Youth Employment Service

Annual report 2025

YES YOUTH EMPLOYMENT SERVICE

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A message from our Co-chairs

We are confident that YES will play a vital role in shaping South Africa's future. The resilience of our network reinforces the effectiveness of our value proposition.

Colin Coleman
Co-chairperson
Youth Employment Service

By supporting projects that prioritise the well-being of the community, environment, and society, we foster inclusiveness and resilience in local and regional economies.

Stephen Koseff
Co-chairperson
Youth Employment Service

The Youth Employment Service (YES) raised its game yet again in the period 1 April 2024 to 31 March 2025, outperforming the previous year in number of youth employment opportunities created, whilst retaining its position as the nation's most significant enabler of one-year jobs for young people.

The 43,088 one-year job placements YES facilitated during the period represent a 16 percent increase on FY24, taking the total number of placements since our launch in 2018 to 185,557.

A total of 1,875 businesses have registered with YES since its inception. The organisation has become a mainstay of the Presidential Youth Employment Initiative (PYEI), generating 68 percent of demand-side jobs achieved under PYEI's banner without the need for tax-payer funding. YES is grateful to its government and private sector supporters, which form the bedrock of the public-private partnership that is the YES initiative. YES is in fact a model of a high-impact public-private partnership in South Africa. YES could not exist without the specially designed government incentives and regulatory support for YES.

Looking back on FY2025, YES is pleased to have supported a record number of young people, many of whom promise to be game-changers for the country. But to be sure, there is absolutely no room for complacency: the employment outlook for young South Africans remains a crisis.

Statistics SA's Quarterly Labour Force Survey for January to March 2025 painted a disturbing picture. Over the last decade, the official unemployment rate among youth aged 15 - 34 years increased by 9.2 percentage points to 46.1 percent and the expanded unemployment rate climbed to 56.4 percent. The cumulative impact of relentless small annual increases is alarming – even a creeping crisis eventually has its point of rupture.

Yet these figures should come as no surprise: an economy that fails to grow simply cannot generate jobs. South Africa's stunted growth of about 1 percent a year for nearly a decade has failed to absorb the young people entering the labour market annually, let alone offer opportunities to those who have been jobless for years. The Ministry of Finance has revised its growth prediction for 2025 down to 1.4 percent, rising marginally to 1.6 percent in 2026. These growth levels fall hopelessly short of the 5 percent needed to make inroads into unemployment.

Ultimately, it is to economic growth that we must look for the answer to youth employment. The economy requires a pipeline of talent in order to grow, and broad-based growth moreover needs talent to be unlocked from disadvantaged and otherwise excluded households. It is in this bleak economic landscape that YES and other youth employment initiatives are beacons of light. It is vital that the light continues to burn and brighten, and that YES, as a unique public-private partnership (PPP), goes from strength to strength.

We must introduce ever more young people to the dignity and security of work. Statistics show the value of a first job offer in setting youth on the path to economic inclusion.

Our YES youth are living examples of the light that comes with our work:

Basani Moahi went from a struggling student to a successful business analyst at Standard Bank Insurance Brokers, where she completed her YES year. **"It's hard to get employment, especially straight from varsity. The thing about YES is they put us in organisations where we get to learn and explore. I've won awards for having the most solutions implemented in business."**

Thobani May was a budding entrepreneur when Ford sponsored his YES placement at Conservation South Africa. Thobani's company, Eco Char, clears invasive wattle from which it produces charcoal. **"Everything I know today as a business owner is because of the YES programme... It helped me employ more people. Eco Char's impact on the community is that we have cleared 17ha of wattle-infested land, meaning more grazing land."**

The statutory recognition government has accorded YES as a vehicle through which companies may improve their B-BBEE status by creating one-year quality job opportunities for young people and – as a further option – subsequently absorbing them into their workforces is an example of smart regulation. This has proved effective as an incentive to join YES, with a total of 3,397 YES programmes having qualified for the B-BBEE level up incentive since inception.

YES has expanded its appeal. For example, corporates that cannot accommodate high numbers of YES Youth internally have the option of sponsoring job placements at a YES implementation partner (IP) in a growth sector, like tourism and the green economy. And companies that already have a level 1 B-BBEE rating are encouraged to incorporate YES placements into their environmental, social and governance (ESG) commitments.

Through such innovation and sheer persistence, the YES team has sustained an upward trajectory. Of course, there are strategic risks to our expansion, such as the continuation of these and other incentives such as the tax rebate called Employment Tax Incentive (ETI), and partly external, in the constraints experienced by most companies in this stifling economic climate.

The Presidency, the Department of Trade, Industry and Competition (dtic) and National Treasury have supported the YES partnership on behalf of government in a spirit of collaboration. We continuously explore ways to enhance the regulatory foundation of our partnership, partly in response to the evolution of B-BBEE and partly because we believe we could unlock more jobs with the reshaping of certain regulations. YES would like to see changes that would make the B-BBEE verification process easier for small to medium-size companies, include incentives for level 1 companies to join YES, and extend the ETI to corporates that sponsor youth placements at third-party companies.

When it comes to the impact of macro-economic pressures on the performance of YES, we recall that our organisation was born of the CEO Initiative which mobilised business to work with government to solve macroeconomic problems, with youth unemployment being just one. In this spirit, YES continues to articulate a business-informed position on strategic actions that we believe government should take to boost economic growth.

We fully support the priorities that the government identified in its post-COVID recovery plan, Operation Vulindlela, and its recently launched successor, Vulindlela 2. We particularly applaud the focus on infrastructural renewal and expansion in Vulindlela 2 and hope this will be powerful enough to reverse the slowdown in fixed investment. But, fixing structural impediments is a necessary but insufficient condition to achieve much higher levels of economic growth. The necessary environment for job creating investment must be created and we are committed to helping advance this debate.

An important component of this is more growth enhancing fiscal policy. This will necessitate acting on a significant reduction in wasteful and corrupt expenditure and investment in programmes offering the greatest fiscal, economic and social returns, or multipliers.

Another major tool that could be added to the growth toolbox is an explicit national industrial policy that includes government funding of incentives for investment, export and productivity, alongside labour market reforms. Appropriate policy not only has the potential to drive industrial output upward but can be leveraged in a targeted effort to win foreign direct investment. In short, a business and investment friendly policy, in particular one which removes red tape, disincentives and unnecessary bureaucracy, is urgently needed.

A message from our Co-Chairs continued...

YES's ability to play an expanded role in alleviating youth unemployment also depends critically on stronger commitment from the private sector. Some major corporates with the means to invest in this partnership have so far not come to the YES table. We urge all companies that haven't joined this national movement to reassess the total value proposition of YES, including the comparably low cost per job created, the soundness of our data collection and reporting systems, and our regular outreach to our youth to ensure their wellbeing.

Financially, we are pleased to report that YES is financially on strong footing. The jobs we create are funded entirely by the contributions of participating companies and, through skilled financial management, we have been able to generate a surplus for new projects, such as the alumni entrepreneurship initiative described in this report. International development partners have supported our curated training programmes through the hubs model. We also have a policy in place for the retention of sufficient funds to ensure continuity in the event of any major crisis.

In FY25 we improved the benefits of our employees, in accordance with our approach of offering competitive conditions of employment.

YES has been able to attract the highest quality board members who are respected by their peers. All board members serve without remuneration in an entirely voluntary capacity, and we are deeply grateful for the time and energy they devote to YES. The board has been stable over the years, with gradual rotation of members. We have a sound succession plan in place for both the board and management.

Partnership is the essence of YES. It is the power that keeps the wheels turning and we assure all our partners that the significance of their contribution is appreciated. We extend our sincere thanks to:

- The President and all our government partners in the dtic, National Treasury and, especially, the PYEI in the Presidency;
- The 1,875 corporates that create YES work opportunities and the 22 IPs that help manage youth placements;
- Our YES Youth, past and present, whose appetite for work, diligence and creativity have been the lifeblood of YES;
- Business organisations that facilitate our engagement with potential corporate partners, especially Business Unity South Africa; and,
- Our international funding partners, for enabling our training activities.

YES greatly appreciates the personal attention and support it receives from President Cyril Ramaphosa. He has been there from the first breath of YES and continues to inspire and support us at all times.

Finally, we recognise the ground-breaking work of our Chief Executive Officer, Ravi Naidoo, and the entire YES team. It is largely due to their persistence and resilience that YES is able to swim against the economic tide and ensure each year that more young people can grasp a lifeline in the form of that crucial first job. We know most will continue to flourish as employees, entrepreneurs, or future leaders. We know that our participating companies, too, continue to enjoy a bonus: the addition of highly motivated, hopeful young people to their talent pool as a basis on which to build their businesses and a better future.

We do hope you share our sentiment that YES is a vital organisation at the heart of the most critical challenge facing South Africa. With your help, we commit to growing the vitality and strength of YES as we all tackle youth unemployment in our beloved country.

A message from the Chief Executive Officer

As we reflect on another year at the Youth Employment Service (YES), I am pleased to share that we have achieved unprecedented impact in creating employment pathways for many thousands of South Africa's talented youth. These young people, coming from disadvantaged backgrounds, will go on to help build our economy and create a more sustainable future for the country. In FY25 we achieved a new record of 43,088 jobs, surpassing last year's record of 37,092 jobs by 16%. In achieving this milestone, YES is grateful to both the government and the private sector for their continued support, further emphasising the impact that public-private partnerships can achieve if implemented by an effective and credible institution.

YES is approaching a significant milestone; nearly 2,000 businesses have partnered with YES to create critical youth jobs – an extraordinary achievement for a voluntary programme. It is also a call for us to ensure that we sustain our impact by continuing to work to enhance – and, if needed, reimagine – our approach.

Partnerships for impact

YES continues to work hard to deliver long-term value for both corporate partners and youth, layering additional benefits onto our core offering and providing youth with specialised training and development opportunities in future-facing skills to enhance their employability in the long term.

When YES clients create jobs for YES Youth, the value they add is exponential, in terms of its broader socioeconomic impact through social transformation, support for entrepreneurship and small businesses, and development of priority sectors like green energy and digital. YES clients can use our programme to boost their environmental, social and governance (ESG)/sustainability and enterprise and supplier development (ESD) strategies and build talent pipelines that integrate into employment equity (EE) plans. Our clients also benefit from positive media exposure and reputation gained from taking part in YES.

> “We've created jobs with impact that will act as a catalyst to create more employment and growth in important sectors. It is these future professionals, entrepreneurs and change-makers who will drive our economic prosperity in the years to come.”

The importance of our partnerships with our corporate clients cannot be overstated. When youth sign up for YES, they are placed with one of our partner companies or, through our turnkey solution, with one of our implementation partners, where they are given access to valuable skills training, which equips them for the world of work. This work experience often opens doors to entrepreneurship opportunities.

The powerful multiplier effect of YES creates a new generation of professionals and entrepreneurs who help grow and sustain our economy. We hope to see an increase in businesses that boost local economies while addressing real market needs, such as the auto-repair businesses established in townships by YES Youth through our partnership with Hollard.

Partnerships with the youth who pass through our programme are central to our success. Our first Top 35 Under 35 Awards in October last year was attended by VIP guests such as Minister Parks Tau (dtic); Professor Morris Mthombeni, Dean of the Gordon Institute of Business Science (GIBS) – where the event was hosted – and Rudi Dicks from the Presidency. YES partnered with Daily Maverick and GIBS to recognise transformative YES Alumni and the companies that launched their careers.

> “It is clear that our youth jobs crisis is not due to lack of skill, potential, sheer grit and hard work.”
>
> Wake up and smell the truth South Africa! The seeds of hope for our future will only blossom when we invest in our young.
>
> ***Daily Maverick journalist, Heather Robertson***

Including enterprise and supplier development in our value proposition has also made entrepreneurial pathways more viable and accessible for many YES Youth who have become catalysts of change by opening up opportunities for other young people.

YES recognises that it has a responsibility – and an opportunity – in the unique model it has created, to reshape youth employment across South Africa and the world by enabling investment in young people.

[1] Business–government workstreams help resolve issues like power cuts, the poor performance of the rail network, increasing crime and the inefficient work-visa application process.

[2] “Our commitment to responsible environmental practices, social upliftment and good governance is essential for the Group's long-term sustainability and its ability to create value.” (Nonkululeko Gobodo Chairman of Social and Ethics Committee Shoprite 2024 Sustainability Report)

[3] https://www.shopriteholdings.co.za/docs/shp-sr-2024.pdf
https://www.sanlam.com/productcatalog/Pages/sanlam-sanparks-smme-support-programme-grows.aspx

Policy and government collaboration

As a fully-fledged member of Business Unity South Africa (BUSA), YES has reinforced its role in shaping policy and participates in programme development by serving on the BUSA steering committee and employment workstream. YES also plays a crucial role in creating impactful youth employment pathways that align with the strategic imperatives of the Government of National Unity (GNU).

YES has already reached critical mass as the largest demand-led programme within the Presidential Youth Employment Initiative (PYEI), of which it is a core member. In the first three quarters of FY25, YES jobs accounted for more than two-thirds of all demand-led PYEI jobs.

In the ongoing national conversation about transformation and empowerment, YES remains committed to addressing the statistical reality that the vast majority of unemployed youth are Black. Empowering our youth is fundamental to true transformation, and efforts to support upliftment must transcend political differences; creating opportunities for young people is our collective responsibility.

YES implements programmes that comply with EE and B-BBEE requirements, and is also developing initiatives open to youth of all demographics and to companies not subject to certain regulations.

Expanding our value proposition

When a company signs up with YES, they are assured of being part of a legitimate, high-impact initiative with results backed by rigorous verification processes and monitoring and evaluation systems. Diversification of our service offerings beyond our core placement functions is key to sustaining our growing impact. Our initiatives and programmes not only add strategic value for our clients and partners but also enrich the youth employment ecosystem, scaling up employment and entrepreneurial possibilities for youth.

We have introduced and developed ESG reporting and sustainability initiatives that are demonstrated through our work with large corporate clients. For major retailers such as Shoprite, ethical environmental practices, social upliftment, and good governance are essential to long-term sustainability and their ability to create value. In FY25, Shoprite created 2,150 YES jobs for unemployed youth through YES, forming a critical part of the retailer's sustainability strategy and reporting. Clients can also integrate YES jobs into five-year junior management plans as part of their employment equity compliance programmes, strengthening their talent pipeline.

The YES ESG Awards, held in October 2024, honoured YES clients that are empowering youth by fostering a sustainable and inclusive economy. Clients such as these also benefit from the boost this adds to the 'S' – social impact – in their ESG reporting.

Our focus on sector-specific initiatives gives YES clients an opportunity to lead the development of priority sectors by creating future-facing jobs for youth. Sanlam has committed R20 million to help 60 youth become SME owners and Nedbank's Youth4Green initiative aims to build the green energy sector by creating green, future-facing jobs for youth.

Achievements and Future Focus

By mid-FY26, YES will reach a significant milestone: 200,000 youth placed in employment opportunities since inception. On average, each YES job position advertised by a corporate or implementation partner receives 25 applications. This means approximately 5 million young people will have engaged with our platform.

Some of our most popular programmes, such as those that have resulted from our partnership with Famous Brands, have application-to-job ratios as high as 300 to 1, with 100,000 applicants for 300 positions. What is particularly encouraging about this programme is how Famous Brands has integrated YES into their employment equity strategy: the programme boasts an 86 percent absorption rate; only those who voluntarily drop out do not transition to permanent employment.

YES is developing the Gamechangers Fund to enable investment in enterprises owned by YES Youth and other youth in the YES ecosystem. Two pilot projects – the Sanlam SME Fund and the Seeds of Africa Startup Programme – are testing different models of financial and non-financial support.

The Sanlam SME Fund aims to support 60 Black-owned businesses identified through the Youth4Tourism initiative, and; and of the 250 young entrepreneurs being trained through our partnership with Seeds of Africa, 25 are to receive startup funding. Unlike typical ESD programmes, which often focus on compliance rather than outcomes, our approach provides practical support, such as shared accounting services, to help businesses establish a solid financial foundation.

It is expected that the 310 young entrepreneurs supported over a 12-month period will yield approximately 45 SMMEs that may be eligible for investment by the YES Gamechangers Fund once it is formally launched.

Looking ahead

Although YES jobs numbers have been increasing year-on-year, our focus turns increasingly to deepening our impact. YES believes that the solution to youth unemployment is the youth themselves; the leaders, entrepreneurs, and value-adding employees that will build our job-creating economy over the next 10 to 20 years are the very same young people coming through the YES programmes today. As such, YES is acutely aware that quality is just as important as quantity in defining our success. Until broader economic growth creates new opportunities, we will concentrate on enhancing the value each placement creates, through our expanded services and partnerships, for YES Youth and our corporate partners.

I extend my sincere gratitude to our dedicated team, corporate, implementation and government partners, and the young people whose potential drives everything we do. Together, we are not just creating jobs; we are nurturing future leaders, entrepreneurs, and change-makers who will shape South Africa's future.

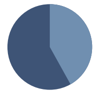
With continued commitment to youth empowerment,

Ravi Naidoo
Chief Executive Officer
Youth Employment Service

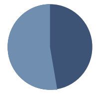
02 | A message from our Chief Executive Officer

Leadership

Board outline as of 31 March 2025



Female
45%



Black
55%

Colin Coleman
Co-chair and
Non-executive director

Stephen Koseff
Co-chair and
Non-executive director

Zarina Bassa
Non-executive director

Cassim Coovadia
Non-executive director

Leila Fourie
Non-executive director

Nomvuyo Guma
Non-executive director

Ravi Naidoo
Executive director

Nazmeera Moola
Non-executive director

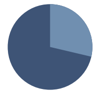
Donne Nicol
Non-executive director

Daniel Mminele
Non-executive director

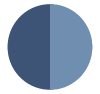
Simon Susman
Non-executive director

Leadership

Executive committee outline as of 31 March 2025



Female
38%



Black
50%

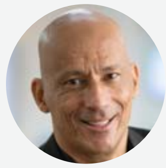
Ravi Naidoo
Chief executive officer

Leanne Emery-Hunter
Chief commercial officer*

Vaunn Kelly
Chief financial officer

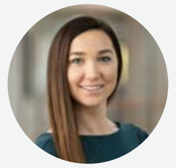
Malcolm McDonald
Chief information officer

Tsholo Mogotsi
Chief partnerships officer



Zaid Patel
Head of business integration**

Dominique Selling
Human resources executive



Samantha Steyn
Chief operating officer***

*As of 01 January 2025, resigned 31 May 2025 | **Resigned 31 March 2025 | ***As of 01 January 2025

About this report

This aim of this report, which covers the period from 1 April 2024 to 31 March 2025, is to:

01	Consolidate the achievements of YES and the challenges it has encountered
02	Measure the performance of YES against its objectives, and
03	Examine its short-, medium- and long-term prospects.

Annual reports issued by YES enable stakeholders to make informed assessments of the organisation's performance and meet best practice reporting standards for non-profit organisations to demonstrate accountability and credibility.

In compiling this report, YES has sought to represent the voices of all those who have shared in our successes and journeyed with us. Our financial information is independently audited and verified.

Glossary

12-month quality work experience (QWE): A year-long salaried position sponsored by a corporation. Corporations can place youth in their own organisations or opt to sponsor youth placed by host partners.

Absorption rate: The rate at which placed YES Youth are given permanent jobs after their 12-month quality work experience, as per B-BBEE codes.

B-BBEE: Broad-based black economic empowerment is a government policy to advance economic transformation and enhance the economic participation of Black people (African, Coloured and Indian people who are South African citizens) in the South African economy.

B-BBEE Level-Up: An improvement in a company's B-BBEE rating by up to two levels.

Clarification Note: The dtic issued a clarification to the YES Initiative to provide guidance on application of the Y.E.S. Initiative as published in the Government Gazette on 28 August 2018, as well as the Practice Note published on 12 October 2018. The note addressed confusion around the maintenance of B-BBEE levels, absorption buffers, and noted that the transport sector did not need sub-minimums to participate.

Employment equity (EE): Hiring policies that encourage fair representation of members of minority groups, women, or other people who suffer, or have suffered, discrimination.

Exempted micro enterprise (EME): An enterprise with an annual total revenue of R10 million or less qualifies as an EME. An EME is deemed to have an automatic B-BBEE status of "Level Four Contributor" with a B-BBEE recognition level of 100 percent.

