021 | 40,687 | 29,021 |
| Barberton Green Proprietary Limited * | 2,466 | 3,035 | 2,466 | 3,035 |
| Mogale Tailings Retreatment Proprietary Limited * | 211,228 | 73,319 | 211,228 | 73,319 |
| K2015200726 (South Africa) Proprietary Limited * | - | - | 717 | 666 |
| | 697,335 | 421,029 | 698,052 | 421,695 |
| Management fee paid | | | | |
| Pan African Resources Management Services Proprietary Limited * | 4,600 | 4,000 | 4,600 | 4,000 |
| Dividend received | | | | |
| Pan African Resources PLC | 67,399 | 55,144 | - | - |
| Finance costs | | | | |
| Evander Gold Mining Proprietary Limited * | 259,868 | 187,148 | 259,868 | 187,148 |
| Barberton Mines Proprietary Limited * | 76,513 | 65,399 | 76,513 | 65,399 |
| | 336,381 | 252,547 | 336,381 | 252,547 |

* The above entities are all subsidiaries of PAR PLC Group.

28. Contingent liabilities

The Group and Company identified no material contingent liabilities in the current or previous reporting period.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

29. Going concern

The Group's current assets amounting to R3,476,979 exceed the Group's current liabilities amounting to R2,918,494 by R558,485 in the current reporting period. The Group's current assets amounting to R2,267,587 exceeded the Group's current liabilities amounting to R2,235,587 by R31,960 in the previous reporting period. PAR Gold Proprietary Limited holds shares in Pan African Resources PLC (PAR PLC) amounting to R3,397,511 (2024: R1,853,466) which are readily convertible to cash and enables the group to settle its obligations in the ordinary course of business.

The Company's current assets amounting to R3,474,992 exceed the Company's current liabilities amounting to R2,820,251 by R654,741. The Company's current assets amounting to R2,265,867 exceed the Company's current liabilities amounting to R2,261,650 by R4,147 in the previous reporting period. The Company made a net loss of R3,744 (2024: R23,576) during the current reporting period.

The RCF, Term loan and DMTN bonds as presented in the non-current and current liabilities as at 30 June 2025 of the Group and Company are secured by guarantees issued by PAR PLC (the ultimate holding company) and related parties within the PAR PLC Group as disclosed in note 20.

The consolidated and separate 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.

30. Events after the reporting date

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

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

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

31. Directors' and prescribed officers' remuneration

The key management personnel for which remuneration has been disclosed below are executive directors and prescribed officers.

Mr JAJ Loots, Mr GP Louw, and Miss IA Phoshoko are directors of the company. Mr GP Louw resigned as director of the company on 30 September 2024. Mrs M Kok was appointed as a director of the company on 1 October 2024. Mr JD Symington and Mrs Kok (until 30 September 2024) are prescribed officers of the company. The remuneration disclosed for Mr JAJ Loots, Mr GP Louw, Mr JD Symington and Mrs M Kok was paid by Pan African Resources PLC. The remuneration disclosed for Miss IA Phoshoko was paid by Evander Gold Mining Company Proprietary Limited.

June 2025

| Name | Basic remuneration | Allowances | Retirement benefits | Life and disability | Incentives | Retention payout | Total remuneration |
|---|--------------------|--------------|---------------------|---------------------|---------------|------------------|--------------------|
| JAJ Loots | 8,111 | 188 | - | - | 7,436 | - | 15,735 |
| IA Phoshoko | 2,981 | 60 | 175 | 44 | 348 | - | 3,608 |
| GP Louw (resigned 30 September 2024) | 1,841 | 1,439 | - | - | 4,907 | 1,400 | 9,587 |
| M Kok (as director from 1 October 2024) | 3,393 | 3 | 304 | 52 | - | - | 3,752 |
| M Kok (as prescribed office until 30 September 2024) | 1,080 | - | - | - | 1,631 | - | 2,711 |
| J D Syminton | 4,171 | 141 | - | 2 | 1,631 | - | 5,945 |
| Total compensation paid to directors and prescribed officers | 21,577 | 1,831 | 479 | 98 | 15,953 | 1,400 | 41,338 |

June 2024

| Name | Basic remuneration | Allowances | Retirement benefits | Life and disability | Incentives | Total remuneration |
|--------------|--------------------|------------|---------------------|---------------------|---------------|--------------------|
| JAJ Loots | 7,701 | 191 | - | - | 4,856 | 12,748 |
| GP Louw | 7,000 | - | - | - | 3,134 | 10,134 |
| IA Phoshoko | 2,435 | 42 | 280 | 49 | 775 | 3,581 |
| JD Symington | 3,613 | 115 | - | - | 1,043 | 4,771 |
| M Kok | 3,146 | 8 | 498 | 76 | 775 | 4,503 |
| | 23,895 | 356 | 778 | 125 | 10,583 | 35,737 |

