



AFRICA BITCOIN
CORPORATION



BITCOIN ACQUISITION POLICY

Ownership of this policy is vested with The Africa Bitcoin Corporation Group of Companies
The Group of Companies (the company) ("ABC") consists of

- Africa Bitcoin Corporation Ltd, REG NO: 2022/388673/07 ("**ABC**")
- Altvest Credit Opportunities Fund Ltd, REG NO: 2022/737301/06 ("**ACOF**")
- Altvest Bitcoin Strategies (Pty) Ltd, REG NO: 2022/388673/07 ("**ABS**")
- Altvest Capital Solutions (Pty) Ltd, REG NO: 2021/976835/07 ("**ACS**")
- Altvest Wealth (Pty) Ltd, REG NO: 2015/038780/07 ("**AW**")

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DOCUMENT HISTORY

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1. EXECUTIVE SUMMARY

This Bitcoin Treasury Policy ("Policy") establishes the governance, operational, and compliance framework for how Africa Bitcoin Corporation (ABC) acquires, holds, and manages Bitcoin as a treasury reserve asset. It formalizes a disciplined, weekly dollar-cost averaging acquisition program, robust cold storage custody standards, and strict oversight by Board-delegated committees. All Bitcoin treasury activities are conducted under the independent audit oversight of Forvis Mazars, ensuring best-in-class transparency including proof-of-reserves attestations.

ABC's Bitcoin strategy is fundamentally long-term and non-speculative, aimed at hedging inflation, diversification, and balance sheet strength. Bitcoin serves as a strategic reserve asset to protect against currency debasement and inflation, thereby enhancing the Company's ability to fund its core Small and Medium Enterprise (SME) lending operations. ABC operates with a dual mandate –an SME financing business through its Altvest Credit Opportunities Fund Limited subsidiary alongside a structured Bitcoin treasury reserve strategy. The Bitcoin reserve is managed as an ancillary treasury asset, supporting ABC's mission to empower African SMEs by improving the Company's capital base and lowering cost of funds for lending.

Critically, the Group maintains a Working Capital Threshold of R5 million in fiat cash reserves at all times to meet operational needs. Only surplus cash above this threshold is deployed into Bitcoin acquisitions, ensuring that core business liquidity is never compromised. All purchases are executed via regulated over the counter (OTC) desks with fiat-only settlement (no crypto-to-crypto trades), adhering to strict compliance and best execution practices. Post-trade, Bitcoin is transferred to 3-of-5 multi-signature cold storage within hours of execution, distributing key control across jurisdictions for maximum security.

This Policy has been prepared in alignment with the Aquis Stock Exchange Crypto Asset Framework (v1.0, effective 1 Sep 2025) and Johannesburg Stock Exchange (JSE) proposed digital asset rules, ensuring full regulatory compliance. A prominent risk disclosure is integrated: Bitcoin is a high-risk, volatile asset, and ABC acknowledges unique risks including market volatility, regulatory uncertainties, cybersecurity threats, and custodial vulnerabilities. In accordance with Aquis requirements these risk warnings will be included in all shareholder communications and financial reports. Furthermore, an independent legal review by UK-qualified counsel has confirmed that ABC's activities do not constitute an Alternative Investment Fund (AIF), given that ABC remains an operating company with substantial non-crypto business operations. This legal opinion and the Company's ongoing compliance measures ensure ABC's Bitcoin treasury initiative adheres to all applicable regulations (FSMA, AML, AIFMD, CARF, etc.) while preserving ABC's status as a regular trading company (not a fund).

In summary, this Policy provides a transparent and rigorous framework for Bitcoin treasury management that complements ABC's core financial services business. It is designed for Board and regulatory scrutiny, documenting how every Bitcoin acquisition will be approved, executed, secured, and reported in line with corporate governance standards and the Aquis exchange's expectations for issuers pursuing cryptocurrency strategies. Upon Board approval, this Policy shall guide ABC's treasury operations and be subject to periodic review and enhancement as the regulatory and market environment evolves.

Key Item	
Working Capital Floor	R5,000,000
BTC Allocation of total reserves	40%
Derivatives	Hedging and staking
BTC Holdings	_< 50%
Total BTC hold in Cold Storage	->90%

It is submitted to the Board of Directors of Africa Bitcoin Corporation for ratification and implementation.

2. STRATEGIC OBJECTIVES

ABC's treasury strategy is based on accretive capital raising (equity and, where appropriate, secured debt instruments) and may utilise limited and secured leverage to optimise treasury efficiency.

- **Accretive BTC Accumulation:** Execute a consistent, programmatic Bitcoin accumulation strategy that increases Bitcoin holdings per share over time (measured in sats/share) without employing leverage. The current approach relies on raising growth capital (equity) for Bitcoin purchases, with debt instruments to be considered in the future as the treasury matures.
- **Long-Term Value & Inflation Hedge:** Hold Bitcoin as a long-term reserve asset to hedge against inflation and local currency devaluation, preserving shareholder value in real terms. Bitcoin's fixed supply and global liquidity make it a suitable inflation-resistant reserve to strengthen ABC's balance sheet. The target allocation is up to 40% of total liquid reserves in Bitcoin, subject to Board review.
- **Transparency and Best Practices:** Maintain best-in-class transparency, security, and risk management. The treasury operations will be audited by Forvis Mazars annually (alongside the Group's annual audit process), with results published, and will adhere to peer benchmarks (e.g., disclosure practices of leading public Bitcoin-holding companies). The Investment Committee shall review industry best practices (e.g., from MicroStrategy, Hut 8, etc.) annually and recommend improvements.

- **Regulatory Compliance:** Fully comply with all relevant regulatory guidelines. This includes aligning with the Aquis Exchange crypto asset policy and JSE rules, implementing robust Anti-Money Laundering (AML) controls, and ensuring that ABC's crypto strategy remains ancillary to its main business (preventing any change in regulatory status to an AIF or similar). A prominent risk statement on cryptocurrency volatility and custodial risk will accompany all public disclosures;
- **Support Core Business (SME Lending):** Leverage the Bitcoin treasury to enhance ABC's core mission of funding SMEs. The Bitcoin reserve acts as a financial cornerstone – bolstering the Company's equity base and credibility, thereby enabling lower-cost capital raising and debt financing that can be channeled into SME loans. The strategy explicitly ties into ABC's dual mandate: profits and strength from Bitcoin holdings amplify the impact and scale of the SME financing operations, creating a synergistic growth model.