Despite the above, the amended Codes of Good Practice have provided for enhanced B-BBEE recognition levels for an EME where an EME that is at least:

- 100 percent black-owned qualifies for elevation to 'Level One Contributor' with a B-BBEE recognition level of 135 percent; OR
- 51 percent black-owned qualifies for elevation to 'Level Two Contributor' with a B-BBEE recognition level of 125 percent

Environmental, social, governance (ESG): criteria are a set of standards used by investors to screen potential investments. Environmental criteria consider how a company safeguards the environment, including corporate policies addressing climate change, for example. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights.

Hub: A YES Hub is a centrally located safe space in an underserved community, purpose-built to address barriers to economic inclusion like legacy spatial planning, substandard infrastructure (transport, electricity, water, waste, telecommunications) and obstacles to small business, like lack of expertise and access to funding. Hubs bring corporate investment (through funding of hub infrastructure) and technology (access to WiFi, digital training) into communities to build local capabilities and opportunities, where the youth are.

Multiplier effect: An increase in economic output that results from an injection of spending into an economy. YES jobs have this effect in that they inject money into the economy through youth salaries.

Pop-up hub: A decentralised hub model whereby demand-led programmes are implemented throughout the country.

Programme: A programme is defined as the 12 months during which YES Youth complete their quality work experience, and is the period measured by the B-BBEE verification agency.

Presidential Youth Employment Intervention (PYEI): A multi-sector programme to address youth unemployment.

Qualifying small enterprise (QSE): An enterprise with an annual total revenue greater than R10 million but less than R50 million. QSEs are categorised as generic QSEs or sector-based QSEs, where the eligibility of an entity that falls under a specific sector to qualify as a QSE is set by the Sector Charter in which it operates.

Social and labour plan (SLP): A document that mining companies submit to the Department of Mineral Resources when applying for mining rights. The SLP sets out what the company will do for communities and workers and how and when it will do this.

Sustainable Development Goals (SDGs): Sustainable Development Goals are 17 interlinked global goals that are 'a blueprint to achieve a better and more sustainable future for all'. The SDGs were announced by the United Nations General Assembly in 2015 with the aim of attaining them by 2030.

Trusted Employer Scheme (TES): A government scheme whereby employers who meet specific criteria to employ foreign workers can do so via a more streamlined process to attract foreign employees with critical skills and manage the visa application process more effectively.

YES Alumni: YES Youth who have completed their quality work experience.

YES employment rate: The rate at which YES Alumni are employed post-programme, including permanent or contract employment, and running their own formal businesses.

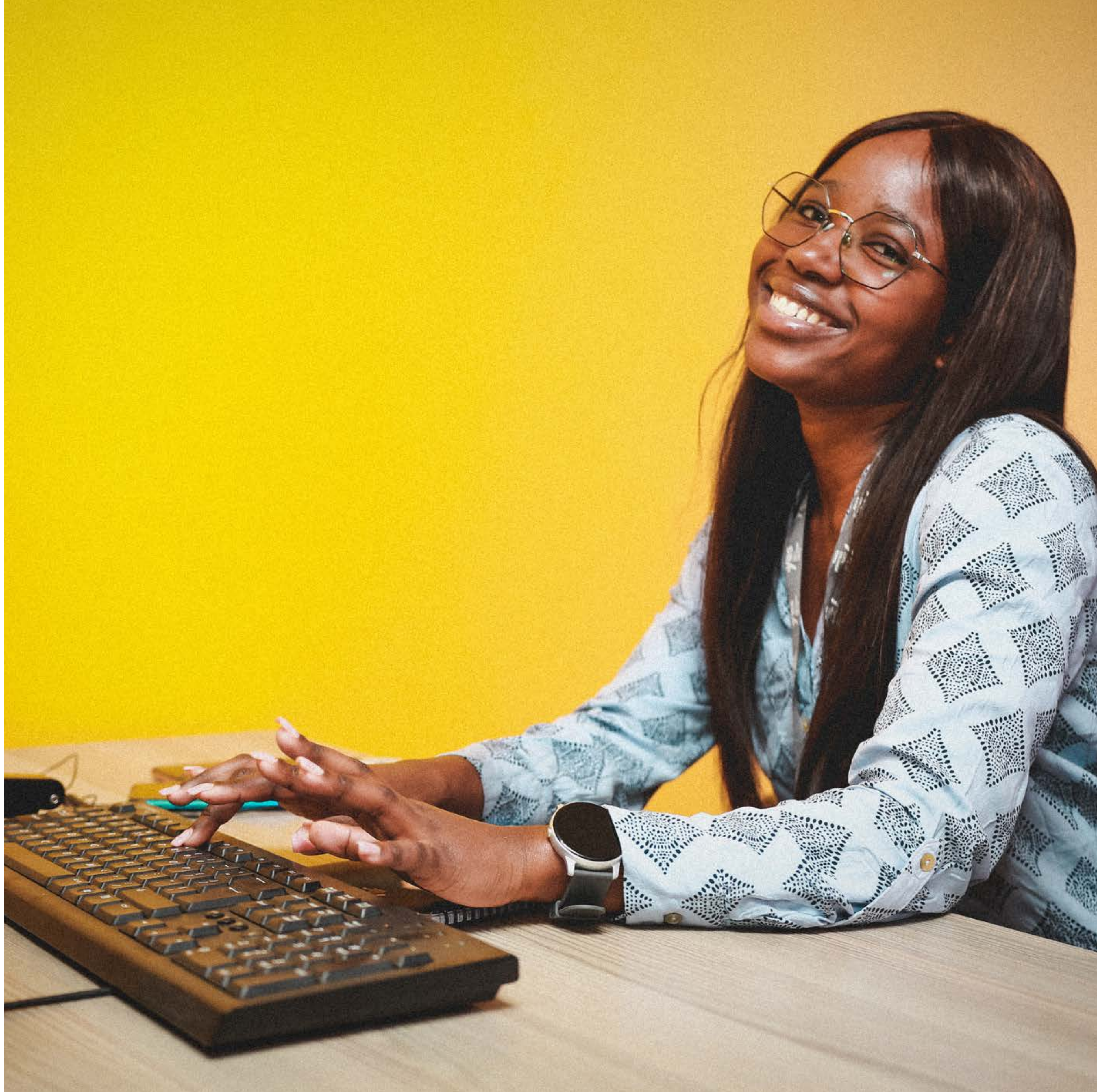
YES Gazette: Government Gazette No. 41866, Notice 502 of 2018, dated 28 August 2018 (the "Y.E.S Initiative Gazette") is a piece of legislation that allowed for the inclusion of the YES initiative in the Amended Code Series 000. The B-BBEE benefits (level ups) afforded can be achieved exclusively through YES, legitimising YES's processes and methodology.

YES Practice Note: The Practice Note 1 of 2018 published under the Government Gazette No. 41975, Notice 640 of 2018, dated 12 October 2018 (the "Practice Note") is another piece of legislation that provides guidance on the application of the YES initiative as published in the YES Gazette.

Youth: Unemployed youth, ages 18 to 35.

Acronyms and abbreviations

AGM	Annual general meeting
AI	Artificial intelligence
B-BBEE	Broad-Based Black Economic Empowerment
B4SA	Business for South Africa
BPESA	Business Process Enabling South Africa
BPO	Business process outsourcing
BUSA	Business Unity South Africa
BVLOS	Beyond visual line of sight
DS4JI	Digital skills for jobs and income
ECD	Early childhood development
EE	Employment equity
EME	Exempted micro enterprise
ESD	Enterprise and supplier development
ESG	Environmental, social, governance
ETI	Employee tax incentive
EU	*European Union*
ExCo	*Executive committee*
EYWA	*Employability for Youth and Women in South Africa*
FY23	*Fiscal year 2023*
FY24	*Fiscal year 2024*
FY25	*Fiscal year 2025*
G20	Group of 20
GDP	Gross domestic product
GIBS	Gordon Institute of Business Science
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GNU	Government of national unity
GP	Gauteng Province
ICT	Information and communication technology
IDC	Industrial Development Corporation
IP	Implementation partner
IRM	Installation, repair and maintenance
IT	Information technology
JSE	Johannesburg Stock Exchange
MoU	Memorandum of understanding
NAAMSA	Automotive Business Council (previously National Association of Automobile Manufacturers of South Africa)
NBI	National Business Initiative
NPMN	National Pathway Management Network
NYDA	National Youth Development Agency
ORT SA	Organisation for Rehabilitation through Training South Africa
PSIRA	Private Security Industry Regulatory Authority
PV	Photovoltaic
PYEI	Presidential Youth Employment Intervention
QSE	Qualifying small enterprise
QWE	Quality work experience
SAAW	South African Auto Week
SDG	Sustainable Development Goal
SETA	Sector Education and Training Authority
SLP	Social and labour plan
SME	Small and medium enterprise
SMME	Small, medium and micro enterprise
SOA	Seeds of Africa
TBCSA	Tourism Business Council of South Africa
TES	Trusted Employer Scheme
UJ	University of Johannesburg
UNDP	United Nation Development Programme
Y4T	Youth for Tourism
YCC	Youth Content Collective
YES	Youth Employment Service
Y20	Youth 20
Y4G	Youth for Green
Y4T	Youth for Tourism



YES vision and mission

Vision

Transforming companies, communities and the lives of youth by connecting youth to economic opportunity and dignity and together, building a future that works.

Mission

YES unlocks sustainable employability at scale by:

- Connecting youth with companies.
- Transitioning South African youth to earning future incomes.
- Leveraging policy and best practice to optimise company impact and performance.

How the YES quality work experience (QWE) supports sustainable growth

The social impact made by a company is an important consideration for investors who want to ensure that their investments align with their values and contribute to positive social change.

The 17 Sustainable Development Goals (SDGs) launched by the United Nations General Assembly in 2015 are envisioned as "a blueprint to achieve a better and more sustainable future for all".

A company's sustainability and ethical impact can be measured by the degree to which it aligns with these goals, as well as the environmental, social and governance (ESG) criteria used to assess a company's practices related to promoting social mobility of youth (especially those from historically disadvantaged communities), human rights, labour standards, community involvement, customer satisfaction, and overall societal impact.

As a youth employment initiative, YES has a direct impact on:
SDG 8: Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all
SDG 4: Quality education
SDG 17: Partnerships for the Goals
SDG 1: No poverty
Working towards these goals helps to mitigate poverty and hunger and improve living standards, as defined in SDGs 1, 2, and 3

Specific targets are impacted and weighted based on YES's proprieties:

of investment spend:
Create sound policy frameworks at national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions.

of investment spend:
Increase number of people with relevant skills for financial success.

of investment spend:
Full employment and decent work with equal pay.

of investment spend:
Promote youth empowerment, education and training.

of investment spend:
Encourage effective partnerships.

By working towards transformation and socioeconomic development YES drives economic and gender equality, and support for quality education, innovation and entrepreneurship.

No Poverty
Healthcare, education, SMME development, agriculture and conservation, retail.

Zero Hunger
Healthcare, education and early childhood development, SMME development, agriculture and conservation, retail.

Good Health and Well-Being
Healthcare, education and early childhood development, SMME development, agriculture and conservation, retail.

Quality Education
ICT, training, YES One app.

Gender Equality
Job programmes for young women, agriculture, drones, ICT, SMME development.

Decent Work and Economic Growth
Retail, manufacturing, agriculture, SMME development, training and YES apps.

Climate Action
Job programmes for young women, agriculture, drones, ICT, SMME development.

Industry, innovation and Infrastructure
Reail, manufacturing, agriculture, SMME development, training and YES apps.

Partnership for the Goals
The YES turnkey solution connects social partners and companies to create quality work experiences for youth.

The SDG Push framework, initiated by the United Nations Development Programme (UNDP), aims to accelerate progress towards achieving the SDGs by addressing South Africa's triple challenge: high rates of inequality, poverty, and unemployment. SDG Push uses digital and data innovation, systems thinking and futures approaches to provide a comprehensive, country-specific tool to plan and implement SDG breakthroughs in a variety of development contexts.

Impact to date

Figures and a diagram of impact to date (inception to end March 2025)

YES measures its progress since inception and for the financial year using the following impact indicators: Jobs created, B-BBEE level targets reached, monetary value of youth salaries, and the number of programmes and businesses registered.

185,627

Jobs created
since inception
to 31 March 2025

4,936

Programmes registered
since inception
to 31 March 2025

R10.74 bn

Salary injection
since inception to
31 March 2025

1,875

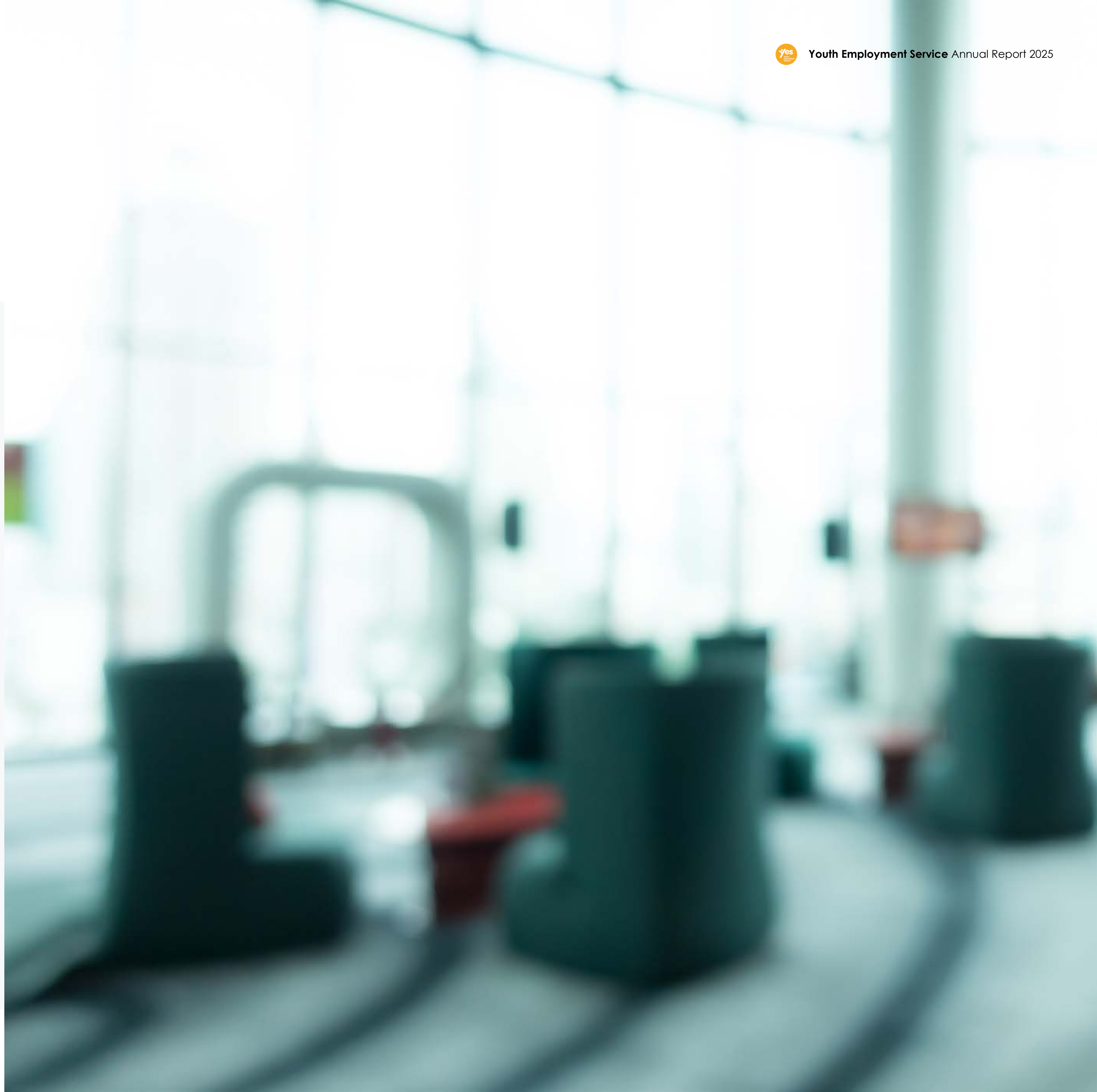
Businesses registered
since inception
to 31 March 2025

43,088

Jobs created
FY25

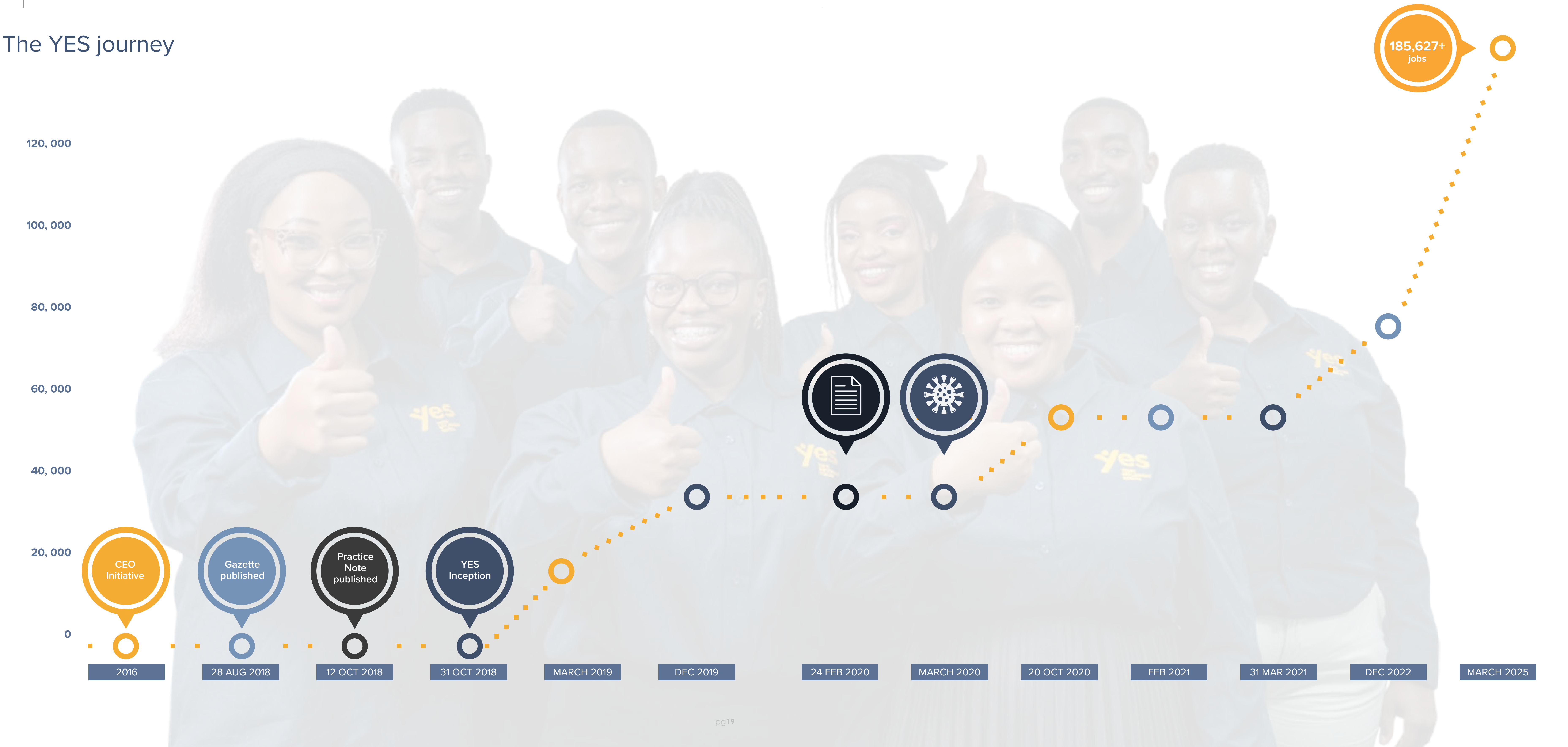
1,003

Programmes registered
FY25



08 | YES journey
Youth Employment Service Annual Report 2025

The YES journey



FY25 snapshot and biggest job contributors

9.1 Performance highlights

In FY25, its sixth year of operation, and as South Africa's largest 12-month, full-time jobs programme, YES continued to yield record results. By the end of March 2025, YES had created more than 185,627 work experiences and a record 43,088 for FY25, which equates to R10.74 billion paid in youth salaries by the private sector.

These numbers alone attest to the success and tenacity of YES and its private sector partners and the high level of performance they have sustained in the midst of a challenging youth jobs ecosystem.

