Crede Investor I Bridge to Bond (RF) Limited
(Registration number 2021/118487/06)
Annual Financial Statements
for the year ended 29 February 2024

Issued 26 June 2024

Contents

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

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Invest in infrastructure assets in South Africa. The assets should be in project finance structures. The infrastructure sectors to be invested in include renewable energy,water and sanitation, human settlements etc.
Directors	B W Smith D Mutemwa-Tumbo R M Friedericksen S G Sokhela
Registered office	Stonehage Fleming First Floor, North Block Waterway House 3 Dock Road Victoria and Alfred Waterfront Cape Town Western Cape 8001
Postal address	PO Box 51608 Waterfront Cape Town Western Cape 8002
Holding entity	The Crede Bridge to Bond Owner Trust
Auditors	Moore Infinity Incorporated Chartered Accountants (S.A.) Registered Auditors
Secretary	Stonehage Fleming Corporate Services Proprietary Limited
JSE Debt Sponsor	Questco Corporate Advisory Proprietary Limited
Company registration number	2021/118487/06
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act No 71 of 2008, as amended and the JSE Debt Listing Requirements
Preparer	The annual financial statements were internally compiled by: DA Vincent Associate General Accountant (SA)
Issued	26 June 2024

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Crede Investor I Bridge to Bond (RF) Limited for the year ended 29 February 2024.

1. Nature of business

Crede invests in infrastructure assets in South Africa and has registered its programme memorandum on the JSE Limited ("the JSE").

The principal activities of the company are to invest in infrastructure assets in South Africa. The assets should be in project finance structures. The infrastructure sectors to be invested in include renewable energy, water and sanitation, human settlements etc. The company will issue Senior Secured Notes with the backing of these investments.

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

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act Companies Act No 71 of 2008, as amended and JSE Debt Listings Requirements. The accounting policies have been applied consistently compared to the prior year.

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

3. Share capital

	2024	2023
Authorised	Number of shares	
Ordinary shares	1,000	1,000
Cumulative redeemable preference shares	1,000	1,000

	2024	2023	2024	2023
Issued	R	R	Number of shares	
Ordinary shares	100	100	100	100

Refer to note 7 of the annual financial statements for detail of the movement in authorised and issued share capital.

On 05 October 2022 the 100 ordinary no par value shares in issue were transferred from Crede Power and Infrastructure Investments Proprietary Limited to The Crede Bridge to Bond Owner Trust.

No cumulative redeemable preference shares were issued during the period.

4. Directorate

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

Directors	Designation	Changes
B W Smith	Non-executive Independent	
D Mutemwa-Tumbo	Non-executive Independent	Appointed 31 October 2023
R M Friedericksen	Non-executive Independent	
S G Sokhela	Non-executive Non-independent	
B Harmse	Non-executive Independent	Resigned 31 October 2023

5. Holding entity

The company's ultimate holding company is The Crede Bridge to Bond Owner Trust which holds 100% interest in the company and is established in South Africa.

Directors' Report

6. Events after the reporting period

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

7. Going concern

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

The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

8. Auditors

Moore Infinity Incorporated continued in office as auditors for the company for 2024.

Audit Committee Report

1. Members of the Audit Committee

The members of the audit committee are all independent non-executive directors of the company and include:

Name		Changes
R M Friedericksen	(Chairperson)	
BW Smith		
D Mutemwa-Tumbo		Appointed 31 October 2023
B Harmse		Resigned 31 October 2023

The committee is satisfied that the members thereof have the required knowledge and experience as set out in Section 94(5) of the Companies Act No 71 of 2008, as amended and Regulation 42 of the Companies Regulation, 2011.

2. Meetings held by the Audit Committee

The audit committee performs the duties laid upon it by Section 94(7) of the Companies Act Companies Act No 71 of 2008: ("Companies Act") as amended by holding meetings with the key role players on a regular basis and by the unrestricted access granted to the external auditors. The committee held meetings on 04 April 2023, 05 July 2023, 11 July 2023 and 27 March 2024.

3. External auditor

The committee satisfied itself through inquiry that the external auditor, Moore Infinity Incorporated complies with the JSE Limited ("JSE") Debt Listings Requirements.

The committee satisfied itself through enquiry that the external auditors are independent as defined by the Companies Act and as per the standards stipulated by the auditing profession. Requisite assurance was sought and provided by Moore Infinity Incorporated that internal governance processes within the firm support and demonstrate the claim to independence.

