ANNUAL REPORT 2024

Africa Clean Energy Solutions Limited
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Mauritius
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OUR MISSION

The Group develops, owns and operates clean energy power plants throughout Africa.

We strive to become a significant independent provider of clean energy; and at the same time make a positive impact on people's lives.

In pursuance of our mission, offering a sustainable return to our investors.

CHAIRMAN'S MESSAGE

Resilience, Renewal, and Leadership in Uncertain Times

It is with great pride and renewed optimism that I present this year's Chairman's Statement, at a time when the world is undergoing unprecedented disruption—marked by environmental volatility, economic shifts, and a growing urgency to address the climate crisis. In the face of uncertainty, we choose leadership. In the face of disruption, we see opportunity.

This year's major global gatherings, including **Africa Climate Week in Nairobi**, have reaffirmed Africa's rising importance in the global climate transition. The significant increase in climate aid from both the United States and China at this forum sends a powerful signal: Africa is not only part of the solution—it is at the forefront of shaping it.

Climate Realities and Opportunities in Africa

Climate change is no longer a distant concern. For millions across our continent, it is a lived experience—manifesting through rising temperatures, erratic weather patterns, and resource degradation. Yet Africa also holds a unique strength. Despite contributing the least to global emissions, we have some of the most abundant renewable energy resources in the world**. Solar, wind, hydro, and geothermal** potential can—and must—become the foundation for a cleaner, more equitable energy future.

This dual reality of vulnerability and potential positions Africa as both a moral voice and a strategic actor in the global climate response. As a company, we are fully committed to converting this potential into transformative action.

Leading Through Innovation and Partnership

Over the past year, we have expanded our portfolio of renewable energy projects, deepened our engagement with local communities, and strengthened partnerships with governments, multilateral institutions, and development finance partners. We believe real impact happens through **collaboration**—when public and private sectors work together with shared purpose.

Our broad-spectrum approach ensures that every initiative we undertake is grounded in context, aligned with local needs, and designed for long-term sustainability. We have also invested in building local capacity, recognizing that knowledge transfer and skills development are essential pillars of our mission.

Navigating Challenges with Optimism

We are clear-eyed about the challenges that persist: limited access to finance, evolving regulatory environments, and infrastructure gaps. But we view these as **opportunities for innovation**, not deterrents. Our response has been to double down on agility, creativity, and inclusive planning—ensuring that solutions are not just technically sound, but socially and economically inclusive.

Our **focus on innovation** continues to guide our strategy. We are exploring new technologies, including scalable off-grid systems, green hydrogen applications, and digital infrastructure for energy efficiency. Just as importantly, we are engaging with policymakers to help shape enabling environments for renewable energy investment, with clear incentives, streamlined regulations, and pathways for public-private collaboration.

A Mission That Goes Beyond Metrics
What drives us is not simply growth—it is purpose. Our work in Africa's renewable energy space is rooted in a deep commitment to **climate justice, social impact, and sustainable development**. We strive to be more than a company delivering energy—we aim to be a **catalyst for lasting, positive change.**
We believe that clean energy should not be a luxury—it should be a right. And we are determined to help make that right a reality across the continent.

A Shared Journey
To our shareholders, whose continued support provides us with the confidence to invest ambitiously; to our employees, whose resilience and ingenuity are the heartbeat of our mission; and to our **partners and stakeholders,** whose collaboration and trust enable us to scale impact—we thank you.
Together, we are not only navigating a period of disruption. We are helping to **define what the next chapter of Africa's energy story will look like.**
The future is not to be feared—it is to be built. And in that future, we see a resilient, renewable, and thriving Africa.

Gaetan Siew
Chairman

23 April 2025

CHIEF EXECUTIVE OFFICER'S REPORT

The year ending June 2024 had a mixed picture not only for ACES but globally.
Globally the world has gone through a number of large challenges, both politically and financially. Inflation in most countries ran high and economic growth was less than previously expected.
Elections in a lot of countries resulted in large changes in the political landscape. And the upcoming elections in the USA created a lot of tensions and created sharp divisions across its population.
At the same time most Stock Exchanges across the globe showed growth numbers and many companies show positive results.
In South Africa a coalition government has been formed which will be sending a lot of positive signals to the international investment communities and should have a positive effect on the USD - ZAR exchange rate.

The renewable energy market continues to grow with impressive pace and continues to offer huge opportunities for companies like ACES Renewables. In countries like Zambia, Kenya and Uganda, but also in other countries, the energy market is opening for private Purchase Power Agreement' s (PPA) which will give a further huge boost to the renewable energy market in these countries.
South Africa has taken the lead in the private commercial, mining and trading energy industry, opening the opportunity for ACES to develop large scale clear energy projects. This led ACES to develop a 179MW solar project to reach commercial operations in 2026 as part of the first phase of a considerable project pipeline.

We will further develop in the second phase another 450 MW solar project reaching commercial operations in 2027/8 and 2029.

I took over as CEO on the 1st of June 2024.
Since the last AGM, we have made a lot of progress in both divisions of ACES, which I will further highlight throughout this update. Although this is not yet visible in the Fiscal Year 2024 financial results the progress which has been made and will continue to be made in the rest of the calendar year 2024 and the first half of 2025 will have a very strong positive effect on the financial results of the Fiscal Year 2025.

ACES Development Division.
ACES is capitalizing on the further demand for renewable energy and growth trend and has established a strong new project pipeline with a total of 450 MW in solar projects in South Africa, as well as solar and hybrid biogas projects in Kenya, Uganda, Zambia and Namibia.

During the last few months, we have made huge progress and achieved the following.
We are furthest ahead in the development of 2 projects.

The Cullinan Project is a 179.3 MWp/153.8 MVA AC Solar Plant. The project is currently been developed on land leased for a 22-year period from Afrimat, the mining company and is located in the Tshwane Municipality in the Gauteng province.
On Cullinan we achieved the following:
• The Cost Estimated Letter (CEL) has been obtained from Eskom, which given that there a large number of CEL's outstanding for a long time in South Africa is a major achievement.
• Budget Quote submission request is planned for April 2025.
• The permitting is being completed in terms of the National Energy Regulator of South Africa (NERSA) guidelines and EIA approval has been received. With regard to the PPA's related to the Cullinan project we have developed a strong pipeline of potential off-takers of close to 300MW, which we could also not only use for the Cullinan project but also for phase2.
• We have a Debt Term Sheet from Standard Bank for 80% (USD110 million) of the Project CAPEX.
• We got an independent valuation report on the value of the Cullinan Project in its current status. Value comes out at USD 6,4 million. On our balance sheet we will take a conservative approach and have taken 60% of this value for June 2024.
• We have been in advanced discussions with a number possible equity funders to take in total up to 90% of the equity and intend to close negotiations by end November.
• We expect Financial Closure for the project to be latest in Aug 2025 and the full COD in Dec 2026, with pockets of 25MW coming on line from Q2 2026.

The second project which is furthest in development is the Ravenna project.
The project size is a 10 MWp and Solar IV plant for production of 8.7 MVA.
It is located on a land leased for 22 years from private landowners in Benoni, City of Ekurhuleni, Gauteng province. The permitting is currently being compiled as in terms of NERSA guidelines. We have a signed PPA with the City of Ekurhuleni (CoE).
Total CAPEX stands at USD5,4million,
We have received an offer to sell the Ravenna Project. Sale should be completed no later than end of May 2025 and deliver a Development Fee of approximately USD 450,000, half in June and half in Aug 2025.

We will start the development of the 2nd phase projects in 2025 using parts of the Development Fee of the Cullinan project to pay for the development

The Uganda (Unergy) project is a 20 MW Hybrid Battery/Solar project. Land has been secured and a grid connection confirms capacity to connect. The current permit will be amended to include the solar battery project. The application has commenced and expectations are to conclude in Q3 2025. PPA expected by Q3 2025 and COD expected in Q1 2027. IRR in $$ stands at 16%.

The project is developed in a partnership between ACES (75%) and a local business partner, Charles Mbire (25%). Total Capex USD of 28 million.

The Kenya (Tana Biomass) project is a Hybrid solution comprising of Solar and BESS. The project is planned for 25 MW Solar and BESS. Total CAPEX of USD 49.793 million. IRR in USD is 16%. Land has been secured. The PPA's signing in Kenya has been delayed and has subsequently delayed the development of the project. Negotiations are underway with the Lamu Port Special Zone to sign the PPA. The tariffs have however been agreed. PPA is expected to be finalized by Nov 2025 and construction will take 18-24 months thereafter. ACES holds an equity stake of 70% in the project.

The Zambia project is a 25 MW Solar project. Project with a total CAPEX of USD 16.4 million at USD IRR of 17%. Land has been secured. ACES secured agreement with Private Off-takers in the commercial, mining and industrial markets. Financial Closure expected end Q4 2025 and COD end Q3 2026.

In the second half of 2025 we will investigate opportunities in Democratic Republic of the Congo (DRC), Rwanda and Namibia.

From end of 2026 / Q1 2027 we will start investigating the option of Hybrid Wind/Solar projects, which will drastically increase the Plant Load Factor of the projects, thereby increasing the economics of the projects.

Solar Rooftop Division

Even before I took over as CEO on the 1st of June 2024 I reached out to a very large number of CEO's and Directors of companies in South Africa to give them the background on ACES and what the company could do for them on Rooftop's and Battery Storage.

Although there has been no load shedding in South Africa for many months and the interest in these kinds of projects decreased somewhat my business development efforts nevertheless resulted in a large number of leads.

Although converting proposals into actual projects is often quite time consuming and one cannot expect to win all of them, I am confident that a considerable chunk of them will become reality, which will fill our work order book for the next 12 months.

I will obviously continue the business development efforts and every week further leads are being added.

The additional advantage of considerably growing our Rooftop business is that these projects come with 3-year Operations, Maintenance & Service (OMS) contracts which gives us a further steady income.

Fund Raising & Financial Situation

With regard to the financial situation of the company the following is noteworthy:

•For signing exclusivity equity deals with equity funders on the Cullinan project we aim to receive initiation fees which will further strengthen our cashflow position.

•We have received interest from possible investors in ACES for which we have prepared a placement document, to be approved by the Stock Exchange of Mauritius.

•We are in advanced discussions with regard to the sale of the Ravenna project.

•From the large Rooftop proposal pipeline, we are developing we will only include a small portion of this in our cashflow.

•At Financial Closure on the Cullinan Project which is scheduled post the Fiscal Year 2025 we will receive a substantial amount of money through Development Fees which is paid out of the Project.

Through the combination of the above-mentioned funds, we not only will have a considerable improved cashflow position and clear the largest part, if not all, of our debt but also will be able to fund the development of our 2nd phase projects.

I have full confidence in the financial stability of the company going forward and am convinced that the Fiscal Year 2025 will proof to be a milestone year in the development of ACES Renewables.

DocuSigned by:

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Frans Visscher
Chief Executive Officer

23 April 2025

PROJECTS

Since the relaxation of the energy requirement in South Africa and introducing the short-term strategy in SACE Projects last year, and focusing on the short-term cashflow strategy, we offer tailor made energy saving solutions to commercial, industrial, office blocks, schools, farms, and mines, by way of paid up or power purchase agreement solution.

Rooftop Solar PV &Hybrid Installation

Successfully completed

365 kW PV installation at P L Steel

Hybrid installation at Eastgate Office Park

473 Kw PV installation at Growthpoint Properties

130.4kWhp 100kW Hybrid 300/240 Li-Ion BESS at Preparatory College

130.4kWhp 100kW Hybrid 300/240 Li-Ion BESS at Preparatory School

46.2kWp 30kW Hybrid 80/64kWh Li-Ion BESS at Kyalami Nursery

75.9kWp 50kW Hybrid 160/128kWh Li-Ion BESS at Kyalami Prep

Ground Mounted Solar PV Installation in progress

South Africa: Cullinan Solar PV Power Plant - a large-scale solar power plant, is in the final permitting phase. Situated in Cullinan, the 153 MW plant has secured agreements with off-takers for the generated energy and confirmed sufficient grid capacity from Eskom.

Ravenna Solar Power Plant in Benoni is advancing through the final permitting stages. With a capacity of 10 MW, this small-scale plant has confirmed grid capacity through the City of Ekurhuleni Metropolitan Municipality (CEL) and is scheduled for FC and COD in 2025. Despite its smaller scale, the Ravenna project is vital in strengthening local energy resilience and demonstrates our agility in addressing diverse energy demands.

INVESTORS

As the South African energy market has opened up to the private sector the possibilities of the Group achieving its objective for 2024 has some what increased however, developing the new projects does take 12 to 16 months to complete and then construction takes a further 12 to 18 months. The company finances the entire development through it own resources and once the project reaches financial closure, a substantial development fee is paid to the company and a further shareholding in the project is financed through some of the development fee and part through a carry in the project. 2024 saw the development of the 153MW and 10MW solar project to reach financial closure in 2025. This will give the company strong cash flow to develop the second phase with huge improvement on cash flow, dividend payment to shareholders and positioning the company in the renewable energy market. The company has formed strong relationships with debt funders and have the funders support to follow the company to other African countries. All though the share last traded at USD 76 cents, investors have confidence and a recent investment through a placement of shares at USD 84 cents proves the confidence in management and the new strategy adopted.

ACES Renewables investors can expect:

- Internal Rate of Returns from 12% to 16%, depending on country and technology;
- Income is denominated in USD currency in all African countries but South African Rands in South Africa;
- Sustainable returns over duration of operations of projects;
- Be part of upliftment of communities, empowering women, cleaning environment while earning a good return.
- Dividends as the projects switch on and produce cashflow through the sale of the energy

HUMAN RESOURCES

As the company is developing further projects it has needed to increase its technical expertise:

The South African operations promoted Tumelo Lekalakala to Operations Director and has recruited new members of the Technical Team.

These roles will assist with our local commercial pipeline, together with investigating and researching new opportunities.

The company has grown and while developing further it will need to increase its legal and technical expertise.

REVIEW OF RESULTS

During the development phase of the two solar projects in SA, the group deployed development capital and as a result the 2024 period has seen an increase of capital deployed with limited cash receivables. As our projects are in the final development stage the need to utilize cash for the two projects, are limited and once the development fees are received from the two projects the cash flow will significantly improve allowing phase two development to kick off, that will improve long term free cash flow.

The company will continue with it efforts to raise new equity finance to provide it with the platform to meet the financial close requirements of our second phase projects and continue to develop further projects.

As is the case with long term projects such as our South African, Ugandan, Zambia and Kenyan plants, the Company's profitability will increase once each of the projects reach financial close.

During the year limited income was generated, from its subsidiaries and associates in the form of management fees received, from the rooftop business in SA. This will continue as we move forward and increase as the projects roll out.

The Directors are happy with the post 2024 events in the group, as the new strategy and aligned management will proof very strong results over the next 5 years.

General Information

Director	Melvyn Joseph Antonie (Resigned 31 July 2024) Johan David Kruger (Appointed 8 December 2017) Toorisha Nakey−Kurnauth (Appointed 8 December 2017) Gaetan Michel Siew Hew Sam (Appointed 6 November 2018) Antoine Kon−Kam King (Appointed 28 August 2019) Andrew Lloyd Cox (Resigned 24 September 2024) Frans Visscher (Appointed 09 February 2024)
Registered Office	Intercontinental Trust Limited Level 3, Alexander House 35 Cybercity Ebène, 72201 Mauritius
Company Secretary	Intercontinental Trust Limited Level 3, Alexander House 35 Cybercity Ebène, 72201 Mauritius
Auditors	BDO & Co Chartered Accountants 10, Frère Félix de Valois Street Port Louis Mauritius
Bankers	AfrAsia Bank Limited Bowen Square 10, Dr Ferriere Street Port Louis Mauritius Capitec Bank Limited 142 West Street Sandown Johannesburg South Africa
SEM authorised representative and SEM sponsor:	Perigeum Capital Ltd Level 3, Alexander House 35 Cybercity Ebène, 72201 Mauritius

General Information

Legal adviser	C&A Law Level 1 Alexander House 35 Cybercity Ebène, 72201 Mauritius

Director's Report

Commentary of the directors

The directors are pleased to present their report together with the audited financial statements of Africa Clean Energy Solutions Limited ("the Company" or "ACES Renewables") and its subsidiaries (collectively "the Group") for the year ended 30 June 2024.

Incorporation

Africa Clean Energy Solutions Limited, referred to as the "Company", was incorporated in the Republic of Mauritius on 8 December 2017 under the Companies Act 2001 as a private company limited by shares. The Company has, by special resolution, converted itself into a public company on 7 March 2018. The Company holds a Global Business Licence issued by the Financial Services Commission. On 31 May 2019, the Company was listed on the Stock Exchange of Mauritius Limited.

Principal Activity

The principal activity of the Company is to provide clean energy solutions through its subsidiaries, joint ventures and associates.

The subsidiaries are namely:

	% Effective Holding		Country of incorporation
Name	**Direct**	**Indirect**	**and operation**
Africa Clean Energy Solutions (ACES) Limited	100	–	England
Tana Biomass Generation Limited	–	70	Kenya
Tana Solar Limited	–	70	Kenya
VFU – Clean Energy Limited	–	70	Zambia
SACE Projects (Pty) Ltd	56.6	–	South Africa
SA Clean Energy Finance (Pty) Ltd	100	–	South Africa
Unergy Limited	–	75	Uganda
Ravenna Energy (Pty) Ltd	–	42.5	South Africa
Cullinan Energy (Pty) Ltd	–	56.6	South Africa

During the year under review, SACE Projects (Pty) Ltd has set up two subsidiaries namely Ravenna Energy (Pty) Ltd (Holding: 75%) and Cullinan Energy (Pty) Ltd (Holding: 100%). In December 2024, SACE Projects (Pty) Ltd, in a process of signing a sale agreement to sell 100% of Ravenna Energy (Pty) Ltd for R8 million. An agreement for the sale of 10% equity in Cullinan Energy (Pty) Ltd for R8 million was also signed. SACE Projects are in advanced discussions with a number of potential equity funders on selling 90% equity in Cullinan Energy (Pty) Ltd and retaining 5% minimum equity in the project.

Sturrock Investments, an associate company in Namibia was only formed to quote for a tender. We were unsuccessful in obtaining this tender. The company was handed over to the local partner in Namibia at no cost.

Review and Dividend

The results of the Company for the year ended 30 June 2024 are as shown in the statement of profit or loss and other comprehensive income.

The directors did not approve any payment of dividend for the year under review.

Auditors

BDO & Co, are the current auditors of the group of companies.

Corporate Governance Report

COMPLIANCE STATEMENT

Corporate governance is a system of structuring, operating and controlling a company and involves a set of relationships between all the company's stakeholders. Sound principles of corporate governance are essential to ensure fairness, integrity, transparency and to achieve a high level of stakeholders' trust and confidence in the organisation.

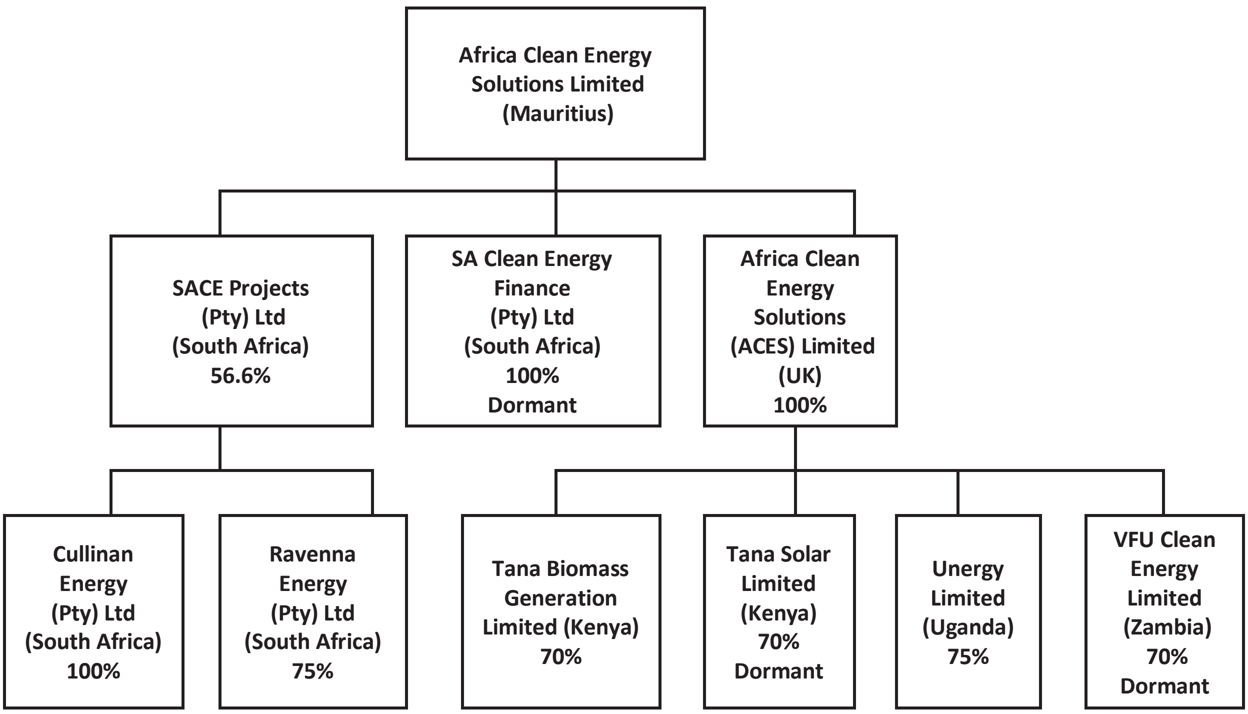
Africa Clean Energy Solutions Limited (the "Company" or "ACES Renewables") was incorporated in Mauritius on 8 December 2017 and holds a Global Business Licence issued by the Financial Services Commission (the "FSC"). The Company is listed on the Official Market of the Stock Exchange of Mauritius Limited (SEM) since 31 May 2019.