YES currently generates between 3,000 and 4,000 jobs per month and will reach a cumulative 200,000 jobs by the end of FY26 – yet another milestone to demonstrate its exponential growth since inception

Again, while these numbers are impressive, it is the quality of YES jobs that truly deepens the significance of what YES has to offer: their 'multiplier' effect, evident in the positive results of our alumni survey, which confirms that YES Youth have higher employability than the average youth.

With the Government of National Unity (GNU) in place, government and the private sector are pooling their efforts, and positive investor sentiment has resulted in an increase in corporate participation in YES. At the launch of phase two of the CEO Initiative in October 2024, more than 140 companies pledged their support; there is a notable increase in interest from clients who have turned down participation in YES in the past. At the end of FY25, YES reached 1,032 programmes – 5 percent higher than the previous financial year.

YES has worked consistently to improve the quality of the services it provides – both to youth and to its clients. This year saw the piloting of initiatives like SkillQuest, which aims to enhance the YES experience by helping youth learn more about their skills, while introducing greater precision in matching potential YES Youth and YES Alumni with jobs.

YES hosted its inaugural Top 35 Under 35 YES Alumni event in partnership with Daily Maverick on 10 October 2024. The event recognised the remarkable achievements of young leaders who transformed their YES experience into impactful careers and innovative businesses. As a partner, the Gordon Institute of Business Science (GIBS) held a full-day programme of masterclasses for the winning youth and an awards ceremony in the evening, attended by Honourable Minister of Trade, Industry and Competition, Parks Tau, bringing together YES sponsors, partners and other key contributors to the initiative's success.

The event not only recognised exceptional talent but also highlighted the importance of collaboration and support in empowering South Africa's future leaders.

9.2 YES and South Africa's youth employment ecosystem

The 21 organisations in the YES implementation partner (IP) network facilitate about 24 percent of total youth placements and cover a diverse range of sectors.

YES evaluations of the impact of comparable programmes and the market indicated that in FY25, YES jobs accounted for 66 percent of all demand-side jobs in the Presidential Youth Employment Initiative (PYEI). The Presidency reported in December 2024 that YES jobs account for 72 percent of the jobs created through the combined National Pathway Management Network (NPMN) partners in the PYEI since January 2022.

With the GNU in place, government and the private sector are pooling their efforts, and positive investor sentiment has resulted in an increase in corporate participation in YES. At the launch of phase two of the CEO Initiative in October 2024, more than 140 companies pledged their support; there is a notable increase in interest from clients who have turned down participation in YES in the past. At the end of FY25 YES had reached 1,032 programmes – 5 percent higher than the previous financial year.

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9.3 YES impact

The call centre's annual alumni survey in October 2024 elicited 10,584 responses; data indicate a stable employment rate of 44 percent and an increase in entrepreneurial activity.

An analysis of nearly 8,000 YES Alumni showed that when they joined YES, 74 percent of youth were from social grant recipient households but after they had completed the programme, this dropped to 50 percent, which indicates that the multiplier effect of YES is likely contributing to decreasing the strain on the national fiscus. Further qualitative research of this kind, with alumni, active YES Youth and a control non-YES Youth group, will enable the YES research team to better understand the needs of each client and determine which factors influence YES Youth absorption for learning and development purposes across all programmes.

As the YES initiative matures, its mission to create employment for youth is coming to fruition as more and more YES Youth become job creators themselves; to date, 17 percent (3 percent higher than FY24) of YES Alumni are engaged in entrepreneurial activities, which equates to about 23,000 businesses since inception.

Top 10 job contributors for FY25

NEDBANK
Mercedes-Benz
Motus
TFG
SPAR
Investec
BMW
TOYOTA
SHOPRITE
Eskom

SOMILA SKELEM

Manager – Mugg & Bean

Somila Skelem faced financial challenges while studying at her local TVET College in the Eastern Cape, which threatened to stop her from completing her diploma.

However, applying to the Famous Brands YES programme marked a significant turning point in Skelem's life. The programme not only provided financial stability, but also drastically changed her world view and overall personality.

Joining the YES programme opened Skelem up to the professional world, instilling in her a newfound confidence and a desire for self-improvement.

The experience pushed her to believe in herself and recognise the opportunities available beyond her initial expectations.

During her time in the YES programme, Skelem was promoted to supervisor at Mugg & Bean, a role she embraced with enthusiasm. Upon completing the programme, she continued to excel, eventually becoming a manager.

This transition into management has been groundbreaking for her. It has broadened her mind to new ideas and altered her perspectives on individuals and leadership.

One of the biggest obstacles Skelem faced was coming out of her shell. Through the proper training and mentorship provided by Famous Brands and YES, she was able to overcome this challenge. The programme equipped her with the skills to speak up confidently, know when to listen and effectively navigate the professional world, which was initially unfamiliar to her.

The programme's structured approach and supportive environment helped Skelem develop essential skills in communication, leadership and professional conduct. These skills have been an important part of her journey from being a student who faced financial difficulties to a successful manager at Mugg & Bean.

Her story highlights the profound impact of the YES programme in transforming lives and opening doors to new opportunities.

Growth: Priorities and opportunities

The youth employment environment is showing a positive trend as investor confidence has strengthened with installation of the GNU. However, despite the addition of 428,000 new jobs in quarter 4 of FY25 and a decline in the unemployment rate (from 33.5 percent in quarter 2 to 31.9 percent in quarter 4), the risk premium on South Africa's economy remains persistently high and not conducive to sustained growth. While YES has created a record number of jobs in FY25, our focus is increasingly shifting towards the quality of jobs created alongside the quantity; and developing innovative ways to bring new clients on board and optimise the youth work experience.

10.1 Clients

The YES client base continues to strengthen. By prioritising our focus, refining our renewal process and increasing our administrative capacity, client retention and renewal rates have surpassed the target of 70 percent in FY25. This was due to increases in the number of jobs and consistent buy-in from clients returning for sixth, seventh and eighth programmes. By the end of the financial year, YES reached 1,032 programmes - a 5 percent increase to the previous year.

A key element of our stakeholder engagement plan is to demonstrate the economic and social impact of YES and to pursue implementation of regulatory refinements agreed upon with the dtic.

With the existing client base contributing more than 90 percent of our jobs target, YES continues to nurture client relationships and add value with enhancements like ESG reporting, integrating YES into other elements on the B-BBEE scorecard, recognition and reward, and focused key-account management.

YES has acknowledged the contributions of the Top 50 YES champions to South African youth and to the economy with letters signed by the YES co-chairs. Clients were also heroed at the ESG and Top 35 awards.

Deepened partnerships to attract new business

The YES campaign to engage with target sectors – automotive, retail, financial services and healthcare – includes analysis of corporate databases to drive focus and educate more companies on the YES value proposition. Business Unity South Africa (BUSA), Harambee, YES and The CollectiveX have launched the Do More campaign to scale existing initiatives to combat youth unemployment. YES is engaging with industry and sector bodies to unlock potential large and listed clients, e.g., participation in NAAMSA's South African Autoweek (SAAW) and the BPO Conference organised by Business Process Enabling South Africa (BPESA).

Although large job numbers are typically generated by our larger corporate members, exempted micro enterprises (EMEs) and qualifying small enterprises (QSEs) are also key to job creation. Additional policy levers and incentives must be explored to fully unlock this part of the economy.

Policy

YES and its partners are working with government to ensure that the country's youth employment policy environment optimises the resources, expertise, and networks of the private sector to give youth quality work experiences to improve their employability and stimulate entrepreneurship.

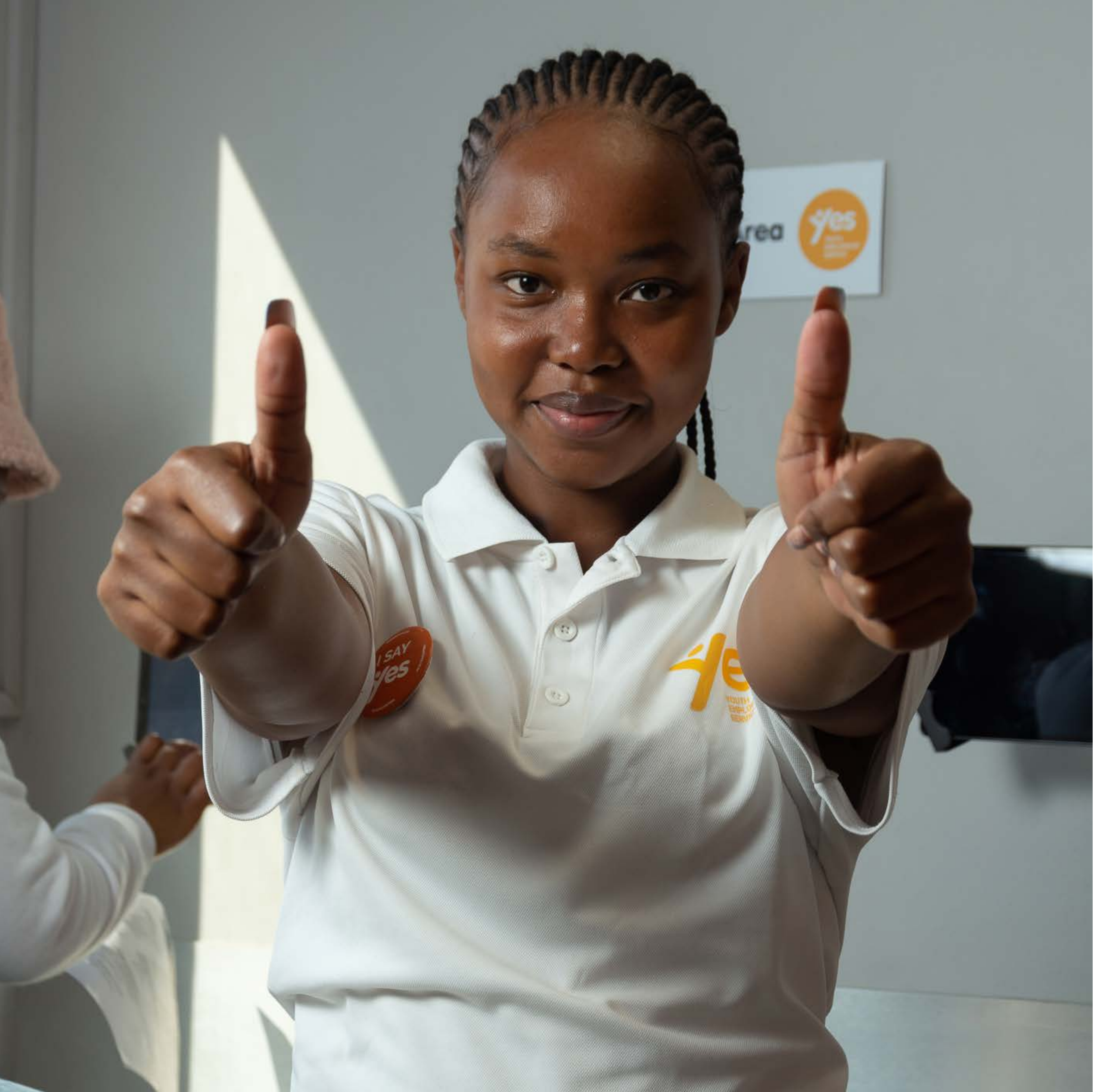
At the business–government High-Level Engagement on Youth Employment in February 2025, YES submitted a set of proposed new policy levers to the Minister of Trade, Industry and Competition that could unlock thousands of youth jobs per year. YES aims to secure high-level support from business and government on policy and other measures that can be implemented to scale up YES.

At a national level, YES is an important platform for policy dialogue and advocacy on youth employment and continues to contribute to ongoing discussions on improving labour market policies, skills development strategies, and youth entrepreneurship initiatives in South Africa.

10.2 The YES value proposition

The expanded and enhanced YES value proposition encompasses talent pipeline strategies that accommodate employment equity (EE) roadmaps, ESG reporting, integration with enterprise and supplier development (ESD) initiatives, development of high-demand sectors (e.g., green and digital sectors), the Trusted Employer Scheme (TES), and the credibility and positive marketing to be gained from membership in a verifiable national programme.

1. **Use YES for the B-BBEE Level Up** enhancement for broad-based transformation
2. **The 'S' in ESG:** Use youth job creation to create impact within your chosen Sustainable Development Goals (SDGs) and sustainability **strategy.**
3. **Capacitate SMEs and ecosystem:** Support suppliers to hire locally by funding youth positions and integrate into your ESD strategy.
4. **Build a talent pipeline:** Integrate employment equity.
5. **Sector development:** Lead the development of priority sectors such as green energy or digital through job creation
6. **Qualify for the Trusted Employer Scheme:** Support for the TES and faster processing of immigration-related matters.
7. **PR & marketing hero-ing your business:** Positive media exposure, enhancing the reputation of your business as a socially responsible leader and part of the CEO Initiative.
8. **Be a part of an independent, verifiable national programme.**



Building a sustainable workforce: The Business Case For YES

The 'S' in ESG

Our ESG offering has expanded YES's value proposition for clients, aiming to attract JSE-listed entities, particularly Level 1 companies. YES continues to apply its metrics-based model to measure the social impact – the 'S' in ESG – of corporate partners.

At the second iteration of our ESG Awards 14 clients were recognised for their contribution to the 'S' in ESG through job creation. The awards were held at the ESG Africa Conference at Sandton Convention Centre in October 2024, with certificates signed by President Ramaphosa.

Special ESG and Employment Equity Awards were also presented to Anglo American Platinum, Babcock Africa, Bidfood, Barron Trading, Hatfield Holdings, MultiChoice, PG Group, and Sanlam. Award recipients reaffirmed their dedication to job creation and sustainable practices, underscoring the positive transformations achieved in communities and young lives.

Measuring the 'S' in ESG

YES has developed a metrics-based model to enable its corporate partners to measure the 'S' in ESG. This first-of-its-kind tool measures, tracks, and reports a business's social impact (i.e., return on employment (ROEm) through the SDGs, which provide a framework for measuring the impact of a job.

Quantifying the S in ESG:

Measure Impact

Track Impact

Report Impact

ROEm: Measured in two ways

ROEm: A	ROEm: B
Salary Investment	Time Investment
SDG8 directly impacted through salaries (decent work and economic growth)	SDGs directly impacted through job roles
YES programme participation = automaticaly address **SDG8**	Measures the amount of **time** youth spend in their job roles against the SDGs the roles impact on

10.3 YES top job-creator sectors

YES has persisted in its drive to engage with and register clients from target sectors – manufacturing, financial services and retail. To optimise impact and growth, YES continues to focus on attracting sponsoring clients from all sectors.

Sector	*Percentage of total*
Manufacturing	27%
Financial and insurance activities	18%
Wholesale and retail	16%
Other service activities	12%
Information and communication	9%
Mining and quarrying	4%

10.4 Developing youth enterprises

YES's research has consistently found that a proportion of YES Youth are engaging in entrepreneurial activities – either through creating side hustles or developing their own formal businesses. The most recent survey found that 17 percent of YES Alumni – more than double the national average of 7 percent – are pursuing entrepreneurial activity of this kind, without direct prompting from YES. In FY25, YES chose to be more deliberate about the support it offers YES Alumni and other entrepreneurial youth, and has launched a number of pilot projects, as detailed below.

The Sanlam SME Fund pilot

Sanlam has expanded its partnership with YES to include SMME development and gig work, with youth who graduated from their first Youth4Tourism programme; to date 48 YES-Youth-owned SMEs of a target of 60 have been onboarded for the pilot, which will provide funding, accounting services and marketing support. The impact of the pilot is wide-reaching:

- The average number of employees per SME is 4
- The average operating years per SME is 4
- Thus far, 19 new jobs have been created since November 2024
- The average turnover per month since November 2024 is R124,887.00

Seeds of Africa

The Seeds of Africa Startup Programme is designed to support the development and sustainability of startups and SMMEs owned by YES Alumni using a bootcamp, microfinance and mentorship approach. Seeds of Africa (SOA) has been selected to implement this programme which will be carried out in two phases: Entrepreneurship Training and Enterprise Development Bootcamp.

In Phase 1, 250 shortlisted youth are receiving online entrepreneurship training over a six-week period; 50 of these youth will be selected to advance to masterclass week. SOA will narrow the selection to the Top 25 who will proceed to Phase 2 and undergo nine months of entrepreneurship training and coaching. The profile of the SMMEs is as follows:

- The average operating years per SME is 2
- The average turnover per month since November 2024 is R8,112.00

The YES Gamechangers Fund

The YES Gamechangers Fund underlines the importance of this aspect of our work and encompasses employment, skilling and entrepreneurship – which cover a wide range of opportunities for our youth. It also provides corporates the opportunity to invest in SMMEs and integrate YES into their ESD strategies. The fund is being piloted in three sectors: digital, green and creative.

The SMEs participating in this pilot will be provided with 12 months of support, comprising a YES-level stipend for the entrepreneur, working capital and enterprise development support from the IP.

- **27 creative sector SMEs** are based in Gauteng, Mpumalanga and the Western Cape and span various disciplines including media production, dance, photography and film.
- **19 green businesses** (Western Cape, Mpumalanga and Eastern Cape) address environmental and social challenges and create employment opportunities in rural areas. Some of these SMEs employ local community members to clear invasive alien species which restores grazing lands and water ecosystems. The harvested material is used for firewood and charcoal. Other businesses offer eco-conscious hospitality: curated Airbnb stays that prioritise connection, authenticity, and sustainability.
- **Four digital SMEs** in Western Cape focus on how innovative thinking can address critical challenges and create jobs in South Africa, from blockchain platforms that reward positive behaviour and promote youth engagement, to tech solutions for safer, more efficient public transport, healthcare technology tools for primary care and research in electronic design, AI modelling, and advanced prototype manufacturing.

Karabo Mtsweni

Process Engineer – Adient PPC

Karabo Mtsweni's path into the world of science, technology, engineering and mathematics (STEM) began with a curious mind and a seventh-grade technology project. Trying to build a stadium without any engineering or architectural knowledge sparked her interest in understanding intricate connections. This curiosity fuelled her passion for STEM, further encouraged by a high school excursion to a science centre in Johannesburg.

In 2022, she graduated with a BEng Tech degree, ready to tackle the minerals and manufacturing industry.

Her journey with the YES programme began when she joined Adient PPC as a quality assurance intern.

Since completing the YES programme, Mtsweni has joined the engineering team as a process engineer. She has been involved in exciting new projects and jig designs, contributing significantly to process optimisation and cost reduction.

One of her notable achievements was optimising the grease application process on an assembly line, which improved product quality and reduced costs.

Mtsweni supports and optimises plant performance and customer requirements through effective production, engineering and distribution of resources and projects.

This exposure has given her a broad perspective on the automotive industry and the numerous opportunities it offers.

Being part of the YES programme prepared Mtsweni for the professional world. Regular check-ins and one-on-one meetings with her training officer helped her to navigate a number of challenges.

Mtsweni's story underscores the importance of continuous learning, resilience and the opportunities provided by structured support systems, such as those offered by YES, in achieving success in the STEM and manufacturing industries.

The YES Gamechangers Fund continued...

Two projects – the Sanlam SME Fund and the SOA Startup Programme – are piloting two models of finance and financial support, with a total of 310 young entrepreneurs to be supported over a period of 12 months. The two pilots are expected to yield about 45 SMEs that may be eligible for investment by the YES Gamechangers Fund once it is formally launched. The YES Gamechangers Fund will invest in enterprises owned by YES Youth and other youth in the YES ecosystem.

10.5 Partnering with YES

YES has proven to be a trusted partner of corporates across a wide range of sectors. The YES partnerships team has worked hard to integrate into existing strategic management and operational processes.

Team priorities for FY25 were to promote and protect YES's regulatory licence to operate, work with the business development team to identify and unlock major new opportunities for youth jobs, increase the number of international and local funding partners, and enhance the quality and impact of YES programmes.