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

4. Discharge of responsibilities and audited financial statements

Following the review by the committee of the annual financial statements of the company for the period ended 29 February 2024 and based on the information provided to it, the committee considers that, in all material respects, the company complies with the provisions of the Companies Act, as amended, the JSE Debt Listings Requirements, International Financial Reporting Standards, and that the accounting policies applied are appropriate.

The committee recommended the audited annual financial statements for approval to the board of directors ("Board") on 12 June 2024.

The committee further concurred with the Board and management that the adoption of the going-concern status in the preparation of the annual financial statements is appropriate.

5. Expertise and experience of the finance function

The on-going secretarial administration of the company's statutory records is performed by Stonehage Fleming Corporate Services Proprietary Limited. The accounting function and administration is managed by Crede Capital Partners Proprietary Limited with the assistance of TMF Corporate Services (South Africa) Proprietary Limited.

The committee satisfied itself that the composition, experience and skills set of the finance function met the company's requirements.

On behalf of the audit committee

R M Friedericksen
Chairperson Audit Committee
26 June 2024

Company Secretary's Declaration

In accordance with the provisions of Section 88(2)(e) of the Companies Act No 71 of 2008, as amended, I, in my capacity as duly authorised representative of the company secretary, hereby certify that, in respect of the period ended 29 February 2024, the company has lodged with the Commissioner ("CIPC") all such returns as are required of a public company in terms of the Act and that all such returns are true, correct and up to date.

Marian Ruth Griffin Kloot

Stonehage Fleming Corporate Services Proprietary Limited
(Represented by: Marian Griffin Kloot)
26 June 2024

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act No 71 of 2008, as amended to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Accounting Standards and the JSE Debt Listing Requirements. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Accounting Standards and the JSE Debt Listing Requirements which incorporates appropriate accounting policies, supported by reasonable and prudent judgements and estimates, consistently applied.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

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

The directors have reviewed the company's ability to continue as a going concern. Full details are disclosed in note 20 of the annual financial statements.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 8 to 11.

The annual financial statements set out on pages 3 to 4 and 12 to 28, which have been prepared on the going concern basis, were approved by the board of directors on 26 June 2024 and were signed on their behalf by:

Approval of financial statements

Director	**Director**

MOORE

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Independent Auditor's Report

To the Shareholder of Crede Investor I Bridge to Bond (RF) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Crede Investor I Bridge to Bond (RF) Limited (the company) set out on pages 12 to 27, which comprise the statement of financial position as at 29 February 2024, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Crede Investor I Bridge to Bond (RF) Limited as at 29 February 2024, and its financial performance and cash flows for the year then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB®) and the requirements of the Companies Act of South Africa.

Basis for Opinion

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

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

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Independent Auditor's Report

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Crede Investor I Bridge to Bond (RF) Limited financial statements for the year ended 29 February 2024", which includes the Directors' Report, Audit Committee Report and Company Secretary's Declaration as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Directors for the Financial Statements

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

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

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Independent Auditor's Report

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Moore Infinity Inc. | Reg No. 2006/018138/21 | Trading as Moore | Registered Auditors - Practice Number 902317.
Non-Executive Director: D Theunissen
Directors: LB Roberts, E Rossouw, N Moodley, CM Visser, PJ Conradie, B Willers
Associate Directors: R Carvalho, P Dickson

Member firms in principal cities throughout the world.

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Independent Auditor's Report

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.

Report on Other Legal and Regulatory Requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Moore Infinity Incorporated has been the auditor of Crede Investor I Bridge to Bond (RF) Limited for 2 years.

Moore Infinity

Moore Infinity Incorporated
Chartered Accountants (SA)
Registered Auditors

Ettiene Rossouw
Director
Registered Auditor

26 June 2024

Silver Stream Business Park
10 Muswell Road
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Statement of Financial Position as at 29 February 2024

Figures in Rand	Note(s)	29 February 2024	28 February 2023
Assets			
Non-Current Assets			
Deferred tax	3	-	37,195
Loan facility	4	200,000,000	-
		200,000,000	**37,195**
Current Assets			
Loan facility	4	12,547,255	-
Trade and other receivables	5	1,111,211	100
Cash and cash equivalents	6	1,469,789	6,338
		15,128,255	**6,438**
Total Assets		**215,128,255**	**43,633**
Equity and Liabilities			
Equity			
Share capital	7	100	100
Retained income		282,877	(1,209,045)
		282,977	**(1,208,945)**
Liabilities			
Non-Current Liabilities			
Loans from related parties	8	1,783,411	471,000
Debt securities in issue	9	200,000,000	-
		201,783,411	**471,000**
Current Liabilities			
Debt securities in issue	9	12,547,255	-
Trade and other payables	10	-	781,578
Current tax payable		514,612	-
		13,061,867	**781,578**
Total Liabilities		**214,845,278**	**1,252,578**
Total Equity and Liabilities		**215,128,255**	**43,633**