Africa Clean Energy Solutions Limited, through its subsidiary companies, is a Renewable Energy Group and Independent Power Producer which focuses on the African continent where there is a compelling case for power generation. ACES Renewables focuses on developing, financing, building and owning projects for long term cash flow in USD. The Company is currently targeting growth in Kenya, South Africa, Uganda, Zambia and other business friendly jurisdictions. ACES Renewables is becoming a utility, operating renewable energy plants in Africa. ACES Renewables objective is to own and operate the projects in various countries and generate cash flow.

The Board of Directors of the Company recognises that The National Code of Corporate Governance for Mauritius (2016) (the "Code") is regarded as best practice and therefore uses its best endeavours to ensure that the principles of good corporate governance, as applicable in Mauritius, are fully adhered to and form an integral part of the way in which the Company's business is conducted. The Company also endeavours to apply the recommendations of the Code.

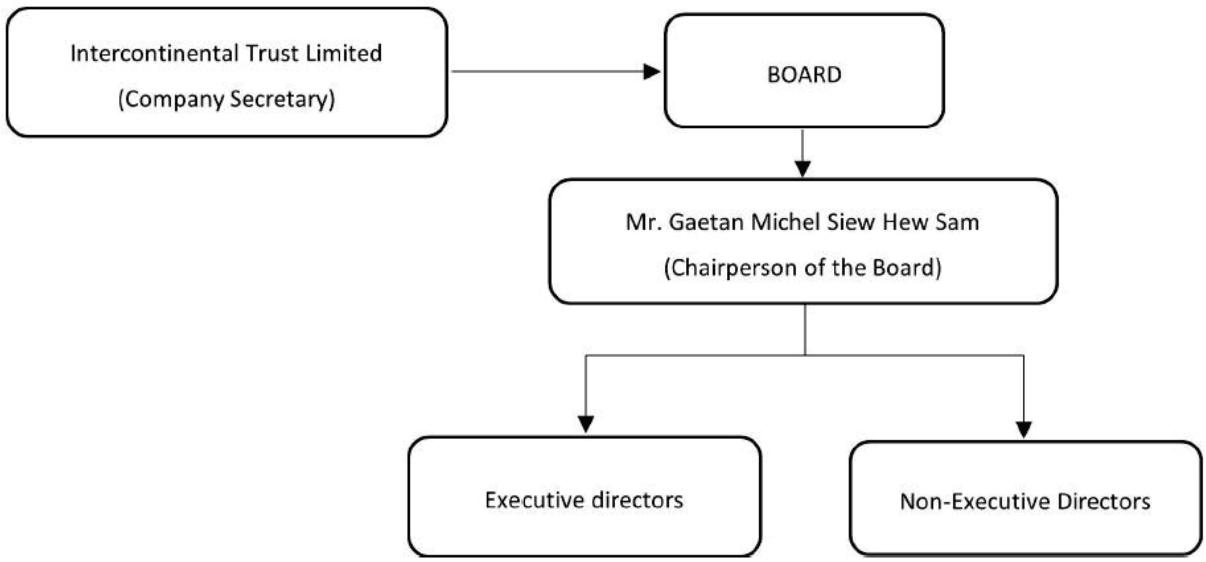
SHAREHOLDERS

Holding Structure



SHAREHOLDERS (CONTINUED)

Organisational Chart



Description of Subsidiaries' and Associates' Activities

Name of subsidiary or associated company	Activity
Africa Clean Energy Solutions (ACES) Limited	Provision of clean energy through its subsidiaries
Tana Biomass Generation Limited	Generating, operating and owning renewable energy power plants in Kenya
Tana Solar Limited	Dormant
Unergy Limited	Generating, operating and owning renewable energy power plants in Uganda
VFU–Clean Energy Limited	Dormant
SACE Projects (Pty) Ltd	Generating, operating and owning renewable energy power plants, and installing roof top solar solutions in South Africa
SA Clean Energy Finance (Pty) Ltd	Dormant
Ravenna Energy (Pty) Ltd	Engages in renewable energy projects
Cullinan Energy (Pty Ltd	Engages in renewable energy projects

SHAREHOLDERS (CONTINUED)
Common Directors

Mr. Johan David Kruger is a common director in the following subsidiary companies:

Johan David Kruger
Africa Clean Energy Solutions (ACES) Limited
Tana Biomass Generation Limited
Tana Solar Limited
VFU–Clean Energy Limited
SACE Projects (Pty) Ltd
Unergy Limited
Cullinan Energy (Pty) Ltd
Ravenna Energy (Pty) Ltd

Substantial shareholders

The following shareholders held more than 5% of the stated capital of the Company as at 30 June 2024:

Name of shareholder	Number of ordinary shares	% Holding
ITL Trustees Ltd as trustee of the Nemesis Trust	5,336,531	17.61%
ITL Trustees Ltd as trustee of the Topolino Trust	6,294,537	20.58%
ITL Trustees Ltd as trustee of the Wenda Trust	4,331,558	15.17%
South Africa Clean Energy Solutions Limited	2,000,000	6.53%

Shareholders' Agreement affecting governance of the Company by the Board

During the year under review, the Company has not entered into any Shareholders' Agreement.

Dividend Policy

The Company intends to pay dividends to shareholders when it has surplus cash to do so. However, as the objective of the Company is long–term capital growth, there may be periods in respect of which dividends may be low or not paid at all. The amount of any dividend will be at the complete discretion of the board and will depend on a number of factors, including expectation of future earnings, capital requirements, financial conditions, future prospects, laws relating to dividends and other factors that the board deems relevant.

Notwithstanding the above, and subject to the SEM Rules, the Company in a general meeting may declare dividends but may not declare a larger dividend than that declared by the directors.

No dividend shall be declared and paid except out of retained earnings and unless the directors determine that immediately after the payment of the dividend:

(i) The Company will be able to satisfy the solvency test in accordance with Section 6 of the Mauritius Companies Act; and
(ii) The realisable value of the assets of the Company will not be less than the sum of its total liabilities, other than deferred taxes, as shown in the books of account, and its capital.

SHAREHOLDERS (CONTINUED)
Dividend Policy (Continued)

No dividend has been declared for the year under review.

No shares of the Company are currently in issue with a fixed date on which entitlement to dividends arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.

APPLICATION OF THE CODE OF CORPORATE GOVERNANCE

The Board assessed its corporate governance in terms of the eight corporate governance principles:

PRINCIPLE 1: GOVERNANCE STRUCTURE

The Board is ultimately accountable and responsible for the performance and affairs of the Company, whilst meeting the appropriate interests of its shareholders and stakeholders. To achieve this, the Board is responsible for establishing the objectives of the Company and setting a philosophy for investments, performance and ethical standards. In addition, the Board ensures that the Company complies with the relevant rules and regulations. Quarterly board meetings are held every year.

The Board collectively considers and implements the measures in respect of the Code and this is further strengthened by the presence of independent intermediaries like Auditors, who act as additional safeguards in meeting this principle. The main objects and functions of the Board are inter alia to:

- determine, agree and develop the Company's general policy on corporate governance in accordance with the Code;
- prepare the Corporate Governance Report; and
- review the terms and conditions of all service agreements between the Company and its service providers.

The Board acknowledges that it should lead and control the organisation and be collectively responsible for its long−term success, reputation and governance. In so doing, the Board assumes responsibility for meeting all regulatory and legal requirements.

The Board is responsible and accountable for all decisions of the Company where the duties of the directors are carried out in line with the Mauritian Companies Act 2001. The Company has delegated the day−to−day administrative functions to its Management Company and Company Secretary.

The Board is governed by its constitution which sets out the powers and duties of the directors, proceedings, operation and governance of the Board as well as the rules and regulations which it needs to abide along with other local laws and regulations. It has also adopted a board charter which sets out the composition, responsibilities, duties, procedures, powers, authority and accountability of the Board of Directors of ACES Renewables ensuring that the company's governance processes and structures comply with the Mauritius Code of Corporate Governance and international best practice. The Company also adopted a code of ethics at the board meeting held on 30 September 2019.

The Company's organisational chart is commensurate with the sophistication and scale of the organisation. The Company has five directors in appointment.

The Board is satisfied that it has suitably discharged its responsibilities for the year under review, in respect of corporate governance.

The Company is committed to providing shareholders and its stakeholders with timely and relevant information. The Company has designed a website which can be accessed at www.acesrenewables.com. The website provides access to information about the Company as well as investor relation information.

PRINCIPLE 1: GOVERNANCE STRUCTURE (CONTINUED)

Role of the Chairperson, Chief Executive Officer, Non-Executive and Independent Directors

The Board is headed by the Chairperson, Mr. Gaetan Michel Siew Hew Sam, an independent non−executive director. The role and function of the Chairperson is to preside over meetings of directors and to ensure that appropriate time is spent on the key issues facing the Company. The Chairperson ensures that:

- The Board meetings are chaired in an effective manner;
- Minutes of Board and Committee meetings are kept;
- The Committees function properly;
- The performance of the Board members is evaluated every year and they address any problems;
- Internal disputes and conflicts of interest concerning individual Board members and the possible resignation of such members as a result thereof are addressed; and
- The Board has proper contact with the executive members.

Given that the Chairperson has no directorship in other listed companies, he has sufficient time devoted to the Company. The Chairperson ensures that the corporate strategy and the related execution are aligned with operational efficiencies. He is also responsible for ensuring that the Directors receive accurate, timely and clear information and he encourages the active participation of all Board members in discussions and decisions. With his experience and strong knowledge of the Company, the Chairman is in an excellent position to oversee the affairs of the Company while ensuring that value is being created for all stakeholders.

The roles of the Chairman and Chief Executive Officer are separate and each of them has clearly defined responsibilities. These ensure a proper balance of power, increased accountability and greater capacity of the Board for independent decision−making.

The board has appointed Mr. Frans Visscher as Chief Executive Officer effective as from 1st June 2024. He will be responsible for the executive management of the Company's operations and for developing the long−term strategy and vision of the Company. He will also ensure effective communication with the stakeholders.

Non−executive and independent directors play a vital role in facilitating the exercise of independent and objective judgement on corporate affairs and to ensure that constructive discussion takes place on key issues. All directors are bound by fiduciary duties and duties of care and skill.

PRINCIPLE 2: STRUCTURE OF THE BOARD AND ITS COMMITTEES

Board Composition

The Board has a unitary structure and comprises of three executive directors, one non−executive director and two independent non−executive directors. The independence of the non−executive members is determined as per the Code. The roles of the Chairman and the CEO are separate to ensure balance of power and authority. There are currently two resident directors from Mauritius and one female director on the Board. Board appointments are made upon recommendation of the Corporate Governance committee, which is responsible for the nominations and appointments. Board appointments are done through a transparent selection process, which ensures the right balance of skills, experience and competencies in order to achieve the objectives of the Company. The Directors do not have a relationship with the majority shareholders of the Company. Given the current geographical spread of the markets, the size and activity of the Company, the Board is of the view that it is of sufficient size and balanced.

PRINCIPLE 2: STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTINUED)
The Board of Directors and Structure

Name & Date of Appointment	Gender	Country of Residence	Designation	Directorship in other listed companies
Frans Visscher (1 June 2024)	M	The Netherlands	Executive Director and Chief Executive Officer	None
Johan David Kruger (8 December 2017)	M	South Africa	Executive Director and Chief Operational Officer	None
Antoine Kon–Kam King (28 August 2019)	M	Mauritius	Independent Non–executive Director	None
Gaetan Michael Siew Hew San (6 November 2018)	M	Mauritius	Independent Non–executive Director	None
Toorisha Nakey–Kurnauth (8 December 2017)	F	Mauritius	Non–Executive Director	None

The committees are as follows:

Sub-committee	Members appointed
Audit and Risk Committee	• Mr. Antoine Kon–Kam King (Independent Non–executive Director & Chairman) • Mrs. Toorisha Nakey–Kurnauth (Non–Executive Director)
Investment Committee	• Mr. Johan David Kruger (Executive Director & Chairman) • Mr. Gaetan Michael Siew Hew San (Independent Non–executive Director) • Mrs. Toorisha Nakey–Kurnauth (Non–Executive Director)
Corporate Governance Committee	• Mr. Antoine Kon–Kam King (Independent Non–executive Director & Chairman) • Mr. Gaetan Michel Siew Hew Sam (Independent Non–executive Director)

The names of all directors, their profile and their categorisation as well as their directorship details in listed companies are provided thereafter.

Directors Profile

Frans Visscher

Mr. Visscher was appointed CEO of the ACES Renewables group in June 2024.

Mr. Visscher is a Non-Executive Director of many of the companies of the Skeiron Group, a Group active in Renewable Energy, Hydrogen & Ammonia, Infrastructure, Logistics and Real Estate.

He has been active in the Renewable Energy space for more than 15 years.

Previously he worked in various senior positions at Executive Committee level for Suzlon Energy Ltd, a global Renewable Energy company active in building large wind energy projects in many countries across 5 continents.

He, for a number of years was Vice Chairman of RePower, later renamed Senvion, a German based Renewable Energy company active in large offshore wind energy projects in EU and North America.

He had and still has a range of non- executive board positions and advisory positions across different industries and markets, including Private Equity companies.

PRINCIPLE 2: STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTINUED)
Directors Profile (Continued)

JOHAN DAVID KRUGER
(South African, Executive Director)

Mr. Kruger co-founded South Africa Clean Energy Solutions Limited in 2007 to take advantage of the growing renewable energy market. In 2017 the Group was restructured, and ACES Renewables was formed in Mauritius. ACES Renewables became the holding company.

Mr. Kruger previously managed a successful commercial property development company in South Africa. Mr. Kruger is responsible for the negotiations of the Group business partners in Africa, including negotiations with government. He has more than 14 years of experience in the renewable energy industry and has concluded numerous projects in Africa, as well as the commissioning of two solar plants in Namibia.

ANTOINE KON-KAM KING
BA, FCA, MBA, FMIoD
(Mauritian, Independent Non−executive director)

Mr. King has worked as a Senior Manager and Advisor internationally in Kenya, USA, China and UK on Projects, Finance, Administration, Strategic Planning and Organisational Development. Mr. King has worked as a supervisor at Deloitte, London and as a consultant to listed companies on Strategy and Finance at the London Business School. From 1993−1998, Mr. King was Deputy Representative at UNDP China Office, 1998−2003 as Senior Planning Advisor of the UNDP Bureau of Management, UNDP New York. From 2003−2012, Mr. King was Director of Programme Planning, Finance and Administration at UN−Habitat, Nairobi. He is currently an Independent Board Member and Chairperson of the Audit and Risk Committee at Jubilee Allianz General Insurance (Mauritius) Ltd, Director of Antela Consulting, Board Member and Past President of the Chinese Business Chamber, and President of We−Recycle. He is also currently a member of the Audit Committee Forum of the Mauritius Institute of Directors (MIOD).

GAETAN MICHEL SIEW HEW SAM
(Mauritian, Independent Non−executive Director)

Mr. Siew was president of the International Union of Architects and Secretary General of the African Union of Architects. He is an avid world traveller, having experienced over 500 cities across 105 countries, mostly in Africa. For his contributions to the Architectural and Urban world, Mr. Siew was awarded several honorary membership and fellowships and elevated to the rank of Grand Officer of the Order of the Star and Key of the Indian Ocean by the Government of Mauritius. He also elevated to the ranks of Chevalier de l'Ordre National du Mérite, and de l'Ordre des Arts et des Lettres by the French Republic.

Mr. Siew has been a Board Director of Futures Cities UK, the chairperson of State Land Development Company (Smart Mauritius) and the chairperson of Construction Industry Board. He is currently the chairperson of the Port Louis Development Initiative and Special Envoy for UN Habitat. Mr Siew advocates for sustainable approaches towards urbanism aimed to socially and economically regenerate urban fabrics.

PRINCIPLE 2: STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTINUED)
Directors Profile (Continued)

TOORISHA NAKEY-KURNAUTH
B.Sc (Hons)
(Mauritian, Non−executive Director)

Mrs. Nakey−Kurnauth joined Intercontinental Trust Limited ("ITL") in the year 2008 and is currently Manager in the Listing Division of ITL. She oversees the operation of the listing team and advises clients on incorporation of companies, attends board meeting and advises the board with regards to company secretarial and corporate governance matters and ensures compliance with ongoing obligations in relation to regulatory matters and is the direct point of contact for clients.

She also worked in the Fund administration department for five years where she gained extensive experience by administering fund structures. She advised clients on the fund structures, reviewed fund documents and was also involved in fund accounting. Over the years, Toorisha has gained experience to manage people and to service clients. She has attended several seminars, conferences and workshops in relation to leadership, presentation skills, company secretarial matters, AML/CFT and compliance with ongoing SEM obligations. She also acts as director and MLRO for several companies under her administration.

Toorisha graduated from the University of Mauritius with a B.Sc (Hons) in Finance with Law.

Board Meetings

The Board meetings are held once each quarter and at any additional times as the Company requires. Decisions taken between meetings are confirmed by way of resolutions in writing, agreed and signed by all directors then entitled to receive notice.

The Board meetings are conducted in accordance with the Company's Constitution and the Mauritius Companies Act 2001 and are convened by giving appropriate notice to the directors. Detailed agenda, as determined by the Chairman, together with other supporting documents are circularised in advance to the directors to enable them to participate meaningfully in the decision−making process and make informed deliberations at Board meetings. In order to address specific urgent business needs, meetings are at times called at shorter notice. Furthermore, the directors have the right to request independent professional advice at the Company's expense.

A quorum of three (3) directors is currently required for a Board Meeting of the Company and in case of equality of votes, the Chairman does not have a casting vote.

A director of the Company who has declared his/her interest shall not vote on any matter relating to a transaction or proposed transaction in which he/she is interested and shall not be counted in the quorum present for the purpose of that decision.

PRINCIPLE 2: STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTINUED)

Board Meetings (Continued)

A list of directors' interests is maintained by the Company Secretary and is available to shareholders upon request to the Company Secretary. The directors confirm that the list is correct at each quarterly Board meeting.

During the year under review, the Board met four (4) times. Decisions were also taken by way of resolutions in writing, agreed and signed by all directors then entitled to receive notice of the meeting.

The minutes of the proceedings of each Board meeting are recorded by the Company Secretary, Intercontinental Trust Limited and are entered in the Minutes Book of the Company. The minutes of each Board meeting are submitted for confirmation at the next meeting and these are then signed by the Chairman.

Board Committees

The audit and risk committee, investment committee and corporate governance committee have been set up to assist the Board in the effective performance of its duties. All the committees are governed by their charters which have been approved by the board of directors and the charters will be made available on the website of the Company. As the focal point, the Board is ultimately responsible and accountable for the performance and affairs of the Company. Committees are a mechanism for assisting the Board and its directors in discharging their duties through a more comprehensive evaluation of specific issues. Delegating authority to Board committees or management does not in any way absolve the Board of its duties and responsibilities.

Investment Committee

The Investment Committee is a committee of the Board of Directors of the Company established to assist the Board in discharging its responsibilities as follows:

- The Committee shall set investment policies, subject to approval of the Board and guidelines;
- The Committee shall review and make recommendations to the Board regarding:
  - the investment policies and guidelines, their implementation, and compliance with those policies and guidelines
  - advising the Operations team, who manage the day to day operations, on debt and/or loan structures;
  - risk management with regard to investment activities.
- The Committee shall review the performance of the local Project Managers, and shall in appropriate circumstances recommend to the Board the termination of the services of the Project Managers, and the appointment of any other external managers, in conjunction with the Operations team.
- The Committee shall help the Board to ensure that responsible investment is practiced by the Company to promote good governance and creation of value by the projects and countries in which the Company invests.
- The Committee will set the direction for how responsible investing will be approached and conducted by the Company. The Committee shall therefore assist the Board in approving a policy that articulates the Company's direction on responsible investment. This policy should provide for the adoption of a recognised responsible Investment code, principles and practices.
- The Committee shall assist the Board in holding any outsourced service providers accountable for complying with the responsible investment principles incorporated in the Company's Investment Principles. To give effect to this, the Committee will from time to time consider reports from the outsourced providers regarding their compliance with the responsible Investment Principles.

The Committee shall meet as and when there are investment opportunities to be discussed. The Committee's responsibilities and duties are governed by the Investment Committee charter that was approved by the Board and which will be reviewed at least each year. The Committee shall provide feedback to the Board following all meetings.

PRINCIPLE 2: STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTINUED)

Audit and Risk Committee

The Audit and Risk Committee is a committee of the Board of Directors of the Company established to assist the Board in discharging its responsibilities as follows:

- The Committee shall review the quality and integrity of the financial statements of the Company, including its annual and interim reports and any formal announcement relating to the Company's financial performance;
- The Committee shall report to the Board on significant financial reporting issues and judgements which these financial statements contain having regard to matters communicated to the Committee by the auditor;
- The Committee shall review and challenge where necessary:
  - Any changes to significant accounting or significant adjustments resulting from the audit;
  - compliance with accounting standards, local and international, compliance with stock exchange and legal requirements;
  - methods used to account for significant or unusual transactions where different approaches are possible;
  - whether the Company has followed appropriate accounting standards and made appropriate estimates and judgements taking into account the views of the external auditor;
  - the basis on which the Company has been determined a going concern;
  - capital adequacy and internal controls;
  - compliance with the financial conditions of any loan covenants.
- The Committee shall be responsible for monitoring and evaluating the operational, financial and strategic risk of the Company.

The Committee shall meet at least four times a year. The Committee's responsibilities and duties are governed by the Audit Committee charter that was approved by the Board and which will be reviewed at least each year. The Committee provides feedback to the Board following all meetings.