Partnering highlights

- A roadshow was held with Business Unity South Africa (BUSA), Harambee and The Collective X to onboard corporates in the agriculture, retail, financial services and technology sectors. The roadshow will also increase awareness of YES's role among stakeholders in the youth employment space.
- Microsoft and YES are partnering to provide 50,000 young South Africans with free certification vouchers for in high-demand IT skills over the next year.
- Strengthening of collaboration efforts with the National Business Initiative (NBI) including placement of ten YES-sponsored YES Youth at the NBI, supporting seven youth owned SMME in the energy sector, and training 40 youth from Mpumalanga on solar PV mounting.
- Finalisation of the grant awarded by the European Union with the Spanish Chamber of Commerce (the leading partner). YES is working with the Spanish Embassy towards a broader strategic partnership in sectors such as water, which the Spanish government is keen to support. Technical training for the EU-funded Employment of Youth and Women in South Africa (EYWA) programme in partnership with the Spanish Chamber of Commerce is complete. 140 youth have been placed at host companies.
- YES and the Spanish Chamber have also co-designed a youth work exchange programme between SA and Spain which is being presented to relevant diplomatic and immigration authorities.
- YES is working on a co-designed entrepreneurship support and funding model for YES Alumni with the National Youth Development Agency (NYDA), supported by seed funding from the NYDA and matched funding from corporate ESD funds.
- YES is leveraging its scale, M&E capability and cost-efficiencies to introduce 'YES Lite', a model that offers services to other youth jobs programmes at a discounted rate.
- YES co-convened The Collective X Here For Us un-conference on 13 June 2024, along with BUSA, BPESA, Digital Council Africa and Harambee. The event aimed to gather the digital skills ecosystem and YES CEO, Ravi Naidoo, gave a TED Talk style address: Crowding in Employers.

Business Unity South Africa (BUSA), Business Leadership South Africa (BLSA), and Business for South Africa (B4SA)

YES has been participating in the Business-Government High Level Engagement on Youth Employment, one of four workstreams under the B4SA public-private partnership platform and through which business and government are developing a joint portfolio of interventions to accelerate job creation in the economy.

YES, BLSA and BUSA continue to work closely on opportunities in other critical sectors such as tourism, global business services (business process outsourcing) and the digital economy. Together with Harambee and Collective X we embarked on a roadshow to attract new corporate clients.

At the first BUSA AGM following the formation of the GNU on 28 August 2024, President Ramaphosa highlighted in his address the private sector's contribution to connecting youth to opportunities and skills development through YES and the SA Youth National Pathway Management Network (NPMN).

YES, BUSA and BLSA are embarking on a BLSA-led 15-month business-to-business campaign leveraging existing organised business platforms to mobilise business leaders and peers. The campaign will engage large corporates in labour-absorbing sectors, SMEs and the business community at large to raise awareness of the urgency of youth unemployment as a national and business-critical issue, drive business behaviour change to include young people in available opportunities across business value chains, and ensure sustained visibility of youth employment as a core business priority.

Membership of the PYEI task team

As a member of the PYEI task team, YES advocates for youth employment issues from the perspective of both business and youth and is involved in four of its five pillars, which are to:

- Implement targeted interventions to unlock opportunities in high-growth sectors
- Scale up SA Youth
- Recalibrate and expand the employee tax incentive (ETI) to increase private sector job creation
- Reform the B-BBEE codes to boost employment and scale up YES

B20 Task Team on Education and Employment

YES adopts the following key methods to implement its monitoring and evaluation mandate (among others):

YES serves on the Steering Committee for the B20 Task Team on Education and Employment process, under South Africa's Presidency of the G20 in 2025. The B20 is the official G20 dialogue forum with the global business community and the Education and Employment Task Team is driving the global engagement on education and employment matters. The process will culminate in the B20 presenting recommendations on policies to improve education and employment outcomes at the 2025 G20 Summit in November 2025. The B20 process is an opportunity to present YES to a global audience and to introduce YES to new international funding and partnership networks.

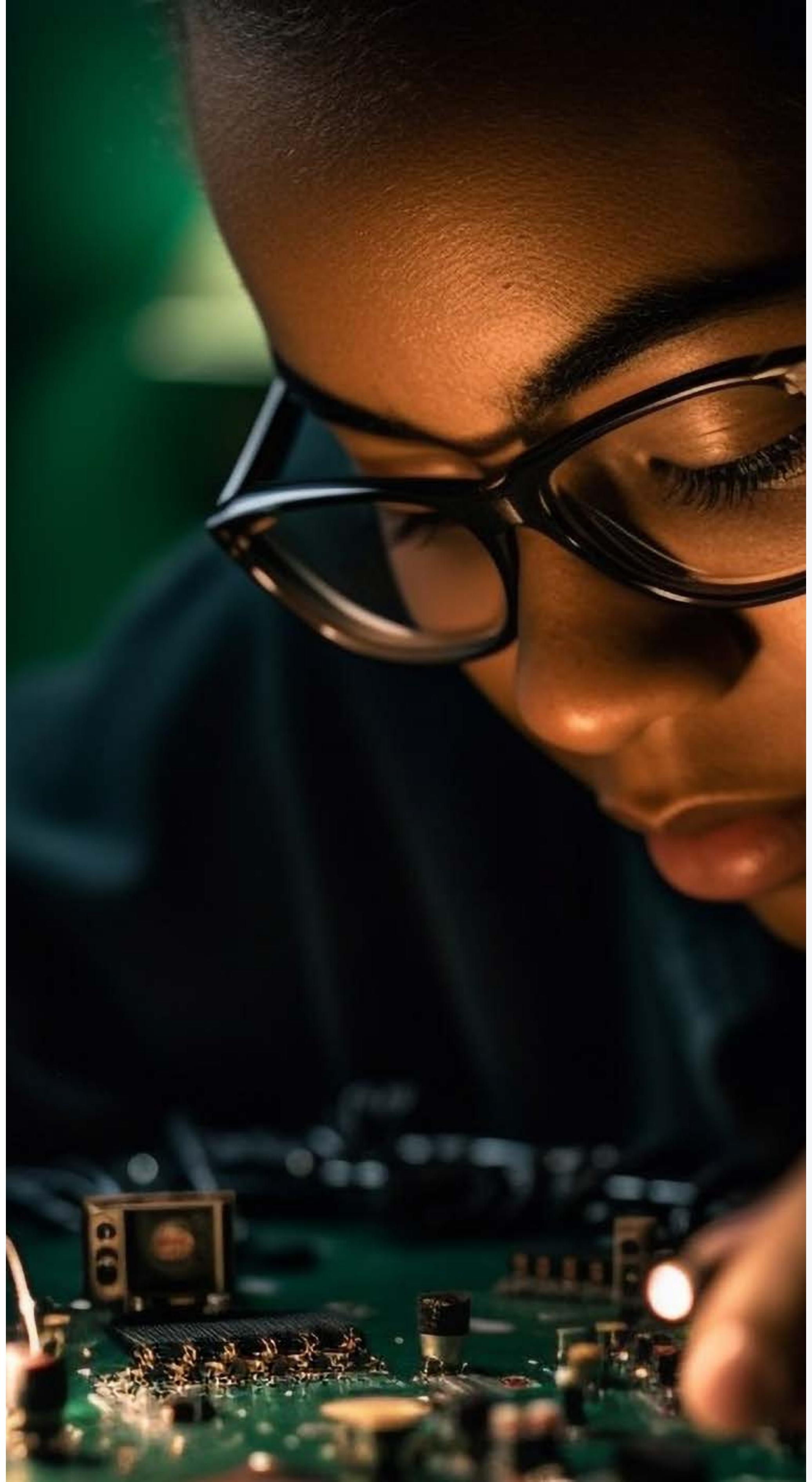
Provincial partners

YES and the Western Cape Department of Economic Development and Tourism have established a co-funding partnership with the Department's Work and Skills programme that supports companies that create youth jobs in the Western Cape.

As part of the YES Gamechangers Fund, YES has continued its work with provincial governments to increase its national footprint to include youth in underserved communities, beyond the metropolitan areas. Green Economy and Creative Economy initiatives are good fits for youth seeking to start businesses in more remote parts of the country. In ecologically sensitive protected areas like the Umzimvubu catchment in the Eastern Cape, the fund is supporting interventions such as removal of alien vegetation and spring restoration are improving the livelihoods of farmers by providing access to water and increasing the productivity of grazing lands. Small businesses set up to do this work are also boosting local employment opportunities.

YES is also working with GIZ (the German Development Agency) and the National Business Initiative (NBI) to support the objectives of the Just Energy Transition (JET) in Mpumalanga. The region's economy, currently dependent on coal power generation and mining, is transitioning towards sustainable energy sources. The gradual decommissioning of Eskom's coal-fired power stations has already had a major impact on the regional economy, and YES is working with partners to contribute to skills and employment initiatives that can help smooth this transition.

YES will play an important role as a talent pipeline partner for the Western Cape Provincial Drone Strategy. The Western Cape MEC for Mobility visited the Saldanha Hub to explore opportunities for collaboration with YES across all mobility departments, including general motor transport, traffic management and fleet management.



TSHEGOFATSO SEKWELE

Commercial Advisor – Anglo American Platinum

After graduating, Tshegofatso Sekwele struggled to find employment, and turned to the YES programme. This helped her to get her first employment opportunity, which turned out to be a life-changing experience.

As part of Kumba Iron Ore's YES programme at Sishen Mine, where Sekwele worked, a logbook was created for all the participants. They rotated through different finance disciplines and presented their learnings to the management team. It was this experience that allowed Sekwele to understand the business side of things, improve her presentation skills and enhance her technical skills, all of which prepared her for her future roles.

Thanks to the programme, Sekwele could access the Anglo American graduate programme after her YES year. This opened up numerous opportunities, and she secured a position at Anglo American Platinum.

This was the catalyst that launched her career, she says. In just five years at Anglo American Platinum, she has grown through the ranks from an intern to becoming a department head at the plant in Rustenburg.

In her current role as head of department, Sekwele works with her team to support the preparation of financial forecasts, collaborate with management to identify cost-improvement opportunities and provide training and mentoring to staff.

She has two direct reports and faces daily challenges that help her grow both professionally and personally.

Over the years, Sekwele has faced several challenges. These include maintaining a work-life balance, dealing with imposter syndrome, navigating office politics and finding ways to grow professionally.

Her transition into the corporate world shows the transformative power of the YES programme in action. It is designed to provide young professionals with the opportunities and support needed to succeed.

Our turnkey solution and sector impact

The YES turnkey solution is an important component of the implementation of the YES programme. The model allows clients to participate in the YES programme, create youth jobs and gain B-BBEE levels and other benefits without having to host YES Youth within their own structures. The YES turnkey solution is strategically focused on creating YES jobs in key sectors such as the green economy, digital, tourism, creative industries and others. These sectors offer quality, in-demand jobs that enable YES Youth to build sustainable careers and businesses, while also helping South Africa leapfrog up the global industry rankings.

The 21 organisations in the YES implementation partner network managed 23 percent of active YES Youth placements and facilitated placements for approximately 9,892 YES Youth over the FY25 reporting period.

The YES turnkey solution further offers value propositions for clients seeking to improve their B-BBEE status and those who want to integrate ESG factors and ESD reporting into their strategies.

YES seeks out partners that deliver programmes and recruitment aligned with the needs of business and our existing and prospective clients. Acquisitions are guided by sector-specific research, absorption potential and factors such as scalability and overall performance. Strategic partners are prioritised in sectors with the highest impact on the ESG and SDG targets of our clients.

A recent World Bank report – *Driving inclusive growth in South Africa* – highlights the success of the YES IP model in placing youth in small and medium enterprises in South Africa.

> Initiatives such as the Youth Employment Services turnkey model demonstrate the feasibility of placing unemployed youth in small and medium enterprises in South Africa.
>
> ***World Bank (2025). Driving inclusive growth in South Africa.***

MADIBANENG SEKONYA

Founder – Authentic Media South Africa

Madibaneng Sekonya graduated from City Varsity in 2019 with a diploma in film and television production. Initially finding it difficult to secure a job as a film director, Sekonya worked as a freelance videographer.

In 2020, he re-registered his business, Authentic Media South Africa, and began focusing on short-format content and music videos. Despite building a name for himself, it was difficult to ensure financial stability.

The turning point came in 2021 when Sekonya joined the YES programme.

This opportunity introduced him to funding prospects and larger projects, allowing him to work with some of South Africa's biggest brands and influencers. He transitioned from freelance videography to collaborating with notable South African musical artists and renowned international and national brands.

In 2023, Sekonya received the Tilt Rockstar of the Year award.

Sekonya's business, Authentic Media, is based in Johannesburg. Today, it produces videos in multiple genres, including music videos, corporate videos, training videos, advertisements and content for social media and television.

Despite facing a challenging period in 2020, Sekonya took control of his fate, using his savings to buy essential equipment and revive his business.

By 2022, rising sales and cash flow, and the skills he gained from YES enabled him to get funding for Authentic from the National Youth Development Agency. His portfolio includes YES testimonials, CEO testimonial videos and corporate social responsibility projects in Soweto, aiding youth businesses in marketing their products.

The YES programme gave Sekonya the insights he needed into the creative industry and its business aspects.

11.1. YES flagship sector-building initiatives

To effectively prepare South Africa's youth for the future world of work, the YES implementation partner team is taking a focused approach by selecting three strategic sectors (tourism, digital, and the green economy) to develop key pathways for YES Youth. These sectors were selected for three reasons:

- The sectors are high-growth;
- Roles within these sectors are future-facing;
- They are deeply aligned with the country's economic recovery priorities and long-term developmental goals.

This multi-sectoral placement strategy is directly aligned with the **Presidential Youth Employment Intervention, Masterplans across key industries**, and the dtic's sector development goals. It reflects a shared commitment by public, private and civil society stakeholders to unlock youth potential and address unemployment through coordinated, scalable action.

Tourism

> Youth4Tourism talks to the things they (the youth) are passionate about. We are creating more depth and opportunities in what people can do to earn a living.
>
> ***Karabo Tshailane Nondumo, Social, Ethics and Sustainability Committee Chairperson at Sanlam***

A major employer in South Africa, the tourism sector, holds significant potential for inclusive job creation. With its broad value chain – spanning hospitality, travel services, cultural heritage and eco-tourism – it offers youth exposure to customer service, operations, logistics, and entrepreneurial thinking. Post-COVID recovery efforts are revitalising this sector, making it ripe for youth integration and skills development.

Sanlam's pilot YES SMME Fund will benefit South Africa's tourism industry, with its massive potential to generate youth employment, along with the Youth4Tourism initiative. Both continue to unite businesses, funders and partners to unlock the potential of youth and stimulate this significant economic sector and revitalise the tourism sector. YES signed a memorandum of understanding with the Tourism Business Council of South Africa (TBCSA) to support the initiative.

Youth4Tourism places YES Youth in locations across South Africa to promote and support tourist attractions in Mpumalanga, KwaZulu-Natal, Gauteng, Eastern Cape, Namaqualand and the Western Cape. They also work out of strategic locations such as the Cape Town International Convention Centre.

Corporates that participate in Youth4Tourism by funding youth jobs in the tourism sector or by using young content creators to create marketing material for their businesses can qualify for an increase of up to two levels in B-BBEE status. Youth benefit by working in future-forward jobs and receive the skills and experience they need to become micro-entrepreneurs.

Green Economy

The shift to sustainable energy, climate-smart agriculture, and circular economy models is essential to South Africa's climate resilience and economic transformation. Youth placed in green economy initiatives gain skills in renewable energy, environmental management, and sustainable practices, which are key for future-proofing the workforce and aligning with South Africa's Just Energy Transition commitments.

Nedbank has committed to leading the Youth4Green sector initiative, placing approximately 3,000 YES Youth in green energy jobs through the YES IP model. Youth4Green aims to:

- Partner with key role players to drive youth placement in the green hydrogen sector to ensure that youth are placed in a niche sub sector.
- Consolidate and expand YES programme opportunities in the renewable energy and storage sector.
- Create opportunities for SMEs (manufacturing, services and trade).

Digital and AI skills

Digital transformation is reshaping industries. Skills in software development, digital marketing, AI, cybersecurity, global business services, and data analytics are in growing demand. Embedding youth in this sector provides them with critical 21st-century skills while contributing to South Africa's competitiveness in the global digital economy. This supports the dtic's goal of fostering a modern, innovation-driven industrial economy.

A long-standing partnership with Microsoft gave rise to the AI Youth Training Platform launched in October 2023 to co-curate and develop bespoke training material to enable access to AI for all young people. In the next phase of the partnership, announced on 6 March 2025, 50,000 South Africans will receive free certification vouchers in high-demand IT skills – AI, cybersecurity, and digital training – that unlock access to global opportunities.

This collaborative effort with Microsoft is a testament to our ongoing commitment to equipping youth with the digital skills for future-facing sectors and careers. The significant number of beneficiaries underscores the scale of impact we want to achieve through this partnership.

Ravi Naidoo, *CEO of YES*

If we found five organisations like YES in the world and got them together, imagine what could be achieved.

Brad Smith, *Vice-Chairman and President, Microsoft*

Drones

Of the 47 youth on the Industrial Development Corporation (IDC) Drones Programme who passed their Remote Pilot licence, 42 obtained their beyond visual line of sight (BVLOS) rating and Private Security Industry Regulatory Authority (PSIRA) security grading. Youth who qualified have been placed with YES's new drone industry IP and are gaining work experience in aerial security surveillance in Saldanha Bay and on Transnet Freight Rail's railway line in Mpumalanga. In addition, 10 youth based in Thabazimbi, Limpopo have completed their drone pilot training through the Anglo American Platinum YES programme. The IDC provided R5 million for YES to train 39 youth drone pilots; YES significantly outperformed this target, training a total of 57 pilots.

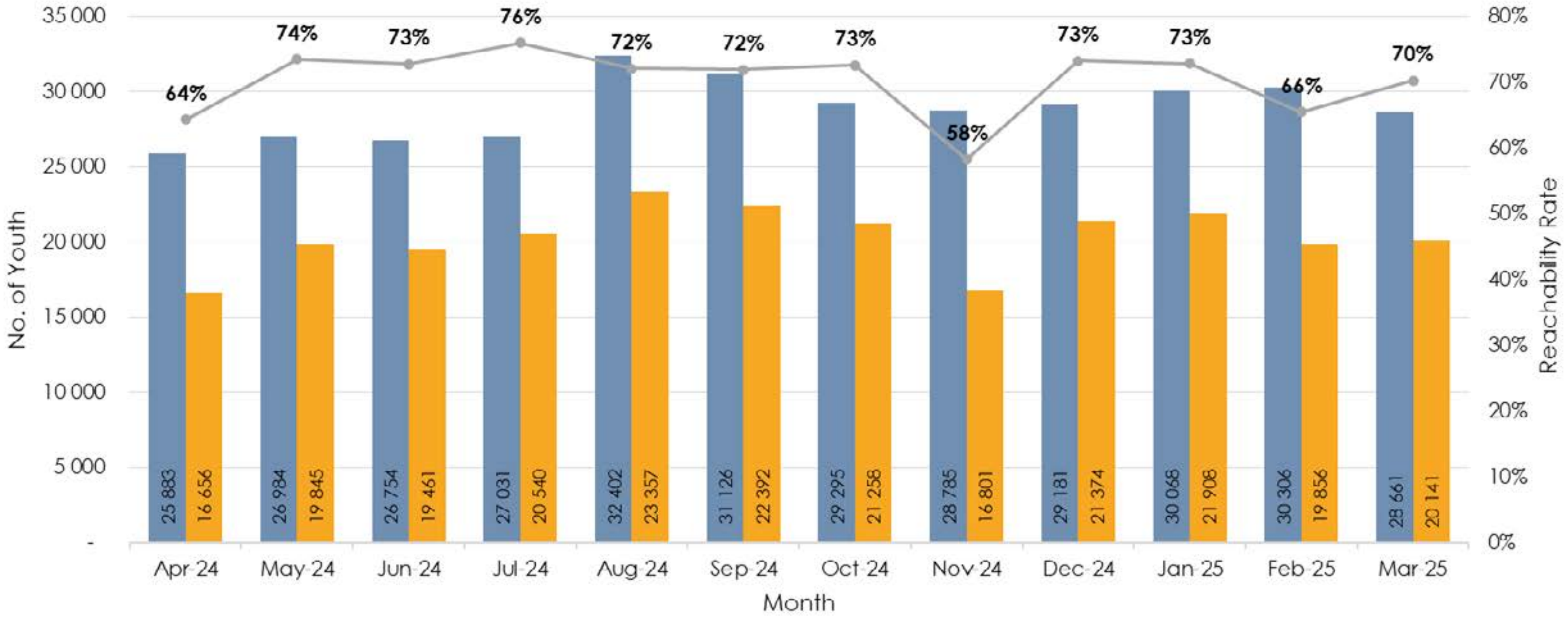
A leading US drones software company, DroneDeploy, has signed a memorandum of understanding with YES offering significant sponsorship in YES drone software programmes. YES CEO, Ravi Naidoo, was invited to deliver a keynote address at DroneDeploy's Horizons 2024 Conference in Scottsdale, Arizona, that highlighted the pivotal role YES plays in advancing South Africa's youth into future-facing sectors.