Statement of Profit or Loss and Other Comprehensive Income

Figures in Rand	Note(s)	12 months ended 29 February 2024	15 months ended 28 February 2023
Interest income	11	12,547,255	-
Other income	12	3,461,111	-
Other operating expenses		(1,417,369)	(1,246,240)
Operating profit (loss)	13	**14,590,997**	**(1,246,240)**
Finance costs	14	(12,547,268)	-
Profit (loss) before taxation		**2,043,729**	**(1,246,240)**
Taxation	15	(551,807)	37,195
Profit (loss) for the year		**1,491,922**	**(1,209,045)**
Other comprehensive income		-	-
Total comprehensive income (loss) for the year		**1,491,922**	**(1,209,045)**

Statement of Changes in Equity

Figures in Rand	Share capital	Accumulated (loss) / profit	Total equity
Issue of shares	100	-	100
Loss for the period	-	(1,209,045)	(1,209,045)
Other comprehensive income	-	-	-
Total comprehensive Loss for the period	**-**	**(1,209,045)**	**(1,209,045)**
Balance at 01 March 2023	**100**	**(1,209,045)**	**(1,208,945)**
Profit for the year	-	1,491,922	1,491,922
Other comprehensive income	-	-	-
Total comprehensive income for the year	**-**	**1,491,922**	**1,491,922**
Balance at 29 February 2024	**100**	**282,877**	**282,977**
Note	7		

Crede Investor I Bridge to Bond (RF) Limited

(Registration number 2021/118487/06)
Annual Financial Statements for the year ended 29 February 2024

Statement of Cash Flows

Figures in Rand	Note(s)	12 months ended 29 February 2024	15 months ended 28 February 2023
Cash flows from operating activities			
Cash generated from/(used in) operations	16	151,053	(464,762)
Finance costs	14	(13)	-
Net cash from operating activities		**151,040**	**(464,762)**
Cash flows from investing activities			
Cash outflow on loan facility	4	(200,000,000)	-
Cash flows from financing activities			
Proceeds on issue of share capital	7	-	100
Proceeds of loans from related parties	8	1,312,411	471,000
Cash receipts on debt securities in issue	9	200,000,000	-
Net cash from financing activities		**201,312,411**	**471,100**
Total cash movement for the year		**1,463,451**	**6,338**
Cash and cash equivalents at the beginning of the year		6,338	-
Cash and cash equivalents at the end of the year	6	**1,469,789**	**6,338**

Accounting Policies

1. Significant accounting policies

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

1.1 Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and Interpretations ("IFRS IC") and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these annual financial statements, the JSE Debt Listings Requirements, and the Companies Act No 71 of 2008, as amended.

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

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

These accounting policies are consistent with the previous period.

1.2 Financial instruments

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

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

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

Financial liabilities:
- Amortised cost.

Business model assessment

The business model reflects how the company manages the financial assets in order to generate cash flows and returns. The company makes an assessment of the objective of a business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The factors considered in determining the business model include:
(i) how the financial assets' performance is evaluated and reported to management;
(ii) how the risks within the portfolio are assessed and managed; and
(iii) the frequency, volume, timing of past sales,sales expectations in future periods, and the reasons for such sales.

The company reclassifies debt instruments when, and only when, the business model for managing those assets changes. Such changes are highly unlikely and therefore expected to be very infrequent.

Assessment of whether contractual cash flows are solely payments of principal and interest ("SPPI").

In making the assessment of whether the contractual cash flows have SPPI characteristics, the company considers whether the cash flows are consistent with a basic lending arrangement. That is, the contractual cash flows recovered must represent solely the payment of principal and interest. Principal is the fair value of the financial asset on initial recognition. Interest typically includes only consideration for the time value of money and credit risk but may also include consideration for other basic lending risks and costs, such as liquidity risk and administrative costs, together with a profit margin.