3. SCOPE OF APPLICATION

This Policy applies to all entities and personnel within the ABC Group involved in Bitcoin treasury activities. Specifically:

- **Entities Covered:** Africa Bitcoin Corporation Limited and its wholly owned subsidiaries, including Africa Bitcoin Strategies (Pty) Ltd, Altvest Capital Solutions (Pty) Ltd and Altvest Wealth (Pty) Ltd and any future subsidiaries that may hold or manage cryptocurrency assets,
- **Personnel Covered:** All executive officers, Board members, designated treasury team members, and any authorized employees who participate in or oversee Bitcoin transactions, custody, or reporting. These individuals must adhere to the roles and responsibilities outlined in this Policy.
- **Activities Covered:** All treasury operations involving Bitcoin including capital allocation for Bitcoin purchases, execution of trades, transfer, and storage of BTC, risk management actions, and financial reporting of Bitcoin holdings. Any use of fiat funds for crypto acquisition or any interaction with crypto custody providers falls under this Policy's purview. ABC will also provide client asset services (segregated custody of BTC on behalf of third parties) where authorised under Section 19.
- **Exclusions:** This Policy does not cover operational use of cryptocurrencies outside the treasury reserve context (if any), such as transactional use by the Company's clients or any future token issuance – such activities would require separate policies and approvals.
- **Third Party providers:** Trading, custody, audit and assurance providers are contractually required to meet ABC control standards and accept compliance audit rights (documented in onboarding agreements).

All ABC directors, officers, and relevant employees must familiarize themselves with this Policy. Compliance is mandatory, and violations may result in disciplinary action under ABC's Code of Conduct. This Policy ensures a group-wide consistent approach to Bitcoin treasury management, maintaining high standards regardless of which entity or team executes a given process.

4. THRESHOLD FOR WORKING CAPITAL

4.1 Working Capital Threshold

ABC shall at all times maintain a prudent buffer of fiat cash (or cash equivalents) to fund its day-to-day operations, separate from any Bitcoin holdings. The Working Capital Threshold is set at ZAR 5,000,000 (R5 million):

- This threshold represents the minimum cash reserve that the Group must keep on hand to meet ordinary working capital needs.
- Restriction on Bitcoin Purchases: Only excess cash above and beyond this R5 million threshold is eligible to be converted into Bitcoin for the treasury. Under no circumstances will the Company deploy funds below this buffer into Bitcoin, so as not to jeopardize operational liquidity.
- The Working Capital Threshold will be reviewed periodically (at least annually) by the CFO and ARC to ensure it remains sufficient relative to the Company's expense base and risk profile. Any change to the threshold requires Board approval.
- In practice, prior to any Bitcoin purchase, the CFO (or designate) will certify that post-transaction the Company's remaining cash will still meet or exceed the R5 million threshold while taking into account projected near-term cash needs. This certification is part of the pre-trade checklist. If at any point the cash reserves approach the threshold due to unforeseen circumstances, Bitcoin acquisitions will be paused until the buffer is restored.

This conservative cash management rule ensures that ABC's crypto treasury activities never impair its ability to operate the core business. It draws a clear line between capital allocated to the Bitcoin reserve versus capital needed for working capital. The R5 million floor reflects management's assessment of a prudent liquidity cushion and may be adjusted over time as the business scales (subject to Board approval as noted). Maintaining this threshold is also a key signal to regulators and investors that ABC's crypto strategy remains proportionate to its financial capacity and operational needs.

In addition to the R5,000,000 floor, ABC will maintain ≥ 3 months of forecast operating expenses in fiat (or cash equivalents). The CFO's working-capital certification is archived with each trade record.

5. GOVERNANCE FRAMEWORK

ABC will maintain a Board-approved Bitcoin Governance Charter defining decision authority, risk escalation thresholds, and independent audit reporting lines.

Entity	Mandate	Decision Role
Board of Directors	Ratifies this policy, reviews quarterly execution outcomes, approves extraordinary purchases (> 5 % NAV).	Oversight & Ratification
Investment Committee (IC)	Oversees market monitoring, pre-trade diligence, pricing discipline, and post-trade analysis.	Operational Governance
Audit & Risk Committee (ARC)	Oversees custody controls, counterparty audits, proof-of-reserves, and internal-control assurance.	Assurance & Compliance
Executive Triad (EC/CEO/CFO)	Approves weekly acquisitions within policy limits, ensuring compliance and transparency.	Execution Authority

Approval thresholds:

- Routine purchases — two of three executives (one must be EC or CEO).
- Out-of-band trades — all three + IC Chair endorsement.
- Exceptional (> 5 % NAV) — full Board approval after IC and ARC recommendation.

Approval hierarchy

Routine weekly purchases fall under Management authority with IC oversight and must follow the Board-approved Purchase Schedule within routine parameters; any “out-of-band” trades—i.e., timing or size deviations from the Schedule, including unusually large one-off orders—require heightened approval, specifically sign-off by all three Executives plus the IC Chair; and truly exceptional transactions (where the single trade or same-day aggregate exceeds 5% of Treasury NAV) require full Board approval following an IC/ARC recommendation. This tiered approval structure prevents unilateral actions and ensures proportional governance for larger

Delegated Authorities (Summary)

- Routine weekly DCA (within budget): any 2 of 3 Executives (one must be CEO/EC), after IC endorsement.
- Out-of-band trades (timing/size deviation): 3 of 3 Executives + IC Chair.
- Exceptional (> 5% treasury NAV): Board approval after IC/ARC recommendation.

5.2 Regulatory and Legal Compliance

ABC commits to full compliance with applicable UK and South African regulations in executing its Bitcoin strategy. In particular, when operating as an issuer on the Aquis Exchange in the UK, the Company has obtained an independent legal opinion from English-qualified counsel that evaluates:

- **Regulatory Status:** Confirmation that ABC's activities do not render it an "Alternative Investment Fund" (AIF) under the UK AIFMD definitions. ABC remains a trading company with a primary operating business (SME financing), and its crypto treasury is ancillary thus no FCA authorisation as an AIFM is required. This non-AIF status is crucial to documents, and the legal opinion explicitly covers it.
- **Applicable Regulatory Regimes:** The legal review maps ABC's crypto treasury to all relevant UK laws and regulations, including the Financial Services and Markets Act (FSMA) and Financial Promotion rules, the Money Laundering Regulations, Market Abuse Regulation (MAR) for disclosure of inside information, the Crypto asset Reporting Framework (CARF), and forthcoming FCA crypto asset regulations. The Policy and internal procedures are designed to ensure compliance with each of these (e.g., treating certain crypto-related developments as potentially price-sensitive under MAR, see Section 10.2).
- **Business and Asset Characterization:** Analysis of the nature of ABC's Bitcoin holdings (treated as treasury assets, not a trading inventory), and confirmation that these holdings do not change the fundamental character of the business as an operating company. The opinion notes ABC's core business remains SME financial services, with the Bitcoin reserve serving a "clear commercial and strategic rationale" proportionate to that core business.
- **Ongoing Compliance:** The legal advice is kept up to date. If there are material changes in regulation or in ABC's strategy/operations that could affect the above assessments, ABC will obtain an updated opinion and communicate any significant implications to shareholders and the market as required.

By securing this legal opinion and adhering to its guidance, ABC demonstrates a proactive stance on regulatory compliance. The Board and ARC retain copies of the opinion and will use it as a reference for any strategic decisions or disclosures related to the Bitcoin treasury.