12.1 M&E and impact measurement

The call centre remains an important tool for YES to fulfil its gazetted M&E mandate with a monthly average reachability rate of 70 percent between April 2024 – March 2025. 83.8 percent of youth reported a good to excellent work experience, and 99.8 percent confirmed receiving their salaries.

The call centre's annual alumni survey began in October 2024, with 10,584 responses. Results indicate that the alumni employment rate of 44 percent remains stable and that 17 percent (up from 15 percent) of those surveyed are engaged in entrepreneurial activities.

An analysis of nearly 8,000 youth revealed that 74 percent of youth came from social grant recipient households. Post-programme, however, this number dropped to 50 percent which indicates that the YES programme is contributing to decreasing the strain on the national fiscus.



Refining our operations for scale and increased impact

Enhanced call centre operations and technology – and human resources development and allocation, standard operating procedures and key account management systems and processes – have improved our capacity for YES's legislated mandate of monitoring and evaluation (M&E).

12.2 Technology

The YES technology team is consolidating YES databases and systems to reduce operational risk and improve efficiencies. These initiatives will strengthen data visibility while enabling automation and scalability across all YES functions.

As at February 2025, 430 programmes involving 20,076 youth were on the data free, rewards-based digital generation model which accounts for 70 percent of active youth and 85 percent of current programmes. Section 11.3 below speaks to the rationale behind the YES Digital Generation Model.

During this fiscal year, YES also conducted due diligence processes to ensure that its IT systems adhere to good governance principles. This includes ensuring maintenance and support of hardware, user support and security.

The Technology team has been focused on revamping the company portal, which is currently undergoing internal testing. The company portal is the platform through which clients engage with YES, upload youth data and access critical documents for their verification. Further, the team has been developing SkillQuest, piloting the assessments with YES Alumni.

12.3 Mindful Matters

The YES Mindful Matters initiative continues to provide critical mental fitness support to youth, with 4,529 registered youth and a total of 7,746 youth having attended group sessions to date. The initiative has also facilitated 1,845 individual counselling sessions, reflecting a strong need for ongoing mental health support. Key thematic indicators from sessions include self-identity issues, financial stress and literacy, career development and transitions, depression and anxiety management and childhood traumas, including physical and sexual abuse. A notable trend is the increase in youth requiring medical treatment for severe depression and anxiety, underscoring the importance of early intervention and accessible mental health resources. Female youth remain the highest users of the service, highlighting potential barriers that prevent male youth from accessing support.

Humbulani Moeketsi

Founder – Mbono Media House

Humbulani Moeketsi's journey from media intern to the founder of Mbono Media House is a testament to his passion for storytelling and communication.

Fresh out of college, Moeketsi entered the media industry with enthusiasm.

He started as an intern at a local television station, where he learnt the ins and outs of production.

His entrepreneurial ambitions eventually led him to take the leap and found his own media start-up, Mbono Media House.

However, it was when he joined Ctrack Fleet Management Solutions' YES programme that Moeketsi's life underwent a remarkable transformation.

Professionally, the programme gave him access to invaluable resources such as mentorship. Personally, it boosted his confidence and resilience. His company expanded through strategic partnerships, diversified offerings and thought leadership opportunities.

Mbono Media House in Johannesburg is a growing business solutions provider, radio station, television and news site company.

As a young business owner, Moeketsi had to navigate many challenges. These included establishing credibility, managing finances, understanding legal requirements and balancing work-life demands.

He overcame these obstacles by prioritising quality, careful financial planning, seeking expert advice and practising self-care while staying resilient and proactive.

The YES programme equipped him with the skills and support needed to manage these while emphasising the benefits of collaboration, innovation and resilience in building a successful business.

Building on these insights, Mindful Matters will transition from a pilot to a fully operationalised service in FY26, incorporating career guidance and targeted support for alumni within the first six months post-programme. This expansion is designed to strengthen long-term employability and resilience, by addressing challenges such as career transitions, financial literacy, and job market navigation. The shift will also see: (1) a transition from a pilot model to an operationalised service; (2) career guidance support extended to active and alumni within six months post-programme and (3) group and individual sessions for supervisors to support them in improving management of YES Youth.

Transition to the YES Digital Generation Model

In July 2024, YES officially launched its Digital Generation Model. YES research revealed that 90 percent of YES Youth entering the programme already have a smartphone. In response to to technological advancements and the evolving needs of youth, YES replaced the 3G smartphones with a data free and rewards model. This model aims to provide access to the YES learning programme while adapting to evolving needs of youth.

YES Youth receive increased quantified value through the YES One app, with more services, rewards, and training:

- Data free access to the YES One app for youth on their own devices across all networks.
- Rewards designed to drive learning and skills development.
- Continuous research and development to enhance learning content and engagement reporting.
- Extensive digital learning modules, including introductions to AI, work readiness, and entrepreneurship.
- Post-programme access, allowing YES Alumni to continue engaging with all learning content even after completing the programme.

Phakitso Mohale

Business Analyst – ABSA

Before joining the Microsoft-sponsored YES programme, Phakitso Mohale was volunteering at a local high school, helping pupils with English reading and writing. She was also studying part-time at Unisa towards a marketing qualification.

However, the YES programme, hosted by Edunova, marked a significant shift in Mohale's life. It has enabled her to support her family financially and has reduced her anxiety through stress management modules.

Professionally, Mohale gained extensive experience in technology and combined this knowledge with her marketing studies. This blend of skills built her confidence, especially in learning about software development.

Since completing the YES programme, Mohale's career path has been marked by educational achievements and professional development. She completed her marketing degree and, to enhance her technical skills, earned a certificate in systems support, understanding IT infrastructure and support.

Mohale is pursuing an honours degree in marketing and is learning about strategic marketing and research methodologies. Today, she combines her marketing knowledge and technology background to create a meaningful career in business analysis.

Now working at a top South African bank, Mohale has led a cyber-awareness CSI project at her former school, teaching coding and robotics to pupils and fostering a love for technology.

Mentorship and guidance during the YES programme allowed Mohale to develop essential skills such as communication, problem-solving and adaptability. Furthermore, the programme's structured approach, with its clear goals and expectations, helped her to build discipline and time management skills, setting her up for success in her career.

YES Hubs

YES Hubs provide YES Youth with access to networks, training, markets, work opportunities, ideas for careers or new businesses, and partner support. They are also a vital link with the SMME sector, which has significant potential to create jobs and inspire entrepreneurship.

For YES as a brand, hubs serve as a tangible, community-facing spaces for marketing, business development and partnering activities, which have been a strong YES focus during the past year. Hubs enable the programming component of YES's value-add in strategic partnerships and sector initiatives like YCC and Youth4Tourism, and our drone and Just Energy Transition programmes that cannot be accommodated at YES head office.

To ensure that the necessary support and infrastructure are available, YES is building its hub programming capacity through a national network of pop-up hubs – partner hubs that can be accessed when required. An established national hub footprint also provides the scale YES needs to offer training funding raised from third-party funders as a value-add for new clients.

Gcina Twala

Junior Brand Manager – Demographica

Before joining the YES programme, Gcina Twala faced numerous challenges, balancing the anticipation of parenthood, pursuing a broadcast journalism degree and coping with unemployment. Despite the support from her family, the lack of financial independence and overwhelming pressure weighed heavily on her.

The opportunity to join a content creation programme – the Youth Content Collective – through the Ford-sponsored YES programme was a turning point. It provided her with a platform to pursue her passion for media and build a career, and it enabled her to manage a team alongside her husband while expanding her skills and knowledge in media and content creation.

YES empowered Twala with essential skills. It paved the way for a career in media. After completing the programme, she embarked on a multifaceted career path. Initially, she continued to lead her philanthropic organisation in Alexandra with her husband, using the skills gained from the programme to enhance their impact. At the same time, she secured a position as a junior brand manager for one of the top B2B advertising agencies in the country.

Despite being young, Twala's professional journey has been marked by significant achievements.

A notable milestone was completing the content creation programme. This resulted in her honing her skills in graphic design, videography and photography, as well as social media management.

Now, as a business development project coordinator, she plays a key role in driving the growth and success of the company. Her responsibilities include identifying new business opportunities, establishing partnerships and nurturing client relationships. She also conducts market research, analyses industry trends and develops tailored strategies to capitalise on emerging opportunities.

Human resources

At YES our people strategy is designed around two pillars: internal employees of YES and youth who are part of YES's own YES programme. We are deliberate about establishing ourselves as an employer of choice for individuals passionate about making a meaningful impact in addressing one of the country's most urgent challenges: youth unemployment. In addition, as a youth-focused programme offering 12-month quality work experiences, it is paramount that the interests of recipients are managed with a sense of duty and care.

With the Employment Equity Amendment Act No. 4 of 2022 and the new 2025 EE Regulations coming into full effect, HR has developed a new five-year Employment Equity Plan, to be implemented from September 2025 to comply with sector-specific demographic targets.

To date, Black representation at top management is 50 percent, 90 percent at senior management, and 94 percent at middle management. Black employees make up 90 percent of the overall organisation's demographics, with 50 percent of YES's staff complement being Black women under the age of 35 – the demographic most vulnerable in South Africa's unemployment statistics.

Over the past year, our HR strategy has concentrated on various key areas:

- Leadership and management capability building: Strengthening leadership skills to support career development and succession planning within the organisation.
- Capacity building: Recruiting experienced business development associates to drive growth, create new job opportunities, and secure funding through strategic partnerships across diverse industry sectors. Additionally, to stay aligned with our mandate, we have prioritised upskilling both our organisation and youth participants in emerging technologies such as AI.

Our HR approach is both people-centred and impact-driven. As we move forward, we remain committed to fostering an inclusive, high-performance culture while ensuring that our youth beneficiaries receive meaningful, future-fit opportunities. With a strong employment equity foundation, ongoing capability building, and our Level 1 B-BBEE status, YES is well-positioned to continue building a workforce that reflects South Africa's diversity and potential.

Media and influence

- Empowering SA youth for tourism, economic growth
- Deb Fuller, Nedbank: Showcasing YES and future job pathways
- YES CEO: Unleashing Youth Potential for Growth
- Wake up, South Africa! Hope blooms when we invest in our youth
- Awards wrap: PRISMS winners, film & journalism entries open
- Top Youth Brands and Influencers Recognised at 2024 GenNext Awards
- Automotive Sector and YES lead the way in youth employment
- Can Tech Fix the Youth Employment Crisis?
- Microsoft & YES to certify 50,000 SA youth in IT skills
- YES CEO Ravi Naidoo Talks Jobs on 702's The Money Show

CFO's report

YES is driven by three principal objectives, firstly to sustainably create youth jobs, to do so efficiently, while also applying the appropriate corporate governance standards. YES excelled in all three areas during this past financial year.

The 2025 financial year was another YES jobs record with 43,088 new YES 12-month, full-time, paid jobs. YES has set a new jobs record for each of the last four years. From 16,285 jobs in the 2021 financial year, YES has achieved an annual compounded jobs growth of 28 percent. This is a remarkable achievement in a weak economy, which barely achieved a 1 percent annual GDP growth rate over that same period.

Cumulative YES jobs are now fast approaching 200,000 since YES's inception. While YES, its 1,800+ corporate partners and government can look back on this achievement with pride, so much more needs to be done to make a significant and permanent shift in the prospects for youth employment. Much of these factors are out of YES's control, requiring a combination of sustained and strong economic growth while equipping youth with the skills required in the 21st-century workplace.

The YES Board carefully evaluated how it strategically utilises the available reserves to positively and sustainably impact youth employment and entrepreneurship. In this past year, R 13.3 million was expensed in this regard with further projects under development.

This growth would be undermined if it were not for a robust governance and improving control environment which underpins YES's work. YES has once again received an unqualified audit opinion for the 2025 financial year. While an unqualified audit should be a given in any professionally run and committed organisation, what is really pleasing is that despite being a small and relatively young organisation, YES is making demonstrable enhancements to its control environment year after year.

This result, and these continued efforts, are crucial to sustain the trust of the thousands of companies and youth alike that rely on the work we do.

Vaunn Kelly
Chief Financial Officer
Youth Employment Service

In YES's aim to look for new ways to improve its offering and the opportunities for youth, YES continues to actively and constructively engage key stakeholders such as the South African government and corporate South Africa. New solutions have been recently proposed to further boost youth jobs and feedback has been encouraging.

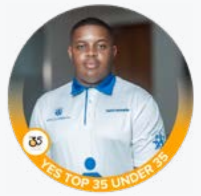
With a growing youth cohort of tens of thousands of active and alumni youth spread across South Africa, YES continues to invest in enhancing its monitoring and evaluation (M&E) offering. This is achieved through a combination of the following: call centre engagement; the YES One App offering to youth; inductions; an independent whistle-blower service; supervisor feedback and dedicated mental wellness support.

None of this would be sustainable if YES did not execute in an efficient manner. In the 2025 financial year, YES achieved an operating cost per youth job of R 2,284 (prior year: R 2,366). Despite inflation running at approximately 4 percent in the past year, YES's operating cost per job declined by 3.5 percent.

This reflects YES's continued focus on the efficiency of its execution. The increase in youth salaries (minimum wage as of March 2025 is R 4,992 per month, with the average YES Youth earning approximately R 5,900 per month) and the decrease in YES's operating cost per job, contributed to improvement in the efficiency of YES operating costs relative to the youth benefit, from 3.9 percent in the prior year to 3.4 percent in the current year.

This means that for every R100 earned by YES Youth, it costs YES only R3.40 to execute its operational functions. Despite inflation increasing by a cumulative 33 percent since YES's inception, this has been the key enabler which has allowed YES to maintain its fees (M&E and registration) at original 2018 levels. This has effectively reduced YES costs for corporates to enable more funds to be directed to youth wallets.

While 2025 reflects excellent progress on youth jobs and efficiency in a strengthening control environment, YES is only sustained by the corporate South Africa's continued confidence to invest in YES programmes. This is a great responsibility which YES does not take lightly and must continue to focus on in the years ahead.



Thato Mokwebo

Co-founder & Director – Ntsika Ye Sizwesethu

Thato Mokwebo's journey before engaging with the YES programme was marked by a strong focus on philanthropic initiatives and a budding career in film production. Alongside his partner, Mokwebo established Ntsika Ye Sizwesethu, a soup kitchen that provides essential nourishment to learners and underprivileged shack residents in Alexandra township.

Mokwebo's introduction to the YES programme came through his pursuit of opportunities in content generation at the Alex hub of YES. Drawn to the programme's dedication to empowering youth in the Alexandra community, he was headhunted for a suitable role in the YES Drone Academy.

In March 2022, Mokwebo embarked on his journey with YES. During his tenure, he relied on his skills and determination to make significant contributions to the programme. He acquired experience in the drone industry, accumulating 300 flight hours while working for a prominent drone company.

In addition to his achievements in the drone industry, Mokwebo successfully secured funding and support from the Industrial Development Corporation and a multinational beverage company for an innovative aeroponics farming project. With the backing of these entities, Mokwebo and his team have acquired the necessary resources to start the construction of aeroponics pods that can be used at his soup kitchen.

Through these initiatives, Ntsika Ye Sizwesethu continues to feed children daily and aims to introduce more sustainable nutritional value to the community.

Mokwebo's journey with YES highlights how the programme can provide opportunities for those looking to grow personally and professionally. By combining his passion for philanthropy with advanced technological skills, Mokwebo has made contributions to his community that can easily extend beyond Alexandra township in the future.

Youth Employment Service (RF) NPC

Trading as

YES

(Registration Number 2017/267641/08)

Annual Financial Statements

for the year ended 31 March 2025

Audited Financial Statements

in compliance with the Companies Act of South Africa

Prepared by: Moeletji Mapheto

Professional designation: CA (SA)

Title: Financial Manager

Index

General Information

Country of Incorporation and Domicile	South Africa
Registration Number	2017/267641/08
Registration Date	21 June 2017
Nature of Business and Principal Activities	The non profit company Youth Employment Service (RF)NPC was Incorporated in South Africa with interests in public benefit purposes related to the provision of youth employment and development services. The company operates in South Africa. There has been no material change to the nature of the company's business from prior years.
Directors	R.Naidoo (Executive director & CEO) C.Coleman S.Koseff C.Coovadia D.L.Nicol S.N.Susman Z.B.M.Bassa N.N.N.Guma N.Moola L.Fourie A.D. Mminele
Registered Office	2 Arnold Road Rosebank Johannesburg 2196
Business Address	2 Arnold Road Rosebank Johannesburg 2196
Bankers	Investec Bank Limited
Auditors	Ernst & Young Incorporated 102 Rivonia Road Sandton Johannesburg 2196
Secretarial services	Fluidrock Co Sec (Pty) Ltd

Report of the Audit Committee

Although not a statutory requirement for YES as a non-profit company, the Audit and Risk Committee (“the Committee") was established by the Board based on the principles of good corporate governance. The Committee has formal terms of reference which are reviewed on an annual basis, or as and when required. In addition to the typical duties of committees of this nature, relevant recommendations of the King IV Report on Corporate Governance for South Africa, 2016 were also incorporated in the terms of reference.

The primary role of the Committee is to ensure:
• the integrity of financial reporting
• the audit process is well managed and an effective audit is undertaken
• that a sound risk management framework and internal control system is maintained.

In pursuing these objectives, the Committee also oversees relations with the external auditors, Ernst & Young Inc. and reviews the effectiveness of the internal audit function provided by BDO South Africa Inc.

The Committee met on the following dates during the current financial year:
06 June 2024
13 August 2024
01 November 2024
11 March 2025

The Board and the Committee is satisfied that the Committee has effectively fulfilled its role and responsibilities during the period under review.

The Board is comfortable that the members of the Committee collectively possess the knowledge and experience to supervise the Company's financial management, internal and external auditors, the quality of financial controls and the preparation and evaluation of the audited annual financial statements. Ms ZBM Bassa (Chair), Mr C Coovadia and Mr SN Susman, all of whom are independent non-executive directors, served as members of the Committee for the period under review.

During the financial year ended 31 March 2025, in addition to the other duties set out in the Audit and Risk Committee's terms of reference, the Committee carried out the following functions:
• reviewed the performance and independence of Ernst & Young Inc.;
• determined the fees to be paid to Ernst & Young Inc. and their terms of engagement;
• recommended to the YES Board, the re-appointment of Ernst & Young Inc. as external auditors of the company;
• monitored the use of Ernst & Young Inc. for any non-audit services;
• pre-approved any proposed contract with Ernst & Young Inc. for the provision of non-audit services to the Company;
• reviewed the performance of and approved the appointment of the internal auditor, BDO South Africa Inc.;
• determined the fees to be paid to BDO South Africa Inc., their terms of engagement, key areas of focus and overall effectiveness;
• reviewed YES financial results;
• assessed the reliability of internal controls and relevant policies proposed and implemented by YES management;
• reviewed matters highlighted in all whistleblower reports, considered the causes and implications and where applicable directed management to take further steps to ensure these matters were appropriately resolved;
• Upholding governance and risk management processes to manage actual and perceived risks, including brand and reputational risks. Risk assessments are conducted to identify risks that YES is exposed to and the mitigations implemented to manage these. These include quarterly reviews of the top risks as well as a detailed annual risk assessment. The reviews focus on risks that could have a significant impact on the continued operation of the organisation and its ability to execute against its mandate of supporting youth employment and the implementation of the YES Initiative.

Report of the Audit Committee

The Committee has satisfied itself through enquiry and detailed oversight that Ernst & Young Inc. and Mr Kavinesh Manicum, the designated auditor, are independent of the Company. The Committee furthermore confirms that the annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act No. 71 of 2008 and that the accounting policies have been applied consistently with the prior year.

Key matters considered and deliberated:
• Key risks and management's mitigation plans;
• Procurement systems, controls and accreditation of suppliers;
• Internal audit scope and approach;
• Completeness of income, including Grant, Placement and Registration income;
• Monitoring performance against annual budget and forecast;
• Assessing the updated financial forecasts and cost reduction opportunities in the context of the weak economic outlook;
• Recoverability of debtors;
• Going concern and liquidity;
• Approach of external auditor; their fees; accreditation of the firm and designated partner;
• Consideration of audit differences;
• Consideration of management's requisite skills, effectiveness of the CFO and overall performance of the finance function;
• Assessing the opportunities to enhance overall controls;
• IT risks and governance principles as guided by King IV, including IT policies, business continuity, cyber processes and controls, supplier selection controls;
• Reviewing legal matters of significance.