Accounting Policies

1.2 Financial instruments (continued)

Where the contractual terms include exposure to risk or volatility that is inconsistent with a basic lending arrangement, the cash flows would not be considered to be SPPI and the assets would be mandatorily measured at fair value through profit or loss. In making the assessment, the company considers, inter alia, contingent events that would change the amount and timing of cash flows, prepayment and extension terms, leverage features, terms that limit the company's claim to cash flows from specified assets (e.g. non-recourse asset arrangements), and features that modify consideration of the time value of money (e.g. tenure mismatch). Contractual cash flows are assessed against the SPPI test in the currency in which the financial asset is denominated.

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

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

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost.

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

Recognition and measurement

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

They are subsequently measured at amortised cost.

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

Borrowings and loans from related parties

Classification

Loans from related parties are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

Borrowings and loans from related parties are recognised when the company becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.

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

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

Interest expense, calculated on the effective interest method, is included in profit or loss in finance costs.

Borrowings expose the company to liquidity risk and interest rate risk.

Accounting Policies

1.2 Financial instruments (continued)

Trade and other payables

Classification

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

Recognition and measurement

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

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

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

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss.

Trade and other payables expose the company to liquidity risk and possibly to interest rate risk.

Cash and cash equivalents

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

1.3 Tax

Current tax assets and liabilities

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

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

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction that at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which they can be utilised.

Deferred tax assets and liabilities are measured 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 tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Accounting Policies

1.3 Tax (continued)

Tax expenses

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

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.4 Share capital and equity

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

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value are classified as 'share premium' in equity. Dividends are recognised as a liability when declared.

Notes to the Annual Financial Statements

Figures in Rand	12 months ended. 29 February 2024	15 months ended 28 February 2023

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

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

2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 01 March 2024 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Non-current liabilities with covenants - amendments to IAS 1	01 January 2024	Unlikely there will be a material impact

3. Deferred tax

Deferred tax asset

Tax losses available for set off against future tax income	-	37,195

Reconciliation of deferred tax asset / (liability)

At beginning of year	37,195	-
(Decrease) / Increases in tax loss available for set off against future taxable income	(37,195)	37,195
	-	**37,195**

4. Loan facility

Facility loan - Rhea SPV 4 (capital)	212,547,255	-

Split between non-current and current portions

Non-current assets	200,000,000	-
Current assets	12,547,255	-
	212,547,255	**-**

Loans pledged as security

The Borrower shall utilise the proceeds of each loan advanced by the Lender towards funding the acquisition of passive fibre network infrastructure. Interest accrues at the 3 month JIBAR rate, plus a margin of 6.50%. The loan facility has a scheduled 15 month repayment period.

Notes to the Annual Financial Statements

Figures in Rand	12 months ended 29 February 2024	15 months ended 28 February 2023

5. Trade and other receivables

Financial instruments:		
Accrued income - Facility fee	1,111,111	-
Other receivable	100	100
Total trade and other receivables	**1,111,211**	**100**

Fair value of trade and other receivables

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

6. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	1,469,789	6,338

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

The credit quality of cash at bank and short term deposits, excluding cash on hand can be assessed as high as the company only banks with reputable financial institutions.

7. Share capital

Authorised		
1000 Ordinary shares of no par value	-	-
1000 Cumulative redeemable preference shares of no par value	-	-
	-	**-**
Reconciliation of number of ordinary shares issued:		
Opening balance	100	-
Issue of shares – ordinary no par value shares	-	100
	100	**100**
Issued		
Ordinary shares of no par value	100	100

8. Loans from related parties

Crede Power and Infrastructure Investments Proprietary Limited	1,133,411	421,000
Crede Capital Partners Proprietary Limited	650,000	50,000
	1,783,411	**471,000**

These loans are unsecured and interest free.

The loans are repayable in part or in full upon the occurrence of an event of default (as defined in the loan agreements), or when the company generates sufficient cash flow from operations to meet all its operating obligations for the next 12 months net of repayment of the loans.

Notes to the Annual Financial Statements

Figures in Rand	12 months ended 29 February 2024	15 months ended 28 February 2023

8. Loans from related parties (continued)

As long as the entity remains under solvency or liquidity constraints, the lenders agree to subordinate for the benefit of the other creditors so much of their claim against the company as would enable the claims of such creditors to be paid in full.

Split between non-current and current portions

Non-current liabilities	1,783,411	471,000
	1,783,411	**471,000**

Fair value of group loans payable

The fair value of group loans payable approximates their carrying amounts.