Moreover, separate shareholder approval for adopting the Bitcoin strategy was not required, as the strategy falls within the ambit of the Company's existing, shareholder approved Investment Policy, consistent with applicable Aquis guidance. The Board resolution implementing the strategy was accompanied by comprehensive risk disclosures (aligned with Section 2.1.2 of the Aquis framework) and details of the treasury execution approach, ensuring investors were fully informed. The decision and the Company's name change which was approved by the shareholders on the 12th September 2025 where applicable was promptly announced to the market, evidencing ABC's commitment to transparency and regulatory expectations. The Audit and Risk Committee will annually assess whether any material change to the business or strategy warrants an updated legal opinion. Where no change is identified, a written reconfirmation from counsel will suffice.

6. ALIGNMENT WITH JSE'S PROPOSED CRYPTO-ASSET RULES

ABC's governance aligns with the JSE's draft DSS Requirements for crypto-asset-referencing instruments:

JSE Provision	Africa Bitcoin Corporation Implementation
≥ 90 % cold storage	≥ 90 % of BTC held in multi-custodian cold storage with annual third-party audit by Forvis Mazars.
Regulated Custodians (AML/KYC)	All custodians and OTC desks — Coinbase Prime, VALR OTC, Luno Trading Desk — are AML/KYC-regulated. ABC conducts due diligence to ensure any service provider is reputable and meets regulatory standards This alignment has been reviewed and documented by the Audit and Risk Committee as part of its oversight process.
Independent Audit Reports	ABC undergoes annual independent audits of its crypto holdings and valuation (by Forvis Mazars), with results reported to the ARC and disclosed as appropriate. Additionally, quarterly internal reconciliations of BTC holdings are reviewed by the ARC.
Index-based Pricing	Treasury NAV derived from multi-venue BTC composite index methodology. This ensures objectivity in how Bitcoin holdings are valued in financial statements and investor updates.
Cash Creations/Redemptions	All treasury transactions are conducted in cash (fait). ABC does not accept or pay out in crypto for capital raises or redemptions, avoiding complex valuation issues and compliance problems. There is also no use of derivatives or structured crypto products.

7. MARKET MONITORING & EXECUTION

ABC employs a Dollar-Cost Averaging (DCA) strategy to acquire Bitcoin in regular tranches, thus mitigating timing risk and avoiding large one-off purchases. Key execution parameters are Cadence: Bitcoin acquisitions are made weekly (typically every Tuesday between 14:00 – 16:00 SAST) in pre-defined lot sizes. This schedule may be adjusted by the IC if market conditions warrant but the general approach is continuous weekly accumulation

- **Pre-Trade Market Monitoring:** The Treasury team, as outlined in Appendix E, monitors the crypto market and relevant macro factors daily and more intensively on trading days. Daily monitoring includes tracking BTC spot price moves, ZAR/USD exchange rates, market depth, and volatility indicators. On the trade day, as the window approaches, hourly monitoring of order book liquidity, OTC spreads, and any abnormal market signals is conducted. If any red flags emerge (e.g., sudden price swings >10% or news of an exchange default), the IC will be alerted and a decision to pause or proceed will be made. Pre-trade checks include liquidity thresholds (order-book depth on approved venues), volatility bands, and slippage tolerances documented in the trade pack.
- **Trade Execution Process:** All trades are executed through pre-approved, reputable OTC desks or institutional trading platforms to ensure best execution and regulatory compliance. Current approved execution venues include Coinbase Prime, VALR OTC, and Luno's institutional desk, among others of similar standing. At least two competitive quotes are obtained for each trade to verify price fairness. The IC reviews the quotes and market conditions before giving a final go-ahead. Trades are executed as fiat-to-BTC purchases (T+0 settlement); Where approved, derivatives may be used for hedging treasury price risk (e.g., listed futures/options) with position limits and no net short BTC exposure.
- **Pricing and Accretion Check:** Before executing a trade, the IC and Treasury team evaluate key metrics such as the market NAV (mNAV) per share, Bitcoin Yield Delivered (BYD), the price-to-BYD ratio, and projected sats (Satoshi's) per share accretion from the purchase. These metrics ensure that each purchase is accepted by existing shareholders and falls within risk tolerance brands set by the IC. While these are not hard rules that prohibit trades, they provide context; purchases will generally proceed only if they enhance BTC-per-share and do not overextend the treasury relative to equity.
- **Execution and Settlement:** Once approved, the trade is carried out by the Treasury Operations team (See Appendix F). The full cash amount (ZAR or USD as appropriate) is exchanged for BTC through the OTC desk at the agreed price. Settlement occurs on the same day (T+0) with Bitcoin delivered to ABC's controlled wallet. There are no in-kind contributions or distributions – all Bitcoin is bought with fiat currency held by the Company. Immediately upon settlement, the BTC is moved from the exchange/OTC's wallet to ABC's designated trade settlement wallet, and then into cold storage (multi-sig vault) within 4 hours post-trade. This rapid transfer minimizes exposure to counterparty risk.

- **Post-Trade Controls:** Following initial post-trade verification by the Treasury team, the Audit and Risk Committee will conduct a consolidated quarterly review of all executed trades and reconciliations. This includes confirming that the amount of BTC purchased was received in the cold wallet, reviewing the on-chain transaction has, and ensuring the trade details match the approved parameters (trade size, price, counterparty, etc.). Any deviation or incident (e.g., settlement delay, transfer issue) triggers an immediate review and potential pause of further trades. Additionally, within one business day of the trade, ABC's public transparency dashboard is updated to reflect the new total BTC holdings and any relevant metrics. The IC also receives a brief report on execution quality and market conditions observed.
- **Counterparty concentration:** limit annual trade volume per single OTC venue to $\leq 40\%$ absent IC approval.

This systematic execution strategy ensures that ABC's Bitcoin acquisitions are executed prudently, with checks at each step to uphold fairness, security, and alignment with strategic goals. By spreading purchases over time and using reliable counterparties, ABC reduces the impact of short-term volatility and demonstrates a measured approach to building its treasury position.

8. DECISION AND APPROVAL FLOW TREASURY TEAM

Decision and Approval Flow Treasury Team prepares a concise Market Brief on trading days, summarising the BTC price trend, market sentiment, any macro or crypto news, and the status of internal metrics (mNAV, volatility, etc.). Based on this, a proposed trade size (in ZAR or USD) for the weekly purchase is determined. This proposal, along with backup data (quote screenshots, order book depth, etc.), is circulated to the Investment Committee in advance.

- **Investment Committee:** The IC convenes (or communicates via written resolutions) to review the proposal. The IC verifies accretion metrics (that the purchase will increase BTC per share, checks counterparty risk, and validates the pricing methodology. The IC either endorses the trade or requests modifications (e.g., adjust timing or size) or, in rare cases, may veto/postpone the trade if market or internal conditions warrant caution.
- **Executive Triad:** Once the IC has endorsed a trade, at least two of the three top executives (CEO, Executive Chairman, CFO) must formally approve the transaction before execution. One of the approvers must be the CEO or Executive Chairman. This ensures that management is fully aware and accountable. Their approval is contingent on all pre-trade checklist items being greenlighted. If an "out-of-band" trade is proposed (outside normal weekly schedule or above normal size), all three executives plus the IC Chair must approve.
- **Execution:** After necessary approvals, the trade is executed by the treasury team per Section . Execution details (time, price, volume, counterparty) are documented in real-time. The CFO or delegate oversees settlement to ensure cash transfer and BTC receipt occur as expected.