Corporate Governance Committee

The Corporate Governance committee is a committee of the Board of Directors of the Company established to assist the Board in discharging its responsibilities as follows:

- To determine, develop and recommend to the Board the company's general policy on Corporate Governance in accordance with the Code of Corporate of Mauritius;
- To ensure that the reporting requirements on Corporate Governance, on an ongoing basis, are in accordance with the principles of the Code;
- To ensure that an adequate process is in place for the Board;
- To monitor the ethical conduct of the Company, its executives and senior officials;
- To review and recommend the implementation of structures and procedures to facilitate the Board's independence from management;
- To give recommendations on any potential conflict of interest or questionable situation of a material nature;
- To develop Charters for any new Committees established by the Board and review the Charters of each existing Committee and recommend any amendments or elimination to the Charters or Committees;
- To review all related party transactions and situations involving Board members and refer where appropriate to the Board or the shareholders general meeting;
- To regularly review the structure, size and composition (including skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes;
- To give consideration to succession planning for directors and senior executives, taking into account the challenges and opportunities facing the Company, and future expertise needed;
- To make recommendations for membership of the Audit and Risk Committee and Investment Committee, and any other Board Committees as appropriate in consultation with the Chairperson of those Committees to the Board;

PRINCIPLE 2: STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTINUED)

Corporate Governance Committee (Continued)

- To make recommendations for the re−election, by shareholders, of directors or the retirement by rotation, having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required and the need for progressive refreshing of the Board;
- To within the terms of the agreed Remuneration Policy and in consultation with the Chairperson and or/the CEO, determine specific remuneration packages of the Board and senior management, including bonuses, incentive payments and share options or other share awards;
- To ensure the objective of the Remuneration Policy shall be to attract, retain and motivate executive management of the quality required to run the Company successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders. The Remuneration Policy should have regard to the risk appetite of the Company and alignment to the Company's long term strategic goals;
- To review the on−going appropriateness and relevance of the Remuneration Policy.

The Committee shall meet at least once a year. The Committee's responsibilities and duties are governed by Corporate Governance Committee charter that was approved by the Board and which will be reviewed at least each year. The Committee provides feedback to the Board following all meetings.

Board Attendance at meetings

The Board meets as and when required to discuss routine and other significant matters to ensure that the directors maintain overall control and supervision of the Company's affairs.

The following table gives the record of attendance at Board meetings and Committee meetings of the Company for the year under review:

	Board Meeting	Audit and Risk Committee	Corporate Governance Committee	Investment Committee
Frans Visscher	-	-	-	-
Andrew Lloyd Cox (resigned on 24 September 2024)	4/4	N/A	N/A	N/A
Melvyn Joseph Antonie (resigned on 31 July 2024)	4/4	N/A	1/2	2/2
Johan David Kruger	4/4	N/A	N/A	2/2
Antoine Kon−Kam King	4/4	5/5	2/2	N/A
Gaetan Michael Siew Hew San	4/4	N/A	2/2	2/2
Toorisha Nakey−Kurnauth	4/4	5/5	N/A	2/2

Contracts of Significance

During the year under review, there was no contract of significance to which the Company was a party and in which a director of the Company was materially interested either directly or indirectly, except as disclosed otherwise.

Directors' interest in the share capital of the Company as at 30 June 2024

Dealing in the Company's securities by directors is regulated and monitored as required by the SEM listing rules. The directors follow the principles of the model code on securities transactions by directors as detailed in Appendix 6 of the SEM Listing Rules.

PRINCIPLE 2: STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTINUED)
Directors' interest in the share capital of the Company as at 30 June 2024 (Continued)

Directors shall act in the best interest of the Company and its business, taking into consideration the interests of the stakeholders. The directors shall consider addressing any conflicts of interest issues between the Company and members of the Board. Any conflict of interest or potential conflict of interest shall be reported to the Chairperson of the Board and all relevant information shall be provided. A register of directors' interests is maintained by the Company Secretary. The interests' register is available to shareholders upon written request to the Company Secretary.

The directors' interests in the shares of the Company as at 30 June 2024 are as follows:

Directors	Direct Holding	Indirect Holding	Total Shares Held
Frans Visscher			
Andrew Lloyd Cox (resigned	160,000	-	160,000
Melvyn Joseph Antonie (resigned	5	5,385,531	5,336,536
Johan David Kruger	5	6,294,537	6 294 542
Antoine Kon–Kam King	-	-	-
Gaetan Michael Siew Hew San	-	-	-
Toorisha Nakey–Kurnauth	-	-	-

As per the SEM approval letter, the shareholders of ACES Renewables whose names appear in the share register as at 28 May 2019 are not allowed to dispose during the first two years of listing, of more than 10% of their initial shareholding in the Company.

Company Secretary

Intercontinental Trust Limited (ITL) is a suitably qualified, experienced and competent company secretary that is appropriately empowered to fulfil duties and provide assistance to the Board.

The Company Secretary is responsible to the Board for ensuring that procedures and regulations are complied with and that directors are conversant with their duties and responsibilities. The Company Secretary provides the Board as a whole and directors individually with detailed guidance on the discharging of their responsibilities in the best interest of the Company.

The Board has considered the competence, qualifications and experience of the company secretary, and deemed it fit to continue in the role as company secretary for the Company.

The Company Secretary also acts as Secretary to the different board committees.

The Company Secretary is subject to annual evaluation by the Board.

PRINCIPLE 3: DIRECTOR APPOINTMENT PROCEDURES
Director Appointment Procedures

The Board, through the Corporate Governance Committee, follows a rigorous, formal and transparent procedure to select and appoint new directors. The Corporate Governance Committee leads the process according to the Company's Constitution and makes recommendations to the Board.

Shareholders are ultimately responsible for electing or removing Board members upon recommendation of the Corporate Governance Committee. The directors have been appointed by the Board and submitted themselves for re–appointment at the Annual Meeting. Board members are selected to achieve a mix of skills and knowledge appropriate to the Company's business.

PRINCIPLE 3: DIRECTOR APPOINTMENT PROCEDURES (CONTINUED)

Succession Planning

The directors identified that suitable succession plans should be put in place in order to ensure progressive refreshing of the board. The Board is of the view that given the nature of the business, it is not imperative to have individuals with specific skills. Therefore, it should not be an issue to find new members to replace existing ones, if required.

Board Orientation and Induction

The Company has put in place procedures to ensure that newly appointed directors receive an induction upon joining the Board to familiarise them with the Company's operations, senior management and its business environment and to induct them in their fiduciary duties and responsibilities.

The Chairperson arranges for a meeting with any new director to brief on the company's activities and governance requirements and expectations. All new directors participate in an induction and orientation process. The Corporate Governance Committee assumes the responsibilities for succession planning and shall make recommendation to the Board accordingly. The Board shall review the professional development and ongoing education of directors as from the next financial year.

Professional Development and Training

Directors are encouraged to keep themselves up to date with the latest workplace trends and professional development. The Board conducts annual reviews to identify areas where the Board members require further training or education.

PRINCIPLE 4: DIRECTOR DUTIES, REMUNERATION AND PERFORMANCE

The directors of the Company are aware of their duties under the Companies Act 2001 and the Constitution of the Company and exercise sufficient care, diligence and skills for the good conduct of the business. The Board meets regularly (frequency depending on nature of business and operations) to discuss and approve the Company's operational, regulatory and compliance matters. The directors are provided appropriate notice and materials to help them in their decision−making.

Directors' interests

Directors inform the Company as soon as they become aware that they have an interest in a transaction. The Company Secretary keeps a register of directors' interests and ensures that the register is updated regularly. The interest register is available to the shareholders of the Company upon request to the Company Secretary.

Directors' Remuneration

Non-Executive directors	Directors Remuneration (USD)
Gaetan Michael Siew Hew San	USD 12,000
Antoine Kon−Kam King	USD 9,000

The salaries of the executive directors during the year are as follows:

Executive directors	Salary (USD)
Frans Visscher	USD 10,000
Andrew Lloyd Cox (resigned)	USD 182,500
Melvyn Joseph Antonie (resigned)	USD 130,500
Johan David Kruger	USD 184,000

PRINCIPLE 4: DIRECTOR DUTIES, REMUNERATION AND PERFORMANCE (CONTINUED)
Directors' Remuneration (Continued)

The directors have not received remuneration in the form of share options or bonuses associated with the Company's performance. The director fees for the non−executive are included in the fees paid to the Company Secretary, i.e. Intercontinental Trust Ltd.

Remuneration Philosophy

In relation to Remuneration the Corporate Governance Committee shall:

- Within the terms of the agreed Remuneration Policy and in consultation with the Chairperson and or/the CEO, determine specific remuneration packages of the Board and senior management, including bonuses, incentive payments and share options or other share awards.
- Ensure the objective of the Remuneration Policy shall be to attract, retain and motivate executive management of the quality required to run the Group successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders. The Remuneration Policy should have regard to the risk appetite of the Group and alignment to the Group's long term strategic goals.
- Review the on−going appropriateness and relevance of the Remuneration Policy.
- Oversee any major changes in employee benefits structures throughout the Group.
- Agree the policy for authorising claims for expenses from the directors.

Employee Share Option Plan

The Company does not have an employee share option scheme.

Related Party Transactions

The related party transactions have been set out in note 30 of these financial statements.

Board Evaluation and development

The Corporate Governance Committee conducted an evaluation exercise of the Board, the individual directors and the Audit Committee and the results were presented and discussed at the board meeting held on 9th February 2023. The Company Secretary used the survey method to conduct the evaluation process. Necessary measures will be taken based on the results of the evaluation.

The directors forming part of the Board of the Company, especially those who are members of Board Committees, have been appointed in the light of their wide range of skills and competence acquired through several years of working experience and professional background.

Directors' ethics and code of conduct

The Board of Directors is mindful of the interest of other stakeholders such as suppliers, clients and the public at large when running its operations and is committed to high standards of integrity and ethical conduct in dealing with them.

Furthermore, the Company and its employees must, at all times, comply with all applicable laws and regulations. The Company will not condone the activities of employees who achieve results through violation of the law or unethical business dealings. This includes any payments for illegal acts, indirect contributions, rebates, and bribery. The Company does not permit any activity that fails to stand the closest possible public scrutiny.

PRINCIPLE 4: DIRECTOR DUTIES, REMUNERATION AND PERFORMANCE (CONTINUED)
Directors' ethics and code of conduct (Continued)

All business conduct should be above the minimum standards required by law. Accordingly, employees must ensure that their actions cannot be interpreted as being, in any way, in contravention of the laws and regulations governing the Company's operations. Employees uncertain about the application or interpretation of any legal requirements should refer the matter to their superior, who, if necessary, should seek the advice of someone at the highest level of the Company's hierarchy.

The Company is committed to the highest standards of integrity and ethical conduct when dealing with all its stakeholders. This commitment, which is actively endorsed by the Board, is based on a fundamental belief that business should be conducted honestly, fairly and legally. Given the size and activity of the Company, it does not have a significant footprint with regards to environmental, health and safety and social issues. No reporting is therefore required.

Information policy

The Board is ultimately responsible for information and technology ("IT") governance. The Board relies on the IT framework of the different service providers.

The Company Secretary ensures that the correct information flows within the Board and provides accurate, timely and clear information to the Board as and when required. The Directors ensure strict confidentiality with respect to information obtained while exercising their duties. The Company Secretary keeps all records of the Company and has proper information technology policies in place. Accordingly, the Company places reliance on the controls implemented by the Company Secretary and deems that it is not necessary for the Company to have its own frameworks. Therefore, there is no cost associated to any expenditure by the Company on information technology.

The Directors ensure strict confidentiality with respect to information obtained and shared while exercising their duties.

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL

Risk management is the discipline by which risks are identified, assessed and prioritised. It is essential to understand the multiple dimensions of risks in order to manage them effectively, with the aim of increasing shareholder value.

The directors are responsible for maintaining an effective system of internal control and risk management. The Board confirms that there is an ongoing process for identifying, evaluating and managing the various risks faced by the Company.

Day to day activities are undertaken by the Secretary, ITL, which needs to ensure that the necessary structures, processes and methods for identifying and monitoring any risks are in place. Hence, the Company relies on the internal controls of ITL which is subject to an internal control review and reporting by external auditors. On a yearly basis, an ISAE 3402 Type II Audit is conducted and the latest report was issued on 6 March 2023.

The directors make an assessment of the Company's ability to continue as a going concern and same is disclosed in the financial statements every year.

Risk management is an integral part of the Company's strategic management and is the mechanism through which risks associated with the Company's activities are addressed. The key objectives of the risk management system include:

- the identification, assessment and mitigation of risks on a timely basis;
- the provision of timely information on risk situations and appropriate risk responses;
- the identification of potential opportunities which would result in increasing firm value; and
- the installation of a culture of risk management throughout the Company.

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Internal audit

The Board does not consider that the Company needs to have an internal audit function given the size and nature of its business. Internal audit work will be outsourced to external audit firms on an ad hoc basis should the Audit Committee deem it necessary.

Internal control and risk management

The Company recognises that proper risk management and internal control help organisations understand the risks they are exposed to, put controls in place to counter threats, and effectively pursue their objectives. They are therefore an important aspect of an organisation's governance, management and operations.

The Board has delegated to the Audit and Risk Committee (AC) its overall responsibility to translate its vision on risks management. In relation to Internal Control, the Audit and Risk Committee will:

1. Review the adequacy of the Company's systems of internal control, including internal financial control and business risk management and maintaining effective internal control systems;
2. Review the adequacy and security of the Company's arrangements for its employees and contractors to raise concerns about possible wrongdoing in financial reporting or other matters;
3. Review the Company's procedures and controls for detecting fraud and the prevention of bribery;
4. Review significant transactions not directly related to the Company's normal business as the Committee might deem appropriate;
5. Review and investigate cases of employee conflicts of interest, misconduct, fraud, bribery or any other unethical activity by employees or the Company;
6. Safeguard Company's assets against unauthorised use or disposal.

The Company will engage in the above mentioned internal controls during the financial year ending 30 June 2025.

The financial risks to which the Company is exposed to are disclosed in note 5.

Risk Category	Risk Description	Risk Mitigation
Capital and Investment Risk	The development of renewable projects through its subsidiary companies carry the investment risk of a loss of capital and there can be no assurance that the Company will not incur losses. Returns generated from the investments may not adequately compensate shareholders for the business and financial risks assumed. Many unforeseeable events, including actions by various government agencies and domestic and international economic and political developments may cause sharp market fluctuations which could adversely affect the Group's portfolios and performance both in the short and longer terms.	A comprehensive due diligence is conducted prior to investment in order to identify and potentially reduce the risk factor.

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Internal control and risk management (Continued)

Risk Category	Risk Description	Risk Mitigation
Energy, technology, location and infrastructure risks	In regard to the Biogas Project, the major risks are the quality and certainty of the feedstock.	In this regard, management has adopted a "ring fenced" strategy in terms of which the operating company will control the production of the feedstock and ensure that the project has enough buffer feedstock for a period of not less than six months. By providing the land to the farmer, the feedstock is exclusively provided to the project.
	With regard to the infrastructure, the major risks are transmission, connection and infrastructure equipment.	All transmission, connection and infrastructure requirements are addressed prior to the commencement of the project. This is identified in the feasibility study of the project. A transmission agreement is then signed with all the responsibilities and financial commitments allocated and accepted by the parties.
	Irradiation of the sun whose yield fluctuates from country to country and is also location specific in term of the best yield generated from the sun.	In reducing this risk, equipment is used to determine the best yield and location for the solar project.
Currency Risk	The Company invests in other jurisdictions other than Mauritius. For those investors whose base or home currency is not the same as the relevant foreign currency, there is a risk of currency loss if the USD depreciates against the investors' base currency.	The investments will be denominated predominantly in USD, and each project predominantly generates income in USD, thereby reducing currency risk.
Global Political, Economic and Financial Risk	As the Company invests in African countries, it could be exposed to adverse political, economic, environmental, social and financial events. The value of the investments could decline as a result of economic developments such as poor or negative economic growth, poor balance of payments data, high interest rates or rising consumer price inflation. A similar situation would prevail due to political instability in certain jurisdictions.	The Company will take reasonable steps to mitigate these risks, including political risk and other insurance cover.

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Internal control and risk management (Continued)

Risk Category	Risk Description	Risk Mitigation
Liquidity risk	The nature of the business of the Company is to invest and own a project until maturity of the contract. Although a market exists for such assets, it is dependent on the investors' appetite for a project of clean energy in a particular market. The cash flow from its projects (although in USD) tends to become positive some three to five years after final commencement date of the project. A value of a project increases significantly from the commencement date of operation, which should flow through to the share price of the Company. However the subsidiary company may not be able to sell a project if it is required to do so or to realize what it perceives to be fair value in the event of a sale.	The Company identifies the cash flow needs of a project in advance and provides a facility to meet future cash flow shortages. In addition the Company takes out MIGA and appropriate insurance policies to cover political and commercial risk to prevent a project cash flow shortage.
Leverage and financing risk	Although it is the intention not to leverage the Company above the 25% level, the underlying projects could have the effect that the Company may pledge its shares held in a particular SPV in order to raise funds for investment purposes. While leverage presents opportunities for increasing the total return of the Company, it has the effect of potentially increasing losses as well. Based on the debt to equity of 75:25% at the project level and 25:75% at the Company level, the consolidated level of gearing will not exceed 81.25%.	Based on the debt to equity of 75:25% at the project level and 25:75% at the Company level, the consolidated level of gearing will not exceed 81.25%.
Operational risk	As the Company's strategy is to own and operate its clean energy operations, operational risk needs to be aggressively managed. Operational failures could result in financial loss for the Company.	The Company takes out appropriate insurance cover and relies on the guarantees of the EPC and O&M providers.
Stakeholder risk	As the Company's main investment focus is in African countries, its stakeholder relationships need to be carefully managed in order to create the required value for all participants in projects and to manage contracts efficiently. Stakeholder relations could severely impact the viability and profitability of a project, if not managed appropriately.	The Company has created a detailed stakeholder risk assessment which is incorporated in its risk register.
Failure to integrate new acquisitions	Part of the Company's strategy is to make selective investments into renewable energy service providers. Successful integration of these businesses is affected by factors including the ability to integrate these acquisitions and to leverage off the existing human resource capital in the Company.	Prior to an acquisition a detailed due diligence is undertaken, including but not limited to the integration process.
Stock market risk	ACES Renewables share price/ market capitalisation value is subject to market changes and could decrease or increase in price based on the movement in global and local stock markets.	

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

Internal control and risk management (Continued)

In addition to the above, the Company relies on the Investment Committee which reviews all investments and acts as an additional layer in the investment decision process. The Board believes that this mitigates the risk associated with the business activity of the Company. The Company Secretary conducts regular file reviews on the Company.

The Board has established and maintains an effective compliance monitoring plan, policies, procedures and controls, as may be appropriate and effective to review its obligations under the Laws, the Rules and regulations, having full regard to the risk complexity and diversity of its clients and services. The Board has effective responsibility for compliance with the Rules, the Law and any other rules made under the Law.

The Board ensures that there are effective and appropriate policies, procedures and controls in place which allow the board to meet their obligations, with particular regard to the nature, size and complexity of the business and includes a requirement for sample testing of the policies and procedures to ensure that they are robust. When a review of compliance is discussed by the Board, at appropriate intervals, the necessary action is taken to remedy any identified deficiencies and to provide adequate resources to ensure that these are subject to regular monitoring and testing, as required.

Whistleblowing procedure

Having due regards to its size, the Board does not consider the need to have a whistleblowing procedure. It shall consider the merits of implementing a whistleblowing policy if the circumstances of the Company changes.

PRINCIPLE 6: REPORTING WITH INTEGRITY

The directors are responsible for preparing the audited financial statements of the Company that fairly present the state of affairs and financial position of the Company on a yearly basis in accordance with applicable law and regulations.

The Company recognises the importance of being a responsible corporate citizen and operating in a socially responsible manner. In so doing, the Company takes into consideration the economic, environmental, ethical, social, and health factors affecting the communities in which it operates. The Company has taken all measures to reduce any negative social and environmental impact of its operations. Further, the Board is committed to ethical behaviour in all its transactions.

The Company is committed to the general rules and regulations governing the health, safety and environmental issue. The Company has a high standard for environmental and social risk management and as such, invests only where environmental and social risks are considered and appropriately mitigated. The Company is committed to minimising any adverse effect of its operations on the health and safety of its employees and the community in which it operates.

The financial statements are prepared under IFRS, which is a generally accepted accounting principle by the FSC. A corporate governance report is included in the audited financial statements. The financial statements of the Company for the year ended 30 June 2024 will be filed with the FSC within the approved extension date 23 April 2025, after the Board's approval.

The quarterly unaudited financial statements of the Company have been released on the SEM website within 45 days from the closing date of each quarter and published on the Company's website. Since the Company has been deregistered as a Reporting Issuer, there is no requirement to file the quarterly unaudited financial statements with the Financial Services Commission in Mauritius.

The Company made no charitable or political donations during the year under review. There are no clauses of the Company's Constitution deemed material enough for separate disclosure.

PRINCIPLE 7: AUDIT

BDO has been appointed as auditors of the Company since incorporation in 2017. The auditors presented their report and the audit process to the Audit Committee. The Audit Committee has satisfied itself that the external auditors are independent, experienced in the audit of companies in the same line of business and have the necessary resources to undertake audits of such companies. The audit committee has discussed the accounting principles with the auditors. They have also provided services for the review of the business plan of the Company for listing on the Stock Exchange of Mauritius Limited. BDO will be considered for re−appointment at the annual meeting of shareholders.

In relation to the Audit & Risk Committee's meeting with the external auditor without management presence, same will be taken up at the upcoming Audit & Risk Committee meeting.

The Audit and Risk committee will oversee the relationship with the external auditor including:

1. Assessing annually their independence and objectivity taking into account relevant professional and regulatory requirements, including the provision of any non−audit services;
2. Satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the auditor and the organisation, other than in the ordinary course of business, which could adversely affect the auditor's independence and objectivity.

A key factor that may impair auditors' independence is a lack of control over non−audit services provided by the external auditors.

In essence, the external auditors' independence is deemed to be impaired if the auditors provide a service which:

- results in auditing of own work by the auditors;
- results in the auditors acting as a manager or employee of the Company;
- puts the auditors in the role of advocate for the Company; or
- creates a mutuality of interest between the auditors and the Company.