9. Debt securities in issue

Transaction 1 - Unlisted secured notes capital	212,547,255	-

On the 29th of September 2023, the company issued R200,000,000 Class A1 Secured Notes under its R10,000,000,000 note programme. Interest accrues at a rate of 3 month JIBAR plus a margin of 6.50% with a final redemption date of 28 March 2025.

Security

The Crede Bridge to Bond Security SPV (RF) Proprietary Limited ("the Security SPV") has been established for the purpose of issuing guarantees and holding and realising security for the benefit of the company's Noteholders and other Creditors ("the Secured Creditors") for each Sub-Series of Notes issued.

In respect of each Sub-Series of Notes issued, the Security SPV binds itself under each Sub-Series Guarantee to the Secured Creditors in the case of a Guaranteed Event (i.e. an event of default or a vote for early redemption of the notes).

Pursuant to each Sub-Series Guarantee, the Security SPV undertakes in favour of each Sub-Series Secured Creditor of the relevant Sub-Series to pay to such Sub-Series Secured Creditor, in accordance with the Sub-Series Priority of Payments, the full amount then owing to it by the company.

The Secured Creditors will only proceed against the Security SPV under the Guarentee in the event of the company failing to meet its obligations to them. The Security SPV's aggregate liability under the guarantee is lmited to amounts realised under an indemnity.

Split between non-current and current portions

Non-current liabilities	200,000,000	-
Current liabilities	12,547,255	-
	212,547,255	**-**

10. Trade and other payables

Financial instruments:		
Trade payables - related parties	-	712,411
Accrued fiduciary service fees	-	69,167
	-	**781,578**

Notes to the Annual Financial Statements

Figures in Rand	12 months ended 29 February 2024	15 months ended 28 February 2023

10. Trade and other payables (continued)

Subordination

The related parties agree to subordinate for the benefit of the other creditors so much of their claim against the company as would enable the claims of such creditors to be paid in full.

Fair value of trade and other payables

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

11. Interest income

Interest on facility loan	12,547,255	-

Interest accrues at the rate of the 3 month JIBAR plus a margin of 6.50% in accordance with the Loan Facility Agreement. The loan facility has a scheduled 15 month period.

12. Other income

Due diligence cost & legal fees	350,000	-
Facility fee	1,111,111	-
Initiation fee	2,000,000	-
	3,461,111	**-**

13. Operating profit (loss)

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

Audit fees	57,500	57,500
Bank charges	23,801	11,094
Fiduciary service fees	83,208	69,167
Legal fees	523,388	1,108,479
Professional fees	392,660	-
Secretarial fees	336,812	-
	1,417,369	**1,246,240**

14. Finance costs

Interest paid - Bank	13	-
Interest accrued - Debt securities	12,547,255	-
Total finance costs	**12,547,268**	**-**

Notes to the Annual Financial Statements

Figures in Rand	12 months ended 29 February 2024	15 months ended 28 February 2023

15. Taxation

Major components of the tax expense

Current		
Local income tax - current period	514,612	-
Deferred		
Reversing / (arising) from tax losses	37,195	(37,195)
	551,807	**(37,195)**

Reconciliation of the tax expense

Reconciliation between accounting profit and tax expense.

Accounting profit	2,043,729	(1,246,240)
Tax at the applicable tax rate of 27% (2023: 28%)	551,807	(348,947)
Tax effect of adjustments on taxable income		
Expenses not incurred in the production of future income	-	310,374
Reduction due to rate change	-	1,378
	551,807	**(37,195)**

16. Cash generated from/(used in) operations

Profit / (loss) before taxation	2,043,729	(1,246,240)
Adjustments for non-cash items:		
Interest income accrued	(12,547,255)	-
Interest expense accrued	12,547,255	-
Adjust for items which are presented separately:		
Finance costs	13	-
Changes in working capital:		
Increase in trade and other receivables	(1,111,111)	(100)
(Decrease) / Increase iin trade and other payables	(781,578)	781,578
	151,053	**(464,762)**

Notes to the Annual Financial Statements

Figures in Rand	12 months ended 29 February 2024	15 months ended 28 February 2023

17. Related parties

Relationships	
Holding entity	The Crede Bridge to Bond Owner Trust
Independent non-executive directors	B W Smith D Mutemwa-Tumbo R M Friedericksen
Non-independent non-executive director	S G Sokhela
Arrangers and administrators	Crede Power and Infrastructure Investments Proprietary Limited Crede Capital Partners Proprietary Limited TMF Corporate Services (South Africa) Proprietary Limited (sub-administrator)

Related party balances

	2024	2023
Loan accounts - Owing to related parties		
Crede Power and Infrastructure Investments Proprietary Limited	(1,133,411)	(421,000)
Crede Capital Partners Proprietary Limited	(650,000)	(50,000)
Amounts included in Trade Payables owing to related parties		
Crede Power and Infrastructure Investments Proprietary Limited	-	(712,411)

18. Directors' emoluments

Directors' fees of R135,000 (2023:R17,500) are payable to Stonehage Fleming Corporate Services Proprietary Limited for director services provided to the company.