- **Post trade Verification:** The ARC (or a designated risk officer) performs a post-trade verification. This includes checking the multi-signature cold wallet to confirm receipt of funds, reviewing custody logs, and updating internal records. A Proof-of-Settlement report is filed with the ARC. The ARC also ensures the trade adhered to all policy limits (e.g., did not dip into working capital threshold, used approved counterparties, etc.).
- **Public Dashboard:** Update Within one business day, the public dashboard is updated. Additionally, on a weekly basis, the IC compiles an internal brief for the Board summarizing recent trades and the current treasury position. On a quarterly basis, a comprehensive report goes to the Board detailing the cumulative BTC acquired, current valuations, and impact on financial statements.

This decision flow, from proposal to execution to verification, ensures that multiple layers of the organization have visibility into each Bitcoin purchase. It prevents unchecked actions and creates an audit trail for every step, which is essential for both internal audit and external regulatory review. The Office of the CFO is ultimately responsible for coordinating this workflow and maintaining all records, under oversight from the IC and ARC.

9. CUSTODY AND COLD-STORAGE CONTROLS

ABC applies a proportional control set based on BTC held across all wallets/custodians ("Total BTC"). Tiers may be revised by the ARC as market conditions change.

9.1 Tiers (by Total BTC)

- **Tier 1 — ≤ 4 BTC (Operational/immaterial):** agility first, basic segregation, minimal on-chain movement.
- **Tier 2 — > 4 to ≤ 15 BTC (Material):** cold-first posture with dual control, external confirmations.
- **Tier 3 — > 15 BTC (Treasury):** cold-only for bulk funds, institutional custody, full audit/insurance stack.

9.2 Wallet Architecture and Key Schemes

- **Tier 1:** Single-sig or 2-of-3 multisig; hardware wallets; one South Africa (SA) key, one backup key offsite; no daily hot wallets.
- **Tier 2:** 3-of-5 multisig; keys split across SA (min 2) and one offshore; formal, documented key ceremony (air-gapped).
- **Tier 3:** 3-of-5 or 4-of-7 multisig; geographically and organisationally segregated; ceremony witnessed by ARC/external auditor with immutable records.

9.3 Key Management and Access

- **All tiers:** Keys on HSMs or hardware wallets, kept offline; powered only for signing. Dual authorisation; no individual can move funds unilaterally.
- **Tier 2–3:** Named key custodians vetted (background checks), rotation on role change, and annual recovery drill. Changes to key holders require ARC notification (Tier 2) or approval (Tier 3).

9.4 Custodial Partners (Hybrid Approach)

- **Tier 1:** Self-custody preferred. Optional regulated local custodian for liquidity.
- **Tier 2:** Majority in ABC multi-sig cold storage; minority with a reputable, AML/KYC-regulated custodian for settlement needs.
- **Tier 3:** Majority in ABC multi-sig cold storage and/or institutional custodian (e.g., Coinbase Prime or bank-backed provider) with segregated cold storage and attestations. Custodians must pass due diligence (regulatory standing, financials, SOC/ISAE reports, insurance).

9.5 Verification, Reconciliation and Audits

Proof-of Reserves/Ownership

- **Tier 1:** monthly internal reconciliation; quarterly address verification.
- **Tier 2:** quarterly PoR check (message signing or equivalent); semi-annual custodian confirmations.
- **Tier 3:** quarterly PoR; annual independent audit (e.g., Forvis Mazars) covering ownership proofs, balance reconciliation to financials, and control review.

Security Testing

- **Tier 2:** annual control review.
- **Tier 3:** annual penetration test and custody process audit; remediation tracked by ARC.

9.6 Client Asset Segregation

Client BTC is held segregated from Company assets in discrete multi-sig addresses or custodian sub-accounts; on-chain address maps are maintained. Client signing policies, movement approvals and reconciliation are independent of treasury wallets.

9.7 Records and Governance

- **All tiers:** Maintain approvals, address maps, signing logs, reconciliations, and incident records.
- **Tier 2–3:** Segregation of duties; key/role matrices; periodic ARC reporting. Custodians provide periodic asset confirmations

9.8 Emergency Protocols

- **Key compromise/loss:** Immediate key revocation and migration to new multi-sig; Tier 3 requires extraordinary Board-approved procedure.
- **Custodian distress:** Rapid withdrawal playbook; alternate custodian pre-vetted (Tier 2–3).
- **Disaster recovery drills:**
 - Tier 1: annual paper drill.
 - Tier 2–3: annual live recovery using backup materials.

9.9 Insurance adequacy

For assets held with third-party custodians, maintain crime/cold-vault coverage with insured value $\geq$ 80% of custodied BTC (disclose limits/exclusions); maintain internal contingency reserves for residual risk.

These custody and security measures are aimed at minimizing single points of failure and ensuring that ABC's Bitcoin can be safely held for the long term. The approach recognizes that holding crypto assets carries unique risks, so layers of controls and independent audits are employed. ABC's custody framework not only protects the assets but also instills confidence among shareholders, regulators, and partners that the Company's digital assets are managed with the same rigor as any other valuable financial asset.

10. TRANSPARENCY AND REPORTING

- **Dynamic Public Dashboard:** ABC maintains a live online dashboard on its corporate website that displays key metrics related to the Bitcoin treasury. This includes current BTC holdings (in BTC and as a percentage of total treasury assets), the latest market value of the BTC holdings (treasury NAV), the BTC per share (Satoshi's per share) calculation, the Bitcoin Yield Delivered (BYD) metric, and other relevant ratios or performance indicators (e.g., price-to-BYD). The dashboard is updated within one business day of any new purchase or material change. This near-real-time transparency allows investors to track the progress and status of the Bitcoin strategy. Disclose aggregate hedges (instrument type, notional as % of BTC, average tenor), secured leverage (facility size, current LTV, collateral status), and staking/yield exposure by provider (% of BTC), updated monthly.
- **Internal Reports:** Internally, the Investment Committee produces a Weekly Market and Execution Report that recaps the week's Bitcoin purchase and market developments; it is circulated to executive management. The Audit and Risk Committee produce a Monthly Custody & Risk Report reviewing any incidents, summarizing the security checks, and noting compliance items. The Board receives a Quarterly Treasury Report which consolidates performance (unrealized gains/losses, BTC per share trends), control updates, and audit status.
- **Financial Statement Disclosure:** In ABC's quarterly and annual financial statements, a note to the accounts is dedicated to cryptocurrency holdings. This note discloses: the amount of BTC held, the carrying value on the balance sheet and how it is calculated, any fair value variance from carrying cost, and a narrative description of the Groups Bitcoin strategy (including rationale and risk factors). Per Aquis guidelines, if the value of the Bitcoin holding has changed significantly (e.g., more than 25%) since the last reporting period, that change is highlighted and explained. We also report any income or loss effects (realized or unrealized).