The Company addresses this issue through three primary measures, namely:

- disclosure of the extent and nature of non−audit services;
- the prohibition of selected services;
- prior approval by the audit committee of non−audit services.

Other safeguards encapsulated in the policy include:

- the external auditors are required to assess periodically, in their professional judgement, whether they are independent of the Company;
- the audit committee ensures that the scope of the auditors' work is sufficient and that the auditors are fairly remunerated;
- the audit committee has primary responsibility for making recommendations to the Board on the appointment, reappointment and removal of the external auditors.

The audit committee approved the external auditors' terms of engagement, scope of work, the annual audit and the applicable levels of materiality. Based on written reports submitted, the committee reviewed, with the external auditors, the findings of their work and confirmed that all significant matters had been satisfactorily resolved. The audit committee has satisfied itself as to the suitability of the external auditors for reappointment for the ensuing year.

Given the size, complexity and nature of the business, the Board is of the view that the Company does not need an internal audit function and hence no internal audit committee has been set up. The Board relies on the system of internal controls developed jointly by the company secretary and its advisor as well as the external audit that is conducted annually.

PRINCIPLE 7: AUDIT (CONTINUED)

Auditors' Remuneration

The fees payable (exclusive of VAT) to the auditors of the Company for audit services are as follows:

	2024 USD	2023 USD
Audit fees	49,000	42 700
At 30 June	49,000	42 700

PRINCIPLE 8: RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

The Board of Directors places great importance on clear disclosure, open and transparent channel of communication with all its shareholders. It endeavours to keep them regularly informed on matters pertaining to and affecting the Company.

Through the Company's website namely www.acesrenewables.com, information is provided to all stakeholders on the activities of the Company. The policies and documents required by the Code will be made available on the website when releasing the annual report.

The annual meeting of the shareholders of the Company will be held by end of May 2025. Shareholders are strongly encouraged to attend the Company's Annual Meeting, which provides an opportunity for the latter to raise and discuss matters with the Board relating to the Company's performance and also to keep abreast of the overall strategy and goals.

The Chairman, Chief Executive Officer and other Board members assist at the Annual Meeting and invite Shareholders to put questions on different aspects of the Company's activities and directions the business will take in the future.

The Annual Report, including the Notice of the Annual Meeting of shareholders, is sent to each shareholder of the Company and published on the Company website at least 21 days before the meeting. The Company also makes regular filings with the Registrar of Companies and Financial Services Commission in Mauritius to ensure that the Company is up to date with its filings.

The net asset value per share of the Company as at 30 June 2024 was (USD 0.0404). The Company will regularly engage with its shareholders through the publication of its announcements, roadshows, at the annual general meeting and by holding meetings.

PRINCIPLE 8: RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS(CONTINUED)

Time Table of Important Events

Month	Events
April 2025	Publication of abridged audited financial statements for the year ended 30 June 2024
April 2025	Annual General Meeting
June 2025	Financial year end

Africa Clean Energy Solutions Limited
STATEMENT OF COMPLIANCE
(Section 75 (3) of the Financial Reporting Act)

Name of Company: Africa Clean Energy Solutions Limited Reporting Period: Financial year ended 30 June 2024

We, the undersigned being the directors of Africa Clean Energy Solutions Limited, the "Company", confirm that, to the best of our knowledge, the Company has partially complied with the Code. Due to the size, structure and nature of the business of the Company, many of the criteria stipulated in the Code are not deemed to be relevant to the Company and the reasons have been provided below:

	Areas of non-application of the Code	Explanation for non-application
Principle 2	Board committees	The audit and risk committee currently constitute of only 2 members. The Company is in the process of identifying a suitable candidate to be appointed to the Board and the latter can form part of the above–mentioned committee.
Principle 3	Succession planning	The Board is of the view that given the nature of the business, it is not imperative to have individuals with specific skills. Therefore, it should not be an issue to find new members to replace existing ones, when required.
Principle 5	Whistleblowing procedure	Having due regards to its size, the Board does not consider the need to have a whistleblowing procedure. It shall consider the merits of implementing a whistleblowing policy if the circumstances of the Company changes.
Principle 7	Internal audit	The Board does not consider that the Company needs to have an internal audit function given the size and nature of its business. Internal audit work will be outsourced to external audit firms on an ad hoc basis should the Audit Committee deem it necessary.

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Antoine Kon-Kam King
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Gaetan Michael Siew Hew San
Date 23 April 2025

Antoine Kon-Kam King
Date 23 April 2025

Director's Responsibilities and Approval

The directors are required by the Mauritius Companies Act 2001 & Financial Reporting Act 2004 to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate annual financial statements and related financial information included in this report. These consolidated and separate annual financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB®) and it is their responsibility to ensure that the consolidated and separate annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the consolidated and separate statement of financial position, results of operations and business of the group, and explain the transactions and financial position of the business of the group at the end of the financial year. The consolidated and separate annual financial statements are based upon appropriate accounting policies consistently applied throughout the group 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 company and places considerable importance on maintaining a strong control environment. To enable the director to meet these responsibilities, the director sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group 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 consolidated and separate annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the director has no reason to believe that the group will not be a going concern in the foreseeable future. The consolidated and separate annual financial statements support the viability of the group.

The consolidated and separate financial statements have been audited by the independent auditing firm, BDO & Co, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of the shareholder, the director and committees of the director. The directors believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 40 to 44.

The consolidated and separate financial statements set out on pages 45 to 115 which have been prepared on the going concern basis, were approved by the director and were signed on 23 April 2025.

Director responsibilities

The directors, which are represented by the board, hereby acknowledge, report and disclose, the following, as required in terms of the Report of Corporate Governance for Mauritius (hereinafter referred to as “RCGM").

The directors acknowledge their responsibilities regarding the following in respect of an internal control system as set out in paragraph 5.4.1 of the RCGM:

Director's Responsibilities and Approval

- to set appropriate policies to provide reasonable assurance that the control objectives are attained;
- ensure that the system of internal control is functioning effectively and that the system manages risk;
- design, implementation and monitoring of the internal control system; and
- to ensure that, as part of its internal control procedure, the company has an effective mechanism in place which facilitates and encourages the reporting of any lack of, or breach of internal controls and any unethical or irregular behaviour concerning the company.

Director disclosure statement

The directors who are members of the board of directors at the time of approving the Consolidated and Separate Financial Statements are presented in the Director's Report. Having made enquiries of fellow Directors and of the Company's independent external auditors, each of these Directors confirm that:

a) to the best of each Director's knowledge and belief there is no information relevant to the preparation of their report to which the Company's auditors are unaware; and

b) each Director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

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Director

23 April 2025

Secretary's Certificate under Section 166(D) of the Mauritius Companies Act 2001

We confirm that, based on the records and information made available to us by the directors and members of the Company, the Company has filed with the Registrar of Companies, for the year ended 30 June 2024, all such returns as are required of the company under the Mauritian Companies Act 2001.

DocuSigned by:
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Intercontinental Trust Limited
Company Secretary
23 April 2025

Tel: +230 202 3000
Fax: +230 202 9993
www.bdo.mu

10, Frère Félix de Valois Street
Port Louis, Mauritius
P.O. Box 799

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Africa Clean Energy Solutions Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Africa Clean Energy Solutions Limited and its subsidiaries (together the "Group"), and the Company's separate financial statements set out on pages 45 to 115 which comprise the consolidated and separate statements of financial position as at June 30, 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of the Group and of the Company as at June 30, 2024, and of their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and comply with the Mauritian Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code").* We have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 31 of the financial statements, which indicates that the Group and the Company incurred a net loss of USD 2,005,843 (2023: USD 1,658,206) and USD 76,313 (2023: USD 1,141,080) respectively for the year ended 30 June 2024. In addition, as of that date, the Group and the Company had net current liabilities of USD 2,133,009 (2023: USD 1,704,166) and USD 2,098,792 (2023: USD 1,394,719) respectively. These events or conditions, along with other matters as set forth in the note, indicate that a material uncertainty exists that may cast significant doubt on the Group's and the Company's ability to continue as going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholders of Africa Clean Energy Solutions Limited (Continued)

Key Audit Matters (Continued)

Key Audit Matter for the Company

KEY AUDIT MATTER	AUDIT RESPONSE
1 Recoverability of loans to related entities	
At 30 June 2024, loans to related entities in the Company's separate financial statements amounted to USD 3.1m. Loans to related entities are measured at amortised cost less expected credit loss allowance in accordance with IFRS 9 *Financial Instruments* ("IFRS 9"). IFRS 9 requires the Company to recognise expected credit losses (ECL) on financial assets measured at amortised cost, which involves significant judgment and estimates to be made by the Company. The determination of ECL on loans to related parties which are not credit impaired involves the highest level of management judgment, thus requiring greater audit attention. Specific areas of judgement and estimation uncertainty include: • Complexity of the ECL model involving a number of critical assumptions in the determination of probabilities of default (PD), loss given default (LGD) and Exposure at default (EAD). • Use of forward-looking information to determine the likelihood of future losses being incurred. • Qualitative adjustments made to model driven ECL results raised to address model limitations, emerging risks and trends in underlying portfolios which are inherently judgemental. Given the inherent risk associated and the significance of the amount of the loan to related entities on the Company's total assets, this audit area is considered as a significant key audit matter.	Our audit procedures included the following: • We carried out discussions with management to understand the process around the ECL calculation. • Obtained confirmations for loans owed by related parties at the end of the reporting period. • We engaged with our credit specialist to assess the appropriateness of the Company's determination of credit risk and validate the expected credit loss (ECL) calculation and impairment methodology. Their work consisted of: o Reviewing the ECL methodology for compliance with IFRS 9 principles and best practice. o Independently reviewing and reperforming the ECL model calculations for accuracy and consistency of management's methodology. o Using a challenger model with independent inputs namely Probability of Default (PDs), Exposure at Default (EAD), Loss Given Default (LGDs) and forward looking macro-economic factors to test the reasonableness of the ECL amount. • Discussed with management over future prospects of the subsidiaries' business with respect to quoted projects in pipeline. • Reviewed the completeness and adequacy of the disclosures in the financial statements for compliance with IFRS 7 *Financial Instruments: Disclosures*.

Refer to note 2.4(iv) (accounting policies), note 3.1.4 (critical accounting estimates and judgements), note 5(a) (credit risk) and note 12 (loans to related entities) of the accompanying financial statements for details of the loans to related entities.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholders of Africa Clean Energy Solutions Limited (Continued)

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report including the Chairman's Message, Chief Executive Officer's Report and Business Overview, Projects, Investors, Human Resources, Review of Results, General Information, Directors' Commentary, Corporate Governance Report, Statement of Compliance, Statement of Directors' Responsibilities and Secretary's Certificate but does not include the consolidated and separate financial statements and our auditor's report thereon.

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

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

Responsibilities of Directors for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards and in compliance with the requirements of the Mauritian Companies Act 2001, and for such internal control as the Directors determine is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

The Directors are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholders of Africa Clean Energy Solutions Limited (Continued)

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements (continued)

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Shareholders of Africa Clean Energy Solutions Limited (Continued)

Report on Other Legal and Regulatory Requirements

Mauritian Companies Act 2001

The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- We have no relationship with, or interests in, the Company and its subsidiaries, other than in our capacity as auditor and dealings in the ordinary course of business.
- We have obtained all information and explanations we have required.
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Other Matter

This report is made solely to the Company's shareholders, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

BDO & CO

BDO & CO
Chartered Accountants

Port Louis,
Mauritius.

23/04/25

Rookaya Ghanty, FCCA
Licensed by FRC

Africa Clean Energy Solutions Limited

Consolidated and Separate Financial Statements for the year ended 30 June 2024

Statements of Financial Position

Figures in US$	Notes	Group 2024	Group 2023	Company 2024	Company 2023
Assets					
Non-current assets					
Property, plant and equipment	6	199,745	1,125,615	-	42
Investments in subsidiaries	8	-	-	37,943	37,943
Loans to related entities	12	144,307	82,655	3,057,464	2,429,662
Total non-current assets		**344,052**	**1,208,270**	**3,095,407**	**2,467,647**
Current assets					
Inventories	9	14,249	2,972	-	-
Trade receivables	10	20,515	97,247	-	-
Other receivables	11	46,897	35,250	28,328	27,145
Loans to related entities	12	-	55,640	-	257,529
Cash and cash equivalents	13	160,624	87,240	35,121	9,624
Total current assets		**242,285**	**278,349**	**63,449**	**294,298**
Non-Current Assets classified as held for sale	7	**74,235**	-	-	-
Total assets		**660,572**	**1,486,619**	**3,158,856**	**2,761,945**
Equity and liabilities					
Equity					
Stated capital	14	3,766,053	3,766,053	3,766,053	3,766,053
Accumulated loss		(5,101,681)	(3,895,595)	(2,769,438)	(2,693,125)
Foreign currency translation reserve		99,391	34,860	-	-
Total equity attributable to owners of the parent		**(1,236,237)**	**(94,682)**	**996,615**	**1,072,928**
Non-controlling interests		(1,318,003)	(497,362)	-	-
Total equity		**(2,554,240)**	**(592,044)**	**996,615**	**1,072,928**
Liabilities					
Non-current liabilities					
Amounts payable to third parties	16	60,926	-	-	-
Lease liabilities	17	93,644	-	-	-
Amounts payable to related parties	18	684,948	96,148	-	-
Total non-current liabilities		**839,518**	**96,148**	**-**	**-**
Current liabilities					
Accruals and other payables	15	2,243,313	1,852,852	2,147,894	1,679,391
Lease liabilities	17	17,758	1,914	-	-
Amounts payable to related parties	18	114,223	127,749	14,347	9,626
Total current liabilities		**2,375,294**	**1,982,515**	**2,162,241**	**1,689,017**
Total liabilities		**3,214,812**	**2,078,663**	**2,162,241**	**1,689,017**
Total equity and liabilities		**660,572**	**1,486,619**	**3,158,856**	**2,761,945**

Statements of Financial Position

Figures in US$	Notes	Group 2024	Group 2023	Company 2024	Company 2023
Number of shares in issue		30,577,544	30,577,544		
Net asset value per share		(0.0404)	(0.0031)		

Approved by the Board of Directors and authorised for issue on 23 April 2025

DocuSigned by:

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Gaetan Michael Siew Hew San

Frans Visscher

23 April 2025

23 April 2025

Africa Clean Energy Solutions Limited

Consolidated and Separate Financial Statements for the year ended 30 June 2024

Statements of Profit or Loss and Other Comprehensive Income

Figures in US$	Notes	Group 2024	Group 2023	Company 2024	Company 2023
Revenue	19	796,297	561,773	398,066	235,459
Interest revenue	19	17,192	52,178	248,353	225,558
Total revenue		**813,489**	**613,951**	**646,419**	**461,017**
Cost of sales	20	(602,959)	(455,157)	-	-
Audit and accounting fees	21.1	(135,338)	(119,768)	(100,640)	(96,750)
Directors fees		(540,000)	(500,000)	(540,000)	(500,000)
Salaries and wages		(119,279)	(63,344)	(27,590)	(2,827)
Professional fees	21.2	(72,460)	(76,448)	(67,858)	(77,158)
Consulting fees		(3,879)	(5,005)	-	-
Impairment of plant and equipment	6	(1,219,113)	(403,439)	-	-
(Provision) / reversal of ECL loss allowance	12.2	(6,206)	27,383	4,324	(36,519)
Write off loans receivable	12.2	-	(70,953)	-	(70,953)
Other operating expenses	22	(91,072)	(63,825)	(26,358)	(601,859)
Goodwill written off		-	(16,009)	-	-
Loss on disposal of associate or subsidiary	23	-	(207,290)	-	-
Finance costs	25.1	(64,788)	(253,334)	(860)	(216,031)
Finance income	25.2	35,762	-	36,250	-
Share of loss of associated companies	8	-	(64,969)	-	-
Loss before tax	24	**(2,005,843)**	**(1,658,206)**	**(76,313)**	**(1,141,080)**
Income tax expense	26	-	-	-	-
Loss for the year		**(2,005,843)**	**(1,658,206)**	**(76,313)**	**(1,141,080)**
Loss for the year attributable to:					
Owners of parent		(1,206,084)	(1,327,243)	(76,313)	(1,141,080)
Non-controlling interest		(799,759)	(330,963)	-	-
		(2,005,843)	**(1,658,206)**	**(76,313)**	**(1,141,080)**
Other comprehensive income net of tax					
Components of other comprehensive income that will be reclassified to profit or loss					
Exchange differences on translation					
Other comprehensive income for the period		43,646	54,126	-	-
Total other comprehensive income net of tax	27	**43,646**	**54,126**	**-**	**-**
Total comprehensive income		**(1,962,197)**	**(1,604,080)**	**(76,313)**	**(1,141,080)**
Comprehensive income attributable to:					
Comprehensive income, attributable to owners of parent		(1,141,553)	(1,309,485)	(76,313)	(1,141,080)
Comprehensive income, attributable to non-controlling interests		(820,644)	(294,595)	-	-
		(1,962,197)	**(1,604,080)**	**(76,313)**	**(1,141,080)**
Number of shares/ weighted average number of shares in issue	28	**30,577,542**	**29,486,453**		
Basic loss per share		(0.0394)	(0.0450)		

Statements of Changes in Equity - Group

Figures in US$	Issued capital	Other equity interest	Foreign currency translation reserve *	Accumulated loss	Attributable to owners of the parent	Non-controlling interests	Total
Balance at 1 July 2022	3,407,721	40,000	17,102	(2,568,352)	896,471	(234,455)	662,016
Changes in equity							
Loss for the year	-	-	-	(1,327,243)	(1,327,243)	(330,963)	(1,658,206)
Other comprehensive income	-	-	17,758	-	17,758	36,368	54,126
Total comprehensive income for the year	-	-	17,758	(1,327,243)	(1,309,485)	(294,595)	(1,604,080)
Issue of shares (Note 14)	318,332	-	-	-	318,332	-	318,332
Conversion of convertible loan (Note 14)	40,000	(40,000)	-	-	-	-	-
Non controlling interest arising on business combinations (Note 34)	-	-	-	-	-	31,688	31,688
Balance at 30 June 2023	**3,766,053**	**-**	**34,860**	**(3,895,595)**	**(94,682)**	**(497,362)**	**(592,044)**
Balance at 1 July 2023	3,766,053	-	34,860	(3,895,595)	(94,682)	(497,362)	(592,044)
Changes in equity							
Loss for the year	-	-	-	(1,206,084)	(1,206,084)	(799,759)	(2,005,843)
Other comprehensive income	-	-	64,531	-	64,531	(20,885)	43,646
Total comprehensive income for the year	-	-	64,531	(1,206,084)	(1,141,553)	(820,644)	(1,962,197)
Balance at 30 June 2024	**3,766,053**	**-**	**99,391**	**(5,101,681)**	**(1,236,237)**	**(1,318,003)**	**(2,554,240)**

* The foreign currency translation reserve consists of foreign currency differences arising from the translation of the financial statements of the foreign operations.

Statements of Changes in Equity - Company

Figures in US$	Issued capital	Other equity interest	Accumulated loss	Total
Balance at 1 July 2022	3,407,721	40,000	(1,552,045)	1,895,676
Changes in equity				
Loss for the year	-	-	(1,141,080)	(1,141,080)
Total comprehensive income	-	-	(1,141,080)	(1,141,080)
Issue of shares (Note 14)	318,332	-	-	318,332
Conversion of convertible loan (Note 14)	40,000	(40,000)	-	-
Balance at 30 June 2023	**3,766,053**	**-**	**(2,693,125)**	**1,072,928**
Balance at 1 July 2023	**3,766,053**	**-**	**(2,693,125)**	**1,072,928**
Changes in equity				
Loss for the year	-	-	(76,313)	(76,313)
Total comprehensive income	-	-	(76,313)	(76,313)
Balance at 30 June 2024	**3,766,053**	**-**	**(2,769,438)**	**996,615**

Statements of Cash Flows

Figures in US$	Notes	Group 2024	Group 2023	Company 2024	Company 2023
Cash flows (used in) / from operations					
Loss for the year		**(2,005,843)**	**(1,658,206)**	**(76,313)**	**(1,141,080)**
Adjustments to reconcile loss					
Interest income	19	(17,192)	(52,178)	(248,353)	(225,558)
Interest expense on loans	25.1	49,910	15,144	860	985
Interest expense on lease liability	25.1/17.3	14,878	23,138	-	-
Impairment on investment in subsidiary and associate		-	-	-	577,178
Depreciation expense	6	22,164	22,039	42	255
Goodwill written off		-	16,009	-	-
Bad debts written off		-	241	-	-
Unrealised foreign exchange (gains)/losses		(37,502)	212,594	(37,202)	215,517
Lease liability adjustment		-	207,786	-	-
Share of loss of associated companies	8	-	64,969	-	
Write off loans receivable		537	70,953	537	70,953
ECL loss allowance	12.2	6,206	(27,383)	(4,324)	36,519
Impairment of plant and equipment	6	1,219,113	403,439	-	-
Loss on disposal of subsidiary or association		-	207,290	-	-
Changes in working capital					
Decrease/(increase) in trade receivables		64,548	(109,945)	(1,720)	(5,984)
Increase in trade and other payables		404,147	272,055	472,366	138,082
Adjustments for increase in inventories		(11,277)	(2,972)	-	-
Net cash flows (used in) / from operations		**(290,311)**	**(335,027)**	**105,893**	**(333,133)**
Interest received		6,244	1,242	271	-
Net cash flows (used in) / from operating activities		**(284,067)**	**(333,785)**	**106,164**	**(333,133)**
Cash flows (used in) / from investing activities					
Purchase of property, plant and equipment	6	(118,919)	(838)	-	-
Net cash acquired on acquisition of subsidiaries	34	-	102,811	-	-
Payments for non-current assets classified as held for sale	7	(74,235)	-	-	-
Loans granted to related parties		-	(193,431)	(13,151)	(237,212)
Proceeds of cash advances and loans made to related party		-	76,827	115,626	276,254
Capitalisation of management fees to loan receivable		-	-	(398,367)	-
Decrease in loan receivable due to expenses paid on behalf by related party		-	-	214,849	-
Cash flows (used in) / from investing activities		**(193,154)**	**(14,631)**	**(81,043)**	**39,042**

Statements of Cash Flows

Figures in US$	Notes	Group 2024	Group 2023	Company 2024	Company 2023
Cash flows from financing activities					
Repayments of loans	18.2	(38,348)	(28,682)	-	(28,682)
Proceeds from issuing shares		-	318,332	-	318,332
Payment of principal portion of lease liabilities	17	(11,373)	-	-	-
Additional loans obtained	18.2	541,436	117,639	-	10,950
Proceeds from other financial liabilities	16	60,926	-	-	-
Cash flows from financing activities		**552,641**	**407,289**	**-**	**300,600**
Net increase in cash and cash equivalents before effect of exchange rate changes		**75,420**	**58,873**	**25,121**	**6,509**
Effect of exchange rate changes		(2,036)	24,129	376	(477)
Net increase in cash and cash equivalents		**73,384**	**83,002**	**25,497**	**6,032**
Cash and cash equivalents at beginning of the year		87,240	4,238	9,624	3,592
Cash and cash equivalents at end of the year	**13**	**160,624**	**87,240**	**35,121**	**9,624**

Accounting Policies

1. General information

Africa Clean Energy Solutions Limited (the Company) was incorporated in the Republic of Mauritius on 8 December 2017 under the Mauritian Companies Act 2001 as a private company limited by shares. The Company has, by special resolution, converted itself into a public company on 7 March 2018. The Company holds a Global Business Licence issued by the Financial Services Commission.