The Committee recommended the annual financial statements for the year ended 31 March 2025 for approval to the Board. The Board has subsequently approved the annual financial statements.

Z.B.M Bassa
Audit and Risk Committee Chair
16 September 2025

Directors' Responsibilities and Approval

The directors are required by the Companies Act of South Africa 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 satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the non profit company, and explain the transactions and financial position of the business of the non profit company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the non profit company and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the non profit 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 non profit company and all employees are required to maintain the highest ethical standards in ensuring the non profit company's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the non profit company is on identifying, assessing, managing and monitoring all known forms of risk across the non profit company. While operating risk cannot be fully eliminated, the non profit 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 cash flow forecast for the year to 31 March 2026, as of 16 September 2025 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the 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 58 to 60.

The annual financial statements set out on pages 61 to 93, and the supplementary information set out on pages 94 to 95 which have been prepared on the going concern basis, were approved by the directors and were signed on 16 September 2025 on their behalf by:

S.Koseff

C.Coleman

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Youth Employment Service (RF) NPC for the year ended 31 March 2025.

1. Nature of business

Youth Employment Service (RF) NPC was incorporated in South Africa with interests in public benefit objectives related to the provision of youth employment and development services. The company operates in South Africa.

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 No. 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

Youth Employment Service (RF) NPC ("YES") continued its trend of strong youth jobs growth to facilitate the creation of 43,088 (FY24 37,092) jobs for the year ended 31 March 2025. This is another record achievement for the company and represents the fourth consecutive year of a record number of youth jobs. Over the past five years, despite the SA economy barely growing at 1% per annum, YES has grown youth jobs at a compounded growth rate of 28% per year. This reflects South African corporates continued trust in and support for the YES Initiative. YES is now very fast approaching another milestone of 200,000 youth jobs created to date.

This achievement would not have been possible without the support from the South African government in establishing the YES Initiative and the considerable investment of our 1,875 corporate sponsors - making YES the largest corporate sponsored impact programme.

With the greater number of youth jobs recorded each year and YES looking to enhance its impact to further benefit youth, it has had to, in a very measured way, strategically add more resources to build its execution capacity. Despite this increase in capacity and an average inflation rate for the year of over 4%, YES has in fact reduced its operating cost per job by 3.5% to R 2,284 (FY24: R 2,366). This reflects YES' success in increasing youth job numbers while maintaining a cost and productivity focus. This means more funding is available for YES to invest in youth initiatives that can enhance youth skills, employment and entrepreneurship. This cost control and jobs growth has been crucial to enable YES to keep its fees flat for seven years in a row.

Through steady progress year after year, careful management and oversight of YES resources driven by the the focus on increasing the number of youth jobs each year, YES has built a resilient organisation that is in a healthy financial position. YES is independently funded, without any government operational support. YES' only source of operational funding is the fees it charges for each youth job created through this initiative. This maintains YES ultimate priority focus on securing sufficient corporates to sponsor new youth jobs thereby ensuring the company remains relevant and financially viable. YES has performed well under trying circumstances but with youth unemployment stubbornly entrenched at unacceptable and unsustainable levels, there is still much more to be done.

As a result of YES' success to date and its tight financial controls, YES has been able to build up reserves to meet and now exceed the YES Board's approved requirement to retain 10 months' funding in respect of operating costs. This is to ensure its operations are always fully funded to at least complete all current YES programmes. In the 2025 financial year, YES invested a further R 13.3m of operating costs into special initiatives to further boost youth employment, skills development and entrepreneurship. These investments include youth support in various sectors, notably tourism, media, creative work and wide-ranging entrepreneurship support.

Directors' Report

Many clients renewed their YES programmes close to YES' 31 March 2025 financial year end, with some only starting thereafter. In compliance with IFRS reporting requirements, YES implemented enhancements to the way it accounts for M&E revenue which resulted in a net R 22.4m being deferred from the current financial year to the 2026 financial year. In addition, after careful deliberation and in furtherance of the YES objective, the YES Board authorised a net R 3.9m of YES' available reserves to be strategically utilised for special youth development and employment initiatives. These items are the main factors resulting in an operating activities deficit of R4.7m being recorded in the current financial 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. 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 for the foreseeable future and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

4. Events after reporting date

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

5. Directors' interest in contracts

During the financial year, no contracts were entered into which directors or officers of the company had a significant interest which would materially affect the business of the company.

6. Borrowing Powers

In terms of the Memorandum of Incorporation, the borrowing powers of the company are unlimited. However, all borrowings by the company are subject to YES board approval as required by the board's approved delegation of authority. YES does not hold, nor is it currently negotiating with any financial institutions, to establish any borrowing facilities.

7. Directorate

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

Directors	Role	Changes
R. Naidoo	Executive Director, CEO	
C. Coleman	Co-Chair, Non-Executive Director	
S. Koseff	Co-Chair, Non-Executive Director	
Z.B.M. Bassa	Audit and Risk Committee Chair, Non-Executive Director	
S.N. Susman	Remuneration and Governance Committee Chair, Non-Executive Director	
C. Coovadia	Non-Executive Director	
L. Fourie	Non-Executive Director	
N.N.N. Guma	Non-Executive Director	
A.D. Mminele	Non-Executive Director	
N. Moola	Non-Executive Director	
D.L. Nicol	Non-Executive Director	

Directors' Report

8. Secretarial services

FluidRock Co Sec (Pty) Ltd provide the company secretarial services for the company.

9. Independent Auditors

Ernst & Young Incorporated continued in office as auditors of the company for the year ended 31 March 2025.

10. YES response to the outlook for the South African economy

Global uncertainty and a persistent weak local economy continue to provide significant headwinds to substantially improve the outlook for youth employment. This directly impacts the number of YES youth corporate South Africa has the capacity to sponsor or employ internally. With youth unemployment being one of the most pressing and important social scourges profoundly afflicting the sustainability of South Africa including the companies that depend on it, making significant progress in this area must be a priority and something that will require a concerted and dedicated effort from society at large.

Despite this, YES continues to outperform with youth jobs again achieving a new record in FY25. Over the past 7 years, this performance has been consistently built through strong relations with the South African Government and various other stakeholders while driving to continually improve its offering to both companies and youth alike.

Sound governance including cash and risk management will continue to be provide a solid foundation on which YES is built, allowing it to sustainably pursue viable opportunities to grow youth employment.

YES has reviewed the 31 March 2025 debtors which were not yet collected by 30 June 2025. YES raises provisions on debtors where it does not have a high degree of certainty on the collection of outstanding funds.

YES has built a robust platform including strong Monitoring and Evaluation (M&E) capabilities that will allow YES to efficiently scale up as more youth opportunities arise. YES continues to drive efficiency, with the cost of running YES being consistently below 5% of the benefit generated for youth.

YES will continue to set ambitious growth targets and explore all viable avenues to create more opportunities for youth. YES will do this by enhancing our relationships and offering to existing clients to retain these new opportunities for youth for years to come. In addition, a key focus of YES will be to introduce new clients to YES to add further youth employment opportunities. YES will look to leverage our scale and systems capabilities, especially M&E, to benefit more youth as well as to generate the insights required to improve the pathways for youth to sustainable employment.

With a weak economy and global uncertainty likely to persist in the near term, entrepreneurship will increasingly become an important avenue to provide income and employment opportunities for youth. Supporting entrepreneurship has been and will continue to be a focus for YES in the years to come.

<u>Impact on YES's future outlook</u>

YES has sufficient reserves to sustain its operations over the foreseeable period. As YES' main source of revenue is driven by the number of youth jobs it encourages corporates to support, its medium-term prospects are therefore dependent on sustaining their buy-in. To ensure YES can effectively operate in a weak economic environment, YES must remain a lean organisation focusing on efficiency and maximising positive outcomes for youth.

YES is deeply grateful to the support of the thousands of corporates that have heeded the call to support youth employment. YES implores existing clients to continue their great work and where possible to increase their contribution. YES also calls on new companies to join the movement to make a lasting impact on youth unemployment and thereby enable the country to reach its full potential.

Shape the future
with confidence

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Independent Auditor's Report

To the Directors of Youth Employment Service (RF) NPC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Youth Employment Service (RF) NPC ('the company') set out on pages 61 to 93, which comprise the statement of financial position as at 31 March 2025, and the statement of surplus or deficit 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 a summary of material accounting policy information.

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

Basis for Opinion

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the 95-page document titled "Youth Employment Service (RF) NPC Annual Report for the year ended 31 March 2025", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists

related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

DocuSigned by:
Ernst & Young Inc.
46675839E4324E1...

Ernst & Young Inc

Kavinesh Manicum
Director
Registered Auditor
Chartered Accountant (SA)
16 September 2025

Youth Employment Service (RF) NPC

(Registration Number 2017/267641/08)
Financial Statements for the year ended 31 March 2025

Statement of Financial Position

Figures in R	Notes	2025	2024
Assets			
Non-current assets			
Property, plant and equipment	4	6,041,144	20,787,302
Right-of-use assets	11	577,107	1,962,162
Intangible assets	5	10,304,113	7,965,815
Total non-current assets		**16,922,364**	**30,715,279**
Current assets			
Trade and other receivables	6	141,773,508	96,638,901
Listed investments	7	103,580,238	-
Prepayments	8	1,128,181	736,670
Cash and cash equivalents	9	297,763,094	338,984,039
Total current assets		**544,245,021**	**436,359,610**
Total assets		**561,167,385**	**467,074,889**
Equity and liabilities			
Equity			
Accumulated surplus		161,313,308	141,931,997
Liabilities			
Non-current liabilities			
Lease liabilities	11	-	699,445
Deferred income	12	1,599,820	5,755,061
Total non-current liabilities		**1,599,820**	**6,454,506**
Current liabilities			
Trade and other payables	10	330,734,706	270,550,811
Lease liabilities	11	699,445	1,515,783
Deferred income	12	66,820,106	46,621,792
Total current liabilities		**398,254,257**	**318,688,386**
Total liabilities		**399,854,077**	**325,142,892**
Total equity and liabilities		**561,167,385**	**467,074,889**

Youth Employment Service (RF) NPC

(Registration Number 2017/267641/08)
Financial Statements for the year ended 31 March 2025

Statement of Surplus or Deficit and Other Comprehensive Income

Figures in R	Notes	2025	2024
Revenue	13	239,254,625	220,661,193
Cost of rendering services	14	(96,778,928)	(80,237,625)
Gross surplus		**142,475,697**	**140,423,568**
Movement in credit loss allowances		(3,531,528)	1,252,464
Other operating expenses	15	(141,703,056)	(131,579,124)
Other gains and (losses)	16	(1,899,074)	(110,735)
(Deficit) / surplus from operating activities		**(4,657,961)**	**9,986,173**
Finance income	17	24,190,359	24,556,087
Finance costs	18	(151,087)	(285,256)
Surplus for the year		**19,381,311**	**34,257,004**

Youth Employment Service (RF) NPC

(Registration Number 2017/267641/08)
Financial Statements for the year ended 31 March 2025

Statement of Changes in Equity

Figures in R	Accumulated surplus
Balance at 1 April 2023	107,674,993
Changes in equity	
Surplus for the year	34,257,004
Total comprehensive income for the year	34,257,004
Balance at 31 March 2024	**141,931,997**
Balance at 1 April 2024	141,931,997
Changes in equity	
Surplus for the year	19,381,311
Total comprehensive income for the year	19,381,311
Balance at 31 March 2025	**161,313,308**

Youth Employment Service (RF) NPC

(Registration Number 2017/267641/08)
Financial Statements for the year ended 31 March 2025

Statement of Cash Flows

Figures in R	Notes	2025	2024
Net cash flows from operations	23	**41,782,869**	**79,024,491**
Interest paid		(151,087)	(285,256)
Interest received		24,190,359	24,556,087
Net cash flows from operating activities		**65,822,141**	**103,295,322**
Cash flows used in investing activities			
Proceeds from sales of property, plant and equipment		54,905	72,434
Purchase of property, plant and equipment		(809,745)	(5,193,361)
Purchase of intangible assets		(4,772,462)	(6,350,275)
Purchase of other financial assets		(100,000,000)	-
Cash flows used in investing activities		**(105,527,302)**	**(11,471,203)**
Cash flows used in financing activities			
Repayment of lease liabilities		(1,515,783)	(1,275,571)
Cash flows used in financing activities		**(1,515,783)**	**(1,275,571)**
Net (decrease) / increase in cash and cash equivalents		**(41,220,944)**	**90,548,549**
Cash and cash equivalents at beginning of the year		338,984,042	248,435,494
Cash and cash equivalents at end of the year	**9**	**297,763,094**	**338,984,039**

Accounting Policies

1. Significant accounting policies

The principal accounting policies applied in the preparation of these annual financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

1.1 Basis of preparation

The annual financial statements of YES have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB)and the requirements of the Companies Act, 2008 (Act No. 71 of 2008) of South Africa.
The financial statements have been prepared on a historical cost basis.
The financial statements are presented in South African Rands and all values are rounded to the nearest Rand.

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to Hub partners and are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The residual values, useful lives and depreciation methods of property, plant and equipment are reviewed at each reporting date.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.
Depreciation is provided on the straight-line basis.

Accounting Policies

Significant accounting policies continued...

Depreciation
The measurement base, useful life or depreciation rate as well as the depreciation method for all major classes of assets are as follows:

Asset class	Depreciation method	Estimated Useful lives	Depreciation rate
Hub Structure	Straight line	5 years	20% per annum
Leasehold improvements	Straight line	3 years (lease term)	33,3% per annum
Motor vehicles	Straight line	4 years	25% per annum
Fixtures and fittings	Straight line	3 to 10 years	10% to 33.3% per annum
Office equipment	Straight line	5 to 13 years	7.5% to 20% per annum
Computer equipment	Straight line	3 years	33.3% per annum

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

Accounting Policies

Significant accounting policies continued...

1.3 Intangible assets

An intangible asset is recognised when:
- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Internally generated intangible assets are recognised initially at cost, being the sum of expenditure from the date the recognition criteria for an intangible asset are met, bearing in mind the following additional criteria:
- During the research phase, no intangible asset is recognised. Expenditure on research is recognised as an expense when it is incurred.
- During the development phase, an intangible asset will be recognised only if the following can be demonstrated:
  - it is technically feasible to complete the intangible asset so that it will be available for use or sale;
  - there is an intention to complete the intangible asset and use or sell it;
  - there is an ability to use or sell the intangible asset;
  - it is possible to demonstrate how the asset will generate probable future economic benefits;
  - there are available financial, technical and other resources to complete the development of the intangible asset as well as to use or sell the intangible asset;
  - the expenditure attributable to the intangible asset during the development phase can be reliably measured.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The residual values, useful lives and amortisation methods of intangible assets are reviewed at each reporting date and adjusted prospectively if there has been a significant change since the last reporting date.

Intangible assets are tested for impairment whenever there is an indication that the asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

The classification of useful lives and amortisation methods for the various classes of assets are as follows:

Asset class	Amortisation method	Estimated useful lives	Amortisation rate
Video Modules	Straight line	3 years	33.3% per annum
Computer Software	Straight line	3 years	33.3% per annum
Advertising films & videos	Straight line	3 years	33.3% per annum
Software for Process Automation	Straight line	3 years	33.3% per annum

Accounting Policies

Significant accounting policies continued...

1.4 Financial instruments

YES classifies its financial instruments in accordance with IFRS 9: Financial Instruments. Financial instruments carried on the statement of financial position include trade and other receivables, listed investments, cash and cash equivalents, and trade and other payables. The classification and measurement approach is based on YES's business model for managing financial assets and the contractual cash flow characteristics of the instrument.

Classification and Measurement
Financial Assets at Amortised Cost:

These include trade receivables, deposits, and cash and cash equivalents. These instruments are held within a business model whose objective is to collect contractual cash flows, and the cash flows represent solely payments of principal and interest. Such assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less any impairment losses.

Financial Assets at Fair Value Through Profit or Loss (FVTPL):

Listed investments are measured at FVTPL. These are investments in low-risk listed Unit Trust instruments and money market funds aimed at capital preservation and modest return. Changes in fair value are recognised directly in profit or loss in the period in which they arise.

Financial Liabilities at Amortised Cost:

Financial liabilities, comprising trade payables, accruals, and third-party salary obligations, are measured at amortised cost using the effective interest method.

Impairment of Financial Assets

YES applies the simplified approach under IFRS 9 to measure expected credit losses (ECL) on trade and other receivables. ECLs are calculated as lifetime losses using a provision matrix that incorporates historical credit loss experience, adjusted for forward-looking factors.An allowance is recognised when there is objective evidence that YES will not be able to collect the full amount due under the original terms.The provision is assessed monthly based on debtor ageing, individual credit assessments, and post-year-end collection trends.

Derecognition

A financial asset is derecognised when the rights to receive contractual cash flows expire, or when those rights are transferred and YES no longer retains substantially all the risks and rewards of ownership. Financial liabilities are derecognised when the related obligation is discharged, cancelled, or expire.

1.5 Deposits

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

1.6 Trade and other payables

Short-term trade and other payables that are non-financial in nature are non-interest-bearing and carried at amortised cost.

Accounting Policies

Significant accounting policies continued...

1.7 Prepayments

Prepayments consist of various payments that have been made in advance for goods and services to be received in future. Prepayments are measured at amortised cost, and are derecognised when the goods and services to which the prepayment relate have been received.

1.8 Leases

Company as lessee
YES assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an asset for an identified period of time in exchange for consideration.

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the company is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease Liabilities

At the commencement date, lease liabilities are measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or the company's incremental borrowing rate.

After the commencement date, lease liabilities are measured by:
•Increasing the carrying amount to reflect interest on the lease liability;
•Reducing the carrying amount to reflect the lease payments made; and
•Remeasuring the carrying amount to reflect any reassessment or lease modifications.

Details of leasing arrangements where the company is a lessee are presented in note 11 Lease Liabilities.

Right-of-use assets

Lease payments included in the measurement of the lease liability comprise the following:
• the initial amount of the corresponding lease liability;
• any lease payments made at or before the commencement date;
• any initial direct costs incurred;

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. However, if a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease.

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

Item	Depreciation method	Average useful life
Buildings	Straight line	3 years

Accounting Policies

Significant accounting policies continued...

1.9 Impairment of non-financial assets

The company assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the company also:
• tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset being the higher of fair value less cost to sell or the value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss.

A company assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

1.10 Equity

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

1.11 Revenue recognition
1.11.1 Revenue from contracts with customers

IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. All revenue in respect of registration fees and monitoring & evaluation income is at fixed pricing with no payment terms extending beyond a year.

The company recognises revenue from the following major sources:
- Registration, Monitoring & Evaluation fees related to setting up client YES programmes, supporting the "demand shaping" process and overseeing the youth and the corporates 12 month programme.

In line with Youth Employment Service (RF) NPC acting as an agent, salaries received on behalf of third parties are not recognised through the Statement of Surplus or Deficit and Other Comprehensive Income. Salaries are received in cash with the relevant liability being raised under Third Party Salaries, these salary funds are then paid to Implementation Partners to pay salaries to youth monthly over the duration of the employment contract.

Accounting Policies

Significant accounting policies continued...

Monitoring & Evaluation fees, for which the entity is recognising revenue as a principal, are recognised as revenue as YES satisfies the performance obligations. As part of this revenue relates to monitoring services performed over a 12-month period, a portion of this revenue will be deferred and then recognised in the Statement of Surplus or Deficit and Other Comprehensive Income as the obligations are satisfied. Thus monitoring and evaluation revenue is recognised over time. The remainder of the revenue is recognised as the company satisfies its performance obligations. Refer to Note 13.

Performance obligations per product are determined with key deliverables, the entity releases the revenue in line with the satisfactory execution of these deliverables. YES applies a level of estimation over the upfront versus deferred portion of the revenue when assessing the resources, timing and obligation involved with the revenue generated.

IFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

1.11.2 Grants received - Non IFRS 15 income

Grant Income relates to grants from corporate entities and not from Government, government agencies or similar bodies. In the absence of an IFRS that specifically applies to corporate grants the grants will be treated in line with the principles of IAS 20 due to the similar nature of these transactions.