All annual and half year reports, market notices, and treasury updates will prominently indicate that the Bitcoin is a high-risk investment with elevated volatility, market abuse, AML and financial crime, cyber and custodian risks.

10.1 Valuation and market update triggers

ABC has a formal valuation policy for its Bitcoin treasury and criteria for when market updates or announcements are necessary, in order to comply with ongoing disclosure obligations and maintain market integrity, if there are any of the following indications.

- That the changes in the Bitcoin are price sensitive;
- There is a larger than average move in the ABC Group Bitcoin treasury
- New regulations that are applicable to Bitcoin materially affects valuation
- The UK legal opinion prescribes a NAV update.

By having these triggers, ABC ensures it will not inadvertently withhold information that the market would deem important for valuing the Groups shares. It also formalizes how we consider inside information in the context of our Bitcoin strategy: developments in our Bitcoin acquisition plans or large movements in the holdings' value are considered under MAR, and we treat them with the same care as any other potentially material, non-public information. Controls are in place to limit knowledge of impending trades to a need-to-know group, and all insiders are reminded of their confidentiality and trading blackout obligations with respect to such information (per the Company's insider trading policy).

All in all, ABC's transparency and disclosure regimen around its Bitcoin treasury is designed to keep stakeholders informed, uphold trust, and meet all regulatory obligations for market disclosure.

11. RISK AND AUTO-PAUSE TRIGGERS

Holding and transacting in Bitcoin introduces a unique risk profile. ABC has established specific risk thresholds and "auto-pause" triggers to temporarily halt or adjust the Bitcoin purchasing program if certain adverse conditions arise. This ensures that risk is proactively managed and that the Company does not continue acquisitions during times of heightened danger. The following scenarios will trigger an immediate pause in the weekly Bitcoin buying program (and, if appropriate, initiate an emergency review by the IC and ARC):

Trading is automatically paused if:

- Custody irregularities or key compromise suspected.
- OTC counterparty default or liquidity event.
- Regulatory directive affecting execution legality.
- Market stress > threshold (e.g., > 10 % price swing in 1 hour).
- Settlement delay beyond T+0.
- Establish volatility thresholds where Bitcoin trading pauses automatically if BTC experiences a 20% or greater intra-day movement.
- Conduct quarterly liquidity and stress tests evaluating downside market shocks, liquidity adequacy, and recovery strategies.
- A purchase would reduce cash reserves below the Working Capital threshold
- Agreed to do so by ABC's board of directors

In addition to the above hard triggers, the IC and ARC continuously monitor other risk indicators such as liquidity of our fiat reserves, Bitcoin market liquidity, and macroeconomic factors. They may voluntarily pause or modify the purchase program if risk conditions warrant, even if an auto-trigger is not hit. For example, if BTC experiences a steady but concerning decline that approaches a certain stress test threshold (say a 40% drawdown in a month), the IC might reduce purchase sizes temporarily as a risk mitigation measure.

ABC also conducts quarterly scenario analysis and stress testing on the Bitcoin treasury. This involves simulating extreme scenarios (e.g., a 50% overnight BTC price crash, or a loss of a major exchange) and evaluating the Company's ability to handle them. The results are reviewed by the ARC to ensure adequate contingency plans (for instance, having sufficient liquidity to cover any margin or collateral needs if any, although we do not trade on margin, or ensuring business continuity even if crypto values plunge). These exercises validate that even in severe conditions, ABC's core business remains intact and the Bitcoin strategy, while impacted, does not threaten the Company's solvency or operations.

Resumption of Activities: When an auto-pause trigger activates, resuming normal operations requires clearance. The specific issue must be resolved or conditions normalized, and then both the IC and ARC must sign off that buying can safely continue. In certain cases, Board notification or approval may be sought before resumption, especially if the pause was due to a serious incident.

By pre-defining these risk triggers and responses, ABC ensures that it will act swiftly and decisively in the face of trouble, rather than reacting on the fly. This structured approach to risk management is a key aspect of making our Bitcoin treasury strategy robust and sustainable over the long term.

12. INTEGRATION WITH SME FUNDING MANDATE

A guiding principle of ABC's strategy is that the Bitcoin treasury reserve should complement – not overshadow – the Company's primary mission of empowering SMEs through financing solutions. This section outlines how the crypto treasury integrates with and supports the core business:

- **No Direct BTC Liquidation for Operations:** Under normal circumstances, ABC will not liquidate Bitcoin holdings to fund routine SME lending or operations. The intent is to hold BTC long-term as a reserve asset. Capital for SME loans is raised through traditional means (equity, debt financing, or recycling returns from the loan portfolio) and not by selling the treasury Bitcoin. This is to ensure that the Bitcoin reserve remains intact as a strategic backstop and is not treated as a short-term cash pool. Only in extreme scenarios, with Board approval, would this stance be reconsidered (e.g., to meet critical liquidity needs or regulatory capital requirements).

- **Indirect Support via Balance Sheet Strength:** The presence of a Bitcoin reserve on ABC's balance sheet is leveraged indirectly to enhance our SME financing capacity to raise additional debt capital on better terms, which in turn is deployed to SME loans. Lenders and investors view the Bitcoin reserve as a form of credit enhancement – it signals that ABC has hard assets that are globally liquid, providing extra comfort when extending credit to us. In essence, Bitcoin acts as a “unencumbered reserve” that makes our overall capital structure more robust.
- **Maintaining Core Business Activity:** ABC is committed to growing its SME financing activities in parallel with growing the Bitcoin treasury. Per Aquis guidelines, we evidence proportionate activity in the core business so that the crypto strategy remains an ancillary treasury function. Concretely, this means ABC will regularly report metrics such as the number of SME loans made, total lending volume, revenues from the lending business, etc., to show that those are also increasing alongside any crypto holdings. The Board has mandated that at least 50% of management's time and the majority of operating expenses are always dedicated to the SME business lines, which is reflective of our revenue mix. If Bitcoin ever were to dominate our activities or income, that would trigger a strategic review (and likely fall foul of regulatory expectations).
- **Strategic Rationale and Communication:** In shareholder communications (investor deck updates, annual report MD&A, press releases), ABC will articulate how the Bitcoin treasury fits into the overall corporate strategy of fostering SME growth. The narrative, which remains consistent, is that “Bitcoin-backed resilience empowers SME expansion.” By having a solid reserve asset, ABC can weather economic cycles, protect against local currency inflation (important in Africa's markets), and thereby be a more reliable long-term partner to small businesses. This story not only helps investors understand the synergy but also distinguishes ABC in the market as a pioneer linking the traditional economy (SMEs) with the new digital asset economy.
- **No Impact on SME Clients' Risk:** It is important to clarify that SMEs borrowing from ACOF/ABC are not directly exposed to Bitcoin price risk. The loans extended to SMEs are in local currency (ZAR or other African currencies) and carry fixed/floating interest rates as contractually agreed, unaffected by ABC's treasury asset values. We do not require SMEs to handle or accept Bitcoin. The treasury strategy is purely an internal reserve management decision. This separation is maintained to ensure the Bitcoin strategy does not unintentionally introduce volatility or confusion into the SME product offerings.