The Company, through its subsidiary companies, is a clean energy solutions provider. The Company is listed on the Official Market of the Stock Exchange of Mauritius Ltd ("SEM") as from 31 May 2019. The Company is regulated by the Financial Services Commission in Mauritius.

2. Basis of preparation and summary of material accounting policy information

The financial statements of Africa Clean Energy Solutions Limited company and group comply with the Mauritian Companies Act 2001 and have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”) and are prepared on the going concern basis. The financial statements are prepared in United States Dollars, which is the Company's functional and presentation currency. The financial statements include the consolidated financial statements of the holding company and its subsidiaries (the Group) and the separate financial statements of the holding company (the Company).

The preparation of financial statements in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate financial statements are disclosed in note 3.

The financial statements are prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Accounting Policies

Basis of preparation and summary of material accounting policy information continued...

2.1 Basis for consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non−controlling interests. Total comprehensive income of the subsidiary is attributed to the owners of the Company and to the non−controlling interests even if this results in the non−controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of the subsidiary to bring its accounting policies in line with the Group's accounting policies. All intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation

The group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Accounting Policies

Basis of preparation and summary of material accounting policy information continued...
Basis for consolidation continued...

Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiary are accounted for as equity transactions. The carrying amounts of the Group's interests and the non−controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non−controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non−controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9, Financial Instruments, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

2.1.2. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition−date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 respectively;
- liabilities or equity instruments related to share−based payment arrangements of the acquiree or share− based payment arrangements of the Group entered into to replace share−based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non−current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non− controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition−date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the net of the acquisition−date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non−controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Accounting Policies

Basis of preparation and summary of material accounting policy information continued...
Basis for consolidation continued...

Non−controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non−controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction−by−transaction basis. Other types of non−controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition−date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IFRS 9, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition−date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Transactions eliminated on consolidation

Inter−company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.1.3. Investment in subsidiary companies

Subsidiaries are all entities (including structured entities) over which the company has control. The company controls an entity when the company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the company. They are deconsolidated from the date that control ceases.

Accounting Policies

Basis of preparation and summary of material accounting policy information continued...
Basis for consolidation continued...

The company applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the company. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The company recognises any non−controlling interest in the acquiree on an acquisition−by−acquisition basis, either at fair value or at the non− controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Any impairment and proportionate provision are recognised when the net asset value is negative.

On disposal of the investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the consolidated statement of profit or loss and other comprehensive income.

In the Company's separate financial statements, investments in subsidiary companies are carried at cost less impairment.

2.2 Property, plant and equipment

Definition
Property, plant and equipment are tangible items that:
- are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- are expected to be used during more than one period.

Recognition
Property, plant and equipment is recognised as an asset when:
- it is probable that future economic benefits associated with the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Initial measurement
An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost.

The cost of an item of property, plant and equipment includes:
- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Subsequent measurement - Cost model
After initial recognition, property, plant and equipment is measured at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation
Depreciation of an asset commences when it is available for use, and ceases at the earlier of the date that the asset is classified as held for sale, or the date that the asset is derecognised.

Accounting Policies

Basis of preparation and summary of material accounting policy information continued...
Property, plant and equipment continued...

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 period is recognised in profit or loss unless it is included in the carrying amount of another asset. The depreciable amount of an asset shall be allocated on a systematic basis over its useful life. The depreciable amount of an asset is determined after deducting its residual value.

Residual values, useful lives and depreciation methods are reviewed at each financial year end. Where there are significant changes in the expected pattern of economic consumption of the benefits embodied in the asset, the relevant changes will be made to the residual values and depreciation rates, and the change will be accounted for as a change in accounting estimate.

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	**Useful life / depreciation rate**	**Depreciation method**
Land	17 years	Over lease period
Leasehold improvements	5 years	Straight line
Fixtures and fittings	5 years	Straight line
Office equipment	5 years	Straight line
Computer equipment	3 years	Straight line
Construction in progress	-	Not depreciated

Impairments
The entity tests for impairment of other assets where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount. The resulting impairment loss is recognised immediately in profit or loss, except where the decrease reverses a previously recognised revaluation increase for the same asset the decrease is recognised in other comprehensive income to that extent and reduces the amount accumulated in equity under revaluation surplus, and future depreciation charges are adjusted in future periods to allocate the revised carrying amount, less its residual value, on a systematic basis over its remaining useful life. Except for goodwill which is subject to annual impairment review.

Where the estimated impairment loss exceeds the carrying amount of the asset to which it relates, the resulting liability is only recognised if it is required by another standard.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up are included in profit or loss when the compensation becomes receivable.

Derecognition
The carrying amount of an item of property, plant and equipment is derecognised when the asset is disposed of or when when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. Gains are classified as other gains on the face of the statements of profit or loss and other comprehensive income.

Basis of preparation and summary of material accounting policy information continued...

2.3 Intangible assets

Definition
An intangible asset is an identifiable non-monetary asset without physical substance. The asset is determined to be identifiable if it either is separable, or arises from contractual or other legal rights.

Recognition
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.

Initial measurement
Intangible assets are initially measured at cost.

Goodwill arising on business combination is carried at cost as established at the date of acquisition (see note 2.1.2) less accumulated impairment losses, if any.

Internally generated goodwill is not recognised as an asset.

The cost of assets acquired through an exchange of assets is measured at fair value at acquisition date unless the exchange lacks commercial substance, or the fair value of neither the asset received nor the asset given up is reliably measurable. The acquired asset is immediately measured in this way even if the asset given up cannot immediately be derecognised. If the acquired asset is not measured at fair value, its cost is measured using the carrying amount of the asset given up.

Expenditure on an intangible asset is recognised as an expense when it is incurred unless it is part of the cost of an intangible asset that meets the recognition criteria or if the item is acquired in a business combination and cannot be recognised as an intangible asset it is recognised as part of goodwill at the acquisition date. Expenditure on an intangible item that was initially recognised as an expense is not recognised as part of the cost of an intangible asset at a later date.

Subsequent measurement - Cost model
After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation
An intangible asset is regarded by the entity as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Intangible assets with an indefinite useful life are not amortised, but is tested for impairment annually and whenever there is an indication that the intangible asset may be impaired. The intangible asset's determination as having an indefinite useful life is also reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment. Reassessing the useful life of an intangible asset as finite rather than indefinite is an indicator that the asset may be impaired.

For other intangible assets amortisation is allocated on a systematic basis over its useful life. Where an intangible asset has a residual value, the depreciable amount is determined after deducting its residual value.

Accounting Policies

Basis of preparation and summary of material accounting policy information continued...
Intangible assets continued...

The residual values of intangibles assets are assumed zero unless:
- there is a commitment by a third party to purchase the asset at the end of its useful life; or
- there is an active market for the asset and:
  - residual value can be determined by reference to that market; and
  - it is probable that such a market will exist at the end of the asset's useful life.

Residual values as well as the useful lives of all assets are reviewed annually. Changes in residual values are treated as a change in estimate and treated in accordance with the relevant accounting policies.

Impairments
The entity tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of intangible assets is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount. The resulting impairment loss is recognised immediately in profit or loss, except where the decrease reverses a previously recognised revaluation increase for the same asset in which case the decrease is recognised in other comprehensive income to that extent and reduces the amount accumulated in equity under revaluation surplus, and future depreciation charges are adjusted in future periods to allocate the revised carrying amount, less its residual value, on a systematic basis over its remaining useful life.

Where the estimated impairment loss exceeds the carrying amount of the asset to which it relates, the resulting liability is only recognised if required by another standard.

Retirements and disposals
An asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal is recognised in profit or loss.

2.4 Financial instruments

Financial assets and financial liabilities are recognised in the Group’s statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss

Financial assets
All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Accounting Policies

Basis of preparation and summary of material accounting policy information continued...
Financial instruments continued...

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL). Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost are measured at FVTPL. Specifically, investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the ‘other gains and losses’ line item.

(iii) Financial assets at fair value through other comprehensive income (FVTOCI)

The Group has some investments in unlisted entities which are not accounted for as subsidiaries, associates or joint ventures. For those investments, the Group has made an irrevocable election to classify the investments at fair value through other comprehensive income rather than through profit or loss as the Group considers this measurement to be the most representative of the business model for these assets. They are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value through other comprehensive income reserve (fair value reserve). Upon disposal any balance within fair value through other comprehensive income reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments' carrying amount.

Accounting Policies

Basis of preparation and summary of material accounting policy information continued...
Financial instruments continued...

Purchases and sales of financial assets measured at fair value through other comprehensive income are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the fair value through other comprehensive income reserve.

(iv) Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on loans receivable from related parties. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for other receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward looking information that is available without undue cost or effort. Forward looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Accounting Policies

Basis of preparation and summary of material accounting policy information continued...
Financial instruments continued...

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise. Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

1) The financial instrument has a low risk of default,
2) The debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and
3) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract. The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit risk rating grade of the Group and Company:

Category	**Description**	**Basis for recognising expected credit loss**
Performing	The counterparty has low risk of default and does not have any past due amounts.	12-months ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in the credit risk since initial recognition.	Lifetime-ECL not credit impaired
In default	Amount is >90 days past due or the is evidence inidicating the asset is credit-impaired.	Lifetime-ECL credit impaired
Write-off	There is evidence inicating that the debtor is in serve financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off.

Accounting Policies

Basis of preparation and summary of material accounting policy information continued...
Financial instruments continued...

Credit impaired financial assets

A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit impaired includes observable data about the following events:

i significant financial difficulty of the issuer or the borrower;
ii a breach of contract, such as a default or past due event (see (ii) above);
iii the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
iv it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
v the disappearance of an active market for that financial asset because of financial difficulties.

Write off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner

Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward−looking information as described above.

As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward−looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12 month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Accounting Policies

Basis of preparation and summary of material accounting policy information continued...
Financial instruments continued...

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Financial liabilities

Financial liabilities

The financial liabilities at amortised cost, including borrowings and other payables, are initially measured at fair value, net of transaction costs.

The financial liabilities of the Company are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

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

Accounting Policies

Basis of preparation and summary of material accounting policy information continued...
Financial instruments continued...

The liability component of convertible loan is recognised at fair value. The equity component is recognised initially at the difference between the fair value of the instrument as a whole and the fair value of the liability component. Subsequent to initial recognition, the liability component is measured at amortised cost using the effective interest method. The equity component is not re−measured subsequent to initial recognition except on conversion or expiry.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group’s obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss. When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification should be recognised in profit or loss as the modification gain or loss within other gains and losses

Trade and other receivables

Trade receivables are measured at initial recognition at fair value plus transaction costs. They are subsequently measured at amortised cost using the effective interest rate method, less allowance for expected credit losses. For trade receivables and contract assets, a simplified approach is applied in calculating expected credit losses. Instead of tracking changes in credit risk, a loss allowance is recognised based on lifetime expected credit losses at each reporting date. A provision matrix was established that is based on the company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Cash and cash equivalents

Cash and cash equivalents include cash at bank, cash in hand and cash in transit.

Trade and other payables

Trade payables are initially measured at fair value plus direct transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

2.5 Borrowings

Borrowings are classified as current liabilities unless the Company and Group have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

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

2.6 Stated capital

Stated capital comprises ordinary shares.

2.7 Inventory

Measurement

Inventories are measured at the lower of cost and net realisable value using the first-in-first-out formula. The same cost formula is used for all inventories having a similar nature and use.

Basis of preparation and summary of material accounting policy information continued...
Inventory continued...

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

2.8 Current and deferred income tax

Tax expense comprises of current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:
- a transaction or event which is recognised, in the same or a different period, outside profit or loss, either in other comprehensive income or directly in equity.
- a business combination other than the acquisition by an investment of a subsidiary that is required to be measured at fair value through profit or loss.

Current tax and deferred tax is recognised outside profit or loss if the tax relates to items that are recognised, in the same or a different period, outside profit or loss. Therefore, current tax and deferred tax that relates to items that are recognised, in the same or a different period:
- in other comprehensive income, will be recognised in other comprehensive income;
- directly in equity, will be recognised directly in equity.

2.9 Provisions and contingencies

A provision is recognised when:
- the Group has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Accounting Policies

Basis of preparation and summary of material accounting policy information continued...
A provision is recognised when: continued...

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

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

Provisions are not recognised for future operating losses. If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

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

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:
- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised.

2.10 Segmental policies

A segment is a distinguishable component that is engaged in providing services (business segment) or in providing services within a particular economic environment (geographic segment), which is subject to risks and returns that are different from those of other segments. The Group and Company’s primary segment is based on business segments.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision−maker. The chief operating decision−maker has been identified as the board. The board reviews the Group's and Company’s internal reporting in order to assess performance. Management has determined the operating segments based on these reports.

Segment results include revenue and expenses directly attributable to a segment and the relevant portion of the Group's and Company's revenue and expenses that can be allocated on a reasonable basis to a segment. Segmental assets comprise those assets that are directly attributable to the segment or can be allocated to the segment on a reasonable

Accounting Policies

Basis of preparation and summary of material accounting policy information continued...

2.11 Related parties

For the purposes of these consolidated financial statements, parties are considered to be related to the Group if they have the ability, directly or indirectly, to control or jointly−control the Group or exercise significant influence over the Group in making financial and operating decisions, or vice−versa, or where the Group is subject to common control or common significant influence or where the party is a member of the key management personnel of the Group. Related parties may be individuals or other entities.

2.12 Expense recognition

Expenses are accounted for in the profit or loss on the accrual basis.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash at bank, cash in hand and cash in transit.

2.14 Foreign currencies translation

Functional and presentation currency

The financial statements are presented in USD which is the Group's and the Company's functional and presentation currency

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re−measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year−end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit or loss statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the profit or loss statement within 'Other (losses)/gains − net'.

Changes in the fair value of monetary financial assets and liabilities are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non−monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non−monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

Foreign currency translations

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Non− monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Translation differences on non−monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss.

Accounting Policies

Basis of preparation and summary of material accounting policy information continued...
Related parties continued...

Group companies

The results and financial position of all the group's entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the reporting date;
- Income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

When a foreign operation is sold, such exchange differences are recognised in profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate at each reporting date.

2.15 IFRS 15 Revenue from Contracts with Customers and other revenue

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.

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduces a 5−step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer.

At the inception of a contract, the goods or services promised in the contract are assessed and a performance obligation is identified for each promise to transfer to the customer either:

- a good or service that is distinct; or
- a series of distinct goods or services that are substantially the same and that have the same pattern of transfer. Revenue is is recognised when or as the performance obligation is satisfied by transferring a promised good or service to a customer. Assets are transferred when or as the customer obtains control of that asset.

Measurement

When a performance obligation is satisfied, revenue is recognised as the amount of the transaction price that is allocated to the performance obligation, but excluding estimates of variable consideration that are constrained and any amounts collected on behalf of third parties. The transaction price may include fixed amounts, variable amounts, or both.

Accounting Policies

Basis of preparation and summary of material accounting policy information continued...
Related parties continued...

The company allocates the transaction price to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which the company expects to be entitled in exchange for transferring the promised goods or services to the customer.

The company recognises as an asset the incremental costs of obtaining a contract with a customer if the company expects to recover those costs.

If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard (for example, IAS 2 Inventories, IAS 16 Property, Plant and Equipment or IAS 38 Intangible Assets), the company recognises an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- the costs relate directly to a contract or to an anticipated contract that the company can specifically identify (for example, costs relating to services to be provided under renewal of an existing contract or costs of designing an asset to be transferred under a specific contract that has not yet been approved);
- the costs generate or enhance resources of the company that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- the costs are expected to be recovered.

Other revenue

Other revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue is recognised in profit or loss as follows:

- Dividend income − when the shareholder's right to receive payment is established
- Interest income − is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance)
- Admin and management fees − recognised when the control of the services is transferred to the counterparty at an amount that reflects the condition to which the company expects to be entitled in exchange for those services

3. Critical accounting estimates and judgements

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

In the process of applying the Company's accounting policies, the directors have made the following judgements that have the most significant effect on the amounts recognised in the financial statements.

The estimates and underlying assumptions are reviewed on an on−going basis. Revisions to accounting estimates are recognised in the period which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods

The following are the key assumptions and judgements concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Critical accounting estimates and judgements continued...

3.1 Critical accounting estimates and assumptions

3.1.1 Going concern

The Group and the Company Directors have made an assessment of their ability to continue as a going concern and is satisfied that the Group and the Company have the resources to continue in business for the next 12 months following authorisation date of the financial statements, based on the receipt of investments into the group of USD576,000 in December 2024 and USD124,000 in March 2025, and the validity on the receipt of a further investment from the same investor for USD678,000 which is pending from the investor's bank approval. The group has signed an agreement for the sale of 10% of the Cullinan project for US$ 842k (R15.7million). The group is also in discussion with an equity funder on selling a further 80% of this project and retaining 10%. The group has completed discussions for the sale of 100% of the Ravenna project for US$ 476k (R8.8million). An agreement in that respect is currently under preparation. Based on this assessment, the Board considers the ability of the Group to continue operations. Therefore, the financial statements have been prepared on a going concern basis.

3.1.2 Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made (Note 26).

The Group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the company to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction.

To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

3.1.3 Impairment of non-financial assets

Plant and equipment, investment in associates and joint ventures, and investment in subsidiaries are assessed whenever there is an impairment indication. An impairment loss is recognised if the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash–generating units) (Note 6 and 7).

3.1.4 Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the tables included in note 10 and details in note 12.

Critical accounting estimates and judgements continued...

3.1.5 Revenue from contracts with customers

Performance obligations satisfied at a point in time

The group determined that revenue for the provision of goods is recognised at the point the goods have been ordered

Principal versus agent considerations

The group enters into contracts with its customers to acquire, on their behalf, [include details of goods] produced by foreign suppliers. Under these contracts, the group provides procurement services (i.e., coordinating the selection of suitable suppliers and managing the ordering and delivery of the imported [goods]). The group determined that it does not control the goods before they are transferred to customers, and it does not have the ability to direct the use of the [goods] or obtain benefits from the [goods]. The following factors indicate that the group does not control the goods before they are being transferred to customers. Therefore, the group determined that it is an agent in these contracts.

- The group is not primarily responsible for fulfilling the promise to provide the specified equipment.
- The group does not have inventory risk before or after the specified [goods] has been transferred to the customer as it purchases [goods] only upon approval of the customer and the foreign supplier ships [goods] directly to the customers.
- The group has no discretion in establishing the price for the specified [goods]. The group's consideration in these contracts is only based on the difference between the maximum purchase price quoted by the customer and the final price negotiated by the group with the foreign supplier.

In addition, the group concluded that it transfers control over its services (i.e., arranging for the provision of the [goods] from a foreign supplier), at a point in time, upon receipt by the customer of the [goods], because this is when the customer benefits from the group's agency service.

3.1.6 Control over subsidiaries

Management applies judgement in assessing whether the Company controls or exercises significant influence on investees (Note 8).

4. Basis of preparation

4.1 Standards, Amendments to published Standards and Interpretations effective in the reporting period

In the current year, the Group has applied all of the new and revised IFRS Accounting standards issued by the International Accounting Standards Board ("IFRS Accounting Standards") and interpretations issued by the IFRS interpretations committee applicable to companies reporting under IFRS Accounting Standards that are relevant to its operations and effective for accounting periods beginning on 1 July 2023.

IFRS 17 Insurance contracts

IFRS 17 creates one accounting model for all insurance contracts in all jurisdictions that apply IFRS Accounting Standards. IFRS 17 requires an entity to measure insurance contracts using updated estimates and assumptions that reflect the timing of cash flows and take into account any uncertainty relating to insurance contracts. The financial statements of an entity will reflect the time value of money in estimated payments required to settle incurred claims. Insurance contracts are required to be measured based only on the obligations created by the contracts. An entity will be required to recognise profits as an insurance service is delivered, rather than on receipt of premiums. This standard replaces IFRS 4 – Insurance Contracts. The amendments have no impact on the Group's financial statements.

Accounting Policies

Basis of preparation continued...
Standards, Amendments to published Standards and Interpretations effective in the reporting period continued...

IAS 1 Presentation of Financial Statements & IFRS Practice Statement 2 Making Materiality Judgements

Disclosure of Accounting Policies: The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies, with additional guidance added to the Standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material. These amendments have no effect on the measurement or presentation of any items of the Group's financial statements but affect the disclosure of accounting policies of the Group. During the year, only material accounting policy information is disclosed in the Group's financial statements.