Grants received for capital and related expenditure are deferred and then only recognised in the Statement of Surplus or Deficit and Other Comprehensive Income as the capital asset is depreciated, and related expenditure incurred

In the absence of an IFRS that specifically applies to a transaction, other event or condition, management uses its judgement in developing and applying an accounting policy that results in information that is:
(a) relevant to the economic decision making needs of users,
(b) reliable, in that the financial statements:
(i) represent faithfully the financial position, financial performance and cash flows of the entity;
(ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form;
(iii) are neutral, i.e. free from bias;
(iv) are prudent;
and
(v) are complete in all material respects.In making the judgement described in paragraph 10, management refers to, and consider the applicability of, the following sources in descending order:

(a) the requirements in IFRS's dealing with similar and related issues;
and
(b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

The company applied the principles of IAS 20: Accounting for Government Grants and Disclosure of Government Assistance in the measurement and disclosure of grant income received from the corporates.

Corporate grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Accounting Policies

Significant accounting policies continued...

When the company receives corporate grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

1.11.3 Donation income - Non IFRS 15 income

The company recognises Donation income in full when received or as it is received in kind as there are no performance obligations in respect of these donations. The company issues a Section 18A donation certificate where necessary.

1.12 Employee benefits

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

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

1.13 Cost of services rendered

The related cost of providing services recognised as revenue in the current period is included in cost of sales.
Costs of services rendered comprise:
•phone cost which is the cost of a cellphone and included service provided to youth,
•data, rewards and smartphones as part of our new digital generation model
•placement costs for all youth being hosted externally at an Implementation Partner; and
•hub program costs

1.14 Interest income

Interest income is comprised of income earned on bank balances and investments in listed income fund unit trusts. It is recognised using the effective interest rate method. The income funds provide returns based on the underlying portfolio of low-risk, interest-bearing instruments, in line with YES's passive investment strategy.

1.15 Finance costs

Finance costs comprise interest paid on right-of-use assets. The Interest expense recognised on right-of-use assets uses the effective interest rate method.

1.16 Operating expenditure

Operating expenditure represents the expenses the company incurs in operating activities. Operating expenses are recognised on the accrual basis of accounting.

Accounting Policies

Significant accounting policies continued...

1.17 Current assets vs Non-Current assets

Current versus non-current classification

The entity presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:
• Expected to be realised or intended to be sold or consumed in the normal operating cycle
• Expected to be realised within twelve months after the reporting period
Or
• Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
• It is expected to be settled in the normal operating cycle
• It is due to be settled within twelve months after the reporting period
Or
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The entity classifies all other liabilities as non-current.

1.18 Significant Accounting estimates and judgements

Management applies judgement in the following areas:
• Assessing the resources, timing and obligation involved with the revenue generated and recognises revenue in accordance with IFRS 15. Refer to note 13 and Accounting Policy note 1.12.1.
• Assessing the estimates of effective interest rate used in the application of the IFRS 16 standard. Refer to note 11.
• Assessing the resources, timing and obligation, involved with application of IFRS 9 standard when determining the allowances for Expected Credit Losses for account receivables. Where necessary YES raises a provision on doubtful debtors. Refer to note 6.
• Assessing the useful lives of property, equipment and intangible assets. Refer to note 4 for property, plant and equipment and note 5 for intangible assets.

1.19 Commitments

All commitments are disclosed in the annual financial statements. Previously recognised commitments are assessed against the criteria of a commitment and those that meet the criteria are disclosed.

Refer to note 26 Commitments for details.

2. Changes in accounting policy

The annual financial statements have been prepared in accordance with International Financial Reporting Standards on a basis consistent with the prior year.

Accounting Policies

3. New Standards and Interpretations

3.1 Standards and interpretations effective and adopted in the current year

During the current financial year, YES did not adopt any new standards or interpretations that had a material impact on its financial statements.

The following new standards, amendments and interpretations became effective for YES for the first time in the current financial year and have been applied in preparing these financial statements. These standards were assessed to have no material impact on YES's financial reporting:

Guidance	**Timing**	**Expected impact on YES**
International Financial Reporting Standards		
IFRS 16 (Amendment) – Lease Liability in a Sale and Leaseback	01 January 2024	No impact
IAS 1 (Amendment) – Classification of Liabilities as Current or Non-current	01 January 2024	Immaterial impact
IAS 1 (Amendment) – Non-current Liabilities with Covenants	01 January 2024	No Impact
IFRS 7 & IFRS 9 (Amendments) – Supplier Finance Arrangements	01 January 2024	No Impact

3.2 Standards and interpretations not yet effective

The following new standards and amendments have been issued but are not yet effective for YES's financial year ending 31 March 2025. They have not been early adopted and are not expected to have a material impact based on current operations:

Guidance	**Timing**	**Expected impact on YES**
International Financial Reporting Standards		
IAS 21 (Amendment) – Lack of Exchangeability	01 January 2025	Immaterial impact
IFRS 10 & IAS 28 (Amendments) – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred Indefinitely	No impact
IFRS 18 – Presentation and Disclosure in Financial Statements	01 January 2027	Immaterial impact
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	01 January 2027	No impact
IFRS 9 (Amendments) – Classification and Measurement	01 January 2026	Immaterial impact
IFRS 7 (Amendments) – Financial Instruments: Disclosures	01 January 2026	Immaterial impact

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Figures in R	2025	2024

4. Property, plant and equipment

4.1 Balances at year end and movements for the year

	Hub Structure	Leasehold improvements	Motor vehicles	Fixtures and fittings	Office equipment	Computer equipment	Total
Reconciliation for the year ended 31 March 2025							
Balance at 1 April 2024							
At cost	44,411,513	3,023,511	308,700	4,059,199	1,617,292	5,315,716	**58,735,931**
Accumulated depreciation	(28,297,573)	(1,826,088)	(308,700)	(2,901,058)	(731,334)	(3,883,876)	**(37,948,629)**
Carrying amount	**16,113,940**	**1,197,423**	**-**	**1,158,141**	**885,958**	**1,431,840**	**20,787,302**
Movements for the year ended 31 March 2025							
Additions from acquisitions	321,744	-	2,600.00	-	-	485,401	**809,745**
Depreciation	(7,682,690)	(755,984)	(2,600)	(503,535)	(240,291)	(796,318)	**(9,981,418)**
Impairment loss recognised in surplus or deficit	(5,313,946)	-	-	(178,864)	(24,239)		**(5,517,049)**
Disposals @ cost		-	-	(347)		(121,214)	**(121,561)**
Depreciation for disposed assets	-	-	-	0	-	64,125	**64,125**
Property, plant and equipment at the end of the year	**3,439,048**	**441,439**	**-**	**475,395**	**621,428**	**1,063,834**	**6,041,144**
Closing balance at 31 March 2025							
At cost	44,733,257	3,023,511	311,300	4,058,852	1,617,292	5,679,903	**59,424,115**
Accumulated depreciation and impairment	(41,294,209)	(2,582,072)	(311,300)	(3,583,457)	(995,864)	(4,616,069)	**(53,382,971)**
Carrying amount	**3,439,048**	**441,439**	**-**	**475,395**	**621,428**	**1,063,834**	**6,041,144**

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Property, plant and equipment continued...

Reconciliation for the year ended 31 March 2024							
Balance at 1 April 2023							
At cost	42,972,195	1,683,192	308,700	3,309,622	1,089,701	4,262,463	**53,625,873**
Accumulated depreciation	(20,246,248)	(1,666,498)	(270,113)	(1,945,440)	(432,013)	(2,676,425)	**(27,236,737)**
Carrying amount	**22,725,947**	**16,694**	**38,587**	**1,364,182**	**657,688**	**1,586,038**	**26,389,136**
Movements for the year ended 31 March 2024							
Additions from acquisitions	1,439,319	1,384,381	-	830,292	533,260	1,095,599	**5,282,850**
Depreciation	(7,902,591)	(203,652)	(38,587)	(1,010,977)	(304,990)	(1,240,715)	**(10,701,512)**
Disposals	(148,735)	-	-	(25,357)		(9,082)	**(183,174)**
Property, plant and equipment at the end of the year	**16,113,940**	**1,197,423**	**-**	**1,158,141**	**885,958**	**1,431,840**	**20,787,301**
Closing balance at 31 March 2024							
At cost	44,411,513	3,023,511	308,700	4,059,199	1,617,292	5,315,716	**58,735,931**
Accumulated depreciation	(28,297,573)	(1,826,088)	(308,700)	(2,901,058)	(731,334)	(3,883,876)	**(37,948,629)**
Carrying amount	**16,113,940**	**1,197,423**	**-**	**1,158,141**	**885,958**	**1,431,840**	**20,787,302**

No Property, plant and equipment is pledged as security or encumbered in any way.

During the year ended 31 March 2025, YES recognised an impairment loss of R5,313,946 relating to the Alexandra "Ulusha" Hub and Thembisa "Kago" Hub structures as part of a strategic transformation initiative. This initiative involves transitioning from a physical, hub-based operating model to a more flexible national footprint using pop-up hubs, enabling improved customer reach and operational efficiency.

These hubs were determined to be cash-generating units (CGUs) and tested for impairment as management had made a strategic decision to discontinue the "Alexandra "Ulusha" Hub" and "Thembisa "Kago" Hub. The recoverable amount of the Alexandra "Ulusha" Hub and Thembisa "Kago" Hub was determined based on fair value less costs of disposal, resulting in an impairment loss recognised in profit or loss. The Thembisa "Kago" Hub facility, also affected by this shift, was subsequently donated to the Ekurhuleni Municipality.

Following the restructuring, YES now operates primarily from its Saldanha "Genesis" Hub, supported by the new pop-up hub network. Management considered whether other hubs required impairment testing, but concluded that no further indicators of impairment were present for the remaining CGUs. This conclusion was supported by continued operational use, expected future economic benefits, and alignment with the revised strategy.

The impairment loss is included in "Other gains and losses" in the Statement of Surplus or Deficit.

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5. Intangible assets

Reconciliation of changes in intangible assets

	Computer software	Software for Process Automation	Advertising Films &Videos	Video Modules	Total
Reconciliation for the year ended 31 March 2025					
Balance at 1 April 2024					
At cost	16,796,639	295,298	364,474	2,995,314	**20,451,725**
Accumulated amortisation and impairment	(8,847,388)	(295,298)	(364,474)	(2,978,750)	**(12,485,910)**
Carrying amount	**7,949,251**	**-**	**-**	**16,564**	**7,965,815**
Movements for the year ended 31 March 2025					
Additions	4,772,462		-	-	**4,772,462**
Amortisation	(2,417,629)	-	-	(16,535)	**(2,434,164)**
Impairment loss recognised in surplus or deficit		-	-	-	**-**
Intangible assets at the end of the year	**10,304,084**	**-**	**-**	**29**	**10,304,113**
Closing balance at 31 March 2025					
At cost	21,569,101	295,298	364,474	2,995,314	**25,224,187**
Accumulated amortisation and impairment	(11,265,017)	(295,298)	(364,474)	(2,995,285)	**(14,920,074)**
Carrying amount	**10,304,084**	**-**	**-**	**29**	**10,304,113**
Reconciliation for the year ended 31 March 2024					
Balance at 1 April 2023					
At cost	10,446,364	295,298	364,474	2,995,313	**14,101,449**
Accumulated amortisation and impairment	(6,558,003)	(295,298)	(364,474)	(2,660,505)	**(9,878,280)**
Carrying amount	**3,888,361**	**-**	**-**	**334,808**	**4,223,169**

Notes to the Financial Statements

Figures in R — **2025** — **2024**

Intangible assets continued...

Movements for the year ended 31 March 2024					
Additions	6,350,275		-	-	**6,350,275**
Amortisation	(2,289,384)	-	-	(318,245)	**(2,607,629)**
Intangible assets at the end of the year	**7,949,252**	**-**	**-**	**16,563**	**7,965,815**
Closing balance at 31 March 2024					
At cost	16,796,639	295,298	364,474	2,995,314	**20,451,725**
Accumulated amortisation and impairment	(8,847,388)	(295,298)	(364,474)	(2,978,750)	**(12,485,910)**
Carrying amount	**7,949,251**	**-**	**-**	**16,564**	**7,965,815**

Other Information

The increase in Computer Software is due to the capitalisation of the YES OneApp and enhancements on our Business Management System (BMS) reflecting YES's investment in enhancing its digital capabilities.

Intangible Assets are assessed annually for any signs of impairment.

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Figures in R	2025	2024

6. Trade and other receivables

Trade and other receivables comprise:

	2025	2024
Financial instruments:		
Trade receivables	144,359,943	97,943,897
Expected Credit Losses	(3,255,401)	(2,020,221)
Accounts receivable at amortised cost	141,104,542	95,923,676
Non-financial instruments:		
Deposits	668,966	715,225
Total trade and other receivables	**141,773,508**	**96,638,901**
Current assets	**141,773,508**	**96,638,901**

Financial instrument and non-financial instrument components of accounts and other receivables

	2025	2024
At amortised cost	**141,773,508**	**96,638,901**

Trade and other receivables impairment policy

Management views any debt not paid within agreed terms as being overdue.
Management views any debt that is overdue and remains uncollected with no reliable plans of repayment, despite management intervention, as credit impaired. As at 31 March 2025 management has raised an allowance for expected credit loss of R3,255,401 (2024:R2,020,221).

Notes to the Financial Statements

Figures in R	2025	2024

Trade and other receivables continued...

Exposure to credit risk

Accounts receivable inherently expose YES to credit risk, being the risk that the company will incur financial loss if debtors fail to make payments as they fall due.

YES measures the loss allowance for accounts receivable using the simplified approach prescribed by IFRS 9, which requires the recognition of lifetime expected credit losses (ECLs).

In line with this approach, YES assesses expected credit losses on a monthly basis, using a combination of:

•Individual debtor assessments based on specific circumstances, and

•Historical loss experience, which is factored into the overall provision to reflect observable past trends in recoverability.

YES reviews all overdue receivables each month, and provisions are raised in accordance with its internal policy or where individual debts are deemed unlikely to be recovered.

2025	**Current**	**30 Days**	**60 Days**	**90 Days and Older**	**Total**
Expected credit loss rate %	1.93%	6.32%	9.59%	93.99%	2.26%
Gross carrying amount	141,113,665	2,544,517	334,381	367,381	144,359,944
Expected credit loss	(2,717,171)	(160,865)	(32,079)	(345,286)	(3,255,401)
	138,396,494	**2,383,652**	**302,302**	**22,095**	**141,104,543**

2024	**Current**	**30 Days**	**60 Days**	**90 Days and Older**	**Total**
Expected credit loss rate %				82.73%	2.06%
Gross carrying amount	93,563,646	1,596,434	341,857	2,441,960	97,943,897
Expected credit loss		-	-	(2,020,221)	(2,020,221)
	93,563,646	**1,596,434**	**341,857**	**421,739**	**95,923,676**

The large increase in the gross carrying amount of Trade Receivables is a result of the increase in youth salaries due from Corporate Sponsors. The increase in youth job numbers created by YES has resulted in an increase in the number of youth hosted by YES Implementation Partners on behalf of Corporate Sponsors. YES collects youth salary funding from Corporate Sponsors and disburses these to Implementation Partners to pay the youth.

YES's expected credit loss increased in the 2025 financial year due to the implementation of a refined policy approach for debtor provisioning. Under the updated policy, YES now provides for all Registration and Monitoring and Evaluation (M&E) debtors at a rate of 3.81% for balances from 0-90 days as a lifetime ECL provision, and applies full provision for all debtors outstanding for 90+ days. This enhanced approach better reflects the credit risk profile of YES's debtor portfolio and aligns with IFRS 9 requirements for lifetime expected credit losses.
In reviewing the recoverability of accounts receivable balances at 31 March 2025, YES assessed changes to recoverability expectations for individual accounts subsequent to financial year end to calculate the required ECL provision.

Notes to the Financial Statements

Figures in R	2025	2024

Trade and other receivables continued...

Movement in ECL

The following table shows the movement in the expected credit loss allowance for trade receivables:

Opening balance	(2,020,221)	(5,687,839)
Provision for expected credit losses raised against P&L	(3,531,528)	1,874,768
Provision for expected credit losses raised on grants		-
Provision for VAT portion of ECL raised on debtors	296,348	356,153
Write-Off		1,436,697
Provisions reversed on settled trade receivables	2,000,000	-
Closing balance	**(3,255,401)**	**(2,020,221)**

7. Listed investments

Listed investments comprise the following balances

Listed investments	103,580,238	-

The YES Investment Committee has adopted a passive investment strategy in line with its mandate to generate returns higher than cash while maintaining a low risk profile, ensuring both capital preservation and liquidity. The objective is to achieve above-inflation net returns over time, with a minimal probability of capital loss.

In line with this approach, YES does not engage in active trading or speculative investment activity. Investments are made in diversified, low cost unit trust, call deposit accounts or money market funds that align with the organisation's long-term capital management strategy and risk appetite. All listed investments are measured at fair value through profit or loss (FVTPL).

The portfolio is reviewed regularly to ensure continued compliance with the mandate and market conditions, with oversight by the Investment Committee

8. Prepayments

Prepayments comprise the following balances

Prepayment	1,128,181	736,670

Prepayments largely relate to annual payments made in relation to subscriptions used by the company.

9. Cash and cash equivalents

Cash and cash equivalents included in current assets:

Cash		
Cash on hand	297	2,894
Unrestricted Cash	132,394,385	185,735,184
	132,394,682	185,738,078

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Cash and cash equivalents continued...

Cash equivalents		
Restricted Cash	165,368,412	153,245,961
	297,763,094	**338,984,039**

Restricted cash relates to funds received for grants and third-party salary obligations, which are held in separate Trust accounts in accordance with funding agreements.

The increase in restricted cash during the year is primarily due to the growth in the number of youth jobs created in 2025, resulting in higher levels of salary funding received from corporate sponsors. These funds are held in trust until disbursed to participating youth, in line with programme commitments.

10. Trade and other payables

Trade and other payables comprise:

Financial instruments:		
Trade payables	12,203,864	10,059,274
Accrual costs for youth phones, data and rewards	34,576,315	15,063,491
Accrued expenses	98,509	7,825
Accrued audit fees	2,697,350	2,267,708
Placement fees payable	39,888,000	23,454,570
Third party salaries payable	221,191,786	206,764,755
Non-financial instruments:		
Accrued leave pay	1,412,224	1,194,243
Provision for incentives	9,146,765	8,776,458
Unallocated Deposits	16,882	18,827
Value added tax	9,503,011	2,943,660
Total trade and other payables	**330,734,706**	**270,550,811**

The increase in Trade Payables is due to the increases in Accrual costs for youth phones, data and rewards as well as Third Party Salaries and Placement Fee payables. All of these are linked directly to the number of youth jobs created which increased significantly from 37,092 youth jobs in 2024 to 43,088 youth jobs in 2025. YES expects to pay these costs out over the next 12 months.

11. Lease Liabilities and Right-of-Use Assets

The lease payments have been discounted using the company's incremental borrowing rate of 9.75% per annum.

Lease liabilities comprise:

Lease obligation	699,445	2,215,228
Non-current liabilities	-	699,445
Current liabilities	699,445	1,515,783
	699,445	**2,215,228**

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Figures in R	2025	2024
Lease Liabilities and Right-of-Use Assets continued...		
Reconciliation of lease liability balances:		
Opening balance	2,215,228	3,490,799
Interest expense	150,943	285,247
Lease payments	(1,666,726)	(1,560,818)
Closing balance	**699,445**	**2,215,228**
Amounts recognised in the statement of financial position		
Net carrying amounts of right-of-use assets		
The carrying amounts of right-of-use assets are as follows:		
Buildings	577,107	1,962,162
Reconciliation of right-of-use asset balances:		
Opening balance	1,962,162	3,347,218
Depreciation charge	(1,385,056)	(1,385,056)
Closing balance	**577,106**	**1,962,162**
Amounts recognised in the statement of surplus or deficit and other comprehensive income		
Depreciation		
Buildings	1,385,056	1,385,056
Other expenses and gains		
Interest expense	150,943	285,247

12. Deferred income

Deferred income comprises of:

Figures in R	2025	2024
Deferred Grant income	15,291,305	34,387,225
Deferred Monitoring and Evaluation Income - IFRS 15 adjustment	53,128,621	17,989,628
	68,419,926	**52,376,853**
Deferred Grant Income (Non-current portion)	1,599,820	5,755,061
Deferred Grant and M&E Income (Current portion)	66,820,106	46,621,792
	68,419,926	**52,376,853**

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Deferred income continued...