Through these measures, ABC ensures that the Bitcoin treasury is a strength and not a distraction. It functions as a backbone to support greater impact in the SME sector. The Company's mission to empower SMEs remains paramount and unchanged – the Bitcoin reserve is simply a tool to amplify that mission, not to replace it. ABC will continue to monitor and report on the interplay between its treasury assets and operating business to confirm that this integrated strategy delivers on both fronts effectively.

13. ACCOUNTING AND AUDIT ALIGNMENT

ABC has adopted an accounting policy for Bitcoin that is fully compliant with International Financial Reporting Standards (IFRS). In accordance with IFRS guidance, the Company classifies its Bitcoin holdings as an intangible asset on the balance sheet and measures them using the appropriate valuation model (cost with impairment or revaluation model, depending on the existence of an active market). This policy ensures that Bitcoin acquisitions are initially recognized at cost and subsequently carried at a value that reflects applicable IFRS valuation rules, with any impairments or revaluation gains/losses accounted for in the financial statements in a transparent manner. All disclosures related to the Company's Bitcoin assets – including the basis of valuation, the carrying value on the balance sheet, and any impacts on profit or loss – are made in the notes to the accounts in compliance with IFRS and industry best practices. By implementing this IFRS-compliant policy for recognition, valuation, and disclosure of Bitcoin, ABC provides investors and regulators with a clear and consistent view of how digital assets are reflected in its financial reports.

Accounting Standard: Bitcoin held for investment purposes is classified as an intangible asset in accordance with IAS 38 (Intangible Assets), as it lacks physical substance and does not give rise to a contractual right to receive cash or another financial asset

Initial Measurement Basis: Bitcoin is initially recognised at cost, comprising the purchase price and any directly attributable transaction costs such as exchange or custody fees. .

Subsequent Measurement:

- **Measurement:** After initial recognition, it is subsequently measured at fair value (revaluation model), as an active market exists.
- **Revaluation frequency:** Revaluations are performed at each reporting date to ensure the carrying amount reflects the fair value of the Bitcoin.

Recognition of changes in value

- Increases in fair value are recognised in Other Comprehensive Income (OCI) and accumulated in a revaluation reserve, unless they reverse a previous revaluation decrease recognized in profit or loss.
- Decreases in fair value are recognised in profit or loss, except to the extent they offset any existing revaluation surplus for the same asset.

Impairment : Bitcoin is not subject to amortisation but must be tested for impairment indicators at each reporting date. Any impairment losses reduce the carrying amount and are recognised in profit or loss if they exceed the revaluation reserve

Derecognition: On disposal, any related revaluation reserve balance is transferred to retained earnings, not through profit or loss. Gains or losses arising on disposal are recognized in profit or loss.

External Audit: External auditors namely Forvis Mazars will be provided sufficient documentation and access to verify the following;

- Ownership and existence of the Bitcoin via public key reconciliations and custodian confirmations
- Valuation of the Bitcoin Holdings (by corroborating market prices used by the Company)
- Controls and governance over Bitcoin treasury management,

The company will maintain records sufficient to support audit trails of acquisitions, transfers, custody arrangements and security incidents.

This will be provided when Forvis Mazars performs their annual treasury audit and reconciliation.

Internal Controls: ARC shall include the Bitcoin treasury operations in its audit scope, verifying existence, rights and obligations of holdings, accuracy of records, custody controls and compliance with this policy. maintains transaction and custody control framework validated by Forvis Mazars.

ABC will adopt forthcoming IFRS crypto-asset reporting standards once available, ensuring fair-value and disclosure compliance.

The Audit & Risk Committee will annually review Bitcoin-related accounting and tax treatment with external auditors to ensure consistency and compliance.

14. PERMITTED ASSETS AND ACTIVITIES AND LIMITS

ABC's treasury policy tightly defines what Bitcoin is permitted for investment and how transactions can be conducted. These restrictions serve to limit risk and ensure compliance with regulatory frameworks:

- **Bitcoin-Focused:** The Company's crypto treasury is currently limited to Bitcoin (BTC) as the sole investment asset. Bitcoin qualifies as an "established cryptocurrency" under Aquis criteria (market cap > \$500m, deep liquidity, long trading history), making it a permissible and prudent choice. No other cryptocurrencies (e.g., Ethereum, altcoins) are allowed unless the Policy is amended and Board-approved in the future. Any proposal to diversify into another crypto would require verifying that the asset meets similar stringent criteria and is approved by Aquis (if listed on Aquis).
- **Fiat-Only Funding:** All purchases of Bitcoin must be made using Fiat currency from ABC's own accounts (ZAR or major foreign currency holdings). There will be no use of other cryptocurrencies to buy Bitcoin, and ABC will not engage in crypto-for-crypto swaps. This eliminates indirect exposure to assets other than BTC and avoids complexity in accounting (since any intermediary crypto could introduce its own volatility). Fiat settlement also aligns with regulatory expectations and reduces AML risks by keeping clear source of funds.
- **Regulated Counterparties:** ABC only transacts through reputable, regulated exchanges or OTC desks. "Regulated" here means the counterparty is licensed or registered with a recognized financial authority in a major jurisdiction (e.g., FINRA/FCA for some trading desks, or licensed under South African FSCA for local exchanges). Prior to onboarding any trading venue, ABC performs due diligence to ensure they have robust KYC/AML procedures (including Travel Rule compliance for large transfers). Counterparties in high-risk jurisdictions (those on FATF blacklists or similar) are strictly prohibited. If a counterparty's status changes (e.g., regulatory troubles), they are suspended from our approved list pending review.
- **Geographical Restrictions:** As noted, any transactions that would involve jurisdictions classified as High-Risk by HM Treasury or on FATF "black/grey" lists are disallowed. Practically, this means ABC will not use exchanges based on or routed through such countries and will not accept any transfer of crypto from a wallet suspected to be tied to those regions. The Group's compliance team screens wallet addresses and transaction histories as part of its AML procedures.
- **No Token Issuance or Mining:** ABC will not issue its own cryptocurrency tokens, nor will it engage in Bitcoin mining operations (either directly or by hosting miners) as part of its treasury strategy. The treasury's purpose is holding Bitcoin, not producing it, or creating new crypto assets. This avoids any classification issues or additional regulatory scrutiny that comes with being an issuer of a token or a crypto mining business.
- **Limits on BTC Holdings:** While not a hard cap, the Board has set an initial guideline that Bitcoin holdings should not exceed 40% of the Company's total assets without further review. If Bitcoin's value is appreciated beyond that threshold, it is not an automatic trigger to sell, but it will prompt discussion on risk management (could include hedging some exposure or simply acknowledging the higher weighting).