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

Definition of Accounting Estimates: The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The requirements for recognising the effect of change in accounting prospectively remain unchanged. The amendments have no impact on the Group's financial statements.

IAS 12 Income Taxes

Deferred Tax related to Assets and Liabilities arising from a Single Transaction: The amendment clarifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations, by clarifying when the exemption from recognising deferred tax would apply to the initial recognition of such items. The amendments have no impact on the Group's financial statements.

International Tax Reform — Pillar Two Model Rules: The amendments provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes. The amendments have no impact on the Group's financial statements.

4.2 Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 1, 2024 or later periods, but which the Group has not early adopted.

At the reporting date of these financial statements, the following were in issue but not yet effective:

Effective date 1 January 2024

IAS 1 Presentation of Financial Statements

Classification of Liabilities as Current or Noncurrent: Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current.

Non-current Liabilities with Covenants: Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022. If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current.

Basis of preparation continued...
Standards, Amendments to published Standards and Interpretations issued but not yet effective continued...

IFRS 16 Leases
Lease Liability in a Sale and Leaseback: The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.

IAS 7 Statement of Cash Flows & IFRS 7 Financial Instruments: Disclosures
Supplier Finance Arrangements: The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements

Effective date January 1, 2025

IAS 21 The Effects of Changes in Foreign Exchange Rates
Lack of Exchangeability: The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

Effective date January 1, 2026

IFRS 9 Financial Instruments & IFRS 7 Financial Instruments: Disclosures
Classification and Measurement of Financial Instruments: The amendments clarify that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date. Other clarifications include the classification of financial assets with ESG linked features via additional guidance on the assessment of contingent features. Clarifications have been made to non-recourse loans and contractually linked instruments. Also, additional disclosures have been introduced for financial instruments with contingent features and equity instruments designated at fair value through other comprehensive income.

Effective date January 1, 2027

IFRS 18 Presentation and Disclosure in Financial Statements
Presentation and disclosure in financial statements: IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals presented within the statement of profit or loss within one of the following five categories – operating, investing, financing, income taxes, and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, it brings about consequential amendments to other accounting standards. This standard replaces IAS 1 - Presentation of Financial Statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures
Subsidiaries without Public Accountability: Disclosures: IFRS 19 is a non-mandatory standard. It specifies the disclosure requirements that eligible subsidiaries are permitted to apply instead of the disclosure requirements in other IFRS accounting standards. It allows eligible entities to benefit from reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Subsidiaries are eligible to apply IFRS 19 if they do not have public accountability and their parent, intermediate parent or ultimate parent company produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

The effective date of this amendment has been deferred indefinitely until further notice

Accounting Policies

Basis of preparation continued...
Standards, Amendments to published Standards and Interpretations issued but not yet effective continued...

IFRS 10 Consolidated Financial Statements

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

IAS 28 Investments in Associates and Joint Ventures

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment to address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

Where relevant, the Group and Company are still evaluating the effect of these Standards, Amendments to published Standards and Interpretations issued, but not yet effective, on the presentation of its financial statements.

Accounting Policies

	Group 2024	Group 2023	Company 2024	Company 2023

5. Financial Risk Management

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables, and cash and short-term deposits that derive directly from its operations. The Group also holds investment in debt and equity instruments and enters into derivative transactions.

Categories of financial instruments

(a) Categories of financial assets

	Group 2024	Group 2023	Company 2024	Company 2023
Financial assets at amortised cost				
Loans to related parties	144,307	138,295	3,057,464	2,687,191
Trade and other receivables*	21,626	154,535	-	537
Cash and cash equivalents	160,624	87,240	35,121	9,624
	326,557	380,070	3,092,585	2,697,352

(b) Categories of financial liabilities

	Group 2024	Group 2023	Company 2024	Company 2023
Financial liabilities at amortised cost				
Amounts payable to related parties	799,171	223,897	14,347	9,626
Amounts payable to third parties	60,926	-	-	-
Accruals and payables	2,243,313	1,852,852	2,147,894	1,679,391
Lease Liability	111,402	1,914	-	-
	3,214,812	2,078,663	2,162,241	1,689,017

*Prepayments for the Group of USD 34 420 (2023: USD 30 047) and for the Company of USD 28 328 (2023: 26 608) and VAT for the Group of USD 11 366 (2023: USD 3 555) have been excluded from trade and other receivables.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The financial risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measures and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purpose may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

Accounting Policies

Financial Risk Management continued...

(a) Credit risk

Credit risk is the risk of financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's and the Company's trade and other receivables, loans receivables and cash and cash equivalents. The Group and Company only deposit cash with major banks with high quality credit standing and limits exposure to any one counterparty.

Financial assets exposed to credit risk at year end were as follows:

	Group 2024	Group 2023	Company 2024	Company 2023
Amounts receivable from related parties	144,307	138,295	3,057,464	2,687,191
Trade and other receivables	21,626	154,535	-	537
Cash and cash equivalents	160,624	87,240	35,121	9,624
	326,557	380,070	3,092,585	2,697,352

The Group only advances funds to creditworthy related parties. Receivables that are past due are related parties where there has been a delay in the project due to circumstances beyond the Groups control. These receivables are reviewed for impairment and recovery. Receivables that are not past due or impaired are related parties with a good collection track records with the Group (Note 12). Cash and bank balances are held with creditworthy financial institutions.

(b) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as they fall due. The Group's and the Company's approach to managing liquidity is to ensure that they will always have sufficient liquidity to meet their liabilities when they become due without incurring unacceptable losses or risking damage to the Group's and Company's reputation. The Group and the Company have net current liabilities of USD 2,133,009 (2023: USD 1,704,166) and USD 2,098,792 (2023: USD 1,394,719) respectively. The Company being a listed entity, the directors are of the opinion that the financial position of the Group will improve through future capital raise on the market. The receipt of investments into the group of USD576,000 in December 2024 and USD124,000 in March 2025, and the validity on the receipt of a further investment from the same investor for USD678,000 which is pending from the investor's bank approval.

The Group monitors its risk of shortage of funds using a liquidity planning tool

The following are the contractual maturities of non−derivative financial liabilities:

	Group				
At 30 June 2024	**On demand**	**Within 6 months**	**Between 7 and 12 months**	**More than one year**	**Total**
Accruals and payables	-	185,161	2,058,152	-	2,243,313
Amounts payable to related parties*	-	-	124,563	844,460	969,023
Amounts payable to third parties*	-	-	-	75,244	75,244
Lease liabilities*	-	17,867	16,883	114,068	148,818
	-	203,028	2,199,598	1,033,772	3,436,398

Accounting Policies

Financial Risk Management continued...

	Company				
At 30 June 2024	**On demand**	**Within 6 months**	**Between 7 and 12 months**	**More than one year**	**Total**
Accruals and payables	-	139,962	2,007,932	-	2,147,894
Amounts payable to related parties*	14,347	-	-	-	14,347
	14,347	139,962	2,007,932	-	2,162,241

	Group				
At 30 June 2023	**On demand**	**Within 6 months**	**Between 7 and 12 months**	**More than one year**	**Total**
Accruals and payables	-	348,043	1,485,429	19,380	1,852,852
Amounts payable to related parties*	21,562	106,188	-	96,147	223,897
Lease liability*		1,650	1,030		2,680
	21,562	455,881	1,486,459	115,527	2,079,429

	Company				
At 30 June 2023	**On demand**	**Within 6 months**	**Between 7 and 12 months**	**More than one year**	**Total**
Accruals and payables	-	204,788	1,474,603	-	1,679,391
Amount payable to related parties*	9,626	-	-	-	9,626
	9,626	204,788	1,474,603	-	1,689,017

*Amounts payable to related parties, amounts payable to third parties and lease liabilities include future interest costs.

(c) Fair value estimation

Except where otherwise stated, the carrying amount of financial assets and financial liabilities approximates their fair values.

(d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in the market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, debt and equity investment and derivative financial instruments.

(i) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

As the Group will invest in African countries, it could be exposed to adverse political, economic, environmental, social and financial events. The value of the financial instruments could decline as a result of high interest rates or rising consumer price inflation. The Group will take reasonable steps to mitigate these risks, using financial instruments like interest rate swaps, options, or forward rate agreements (FRAs) can help offset potential losses from interest rate fluctuations. Although the board accepts that this policy neither protects the Group entirely from the risk of paying rates in excess of current market rates nor eliminates fully cash flow risk associated with variability in interest payments, it considers that it achieves an appropriate balance of exposure to these risks.

Accounting Policies

Financial Risk Management continued...

At 30 June 2024, the Group and the Company are exposed to variable interest rate on its loan with related parties. At the reporting date the interest rate profile of the Group's and the Company's interest–bearing financial instruments were:

	Group 2024	Group 2023	Company 2024	Company 2023
Financial assets				
Non– interest bearing	182,250	241,775	35,121	10,161
Variable interest rate instruments	144,307	138,295	3,057,464	2,687,191
	326,557	380,070	3,092,585	2,697,352
Financial Liabilities				
Non– interest bearing	2,243,313	1,852,852	2,147,894	1,679,391
Variable interest rate instruments	971,499	225,811	14,347	9,626
	3,214,812	2,078,663	2,162,241	1,689,017

Interest rate risk sensitivity analysis

As the inflation rate in the international markets has increased, international federal reserve banks have adopted a more aggressive attitude to interest rate increases in order to arrest the inflation rate.

The sensitivity analysis below has been determined based on the exposure to interest rates at the reporting date and has taken into account the attitude of the federal reserve banks. A 50 basis point increase or decrease is used on all United States dollar denominated loans, and a 200 basis point increase or decrease is used on all South African Rand denominated loans. This is based on the variation of interest rates between South Africa and United States.

If interest rates had been higher/lower and all other variables were held constant, the Group's and Company's loss before tax for the year ended 30 June 2024 would have increased by USD 114 and decreased by USD 1,702 respectively (2023 increase: Group – USD 95 and Company decrease – USD 25,451). This is mainly attributable to the Group's and Company's exposure to interest rates on variable rate of interest instruments.

(ii) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group will invest in jurisdictions other than Mauritius. The investments will be denominated predominantly in US Dollars, and each project predominantly generates income in US Dollars, thereby reducing currency risk. For those investors whose base or home currency is not the same as the relevant foreign currency, there is a risk of currency losses if the US Dollar depreciates against the investors' base currency.

Foreign currency risk, as defined in IFRS 7, arises as the value of recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. IFRS 7 considers the foreign exchange exposure relating to non–monetary assets and liabilities to be a component of market price risk not foreign exchange risk.

The Group has financial assets and financial liabilities in a currency other than the USD, its reporting currency. The Group is exposed to foreign exchange risk arising due to fluctuations of the USD vis–à–vis the other currency.

Currency profile

Accounting Policies

Financial Risk Management continued...

2024	**Group**		**Company**	
	Financial assets	**Financial liabilities**	**Financial assets**	**Financial liabilities**
US Dollar (USD)	181,922	2,304,969	1,153,011	2,162,241
South African Rand (ZAR)	144,635	909,843	1,939,574	-
	326,557	3,214,812	3,092,585	2,162,241

2023	**Group**		**Company**	
	Financial assets	**Financial liabilities**	**Financial assets**	**Financial liabilities**
US Dollar (USD)	166,322	1,890,011	1,021,966	1,674,068
South African Rand (ZAR)	213,748	188,652	1,675,386	14,949
	380,070	2,078,663	2,697,352	1,689,017

At 30 June 2024, had the exchange rate between Pound Sterling and US Dollar, Kenya Shillings and US Dollar and Uganda Shillings and US Dollar and South African Rand and US Dollar increased or decreased by 10% with all other variables held constant, there would have been an equal and opposite impact on profit before tax and in net assets attributable to shareholders as follows: (This is based on the historical observations.)

Impact on profit before tax and net assets attributable to shareholders:

	Group		**Company**	
	2024	2023	2024	2023
Pound Sterling	-	-	-	-
Kenya Shillings	-	-	-	-
Uganda Shillings	-	-	-	-
South African Rand	38,007	18,673	167,539	1,494

Capital Risk Management

The Group monitors "adjusted capital" which comprises all components of equity (i.e. share capital, non−controlling interest and accumulated losses).

The Group's objectives when maintaining capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Accounting Policies

Financial Risk Management continued...

Consistent with others in the industry, the Group monitors capital on the basis of the debt to adjusted capital ratio. This ratio is calculated as net debt adjusted capital as defined above. Net debt is calculated as total debt (as shown in the consolidated statement of financial position) less cash and cash equivalents.

Due to recent market uncertainty, the Group's strategy is to preserve a strong cash base and achieve a debt−to−adjusted−capital ratio of approximately 25% (2023: 25%). The objective of this strategy is to secure access to finance at reasonable cost by maintaining a high credit rating. The debt−to−adjusted−capital ratios at 30 June 2024 and at 30 June 2023 were as follows

	Group		Company	
	2024	**2023**	**2024**	**2023**
Loans and borrowings	799,171	223,897	14,347	14,949
Less: cash and cash equivalents	(160,624)	(87,240)	(35,121)	(9,627)
Net debt	638,547	136,657	(20,774)	5,322
Total equity	(2,554,240)	(592,044)	996,615	1,072,927
Total adjusted capital	(2,554,240)	(592,044)	996,615	1,072,927
Debt to adjusted capital ratio (%)	N/A	N/A	N/A	0.50%

The deterioration in the debt to adjusted capital ratio during 2024 resulted primarily from the raising of loans from related parties, in conjunction with the 100% impairment of a construction project. The Group continuously revisits its debt to adjusted capital ratio target going forward acting prudently.

The following are the contractual maturities of the related party loans

	On demand or within a period not exceeding one year	Within a period of more than one year but not exceeding two years	Within a period of more than two years but not exceeding five years	In more than five years	Total
At 30 June 2024					
Group	114,223	568,879	116,069	-	799,171
At 30 June 2024					
Company	14,347	-	-	-	14,347
At 30 June 2023					
Group	127,749	-	96,148	-	223,897
At 30 June 2023					
Company	9,626	-	-	-	9,626

Notes to the Consolidated and Separate Financial Statements

Figures in US$

6. Property, plant and equipment

Balances at year end and movements for the year

	Right of use asset Buildings	Leasehold improvements	Fixtures and fittings	Office equipment	Computer equipment	Construction in progress	Property, Plant and equiptment under construction	Total
Reconciliation for the year ended 30 June 2024 - Group								
Balance at 1 July 2023								
At cost	21,577	-	-	191	2,711	1,124,882	-	**1,149,361**
Accumulated depreciation	(21,577)	-	-	(191)	(1,977)	-	-	**(23,745)**
Carrying amount	**-**	**-**	**-**	**-**	**734**	**1,124,882**	**-**	**1,125,615**
Movements for the year ended 30 June 2024								
Additions from acquisitions	-	3,319	283	9,709	3,386	-	102,221	**118,919**
Additions from right of use of assets	102,875	-	-	-	-	-	-	**102,875**
Depreciation	(18,869)	(580)	(51)	(1,736)	(928)		-	**(22,164)**
*Impairment loss recognised in profit or loss	-	-	-	-	-	(1,219,113)	-	**(1,219,113)**
Decrease/increase through other changes	(517)	(16)	(1)	(47)	(37)	94,231	-	**93,613**
Property, plant and equipment at the end of the year	**83,489**	**2,723**	**231**	**7,926**	**3,155**	**-**	**102,221**	**199,745**
Closing balance at 30 June 2024								
At cost	124,452	3,319	283	9,900	6,098	-	102,221	**246,273**
Accumulated depreciation	(40,963)	(596)	(52)	(1,974)	(2,943)	-	-	**(46,528)**
Carrying amount	**83,489**	**2,723**	**231**	**7,926**	**3,155**	**-**	**102,221**	**199,745**

Notes to the Consolidated and Separate Financial Statements

Figures in US$

Property, plant and equipment continued...
Balances at year end and movements for the year continued...

*The project was connecting to a substation very close to site and therefore the development was funded and proceeded, once all the permits and approvals were received, we applied for the connection and it became clear from Nelson Mandela Bay Municipality that they haven't upgraded the substation and redirected the connection to another substation 93km away from the site. The cost made the project un-bankable and all funding was stopped. The carrying amount of the project was thus fully impaired.

Reconciliation for the year ended 30 June 2023 - Group								
Balance at 1 July 2022								
At cost	-	-	-	191	1,672	-	-	**1,863**
Accumulated depreciation	-	-	-	(191)	(1,375)	-	-	**(1,566)**
Carrying amount	**-**	**-**	**-**	**-**	**297**	**-**	**-**	**297**
Movements for the year ended 30 June 2023								
Additions from acquisitions	-	-	-	-	838	-	-	**838**
Acquisitions through business combinations	246,970	-	-	-	156	1,804,500	-	**2,051,626**
Decognition of Assets	(225,393)	-	-	-	-	-	-	**(225,393)**
Depreciation	(21,577)	-	-	-	(462)		-	**(22,039)**
Impairment loss recognised in profit or loss	-	-	-	-	-	(403,439)	-	**(403,439)**
Decrease through other changes	-	-	-	-	(95)	(276,180)	-	**(276,275)**
Property, plant and equipment at the end of the year	**-**	**-**	**-**	**-**	**734**	**1,124,881**	**-**	**1,125,615**

Notes to the Consolidated and Separate Financial Statements

Figures in US$

Property, plant and equipment continued...
Balances at year end and movements for the year continued...

Closing balance at 30 June 2023

At cost	246,970	-	-	191	2,711	1,528,320	-	**1,778,192**
Decognition of assets	(225,393)							**(225,393)**
Accumulated impairment	-					(403,439)		**(403,439)**
Accumulated depreciation	(21,577)	-	-	(191)	(1,977)	-	-	**(23,745)**
Carrying amount	**-**	**-**	**-**	**-**	**734**	**1,124,881**	**-**	**1,125,615**

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023

7. Non-Current Assets Classified as Held for Sale

In accordance with IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations, Ravenna Energy Pty Ltd has classified certain non-current assets as held for sale as at 30 June 2024. These assets meet the criteria of IFRS 5, as management has committed to a plan to sell the assets, and it is highly probable that the sale will be completed within 12 months.

Movements for the year	Carrying Amount before Reclassification	Impairment Loss Recognized	Carrying Amount after Reclassification
Plant and Equipment	74,235	-	74,235
Non-Current Assets Classified as Held for Sale at the end of the year	**74,235**	**-**	**74,235**

The assets are measured at the lower of their carrying amount and fair value less costs to sell in accordance with IFRS 5.

8. Investments in subsidiaries

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

Investments in subsidiaries	-	-	37,943	37,943

Movement in investments in subsidiaries made up as follows:

	Company 2024	Company 2023
At start of the year	37,943	6
Transfer from associated companies	-	615,109
Impairment losses	-	(577,172)
At end of the year	**37,943**	**37,943**

Movement in investments in associate companies and joint ventures made up as follows:

	Company 2024	Company 2023
At start of the year	-	615,115
Transfer to subsidiaries	-	(615,109)
Investment written off	-	(6)
At end of the year	**-**	**-**

	Group 2024	Group 2023
At start of the year	-	321,820
Deemed disposal of associate (acquisition of subsidiary)	-	(256,851)
Share of loss after tax	-	(64,969)
At end of the year	**-**	**-**

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023

Investments in subsidiaries continued...

8.2 Composition of the group

All subsidiary companies have a year end of 30 June. Further details of the subsidiary companies are as follows:

2024

Name	Class of share	Nature of business	% Holding Direct	% Holding Indirect	% Non-controlling interest	Country of incorporation and operation
Africa Clean Energy Solutions (ACES) Limited	Ordinary	Investment Holding	100%	-	0%	England
SA Clean Energy Finance (Pty) Limited	Ordinary	Renewable Energy	100%	-	0%	South Africa
SACE Projects (Pty) Limited	Ordinary	Renewable Energy	56.60%	-	43.40%	South Africa
Tana Biomass Generation Limited	Ordinary	Renewable Energy	-	70%	30%	Kenya
Tana Solar Limited	Ordinary	Renewable Energy	-	70%	30%	Kenya
Unergy Limited	Ordinary	Renewable Energy	-	75%	25%	Uganda
VFU – Clean Energy Limited	Ordinary	Renewable Energy	-	70%	30%	Zambia
Ravena Energy (Pty) Limited	Ordinary	Renewable Energy	-	42.50%	57.50%	South Africa
Cullinan Energy (Pty) Limited	Ordinary	Renewable Energy	-	56.60%	43.40%	South Africa

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023

Investments in subsidiaries continued...
Composition of the group continued...

2023

Name	Class of share	Nature of business	% Holding Direct	% Holding Indirect	% Non-controlling interest	Country of incorporation and operation
Africa Clean Energy Solutions (ACES) Limited	Ordinary	Investment Holding	100%	-	0%	England
SA Clean Energy Finance (Pty) Limited	Ordinary	Renewable Energy	100%	-	0%	South Africa
SACE Projects (Pty) Limited	Ordinary	Renewable Energy	56.60%	-	43.40%	South Africa
Tana Biomass Generation Limited	Ordinary	Renewable Energy	-	70%	30%	Kenya
Tana Solar Limited	Ordinary	Renewable Energy	-	70%	30%	Kenya
Unergy Limited	Ordinary	Renewable Energy	-	75%	25%	Uganda
VFU – Clean Energy Limited	Ordinary	Renewable Energy	-	70%	30%	Zambia

During the year, SACE Projects (Pty) Limited obtained 100% control of Cullinan Energy (Pty) Limited and 75% of Ravenna Energy (Pty) Limited.

In 2023, the group obtained control over SACE Projects (Pty) Ltd as defined under note 34. The Company owns directly 56.6%, of SACE Projects (Pty) Ltd, and is represented by a majority on the subsidiary's board of directors and has common key management personnel. The relevant activities of the subsidiary are determined by their boards of directors based on a majority of votes. Therefore, the directors conclude that it has control over the investee and the investee is consolidated in these financial statements.