The non-executive independent directors are remunerated by Stonehage Fleming Corporate Services Proprietary Limited on a separate basis.

The non-executive non-independent director was not remunerated for his director services to the company in 2023 and 2024 financial periods.

Notes to the Annual Financial Statements

19. Financial instruments and risk management

Categories of financial assets

2024

	Note(s)	Amortised cost	Total
Loan facility	4	212,547,255	212,547,255
Trade and other receivables	5	1,111,211	1,111,211
Cash and cash equivalents	6	1,469,789	1,469,789

2023

	Note(s)	Amortised cost	Total
Trade and other receivables	5	100	100
Cash and cash equivalents	6	6,338	6,338

Categories of financial liabilities

2024

	Note(s)	Amortised cost	Total
Loans from related parties	8	1,783,412	1,783,412
Debt securities in issue	9	212,547,255	212,547,255
		214,330,667	**214,330,667**

2023

	Note(s)	Amortised cost	Total
Trade and other payables	10	781,578	781,578
Loans from related parties	8	471,000	471,000
		1,252,578	**1,252,578**

Financial risk management

Overview

The company's financial instruments consist mainly of trade and other receivables, cash and cash equivalents, trade payables and loans payable to related parties. Exposure to interest, credit and liquidity risks arise in the normal course of business.

The company's business involves taking on risks in a targeted manner and managing them professionally. The core functions of the company's risk management are to identify all key risks for the company, measure these risks, manage the risk positions and determine capital allocations. The company regularly reviews its risk management policies and systems to reflect changes in markets, products and best market practice.

The company's aim is to achieve an appropriate balance between risk and return and minimise potential adverse effects on the company's financial performance. The company defines risk as the possibility of losses or profits foregone, which may be caused by internal or external factors.

The risks arising from financial instruments to which the company is exposed are financial risks, which include credit risk, liquidity risk, interest rate risk (which are discussed below) and operational risk.

Notes to the Annual Financial Statements

19. Financial instruments and risk management (continued)

Credit risk

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

Credit risk is the single largest risk for the company's business; management therefore carefully manages its exposure to credit risk.

The company is a ring fenced vehicle, therefore, credit risk for exposures other than those arising on cash and cash equivalents, are managed by limiting the transactions and counterparties with which it can contract.

Credit loss allowances for expected credit losses ("ECL") on the facility loan is assessed by management on a continuous basis. An ECL assessment was performed during the current financial year and was not deemed material.

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

The exposure to credit risk and the creditworthiness of counterparties is continuously monitored.

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

		2024			2023		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Loan facility	4	212,547,255	-	212,547,255	-	-	-
Trade and other receivables	5	1,111,211	-	1,111,211	100	-	100
Cash and cash equivalents	6	1,469,789	-	1,469,789	6,338	-	6,338
		215,128,255	**-**	**215,128,255**	**6,438**	**-**	**6,438**

Liquidity risk

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

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

2024

		Less than 1 year	1 to 2 years	Total	Carrying amount
Non-current liabilities					
Loans from related parties	8	-	1,783,412	1,783,412	1,783,412
Debt securities in issue	9	-	200,938,400	200,938,400	200,000,000
Current liabilities					
Debt securities in issue	9	23,476,079	-	23,476,079	12,547,255
		23,476,079	**202,721,812**	**226,197,891**	**214,330,667**

Notes to the Annual Financial Statements

19. Financial instruments and risk management (continued)

2023

		Less than 1 year	1 to 2 years	Total	Carrying amount
Non-current liabilities					
Loans from related parties	8	-	471,000	471,000	471,000
Current liabilities					
Trade and other payables	10	781,578	-	781,578	781,578
		781,578	**471,000**	**1,252,578**	**1,252,578**

Interest rate risk

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

20. Going concern

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

The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

21. Events after the reporting period

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

22. Comparative figures

The current year figures are not comparable to the prior period figures due to the current year being 12 months and the prior period being 15 months and the company only commenced trading during the current year.