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

31. Directors' and prescribed officers' remuneration continued...

Long-term incentive scheme

| Shares granted but not yet vested | Total number of shares 1 July 2024 | Grant date | Issued during the reporting period | Dividend measurement date | Total number of shares 30 June 2025 |
|--|---------------------------------------|-------------|--|---------------------------------|---|
| Mr JAJ Loots | | | | | |
| - PAR Gold F-shares | 2,190,419 | 1 July 2022 | - | 1 July 2025 | 2,190,419 |
| - PAR Gold G-shares | 2,711,080 | 1 July 2023 | - | 1 July 2026 | 2,711,080 |
| - PAR Gold I-shares | - | 1 July 2024 | 1,858,236 | 1 July 2027 | 1,858,236 |
| Mr GP Louw | | | | | |
| - PAR Gold F-shares | 1,795,876 | 1 July 2022 | - | 1 July 2025 | 1,795,876 |
| - PAR Gold G-shares | 2,222,754 | 1 July 2023 | - | 1 July 2026 | 2,222,754 |
| Mr JD Symington | | | | | |
| - PAR Gold F-shares | 636,363 | 1 July 2022 | - | 1 July 2025 | 636,363 |
| - PAR Gold G-shares | 787,267 | 1 July 2023 | - | 1 July 2026 | 787,267 |
| - PAR Gold I-shares | - | 1 July 2024 | 539,857 | 1 July 2027 | 539,857 |
| Ms M Kok | | | | | |
| - PAR Gold F-shares | 413,637 | 1 July 2022 | - | 1 July 2025 | 413,637 |
| - PAR Gold G-shares | 787,267 | 1 July 2023 | - | 1 July 2026 | 787,267 |
| - PAR Gold I-shares | - | 1 July 2024 | 1,034,483 | 1 July 2027 | 1,034,483 |
| Ms I Phoshoko | | | | | |
| - PAR Gold F-shares | 325,000 | 1 July 2022 | - | 1 July 2025 | 325,000 |
| - PAR Gold G-shares | 402,252 | 1 July 2023 | - | 1 July 2026 | 402,252 |
| - PAR Gold I-shares | - | 1 July 2024 | 303,448 | 1 July 2027 | 303,448 |
| Total number of shares not yet vested | 12,271,915 | | 3,736,024 | | 16,007,939 |

These are cash-settled shares issued under the PGLIP scheme. Dividends are only declared on these shares if the specified measurement criteria are fulfilled at the end of a three-year measurement period.

Pan African Resources Funding Company Limited

(Registration Number 2012/021237/07)

Consolidated and Separate Financial Statements for the year ended 30 June

Notes to the Consolidated and Separate Financial Statements

Figures in R `000

31. Directors' and prescribed officers' remuneration continued...

| Vested shares | Total number of shares 1 July 2024 | Grant date | Repurchased during the reporting period | Dividend measurement date | Total number of shares 30 June 2025 |
|--------------------------------------|--|--------------|--|---------------------------------|---|
| Mr JAJ Loots | | | | | |
| - PAR Gold E-shares | 2,337,972 | 01 July 2021 | (2,337,972) | 01 July 2024 | - |
| - PAR Gold H-shares | 2,845,841 | 1 July 2023 | - | 1 July 2026 | 2,845,841 |
| Mr GP Louw | | | | | |
| - PAR Gold E-shares | 1,916,851 | 01 July 2021 | (1,916,851) | 01 July 2024 | - |
| - PAR Gold H-shares | 2,138,805 | 1 July 2023 | - | 1 July 2026 | 2,138,805 |
| Mr JD Symington | | | | | |
| - PAR Gold B-shares | - | 01 July 2020 | - | 31 December 2021 | - |
| - PAR Gold C-shares | - | 01 July 2019 | - | 01 July 2022 | - |
| - PAR Gold D-shares | - | 01 July 2020 | - | 01 July 2023 | - |
| - PAR Gold E-shares | 610,492 | 01 July 2021 | (610,492) | 01 July 2024 | - |
| - PAR Gold H-shares | 723,431 | 1 July 2023 | - | 1 July 2026 | 723,431 |
| Ms M Kok | | | | | |
| - PAR Gold D-shares | - | 01 July 2020 | - | 01 July 2023 | - |
| - PAR Gold E-shares | 427,526 | 01 July 2021 | (427,526) | 01 July 2024 | - |
| - PAR Gold H-shares | 981,799 | 1 July 2024 | - | 1 July 2027 | 981,799 |
| Ms I Phoshoko | | | | | |
| - PAR Gold D-shares | - | 01 July 2020 | - | 01 July 2023 | - |
| - PAR Gold E-shares | 299,795 | 01 July 2021 | (299,795) | 01 July 2024 | - |
| - PAR Gold H-shares | 383,861 | 1 July 2024 | - | 1 July 2027 | 383,861 |
| Total number of vested shares | 12,666,373 | | (5,592,636) | | 7,073,737 |

Shares were repurchased at a nominal amount and cancelled by PAR Gold during the 2025 reporting period, no further dividend payment will be made on these shares consistent with the rules of the PGLIP scheme.