Details of the associated company with a June year end is as follows:

2024

Name	Class of share	Nature of business	% Holding Direct Indirect	Country of incorporation and operation
-	-	-	-	-

Sturrock Investments Number Eight (Pty) Limited, a Namibian company was formed with a Namibian local partner for a tender that came from Nampower. The tender was withdrawn and we made a decision to hand over our share of the company back to the local partner.

2023

Name	Class of share	Nature of business	% Holding Direct Indirect	Country of incorporation and operation
Sturrock Investments Number Eight (Pty) Ltd	Ordinary	Renewable Energy	35%	Namibia

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023

Investments in subsidiaries continued...
Composition of the group continued...

In 2023 the above associates were accounted for using the equity method.

8.3 Investment in subsidiary

8.3.1 Profit or loss allocated to non-controlling interests and accumulated non-controlling interests of the subsidiary

	Profit or loss 2024	Accumulated NCI 2024	Profit or loss 2023	Accumulated NCI 2023
SACE Projects (Pty) Ltd	(809,364)	(1,130,285)	(320,921)	(320,921)
Tana Biomass	(19,952)	(37,556)	(17,604)	(207,556)
Unergy Limited	(5,652)	(9,219)	(3,567)	(48,775)
Ravena Energy (Pty) Ltd	(1,192)	(1,192)	-	-
Cullinan Energy (Pty) Ltd	(1,580)	(1,580)	-	-

8.3.2 Summarised financial information for subsidiaries with material non-controlling interests before inter-company eliminations

	SACE Projects (Pty) Ltd	Tana Biomass	Unergy Limited	Ravenna Energy (Pty) Ltd	Cullinan Energy (Pty) Ltd
At 30 June 2024					
Non-current assets	115,528	79,347	-	74,235	102,221
Current assets	152,125	367	737	-	-
Non-current liabilities	2,561,377	828,287	135,809	74,229	102,216
Current liabilities	239,427	7,857	82,640	2,747	2,747
Revenue	802,269	4,308	-	-	-
Profit or loss	(2,619,213)	(69,815)	(22,608)	(2,674)	(2,674)
Other comprehensive income	(47,952)	-	-	(73)	(73)
Total comprehensive income	(1,864,896)	(65,507)	(22,608)	(2,747)	(2,747)
Cash inflow (outflow) from operating activities	(270,858)	(70,225)	(7,673)	-	-
Cash inflow (outflow) from investing activities	(244,391)	67,173	(12,709)	-	-
Cash inflow (outflow) from financing activities	560,157	2,928	20,768	-	-
Net cash inflow (outflow)	**44,908**	**(124)**	**386**	**-**	**-**

9. Inventories

Inventories comprise:

	Group 2024	Group 2023	Company 2024	Company 2023
Finished goods	14,249	2,972	-	-
The cost of inventories recognised as an expense and included in cost of sales amounted to:	596,234	391,259	-	-

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023
10. Trade receivables				
Trade receivables	20,515	97,247	-	-

Once invoice is issued, trade receivables become due in 30 days.

The carrying amount of the receivables approximate its fair value. The Group applies a simplified approach of recognising expected credit losses for trade receivables as these items do not have a significant financing component. Trade receivables at year end were not impaired (2023: nil). These contracts are of a short-term nature and there are no historical loss events. As of 30 June 2024, the directors made an ECL assessment and no provision has been provided as the probability of this amount being settled is 100%.

Provision matrix on trade receivables

As at June 2024	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
Expected loss rate	0%	0%	0%	0%	0%
Trade receivable - Group	12,528	-	382	7,605	**20,515**
Loss allowance	-	-	-	-	
Total					**20,515**

As at June 2023	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
Expected loss rate	0%	0%	0%	0%	0%
Trade receivable - Group	96,899	348	-	-	**97,247**
Loss allowance	-	-	-	-	
Total					**97,247**

11. Other receivables

Other receivables incorporates the following balances:

	Group 2024	Group 2023	Company 2024	Company 2023
Prepayments	34,420	30,047	28,328	26,608
Other receivables	1,111	1,648	-	537
VAT receivable	11,366	3,555	-	-
	46,897	**35,250**	**28,328**	**27,145**

Prepayments include advance payments for secretarial services, SEM authorised sponsor and listing fees, CDS annual service fee, marketing and advertising expenses, short term rent, utilities and software.

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023

12. Loans to related entities

12.1 Loans to related entities comprise the following balances

Afrinol Holdings Limited	66,482	75,037	-	-
South Africa Clean Energy Solutions Limited	28,707	29,659	43,561	50,783
R Muchiri	55,324	82,797	34,738	62,311
SACE Projects (Pty) Limited	-	-	1,896,871	1,651,374
Tana Biomass Generation Limited	-	-	649,228	646,425
Africa Clean Energy Solutions (ACES) Limited	-	-	295,727	296,710
Unergy Limited	-	-	133,015	126,777
	150,513	**187,493**	**3,053,140**	**2,834,380**
Impairments	(10,530)	(49,198)	-	(147,189)
Reversal of impairments	4,324	-	4,324	-
	144,307	**138,295**	**3,057,464**	**2,687,191**
Non-current assets	144,307	82,655	3,057,464	2,429,662
Current assets	-	55,640	-	257,529
	144,307	**138,295**	**3,057,464**	**2,687,191**

Amounts receivable from related parties comprise of loans and interest receivable. The Group and Company does not hold any collateral as security.

The loans of the Group and Company are unsecured and shall bear interest between 0% and 11.75% (2023: between 0% and 10.25%), and the interest on some loans will be repayable quarterly in arrears. The loans of the Group and Company shall be repayable on 1 July 2023 or when the projects reach financial closure (whichever is the latest). Amount receivable from related parties are denominated in USD. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above.

The Group has considered all loans to be Stage 1 or Stage 2 loans as the credit risk has not increased significantly since initial recognition, hence the loss allowance is measured at 12−month ECL. For each loan, ECL is calculated as the product of Exposure at default (EAD), loss given a default (LGD), probability of default (PD) and discounted based on annual interest rates over the remaining contractual terms. In determining the probability of default, professional judgement has also been used, in addition to assessing the credit risk of the borrowers and the fact that while some loans are due, the projects are delayed due to circumstances beyond the Groups control. To estimate the Probability of Default, the following two approaches were used:

Project Finance Ratings Approach, which considers risk drivers including Country Risk, Environmental Factors, Construction and Development Risk, Market Situation and Strategic Risk, Business and Operating Risk, Security Package and Financial Analysis and Cash Flows.

SME Corporate Ratings Approach (Moody’s KMV RiskCalc PD Emerging Markets PD Model), which rely mostly on financial drivers and operating capital. The model rating drivers and outcomes have been aligned to those applied and published by the external credit rating agencies

The LGD has been determined using an Asset Value approach and Moody’s KMV Losscalc. The Asset Value approach models the expected asset value at default and then allocates the assets available for distribution to the various security tranches within the entity’s capital structure.

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023

Loans to related entities continued...
Loans to related entities comprise the following balances continued...

The PDs range from 2.5% − 60% and the LGDs is 100%.

For the year ended 30 June 2024, the Group and Company have assessed the provision for impairment losses relating to amount owed by related parties and impairment was identified at Group amounting to USD 10,530(2023: USD 49,198) and Company amounting to USD nil (2023: USD 147,189) since ''loss given default'' was determined at 100%. This assessment is undertaken each financial year through examining the financial position of related parties and the market in which the related parties operate. Amount owned by related parties of the Group as at year end, falls in the category of Doubtful (2023: Doubtful).

12.2 Movements in impairment of loans to related entities are as follows:

	Group 2024	Group 2023	Company 2024	Company 2023
At the beginning of the year	49,198	76,581	147,189	110,670
Impairment raised	488	270	960	54,640
Provision/(reversal) of ECL loss allowance	5,718	(27,653)	(5,284)	(18,121)
At the end of the year	**55,404**	**49,198**	**142,865**	**147,189**
Write off loan	-	70,953	-	70,953
Total impairment and write off	**55,404**	**120,151**	**142,865**	**76,236**

	Group 2024	Group 2023	Company 2024	Company 2023
The amount that best represents its maximum exposure to credit risk at the end of the reporting period without taking account of any collateral held or other credit enhancements (eg netting agreements that do not qualify for offset in accordance with IAS 32); this disclosure is not required for financial instruments whose carrying amount best represents the maximum exposure to credit risk.	-	-	-	-

A description of collateral held as security and other credit enhancements, and their financial effect (eg quantification of the extent to which collateral and other credit enhancements mitigate credit risk) in respect of the amount that best represents the maximum exposure to credit risk (whether disclosed in accordance with (a) or represented by the carrying amount of a financial instrument).

13. Cash and cash equivalents

Cash and cash equivalents included in current assets:

	Group 2024	Group 2023	Company 2024	Company 2023
Cash				
Balances with banks	160,624	87,240	35,121	9,624

Cash and cash equivalents include cash on hand and at banks. The Group does not have overdraft facilities. The group earns interest at the respective deposit rates. Included in cash and cash equivalents in USD 124 398 (2023: USD 76 809) denominated in South African rand. The Group banks with financial institutions with a baa3 Moody's (2023: ba2 and baa3) standalone credit rating. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023

14. Stated capital

Authorised and issued share capital

Authorised				
30 577 444 Ordinary shares of no par value	3,766,053	3,766,053	3,766,053	3,766,053
Issued				
30 577 444 Ordinary shares of no par value	3,766,053	3,766,053	3,766,053	3,766,053

	Group and company		Group and company	
	2024 Number	**2024 USD**	**2023 Number**	**2023 USD**
At start of the year	30,577,444	3,766,053	29,275,770	3,407,721
Issue of shares	-	-	1,301,674	358,332
At end of year	**30,577,444**	**3,766,053**	**30,577,444**	**3,766,053**

All issued ordinary shares are fully paid. Fully paid ordinary shares are at par value, carry one vote per share and carry a right to dividends.

The Board may issue shares at any time and there is no limit on the number of shares to be issued. Included in the shares issued during 2023 is $40,000 of convertible loan converted into shares, this is a non cash item.

The rights, preferences and restrictions attaching to each class including restrictions on the distribution of dividend and the repayment of capital;

Equity component of convertible loan

2023

In 2018, the Company issued convertible bond of USD 40,000 in favour of Richard Morrisson and Arch Holdings Inc.

The terms are as follows:–

The convertible bond shall be automatically converted in equity shares on 30 June 2021 in terms of the following formula:

- Up to 30 June 2019 at a price of USD 1.00 per ordinary share in the Company;
- On 30 June 2020 at a price of USD 1.80 per ordinary share in the Company;
- On 30 June 2021 at a price of USD 2.40 per ordinary share in the Company;
- The convertible bond shall bear an interest rate of 3 Months LIBOR rate plus 5%; and
- The shares do not carry any voting rights until converted into equity shares.

During 2022, the directors agreed by way of a resolution that the convertible bonds be converted into equity shares at the current share price od USD 1 per ordinary share in the company. The shares were issued on 24 January 2023.

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023

15. Accruals and other payables

Accruals and other payables comprise:

		Group 2024	Group 2023	Company 2024	Company 2023
*	Trade payables	168,263	183,356	130,192	62,290
**	Accrued liabilities	1,972,506	1,586,999	1,955,867	1,563,773
***	Other payables	10,470	5,298	5,485	5,328
	Leave pay provision	-	918	-	-
	Audit fee accrual	92,076	76,281	56,350	48,000
	Total trade and other payables	**2,243,315**	**1,852,852**	**2,147,894**	**1,679,391**

* The trade payables payment terms are 30 days after invoice date.

		Group 2024	Group 2023	Company 2024	Company 2023
**	*Accrued liabilities comprise of:*				
	Directors fees	1,310,513	911,989	1,310,513	911,989
	Directors Salaries-backdated	638,669	638,669	638,669	638,669
	Tax authorities, employees taxes,etc	7,175	3,919	4,285	2,264
	Consultants fees for taxes, publications	7,920	8,704	2,400	8,100
	Meetings,other	-	1,200	-	2,751
	Accrued services invoices	8,229	22,518	-	-
		1,972,506	**1,586,999**	**1,955,867**	**1,563,773**

		Group 2024	Group 2023	Company 2024	Company 2023
***	*Other payables comprise of:*				
	Other loans payable	5,486	5,298	5,485	5,328
	Deferred income	4,984	-	-	-
		10,470	**5,298**	**5,485**	**5,328**

16. Amount payable to third parties

Amount payable to third parties comprise:

	Group 2024	Group 2023	Company 2024	Company 2023
Loan Payable- Kloof Holdings	30,953	-	-	-
Loan Payable - Piet Morne	29,973	-	-	-
	60,926	**-**	**-**	**-**

These loans are repayable within 7 (seven) days that the Project reaches financial close.

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023

17. Lease liabilities

17.1 Lease liabilities comprise:

Lease payable	111,402	1,914	-	-
3 year lease with New Heights 200 (Pty) Ltd to 31 July 2023 for rental of part of the building at 101 Oxford Road, Johannesburg. The weighted average incremental borrowing rate applied to the lease liabilities on 1 March 2022 was 9.75%.				
On 1 August 2023, a new lease was entered into with Growthpoint for part of the building 33 Fricker Road, Illovo, Sandton				
Non-current liabilities	93,644	-	-	-
Current liabilities	17,758	1,914	-	-
	111,402	**1,914**	**-**	**-**

17.2 Amounts recognised in the statements of financial position

Right-of-use assets				
Buildings	102,875	31,579	-	-

17.3 Amounts recognised in the statements of profit or loss and other comprehensive income

Depreciation				
Right of use- buildings	19,386	31,579	-	-
Other expenses and gains				
Interest expense	14,878	23,138	-	-

17.4 Amounts recognised in the statements of cash flows

Total cash outflow for leases	(11,373)	-	-	-

17.5 Other information related to leases

The lease liabilities relates to the lease of the office building. The net asset value of the right of use asset is USD 83 489 (2023: Nil) (see note 6) . The new lease term commenced on August 2023 and is for 5 years. The lease for the office expired on 31 July 2023.

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023

Lease liabilities continued...
Other information related to leases continued...

The maturity analysis of the lease liabilities is as follows:				
Due within one year	34,729	1,914		
Due within two to three years	70,940	-		
Due thereafter	43,117	-		
Finance charges	(37,383)	-		
	111,402	1,914		

In the event that the lease is terminated prior to the expiry date, a portion of the agents commission and installation allowance will be paid back. There were no breaches or defaults on contracts during the current or prior years.

18. Amounts payable to related parties

18.1 Amounts payable to related parties comprises:

	Group 2024	Group 2023	Company 2024	Company 2023
Godwen (Pty) Ltd	62,606	52,746	-	-
The loan bears interest at 2% above prime lending rate in South Africa, is unsecured and is repayable once the projects generate positive cash flows				
C Mbire	53,463	43,402	-	-
This loans bears interest at 3% plus 3 months average SOFR and is repayable at the later of 1 July 2023 or when the project reaches financial closure				
JD Kruger	8,387	6,616	2,125	325
This loan bears interest at the South African bank prime overdraft rate and is repayable on demand.				
MJ Antonie	7,718	5,944	2,100	300
This loan bears interest at the South African bank prime overdraft rate and is repayable on demand.				
A Ally	10,122	9,001	10,122	9,001
This loan bears interest at the South African bank prime overdraft rate and is repayable on demand.				
A Cox	87,996	106,188	-	-
The loan is unsecured, repayable within 7 days that the company receives funds from investors or from the funders of the REMO project and earns interest at prime overdraft rate charged by First national bank in South Africa.				
P Norman	568,879	-	-	-
This loan is unsecured, bears interest at the South African bank prime overdraft rate and is repayable from the proceeds of a development fee due to SACE Projects from the Cullinan Project.				
	799,171	**223,897**	**14,347**	**9,626**

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023
Amounts payable to related parties continued...				
Amounts payable to related parties comprises: continued...				
Non-current liabilities	684,948	96,148	-	-
Current liabilities	114,223	127,749	14,347	9,626
	799,171	**223,897**	**14,347**	**9,626**

18.2 Reconciliation of liabilities arising from financing activities

Long term borrowings	Group 2024	Group 2023	Company 2024	Company 2023
Opening balance	223,897	79,989	9,626	27,319
Repayment of loans	(38,348)	(28,682)	-	(28,682)
Additional loan obtained	541,436	117,639	-	10,950
Non cash loans	-	-	3,600	-
Non−cash changes − Adjustment arising on gain of control of subsidiary	-	54,088	-	-
Non−cash changes − interest accrued	49,882	9,643	1,121	1,055
Non−cash changes − foreign exchange movement	18,704	(8,780)	-	(1,016)
Non−cash -journal adjustment	3,600	-	-	-
Closing balance	**799,171**	**223,897**	**14,347**	**9,626**

19. Revenue

19.1 Revenue comprises:

	Group 2024	Group 2023	Company 2024	Company 2023
Sale of goods	788,129	346,670	-	-
Rendering of services	8,168	154,439	-	-
Interest received	17,192	52,178	248,353	225,558
Admin and management fees received	-	60,664	398,066	235,459
Total revenue	**813,489**	**613,951**	**646,419**	**461,017**

19.2 Sources of revenue

	Group 2024	Group 2023	Company 2024	Company 2023
Contracts with customers	796,297	561,773	398,066	235,459
Financial instruments	17,192	52,178	248,353	225,558
	813,489	**613,951**	**646,419**	**461,017**

19.3 Disaggregation of revenue from contracts with customers

	Sale of goods	**Rendering of services**	**Admin and management fees received**	**Total**
Revenue for the year ended 30 June 2024 disaggregated by type of goods or services - Group			-	
Revenue	788,129	8,168	-	796,297

Africa Clean Energy Solutions Limited

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Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023
Revenue continued...				
Disaggregation of revenue from contracts with customers continued...				
Revenue per timing of transfer of goods or services				
Over time	788,129	8,168	-	796,297
Revenue for the year ended 30 June 2023 disaggregated by type of goods or services - Group				
Revenue	346,670	154,439	60,664	561,773
Revenue per timing of transfer of goods or services				
Over time	346,670	154,439	60,664	561,773
Revenue for the year ended 30 June 2024 disaggregated by type of goods or services - Company				
Admin and management fees received	-	-	398,066	398,066
Revenue per timing of transfer of goods or services				
Over time	-	-	398,066	398,066
Revenue for the year ended 30 June 2023 disaggregated by type of goods or services - Company				
Admin and management fees received	-	-	235,459	235,459
Revenue per timing of transfer of goods or services				
Over time	-	-	235,459	235,459

20. Cost of sales

Cost of sales comprise:

	Group 2024	Group 2023	Company 2024	Company 2023
Sale of goods	596,234	391,259	-	-
Rendering of services	6,725	63,898	-	-
Total cost of sales	**602,959**	**455,157**	**-**	**-**

21. Audit, accounting and professional expenses

21.1 Audit and accounting fees comprise:

	Group 2024	Group 2023	Company 2024	Company 2023
Accounting fees	43,242	55,155	43,185	55,155
Auditors remuneration - Fees	92,096	71,018	57,455	48,000
Auditors remuneration - (Over) underprovision of prior year	-	(6,405)	-	(6,405)
Total audit and accounting fees	**135,338**	**119,768**	**100,640**	**96,750**

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023
Audit, accounting and professional expenses continued...				
21.2 Professional fees comprise:				
Secretarial fees	32,155	39,680	32,155	39,680
Consulting fees	3,402	490	(1,200)	1,200
CDS annual fees	4,266	4,176	4,266	4,176
SEM representative and listing sponsor fees	24,798	24,462	24,798	24,462
SEM listing fees	7,839	7,640	7,839	7,640
Total professional fees	**72,460**	**76,448**	**67,858**	**77,158**

22. Other expenses

Other expenses comprise:

Advertising	169	786	-	-
Bad debts	537	241	537	-
Bank charges	1,454	2,885	555	2,366
Depreciation	22,164	22,039	42	255
Fines and penalties	1,572	-	710	-
Insurance	3,555	976	-	-
Legal expenses	19,895	10,012	19,895	7,811
Other operating expenses	41,375	26,886	4,619	14,255
Impairment loss on investment subsidiary	-	-	-	577,172
Repairs and maintenance	351	-	-	-
Total other expenses	**91,072**	**63,825**	**26,358**	**601,859**

23. Other gains and (losses)

Other gains and (losses) comprise:

Loss on deemed disposal of SACE Projects (Pty) Ltd	-	207,290	-	-
Total other gains and (losses)	**-**	**207,290**	**-**	**-**

24. Loss before tax

Loss before tax includes the following separately disclosable items

Other operating expenses				
Property plant and equipment				
- depreciation	1,222,408	403,918	42	255
Right-of-use assets				
- depreciation	18,869	25,926	-	-

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023
Loss before tax continued...				
Loss before tax includes the following separately disclosable items continued...				
Other impairments				
- investments in subsidiaries, associates and joint ventures	6,206	-	(20,033)	36,519

25. Finance costs / income

25.1 Finance costs included in profit or loss:

	Group 2024	Group 2023	Company 2024	Company 2023
Interest on loans payable	49,910	15,144	860	985
Lease obligations	14,878	23,138	-	-
Loss on foreign exchange	-	215,052	-	215,046
Total finance costs	**64,788**	**253,334**	**860**	**216,031**

25.2 Finance income included in profit or loss:

	Group 2024	Group 2023	Company 2024	Company 2023
Gain on foreign exchange	35,762	-	36,250	-
Total finance income	**35,762**	**-**	**36,250**	**-**

26. Income tax expense

26.1 Income tax recognised in profit or loss:

For the year ended 30 June 2024, the Group and the Company had a taxable loss of USD 662 909 and USD 67, 661 respectively (2023 Group tax loss USD 1,098,627 and Company tax loss 200,931). The Group and the Company utilised prior year losses against the taxable profits

Tax losses available for net off against future taxable profit of the Group/Company are as follows

	Group 2024	Group 2023	Company 2024	Company 2023
Tax losses	2,005,843	1,521,921	557,098	489,437

There is no time limit for the utilisation of the tax losses of the subsidiary companies. The tax loss for the Company amounting to USD 557 098 (2023: USD 489,437) is subject to five years limitation and will expire on a rolling basis of five years. The tax losses are available for set off against future taxable profit of the Company as follows:

Financial year	**Expiring in financial year**	**2024 US$**	**2023 US$**
2020	**2025**	**288,506**	**288,506**
2021	**2026**	-	-
2022	**2027**	-	**-**
2023	**2028**	**200,931**	200,931
2024	**2029**	**67,661**	**-**
Tax losses		**557,098**	**489,437**

Notes to the Consolidated and Separate Financial Statements

Income tax expense continued...