Deferred Monitoring and Evaluation Income

The deferred income represents contractual obligations to deliver future M&E services. Revenue recognition occurs when specific performance milestones are achieved in accordance with the terms of the respective agreements.

Figures in R	2025	2024
Opening Balance	17,989,628	16,156,011
Movements	35,138,993	1,833,617
Closing Balance	**53,128,621**	**17,989,628**

Deferred Grant Income

Grant Income relates largely to corporate grants whereby revenue is recognised in line with the relevant expenditure.

Grants received for capital and related expenditure are deferred and only recognised in the Statement of Surplus or Deficit and Other Comprehensive Income as the capital asset is depreciated, and related expenditure incurred.

YES applied the principles of IAS 20: Accounting for Government Grants and Disclosure of Government Assistance in the measurement and disclosure of grant income received from corporates.

Figures in R	2025	2024
Opening Balance	34,387,225	26,535,943
Movements	(19,095,920)	7,851,281
Closing Balance	**15,291,305**	**34,387,224**

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Figures in R	2025	2024

13. Revenue

13.1 Revenue comprises:

	2025	2024
Registration, Monitoring & Evaluation fees and Hub income	208,060,807	199,479,311
Grant income	30,495,985	20,550,438
Donation income	697,833	631,444
Total revenue	**239,254,625**	**220,661,193**

13.2 Disaggregation of revenue from contracts with customers

	Registration, Monitoring & Evaluation Fees and Hub Income	Grant and Donation Income	Total
Revenue for the year ended 31 March 2025 disaggregated by type of goods or services			
Revenue	208,060,807	31,193,818	239,254,625
Rendering of services			
Registration fees for establishing 12-month youth employment programmes for clients	14,388,300	-	14,388,300
Hub income	1,294,651	-	1,294,651
Deferred income realised	(6,354,713)	-	(6,354,713)
Other recoveries	428,539	-	428,539
M&E fees for monitoring and evaluating 12-month youth programme	198,304,030	-	198,304,030
	208,060,807	**-**	**208,060,807**
Other Revenue and Income			
Donation Income	-	697,833	697,833
Grant Income	-	30,495,985	30,495,985
	-	**31,193,818**	**31,193,818**
Revenue per timing of transfer of goods or services			
At a point in time	16,111,490	697,833	16,809,323
Over time	191,949,317	30,495,985	222,445,302
	208,060,807	**31,193,818**	**239,254,625**

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Figures in R	2025	2024

Revenue continued...

The increase in the number of youth jobs created, from 37,092 in 2024 to 43,088 in 2025, was the primary driver of the overall growth in revenue. However, revenue growth did not increase in direct proportion to job growth due to the implementation of a refined revenue cut-off policy applied for the first time in the 2025 financial year. Occasionally clients register their YES programmes only after they have already begun to employ their YES youth. This can result in YES jobs missing the year end cut off and only being counted in the next YES financial year when these clients register and trigger the YES Monitoring & Evaluation invoice. During FY25 less than 6% of youth had programme with start dates prior to FY25

Additionally, the rise in grant income during the year was mainly driven by new funding received from Sanlam, EYWA, and CHIETA. The related increase in training-related expenditure, funded by these grants, led to a greater release of grant income as the relevant performance obligations were fulfilled.

14. Cost of sales

Cost of sales comprise:

	2025	2024
Youth phone costs	9,628,492	42,736,097
Placement fee costs	49,024,000	37,433,200
Hub Program Costs	-	68,328
Youth Data	24,156,940	-
Youth Rewards	7,301,990	
Youth Smartphones	6,667,506	-
Total cost of sales	**96,778,928**	**80,237,625**

During the 2025 financial year, YES implemented a strategic shift from its traditional phone provision model to a new Digital Generation Model, effective July 2024. This transformation was driven by comprehensive research indicating that 90% of youth participants already have access to smartphones before commencing a YES programme.
Under the new Digital Generation Model, YES no longer provides physical phones to programme participants but instead offers data packages and digital rewards as value-added benefits. This approach better aligns with the current digital landscape and participant needs while optimizing resource allocation and programme effectiveness. The transition reflects YES's commitment to adapting its service delivery model to meet the evolving technological environment and preferences of South African youth.

15. Operating expenses

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

	2025	2024
Auditors' remuneration - external		
Audit fees	2,182,997	1,411,146
Internal audit services and tax reviews	1,098,479	988,750
Remuneration, other than to employees		
Consulting and professional services	15,932,494	15,220,000
Secretarial services	622,170	343,032

YES has made use of consultants in a variety of areas to fulfill skills required by the organisation and to establish processes and systems necessary for the ongoing functioning of the entity. This has reduced the need for YES to increase its fixed cost base by not offering permanent employment for roles that may not be required over the medium term.

Notes to the Financial Statements

Figures in R	2025	2024
Operating expenses continued...		
Employee costs		
Salaries	50,743,766	40,102,583
Incentive	7,747,722	5,976,057
Total employee costs	**58,491,488**	**46,078,640**
Leases		
Lease charges		
Short-term and variable leases expenses	863,147	754,133
Depreciation and amortisation		
Depreciation of property, plant and equipment	9,981,418	10,701,513
Depreciation of right-of-use assets	1,385,056	1,385,056
Amortisation of intangible assets	2,434,163	2,607,629
Total depreciation and amortisation	**13,800,637**	**14,694,198**
General expenses	6,827,814	7,182,284
Leave Provision	217,980	469,516
Marketing	6,400,367	5,925,229
Other expenses	4,251,563	3,862,532
SMME development and youth training costs	20,829,364	12,372,946
Staff welfare	669,368	583,616
Surplus Projects	-	11,539,455
Tech Maintenance, Subscriptions and License fees	9,515,188	10,153,647
Total Operating expenses	**141,703,056**	**131,579,124**

16. Other gains and (losses)

Other gains and (losses) comprise:

	2025	2024
Gain or (loss) on disposal of assets	(5,479,312)	(110,735)
Fair value gains and (losses) on investments	3,580,238	-
Total other gains and (losses)	**(1,899,074)**	**(110,735)**

Notes to the Financial Statements

Figures in R — 2025 — 2024

Other gains and (losses) continued...

During the year ended 31 March 2025, YES recognised an impairment loss of R5,313,946 relating to the Alexandra "Ulusha" Hub and Thembisa "Kago" Hub structures as part of a strategic transformation initiative. This initiative involves transitioning from a physical, hub-based operating model to a more flexible national footprint using pop-up hubs, enabling improved customer reach and operational efficiency.
These hubs were determined to be cash-generating units (CGUs) and tested for impairment as management had made a strategic decision to discontinue the "Alexandra "Ulusha" Hub" and "Thembisa "Kago" Hub. The recoverable amount of the Alexandra "Ulusha" Hub and Thembisa "Kago" Hub was determined based on fair value less costs of disposal, resulting in an impairment loss recognised in profit or loss. The Thembisa "Kago" Hub facility, also affected by this shift, was subsequently donated to the Ekurhuleni Municipality.
Following the restructuring, YES now operates primarily from its Saldanha "Genesis" Hub, supported by the new pop-up hub network. Management considered whether other hubs required impairment testing, but concluded that no further indicators of impairment were present for the remaining CGUs. This conclusion was supported by continued operational use, expected future economic benefits, and alignment with the revised strategy.
The impairment loss is included in "Other gains and losses" in the Statement of Surplus or Deficit.

Fair value gains on investments were realised through YES' Investment Committee approved investments made into low risk Income Fund Unit Trusts. This was done to improve returns on available cash without a significant increase in risk.

17. Finance income

Finance income comprises:

	2025	2024
Interest received	24,190,359	24,556,087

Finance income comprises interest earned on bank balances, call deposits, and investment accounts. The decrease from the prior year is primarily due to a shift in cash allocation towards income funds, which resulted in less cash available to generate interest through traditional bank and call deposit channels.

18. Finance costs

Finance costs included in surplus or deficit:

	2025	2024
Interest expense	144	9
Lease liabilities	150,943	285,247
Total finance costs	**151,087**	**285,256**

*Total interest expense is calculated using the effective interest rate.

19. Events after the reporting date

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

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.

Notes to the Financial Statements

Figures in R	2025	2024

21. Financial risk management

Overview

YES's financial instruments primarily consist of cash, income fund investments, and receivables. These instruments expose the organisation to credit risk, liquidity risk, and interest rate risk. The YES Board, through the Investment Committee, provides oversight to ensure these risks are managed within acceptable limits and aligned with YES's social impact mandate.

21.1 Fair Value Hierarchy

YES measures the fair value of financial instruments using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy is categorised into three levels based on the observability of inputs:

Level 1: represents fair value measurements which are derived from quoted prices (unadjusted) in active markets for identical assets.
These quoted prices are obtained from daily published NAVs and market prices sourced from listed public platforms, such as the JSE, fund manager reports, and other similar markets.

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

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The table below presents the company's financial assets measured at fair value at 31 March 2025:

Financial Assets at Fair Value	Level 1	Level 2	Level 3	Total
Listed Investments (Note 7)	103,580,238	-	-	103,580,238
Total	**103,580,238**	**-**	**-**	**103,580,238**

Valuation Techniques

Level 1 instruments comprise listed unit trust investments and money market instruments valued using quoted prices in active markets at reporting date.
There were no transfers between levels during the year ended 31 March 2025.
The company does not have any financial instruments classified as Level 2 or Level 3 at reporting date.

Market risk

YES is minimally exposed to market risk as it follows a passive investment approach, with funds placed in low-risk, liquid instruments such as income funds and money market accounts. The objective is to preserve capital while generating returns above inflation in line with the Investment Committee mandate.

Since YES does not invest in equities or speculative instruments, market fluctuations have a limited impact on the financial position. Any exposure to market risk is indirectly through interest rate movements affecting returns on income funds. These are closely monitored, and funds can be reallocated to protect against adverse shifts where necessary.

Notes to the Financial Statements

Figures in R	2025	2024

Financial risk management continued...

Interest rate risk

YES is exposed to interest rate movements through income earned on cash and income fund investments. As a non-profit, YES does not hedge this exposure but mitigates volatility by maintaining a diversified portfolio and placing funds in instruments that offer competitive returns while preserving capital.

Credit risk

Credit risk arises mainly from outstanding receivables due from corporate sponsors. YES mitigates this risk by partnering with well-established clients and applying upfront billing practices in line with signed agreements. No significant concentration of credit risk was identified at year-end, and there is no history of material write-offs.Refer to Note 6.

21.2 Liquidity risk

YES maintains a conservative liquidity position, supported by a strong cash buffer and investments in liquid income funds. The finance team actively monitors working capital requirements and cash flow projections to ensure that operating commitments and youth salary obligations are met without disruption.

Sensitivity Analysis

YES FY25 interest income sensitivity analysis:

Cash balances at 31 March 2025	Cash balances at 31 March 2025	Weighted average interest rate p.a. at 31 March 2025	Impact of 1% increase in interest rate	Impact of 1% increase in interest rate
Unrestricted cash	132,394,682	6.77%	1,314,740	(1,286,711)
Restricted cash	165,368,412	8.40%	1,035,802	(1,035,802)
Unit Trust Income Fund Investments	103,580,238	7.00%	1,653,684	(1,653,684)
Total	**401,343,332**		**4,004,226**	**(3,976,197)**

Maturities of financial liabilities

The tables below analyse the non profit company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For interest rate swaps the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

Notes to the Financial Statements

Financial risk management continued...

Contractual maturities of financial liabilities	Less than 6 months	Between 6 months and 1 year	Total contractual cash flows	Carrying amount	Estimated fair values
Year ended 31 March 2025					
Non-derivatives					
Trade and other payables excluding non-financial liabilities (Note 10)	310,655,824	-	**310,655,824**	**310,655,824**	**310,655,824**
Lease liabilities	699,445	-	**699,445**	**699,445**	**699,445**
Total non-derivatives	**311,355,269**	**-**	**311,355,269**	**311,355,269**	**311,355,269**
Current Assets					
Trade and other receivables	144,359,943	-	**144,359,943**	**144,359,943**	**144,359,943**
Cash and cash equivalents	297,763,094	-	**297,763,094**	**297,763,094**	**297,763,094**
Listed Investments	103,580,238	-	**103,580,238**	**103,580,238**	**103,580,238**
	545,703,275	**-**	**545,703,275**	**545,703,275**	**545,703,275**

YES should have more than sufficient surplus liquidity from net current assets with maturity of less than 12 months to fund the total liabilities with maturity beyond one year.

	Less than 6 months	Between 6 months and 1 year	Total contractual cash flows	Carrying amount	Estimated fair values
Year ended 31 March 2024					
Non-derivatives					
Trade and other payables excluding non-financial liabilities (Note 10)	257,617,623	-	**257,617,623**	**257,617,623**	**257,617,623**
Lease liabilities	1,515,783	699,445	**2,215,228**	**2,215,228**	**2,215,228**
Total non-derivatives	**259,133,406**	**699,445**	**259,832,851**	**259,832,851**	**259,832,851**
Current Assets					
Trade and other receivables	97,943,897	-	**97,943,897**	**97,943,897**	**97,943,897**
Cash and cash equivalents	338,984,039	-	**338,984,039**	**338,984,039**	**338,984,039**
	436,927,936	**-**	**436,927,936**	**436,927,936**	**436,927,936**

22. Capital risk management

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

Balances of managed capital

Figures in R	2025	2024
Lease liabilities	699,445	2,215,228
Trade and other payables	330,734,706	270,550,812
Total liabilities	**331,434,151**	**272,766,040**
Cash and cash equivalents	**(297,763,094)**	**(338,984,039)**
Net liabilities/Net assets	33,671,057	(66,217,999)

Notes to the Financial Statements

Capital risk management continued...

Figures in R	2025	2024
Equity	**161,313,308**	**141,931,996**
Gearing ratio	21%	-47%

23. Cash flows from operating activities

Figures in R	2025	2024
Surplus for the year	**19,381,311**	**34,257,004**
Adjustments for:		
Finance income	(24,190,359)	(24,556,087)
Finance costs	151,087	285,256
Depreciation and amortisation expense	13,800,637	14,694,198
Fair value gains and losses on investments	(3,580,238)	-
Adjustment in credit loss allowances	3,531,528	(1,252,464)
Other adjustments for non-cash items	(3,267,676)	1,162,975
Gains and losses on foreign exchange realised in surplus or deficit	1,142	-
Gains and losses on disposal of non-current assets	5,479,312	110,735
Change in operating assets and liabilities:		
Adjustments for decrease in inventories	-	11,432
Adjustments for (increase) / decrease in trade accounts receivable	(41,504,923)	22,949,639
Adjustments for increase in prepayments	(391,511)	(236,143)
Adjustments for decrease / (increase) in other operating receivables	46,259	(46,259)
Adjustments for increase in trade accounts and other operating payables	(441,800)	(13,480,888)
Adjustments for increase in other operating payables	56,725,027	35,440,194
Adjustments for increase in deferred income	16,043,073	9,684,899
Net cash flows from operations	**41,782,869**	**79,024,491**

24. Taxation

Youth Employment Service (RF) NPC meets the requirements of Public Benefit Organisation (PBO) set out in section 30(3) of the Income Tax Act No 58 of 1962 (the Act) and has been granted an Income Tax Exemption in terms of section 10(1)(cN) of the Act with effect from 21 June 2017. Annual receipts and accruals will therefore be subject to the provisions of section 10(1)(cN) of the Act and accruals and receipts from trading or business activities which fall outside the parameters of section 10(1)(cN) will be subject to tax. No provision has been made for 2025 (2024: Nil) tax as the company has no income which falls outside of these parameters.

Notes to the Financial Statements

Figures in R	2025	2024

25. Directors emoluments

There are no short-term or long-term benefits paid to individuals in their role as Non-Executive Directors.

The only Director that received remuneration in the period reported is R. Naidoo for his respective work as Chief Executive Officer.

No fees or other emoluments are paid to non-executive directors.

2025

Directors' emoluments	**Basic salary**	**Bonuses and performance related payments**	**Retirement Annuity contributions**	**Total**
Services as director or prescribed officer				
R. Naidoo	3,555,878	710,625	120,302	4,386,805

2024

Directors' emoluments	**Basic salary**	**Bonuses and performance related payments**	**Retirement Annuity contributions**	**Total**
Services as director or prescribed officer				
R. Naidoo	3,022,174	590,625	348,326	3,961,125

26. Commitments

2025

During the 2025 financial year, YES incurred R 13.3m of operating costs related to various special initiatives to further boost youth employment, skills development and entrepreneurship. As part of the YES Board's plan to utilise its surplus reserves, YES had committed to a further R 1.24m for a specific youth focused entrepreneurship programme to completed during the 2026 financial year.

2024

During the 2024 financial year, YES disbursed R 12.1m related to the commitments disclosed in the 2023 annual financial statements. As a reflection of YES' continuing focus to increase youth opportunities and employability as well as to enhance the entity's ability to execute services to clients and youth alike, the YES Board has approved a further R 52m to be invested in several projects that are at various stages of development. None of these projects have yet resulted in formal legal obligations for YES.

Detailed Income Statement

Figures in R	Notes	2025	2024
Revenue	13		
Grant income		30,495,985	20,550,438
Other revenue		697,833	631,444
Registration, Monitoring & Evaluation fees		208,060,807	199,479,311
		239,254,625	**220,661,193**
Cost of sales	14		
Hub Program costs		-	(68,328)
Placement fee costs		(49,024,000)	(37,433,200)
Youth Phones		(47,754,928)	(42,736,097)
		(96,778,928)	**(80,237,625)**
Gross surplus		**142,475,697**	**140,423,568**
Administrative expenses			
Auditor's remuneration - external		(2,182,997)	(1,411,146)
Consulting - Taxation services		(521,142)	(217,500)
Internal audit services		(577,337)	(771,250)
Secretarial fees		(622,170)	(343,032)
		(3,903,646)	**(2,742,928)**
Other expenses	15		
Amortisation - intangible assets		(2,434,163)	(2,607,629)
Consulting and professional services		(15,932,494)	(15,220,000)
Depreciation - property, plant and equipment		(11,366,474)	(12,086,569)
Employee costs - salaries and related benefits including incentives		(58,491,488)	(46,078,640)
General expenses		(6,827,814)	(7,182,284)
Leave Provision		(217,980)	(469,516)
Marketing		(6,400,367)	(5,925,229)
Movement in provisions		(3,531,528)	1,252,464
Other expenses		(4,251,563)	(3,862,532)
Short-term and variable leases expenses		(863,147)	(754,133)
SMME development and youth training costs		(20,829,364)	(12,372,946)
Staff welfare		(669,368)	(583,616)
Surplus Projects		-	(11,539,455)
Tech Maintenance, Subscriptions and License fees		(9,515,188)	(10,153,647)
		(141,330,938)	**(127,583,732)**
Other gains and losses	16		
Fair value changes - financial assets		3,580,238	-
Gain or loss on sale - property, plant and equipment		(5,479,312)	(110,735)
		(1,899,074)	**(110,735)**
(Deficit) / surplus from operating activities		**(4,657,961)**	**9,986,173**
Finance income	17		
Interest received		24,190,359	24,556,087

The supplementary information presented does not form part of the annual financial statements and is unaudited

Detailed Income Statement

Figures in R	Notes	2025	2024
Finance costs	18		
Interest expense		(144)	(9)
Lease liabilities		(150,943)	(285,247)
		(151,087)	**(285,256)**
Surplus for the year		**19,381,311**	**34,257,004**

Surplus Projects detail included in above Operating Expenses

When YES generates reserves in excess of a YES Board mandated cover for 10 months of operating costs, YES identifies, evaluates and prioritises various initiatives to further scale and improve our offering to corporate clients as well as to directly empower youth with various skills. During the 2025 financial year, YES invested a further R 13.3m of operating costs into various special initiatives to further boost youth employment, skills development and entrepreneurship. These investments include youth support in various sectors, notably tourism, media, creative work, wide-ranging entrepreneurship support. The R 13.3m comprises of the following cost categories (included in the above operating expenses):

SMME development and youth training costs	9,893,253
Salaries	1,186,483
Consulting	612,319
Depreciation	1,526,157
Marketing	91,141
	13,309,353

The supplementary information presented does not form part of the annual financial statements and is unaudited