All these restrictions are in place to maintain a conservative and compliant posture for ABC's Bitcoin involvement. By clearly delineating what is and is not allowed, the Policy protects the Group from drifting into riskier areas or running afoul of regulations. Any consideration to deviate from these restrictions would require formal Policy amendment and Board approval, with appropriate disclosures to shareholders and regulators.

15. PROHIBITED ACTIVITY

Neither the Group, nor any Designated Officer or Authorised Employee acting on behalf of the Company, will engage in any of the following transactions or other activities (each, a "Prohibited Activity"):

- buying and selling BTC as a customer business;
- performing BTC exchange services as a customer business;
- front running or other activities that are intended to deceive or mislead other market participants;
- manipulating the price, value, or trading volume of BTC or any instruments that provide economic exposure to BTC; or
- aiding, abetting, enabling, financing, supporting, or endorsing any of the foregoing.

Authorised Employees have an obligation to immediately report the occurrence or suspected occurrence of any Prohibited Activity to the Designated Officers. Additionally, Designated Officers must also immediately report the occurrence or suspected occurrence of any Prohibited Activity to the Director of Bitcoin Strategy.

16. CONFLICTS OF INTEREST GENERALLY

ABC recognizes that the involvement of its personnel with Bitcoin could give rise to potential conflicts of interest. All directors, executives, and employees must adhere to the Company's Code of Conduct regarding conflicts and also specifically consider how it applies in the context of Bitcoin treasury management:

- **Personal Bitcoin Holdings:** It is not forbidden for employees or directors to own Bitcoin or other cryptocurrencies personally. However, any person with knowledge of ABC's trading plans or strategies must be cautious. For instance, if an employee knows that ABC typically buys Bitcoin every Tuesday, they should not attempt to trade ahead (front-run) in their own account on Monday to benefit from any potential market impact. Doing so would constitute a serious conflict and likely illegal insider trading.
- **Preferential Treatment from Vendors:** If any ABC staff involved in the treasury receives or seeks personal favors from our service providers (exchanges, OTC desks, custodians), that is a conflict. For example, an employee asking a trading desk for a better personal exchange rate, or a director receiving an offer to invest in a partner's side crypto deal, must be disclosed. We must not favor a counterparty for ABC's business because they gave an employee a personal deal.
- **Outside Advisory or Employment:** Any officer or employee who has an outside role (paid or unpaid) related to cryptocurrency – such as advising a crypto startup, running a crypto blog influencing markets, etc. – should disclose this to the Group. We want to avoid scenarios where an individual's outside interests could conflict with ABC's strategy (e.g., pumping a coin that ABC does not support, or working for a custodian that we use). Approval from the Audit and Risk Committee may be needed to continue such outside activity, or the individual may need to recuse themselves from certain internal decisions.
- **Inside Information and Confidentiality:** Knowledge of ABC's accumulation strategy, its thresholds, or any potential changes to the strategy is considered inside information. Trading on this information (in crypto markets or stock markets) or tipping others is strictly prohibited. We extend our insider trading policy to cover material non-public information about ABC's Bitcoin Holdings or plans as well, even though Bitcoin itself is not a security – using that knowledge to benefit in crypto trades could still be seen as misappropriation of Company information.
- **Family and Associates:** Conflicts can also arise if family members or close associates of an ABC insider are involved in crypto businesses or trading. While we cannot police others' actions, any known situation (e.g., a spouse runs a crypto fund) should be disclosed so we can manage information flow appropriately. The goal is to avoid even the appearance that ABC's activities could be influenced by or benefiting an individual's circle.
- **Gifts and Entertainment:** Receiving lavish gifts or entertainment from crypto service providers (exchanges, etc.) can bias objectivity. ABC has a gifts and hospitality policy which applies here – anything beyond nominal value must be reported. We choose counterparties based on merit (best execution, security) not because an employee got a reward.

- **Decision-Making Transparency:** All significant decisions (choice of OTC counterparty, timing of large trades, etc.) should be documented in meeting minutes or approval memos to create a record that they were made in ABC's best interest. This helps protect against any accusation later that a decision was tainted by personal interests.

In case any conflict of interest is identified, the person involved must promptly recuse themselves from related decisions and disclose the conflict to the appropriate authority (Director of Bitcoin Strategy or the ARC, per the Code of Conduct). The ARC will evaluate and decide on an appropriate course (which could include waivers in some cases or reassigning certain duties).

ABC's culture emphasizes ethical conduct and transparency. Given the nascent and sometimes opaque nature of the crypto industry, we double-down on conflict-of-interest vigilance to ensure all actions taken are solely in the best interest of the Company and its shareholders, with no hidden agendas.

17. TRAINING AND ENFORCEMENT

Successful implementation of this Policy requires that all relevant personnel understand their responsibilities and the proper procedures. Additionally, ABC must enforce the rules herein consistently to maintain credibility both internally and with external stakeholders.

Training Program:

- The Executive Management (designated as Policy owners, e.g., the Director of Bitcoin Strategy or CFO) will implement a training program for all Authorized Employees involved in the Bitcoin treasury process, this training will cover:
- The key elements of this Policy (e.g., how trades are approved, what to do if something goes wrong, prohibited actions, etc.).
- Overview of cryptocurrency basics, blockchain security, and specific risks (to ensure everyone has a baseline understanding of the asset they are dealing with).
- Compliance aspects: AML/KYC requirements, recognizing suspicious activity, handling inside information, etc.
- Scenario-based drills, such as walking through a mock trade or a mock incident (like a lost key scenario) to test readiness.

New hires into relevant roles will receive training upon joining, and all involved personnel will attend at least annual refreshers, especially if there are Policy updates or new regulatory developments.

Certification:

- After training, employees may be required to sign a certification acknowledging that they have read and understood the Bitcoin Treasury Policy and agree to abide by it. This will be kept on record by HR or compliance.

Policy Violations:

- If an employee or director violates any provision of this Policy, ABC will take it seriously. Consequences for breaches can include disciplinary action up to termination of employment, and if laws were broken, referral to law enforcement. The specific action will depend on severity – e.g., a minor procedural lapse might result in a warning and retraining, whereas intentional misconduct (like misappropriating crypto or insider trading) will result in immediate removal and possible legal action.

Reporting Channels:

- ABC encourages a culture where employees can voice concerns or report suspicious behavior without fear of retaliation. If someone sees a colleague not following the Policy – perhaps skipping a required approval or trying to bypass security measures – they should report it to the Designated Officers or via the whistleblower hotline. Every report will be reviewed by the ARC or the appropriate oversight body.

Audit and Monitoring:

- The Group's internal audit or compliance function will periodically review adherence to this Policy. This could mean checking a sample of weekly trades to ensure all signatures are in place, verifying that dashboard updates happened timely, or confirming that all key custodians have valid agreements and insurance on file. Deviations will be flagged to management and the ARC.

Continuous Improvement:

- Training sessions will also be an opportunity to gather feedback from staff on the ground. If parts of the process are unclear or cumbersome, or if new risks are identified, management will consider updates. As crypto is a fast-evolving field, ABC commits to updating training materials and this Policy in step with new knowledge (for example, if new regulations impose additional requirements, those will be incorporated into both the Policy and the training).

Ultimately, a Policy is only as good as its execution. Through rigorous training and enforcement, ABC aims to ensure that the principles and rules laid out in this document are actually practiced day-to-day. The Board and senior management champion this effort, setting a tone of compliance and prudence from the top.

18. REVIEW AND AMENDMENT PROCESS

This Policy is a living document. As the regulatory environment, market conditions, or ABC's own strategy evolve, the Policy must be revisited and updated to remain effective and compliant. The following outlines how changes to the Policy are managed:

- **Regular Reviews:** At minimum, the Policy will undergo a formal annual review coordinated by the CFO and presented to the Investment Committee and Audit and Risk Committee. This annual review will benchmark ABC's practices against industry peers and evolving best practices (e.g., looking at what MicroStrategy, Hut 8, and other crypto-holding companies are doing, as noted in Section 2). It will also incorporate any relevant changes in accounting standards, laws, or exchange rules since the last revision.
- **Regulatory-Driven Updates:** If there are material regulatory changes affecting crypto asset holdings (such as a new law or an update to the Aquis/JSE frameworks), this Policy will be amended promptly to reflect the new requirements. For example, if Aquis were to update its Crypto assets Policy v1 to a v2 with additional provisions, ABC would incorporate those and re-certify compliance. The Policy notes that ABC will certify alignment annually with the Aquis framework and any updates thereto. This means each year the ARC will do a check: "Are we still fully in line with Aquis expectations? If not, update our Policy and practices."
- **Amendment Procedure:** Any changes or amendments to this Policy must be recommended by both the Investment Committee and the Audit and Risk Committee and approved by the Board of Directors. Minor technical adjustments (e.g., updating the list of approved OTC counterparties or references to revised regulations) can be made as addenda with IC/ARC consent, but significant strategic shifts (like changing the asset allocation limit, or allowing a new asset type) require full Board resolution. When such approvals are sought, the rationale and risk analysis of the change will be presented.
- **Shareholder Communication:** If an amendment constitutes a fundamental change to the strategy or risk profile, ABC will communicate this change to shareholders. In some cases, per Aquis rules and good governance, a shareholder vote and circular may be warranted (for instance, if ABC ever proposed to start holding a different cryptocurrency or to begin lending/staking activities, which could be considered a significant change needing shareholder approval). The Policy already had initial shareholder approval at adoption; future major changes would be handled with similar transparency.
- **Documentation and Audit Trail:** All versions of this Policy are numbered and dated. Superseded versions are archived by the Company Secretary or compliance officer. The differences are logged so that an audit trail of how the Policy has changed over time. This could be important for demonstrating to regulators or auditors that we responded to certain events appropriately (e.g., "we tightened our risk triggers after the 2026 market volatility event, as reflected in the v7.0 Policy update").

- **Complementary Frameworks:** As noted, if ABC were to expand its financial strategy (for example, eventually incorporating modest leverage or issuing debt instruments collateralized by Bitcoin), those would be handled via separate but linked policies. This document focuses on unlevered treasury management. Any complementary policies (like borrowing policy using BTC as collateral) will be cross-referenced and aligned, but not inserted here until approved,
- **Continuous Improvement:** The Board expects management to not only follow the Policy but also proactively suggest improvements. If during the year, management identifies a better way to manage risk or a new opportunity (within regulatory bounds) to enhance the strategy, they should not wait for the annual review to bring it up. Interim updates can be proposed to IC/ARC if timeliness is essential. The goal is for the Policy to always reflect the current game plan and guardrails, not to be stale or lagging practice.

Upon each revision, key stakeholders (employees involved, regulators if required, and investors via disclosure) will be informed as appropriate. For example, a summary of material changes might be included in the next quarterly report or via a SENS announcement if warranted. This ensures everyone remains on the same page regarding how ABC is conducting its Bitcoin treasury operations.

APPENDIX A — TRADE APPROVAL CHECKLIST

Step	Owner	Reviewer
Market brief validated	Treasury Ops	IC
P/BYD and BYD accretion confirmed	IC	EC
≥ 2 firm OTC quotes received	Treasury Ops	CFO
Slippage ≤ threshold	Treasury Ops	CEO
Cold storage ready	Custody Lead	ARC
Dashboard update scheduled	Treasury Ops	IC

APPENDIX B - CUSTODY SECURITY ARCHITECTURE

- 3-of-5 multisig wallets across SA and offshore locations.
- HSM-based key generation, air-gapped devices.
- Dual authorization per transfer.
- Annual penetration and recovery tests certified by Forvis Mazars

APPENDIX C - REPORTING MATRIX

Report	Frequency	Owner	Recipient
Market & Execution Pack	Weekly	IC	EC / CEO / CFO
Custody & Risk Report	Monthly	ARC	Board
Dashboard Update	Daily	Treasury Ops	Public
Proof-of-Reserves Audit	Annual	Forvis Mazars	Shareholders
Policy Compliance Review	Annual	Internal Audit	Board via ARC

APPENDIX D - KEY DEFINITIONS

Term	Definition
BTC per Share (SATS/share)	Total BTC held ÷ fully diluted shares.
Bitcoin Yield Delivered (BYD)	Increase in BTC per share from accretive actions.
P/BYD	Market price ÷ BYD; indicates years to earn back premium.
mNAV	Market cap ÷ treasury NAV.
NAV	Fair-value BTC + cash reserves – liabilities.

APPENDIX E - BITCOIN TREASURY TEAM

Co-Founder & CEO	Warren Wheatley
Director of Bitcoin Strategy	Stafford Masie
Head of Media	Tatum Wheatley
Financial Director	Jonathan Phillips
Strategic Bitcoin Consultant	Marcus Greve
Investment Analyst	Ross Morley-Jepson
Investment Analyst	Tymicah Naidoo

APPENDIX F - BITCOIN TREASURY OPERATIONS TEAM

Warren Wheatley

Stafford Masie

Jonathan Phillips

Sheena Singh

Chrizelle van der Colff

Elaine Manson

19. CLOSING STATEMENT

ABC's acquisition framework is strictly non-speculative and designed for long-term accretive growth through disciplined, programmatic accumulation only.

This Bitcoin Acquisition Policy defines the framework by which Africa Bitcoin Corporation will manage its Bitcoin treasury responsibly, transparently, and in full alignment with regulatory and audit standards.

Through disciplined weekly accumulation, rigorous compliance, and partnership with Forvis Mazars, ABC sets a benchmark for listed Bitcoin-treasury governance in Africa.

ABC aspires to set a continental benchmark for corporate Bitcoin treasury governance, reinforcing its mission to bridge traditional finance and the digital-asset economy through responsible stewardship.



TYRE SHOP



WE FIX
TYRES



AFRICA BITCOIN
CORPORATION