26.2 The income tax for the year can be reconciled to the accounting loss as follows:

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023
Loss before tax from operations	(2,005,843)	(1,658,206)	(76,313)	(1,141,080)
Income tax calculated at 15.% (2023:15%)	(300,876)	(248,731)	(11,447)	(171,162)
Tax effect of				
− Expenses not deductible for tax purposes*	38,745	110,209	7,463	141,056
− Annual allowance	(9,260)	(17)	(8,521)	(17)
− Effect of different tax rates of subsidiaries	(231,223)	(69,928)	-	-
− Unutilised tax losses brought forward	173,453	190,975	12,505	30,123
− Impairment of plant	329,161	17,492	-	-
Tax charge	-	-	-	-

* This includes expenses of a capital nature, depreciation, entertainment and other expenses not deductible for tax purposes.

No deferred tax asset has been recognised in respect of the tax losses due to unpredictability of future profit streams.

26.3 Additional disclosures

The Company is subject to tax at the rate of 15%. Being incorporated post 16 October 2017, the provisions relating to the new tax regime will apply. Under the new tax regime and subject to meeting the necessary substance requirements as required under the Mauritian Financial Services Act 2007 (as amended by the Finance Act 2018) and such guidelines issued by the FSC, the Company is entitled to either (a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income against the Company's tax liability computed at 15% on such income, or (b) a partial exemption of 80% of some of the income derived, including but not limited to foreign source dividends or interest income.

Following the Finance Act 2018, all companies categorised as Global Business Licence are now licensed as Global Business Licence. Effective as from January 2019, deemed Foreign Tax Credit regime available to GBC 1 companies have been abolished. There will be an introduction of an 80% exemption regime on the following income:

(i) Foreign dividend, subject to amount not allowed as deduction in source country.
(ii) Foreign source interest derived by a Company other than a bank.
(iii) Profit attributable to a permanent establishment of a resident company in foreign country.
(iv) Foreign source income derived by a Collective Investment Scheme ("CIS"), Closed−End Funds, CIS Manager, CIS Administrator, Investment Adviser or Asset Manager licensed or approved by the Financial Services Commission ("FSC").
(v) Income derived by companies engaged in ship and aircraft leasing.

In respect of Africa Clean Energy Solutions (ACES) Limited, incorporated in England, due to changes in the UK Corporation tax rate enacted as part of the Finance Bill 2015 on 24 March 2015, the main rate was reduced to 19% from 1 April 2017 and to 18% from 1 April 2020. A further reduction in the main rate of corporation tax to 17% with effect from 1 April 2020 was substantively enacted on 6 September 2016 as part of the Finance Bill 2016.

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023

Income tax expense continued...
Additional disclosures continued...

In respect of the companies incorporated in Kenya (namely Tana Biomass Generation Limited and Tana Solar Limited) and Uganda (namely Unergy Limited), profits are subject to company tax at 30% . In respect of companies incorporated in Zambia (namely VFU – Clean Energy Limited), profits are subject to company tax at 35%. In respect of companies incorporated in South Africa (namely SACE Projects (Pty) Ltd, Cullinan Energy (Pty) Ltd and Ravenna Energy (Pty) Ltd) profits are subject to company tax at 27%. The current estimated tax loss is available for set off against future taxable income. No deferred tax asset is recognised as currently there are no profits to offset the current estimated tax loss.

27. Other comprehensive income

Disclosure of gross, tax and net other comprehensive income

	Gross other comprehensive income	Net other comprehensive income
Year ended 30 June 2024 - Group		
Losses on exchange differences on translation	43,646	43,646
Total other comprehensive income	**43,646**	**43,646**
Year ended 30 June 2023 - Group		
Losses on exchange differences on translation	54,126	54,126
Total other comprehensive income	**54,126**	**54,126**

28. Earnings per share

Basic and diluted loss per share

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

	Group 2024	Group 2023
Loss for the year attributable to owners of the company	(1,206,084)	(1,327,243)
Weighted average number of ordinary shares used in the calculation of basic earnings per share	30,577,542	29,486,453
Loss per share	(0.0394)	(0.0450)

29. Contingent liabilities and contingent assets

The Company had no contingent liabilities as at 30 June 2024 (2023: Nil).

At the end of June 2020, Tana Biomass Generation Limited agreed to pay Afrinol Holdings Limited USD 350,000 on financial closure of the project. As at 30 June 2024, it was uncertain as to the commencement and completion of the project.

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023

30. Related parties

30.1 Other related parties

Entity name	
Africa Clean Energy Solutions (ACES) Limited	Wholly owned subsidiary
SA Clean Energy Finance (Pty) Ltd	Wholly owned subsidiary
Tana Solar Limited	Indirect subsidiary
Tana Biomass Generation Limited	Indirect subsidiary
VFU - Clean Energy Limited	Indirect subsidiary
SACE Projects (Pty) Ltd	Subsidiary (2022: Associated company)
Unergy	Indirect subsidiary
South Africa Clean Energy Solutions Ltd	Enterprise with common directorship
JD Kruger	Director
MJ Antonie	Director
A Cox	Director
Topolino Trust	Shareholder
Nemesis Trust	Shareholder
P Norman	Director of subsidiary company
A Ally	Director of subsidiary company
R Muchiri	Director of subsidiary company
Afrinol (Holdings) Limited	Minority shareholder of subsidiary company
C Mbire	Director of subsidiary company
Sunco Limited	Shareholder of subsidiary company
Godwen (Pty) Ltd	Minority shareholder of subsidiary company

Balances as at 30 June

Loan receivable from related parties:

(a) South Africa Clean Energy Solutions Ltd (South Africa)

Opening balance	26,290	72,278	47,414	72,278
Loan given during the year	-	661	-	661
Foreign exchange adjustment	(4,318)	(28,016)	(3,853)	(28,016)
Adjustment arising on gain of control of subsidiary	9,900	(21,124)	-	-
Reversal of credit loss allowance	102	2,491	102	2,491
Balance at end of year	**31,974**	**26,290**	**43,663**	**47,414**

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023
Related parties continued...				
Other related parties continued...				
(b) Robert Wanjohi Muchiri Opening balance				
Opening balance	49,833	44,267	29,350	25,431
Reversal/(provision) of credit loss allowance	15,709	(270)	15,709	(270)
Foreign exchange adjustment	168	872	-	4
Interest charged during the year	6,382	4,964	5,388	4,185
Balance at end of year	**72,092**	**49,833**	**50,447**	**29,350**
(c) Tana Biomass Generation Limited (Kenya)				
Opening balance	-	-	591,004	558,275
Loan given during the year	-	-	6,182	5,942
Interest charged during the year	-	-	52,042	47,614
Reversal/(provision) of credit loss allowance	-	-	3,882	(20,827)
Balance at end of year	**-**	**-**	**653,110**	**591,004**
(d) Unergy Limited (Uganda)				
Opening balance	-	-	123,983	110,964
Loan given during the year	-	-		6,448
Interest charged during the year	-	-	9,032	6,102
Reversal of credit loss allowance	-	-	41	469
Balance at end of year	**-**	**-**	**133,056**	**123,983**
(e) Africa Clean Energy Solutions (ACES) Limited (United Kingdom)				
Opening balance	-	-	277,090	271,042
Loan given during the year	-	-	362	-
Interest charged during the year	-	-	18,275	12,005
Foreign exchange adjustment	-	-	-	3,699
Reversal/(provision) of credit loss allowance	-	-	1,259	(9,656)
Balance at end of year	**-**	**-**	**296,986**	**277,090**
(f) Afrinol (Holdings) Limited (Kenya)				
Opening balance	62,172	57,130	-	-
Interest charged during the year	4,308	4,178	-	-
Reversal of credit loss allowance	-	864	-	-
Balance at end of year	**66,480**	**62,172**	**-**	**-**

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023
Related parties continued...				
Other related parties continued...				
(g) SACE Projects (Pty) Ltd (South Africa)				
Opening balance	1,618,350	1,709,580	1,618,350	1,709,580
Loan given during the year	404,975	239,581	404,975	239,581
Loan repaid during the year	(325,260)	(276,254)	(325,260)	(276,254)
Foreign exchange adjustment	35,665	(179,903)	35,665	(179,903)
Credit loss allowance	(960)	(23,887)	(960)	(23,887)
Interest charged during the year	163,141	149,233	163,141	149,233
Adjustment arising on gain of control of subsidiary	(1,895,911)	(1,618,350)	-	-
Balance at end of year	**-**	**-**	**1,895,911**	**1,618,350**
(h) Kalkuil Solar (Pty) Ltd (South Africa)				
Opening balance	-	33,210	-	33,210
Loan written off during the year	-	(39,937)	-	(39,937)
Foreign exchange adjustment	-	(5,476)	-	(5,476)
Reversal of credit loss allowance	-	8,553	-	8,553
Interest charged during the year	-	3,650	-	3,650
Balance at end of year	**-**	**-**	**-**	**-**
(i) Matla a Letsatsi (RF) (Pty) Ltd (South Africa)				
Opening balance	-	25,657	-	25,657
Loan written off during the year	-	(31,009)	-	(31,009)
Foreign exchange adjustment	-	(4,040)	-	(4,040)
Reversal of credit loss allowance	-	6,608	-	6,608
Interest charged during the year	-	2,784	-	2,784
Balance at end of year	-	-	-	-
Total loans and interest receivables (Note 12)	**170,546**	**138,295**	**3,073,173**	**2,687,191**
Terms and conditions of the loans are disclosed in note 12.				
Payables to related parties:				
(j) Johan David Kruger				
Opening balance	6,616	9,490	325	3,463
Loan received during the year	1,800	3,038	1,800	2,774
Loan repaid during the year	-	(5,997)	-	(5,997)
Interest charged during the year	-	85	-	85
Foreign exchange adjustment	(29)	-	-	-
Balance at end of year	**8,387**	**6,616**	**2,125**	**325**

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023
Related parties continued...				
Other related parties continued...				
(k) Melvyn Joseph Antonie				
Opening balance	5,944	19,881	300	14,474
Loan received during the year	1,800	8,413	1,800	8,176
Loan repaid during the year	-	(22,685)	-	(22,685)
Foreign exchange adjustment	(26)	210	-	210
Interest charged during the year	-	125	-	125
Balance at end of year	**7,718**	**5,944**	**2,100**	**300**
(l) A Cox				
Opening balance	106,188	-	-	-
Loan received during the year	-	106,188	-	-
Loan repaid during the year	(32,753)	-	-	-
Foreign exchange adjustment	3,156	-	-	-
Interest charged during the year	11,405	-	-	-
Balance at end of year	**87,996**	**106,188**	**-**	**-**
(m) P Norman				
Opening balance	-	-	-	-
Loan received during the year	534,815	-	-	-
Loan repaid during the year	(5,595)	-	-	-
Interest charged during the year	19,197	-	-	-
Foreign exchange adjustment	20,462	-	-	-
Balance at end of year	**568,879**	**-**	**-**	**-**
(n) A Ally				
Opening balance	9,001	9,382	9,001	9,382
Interest charged during the year	1,121	845	1,121	845
Foreign exchange adjustment	-	(1,226)	-	(1,226)
Balance at end of year	**10,122**	**9,001**	**10,122**	**9,001**
(o) Godwen (Pty) Ltd				
Opening balance	52,746	54,088	-	-
Interest charged during the year	7,808	6,422	-	-
Foreign exchange adjustment	2,052	(7,764)	-	-
Balance at end of year	**62,606**	**52,746**	**-**	**-**
(p) C Mbire (Director of Unergy Limited)				
Opening balance	43,402	41,236	-	-
Loan received during the year	6,621	-	-	-
Interest charged during the year	3,440	2,166	-	-
Balance at end of year	**53,463**	**43,402**	**-**	**-**

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023
Related parties continued...				
Other related parties continued...				
Total loans and interest payables (Note 18)	**799,171**	**223,897**	**14,347**	**9,626**

Transactions with key management personnel

Toorisha Nakey–Kurnauth is a director of the Company. She is also related to Intercontinental Trust Limited, the Company's service provider Management Company and Company Secretary. The total Director fees of USD 540,000 (2023: USD 500, 000) for the year ended 30 June 2024 does not include fees paid to Toorisha Nakey - Kurnauth, the amount is included within fees charged by the Company Secretary and borne by the Company. The amount included on 30 June 2024 is USD 5250 (2023: USD 7000). However, the fees are not paid to her but to Intercontinental Trust Limited.

Terms and conditions of transactions with related parties

They have no guarantees provided or received for any related party receivables or payables. Expected credit losses on amounts receivable from related parties amounting to USD (6,206) for the Group and USD 4.324 for the Company were recognised during the year 2023: USD (27,383) for the Group and USD 36,519 for the Company). Outstanding balances at the year-end are unsecured and settlement occurs in cash.

All transactions were entered into the normal course of the business. The Company has one employee and the day to day administration of the Company is outsourced to the Administrator as set out in the agreement as to the terms and conditions of business, respectively.

30.2 Compensation paid to key management personnel

	Group 2024	Group 2023	Company 2024	Company 2023
Directors Fees				
MJ Antoine	130,500	138,000	130,500	138,000
JD Kruger	184,000	186,000	184,000	186,000
A Cox	182,500	155,000	182,500	155,000
A King	15,250	9,000	15,250	9,000
G Siew	17,750	12,000	17,750	12,000
F Visscher	10,000	-	10,000	-
Total	**540,000**	**500,000**	**540,000**	**500,000**

31. Going concern

The company faced many challenges during the year under review, as many companies have since Covid, started recovering. The company was restructured and appointed a new CEO, Mr F Visscher on the 1 June 2024. Since then the cashflow has improved and multiple rooftop solar proposals have been made and some projects been awarded in short list selection. The company debt has been reduced by 60% and further investments are prepared for the 2025 year.

The renewable energy market continues to grow in South Africa and the rest of Africa, presenting many opportunities for the Group. In countries like South Africa the energy market is opened for private Purchase Power Agreement' s (PPA) and other countries like Zambia, Kenya and Uganda are also moving into the private PPA's, which will give a further huge boost to the renewable energy market in these countries. The Group is currently engaging with partners in these countries and has signed a term sheet for 25MW solar in Zambia.

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023

Going concern continued...

The financial results for the 2024 year end was not positive, however progress has been made in the 2025 financial year which will have a positive effect on the financial results of the 2025 year end.

The Group and the Company Directors have made an assessment of their ability to continue as a going concern and is satisfied that the Group and the Company have the resources to continue in business for the next 12 months following reporting authorisation date of the financial statements, based on the receipt of investments into the group of USD576,000 in December 2024 and USD124,000 in March 2025 and the validity on the receipt of a further investment from the same investor for USD678,000 which is pending from the investor's bank approval. The group has signed an agreement for the sale of 10% of the Cullinan project for US$ 842k (R15.7million). The group is also in discussion with an equity funder on selling a further 80% of this project and retaining 10%. The group has completed discussions for the sale of 100% of the Ravenna project for US$ 476k (R8.8million). An agreement in that respect is currently under preparation. Based on this assessment, the Board considers the ability of the Group to continue operations. Therefore, the financial statements have been prepared on a going concern basis.

Through the combination of the above the company will be in an improved cashflow position and clear most of its remaining debt and have funds available for the development of further projects.

The Group incurred a net loss of USD 2,005,843 (2023: USD 1,658,206) and the Company incurred a loss of USD 76,313 (2023: USD 1,141,080) for the year ended 30 June 2024. As of that date , the Group and Company had net current liabilities of USD 2,133,009 (2023: USD 1,704,166) and USD 2,098,792 (2023: USD 1,394,719) respectively. The financial statements have been prepared on a going concern basis.

The validity of the going concern assumption described above, depends on the continued growth of the rooftop business of the company's subsidiary, SACE Projects Ltd, receipt of further capital subscription into the company and funds to be generated from the sale of 90% of Cullinan project and 100% of the Ravenna project to meet its liquidity requirements. Despite that this results in a material uncertainty related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern, the directors are confident that the above events will materialise in the near future.

The directors are of the opinion that the financial position of the Group will improve through the continued growth of its subsidiary company SACE Projects and the other subsidiaries, therefore, the directors confirm that it is appropriate for the financial statements to be prepared on a going concern basis.

32. Events after the reporting date

Group investment in projects

During the financial year, the subsidiary company SACE Projects (Pty) Ltd invested in two investment project companies in South Africa where the development commenced.

SACE Projects (Pty) Ltd is a 100% shareholder of Cullinan Energy (Pty) Limited and 75% shareholder of Ravenna Energy (Pty)Limited.

The group has signed an agreement for the sale of 10% of the Cullinan project for US$ 842k (R15.7million). The group is also in discussion with an equity funder on selling a further 80% of this project and retaining 10%. The group has completed discussions for the sale of 100% of the Ravenna project for US$ 476k (R8.8million). An agreement in that respect is currently under preparation. Based on this assessment, the Board considers the ability of the Group to continue operations.

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023

The Cullinan Project – Cullinan Energy Pty Ltd

All the permits and land lease agreements are secured for the project to reach financial closure and then start construction. The PPA term sheet for the 153MW solar project has been signed and Standard Bank has issued a term sheet for 80% of the debt.

The directors of SACE projects are currently in discussion with a few equity partners to invest in 80 – 90% of Cullinan Energy (Pty)Limited and SACE Projects (Pty) Limited will become the minority shareholder, owning 10 - 20% of the equity which will be financed from part of the development premium received on the project.

The total capital expenditure is US$ 130million (R2,4 billion) and SACE Projects (Pty) Limited will earn a development premium of US$ 8.6 million (R160 million).

Financial closure for this project is after June 2025 and therefater project construction will commence.

SACE Projects have financed 100% of the development and will continue to finance the balance through the rooftop business income.

From part of the development fee income SACE Projects will finance the 10% equity and commence with the second phase of 310MW solar projects in South Africa.

Subsequent to the year end, SACE Projects (Pty) Limited signed an agreement for the sale 10% of the Cullinan project for USD 850 000 (R15.7million). From the development fee income SACE Projects will finance the 12% equity and commence with the second phase of 310MW solar projects in South Africa. The total 463MW solar projects will reach commercial operations in 2026/7/8 and 2029.

Ekurhuleni Project – Ravenna Energy Pty Ltd

An off-taker for the 10MW solar project was secured in February 2023. The project is in the final permit stage and will reach shovel readiness in the June 2026 financial year. The land lease has been signed and the development costs are paid by the company.

In September 2024, SACE Projects (Pty) Ltd, received an offer from Creo-vision to purchase 100% of the company including the permits and the PPA for an amount of US$475 000 (R8 800 000). The directors of the company agreed to sell the project in November 24, after final negotiations with Creo-vision.

The shareholders have all agreed to sell 100% of the project. The directors of the company agreed to sell the project and utilise the cashflow for phase two of the project. The transaction will be concluded by June 2025 with 50% payment on transfer and 50% on financial closure.

Zambia – VFU-CELL Limited

ACES Renewables holds 75% of the Zambian company and has commenced with the development of a 25MW solar project that will start construction November 25. The company has signed a term sheet with a mine in Zambia for the full 25MW in November 24. The development is funded by the company and Standard bank has indicated it will be interested in the Debt funding for the project, allowing the shareholders to focus on the equity raise.

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023

Climate Change Levy

Following the promulgation of the Finance (Miscellaneous Provisions) Act 2024 in July 2024, Companies are required to pay a Corporate Climate Responsibility Levy 2% of their chargeable income as from year of assessment commencing on July 01, 2024. This is considered as a non adjusting event and no financial impact is expected on the Group's and Company's tax for the year ending 30 June 2025.

Notes to the Consolidated and Separate Financial Statements

Figures in US$

33. Segment Reporting

The Group operates in Mauritius, United Kingdom, Namibia, Uganda, South Africa and Kenya. The Group does not monitor assets by segment.

The Group is organised into one main operating segment, which is clean energy solutions. All significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole and is shown below:

2024

	Mauritius	United Kingdom	Kenya	Uganda	South Africa	Consolidated adjustments	TOTAL
Income							
Intercompany management fee	398,066	-	-	-	-	(398,066)	-
Interest receivable	5,658	1,252	4,308	-	5,974	-	17,192
Intercompany interest receivable	242,695	10,542	-	-	-	(253,237)	(0)
Proceeds on disposal of investment	-	-	-	-	-	-	-
Revenue from rooftop sales	-	-	-	-	796,297	-	796,297
Total income	646,419	11,794	4,308	-	802,271	(651,303)	813,489

Notes to the Consolidated and Separate Financial Statements

Figures in US$

Segment Reporting continued...

Expenses							
Cost of sales	-	-	-	2,500	(605,459)	-	(602,959)
Accounting fees	(43,185)	(57)	-	-	-	-	(43,242)
Advertising costs	-	-	-	-	(169)	-	(169)
Audit fees	(57,455)	-	(6,770)	(6,962)	(20,909)	-	(92,096)
Bank fees	(555)	-	(90)	(203)	(606)	-	(1,454)
Bad debt	(537)	-	-	-	-	-	(537)
Consulting fees	-	(326)	-	-	(3,553)	-	(3,880)
Depreciation	(42)	-	-	-	(22,122)	-	(22,165)
Directors fees	(540,000)	-	-	-	-	-	(540,000)
Entertainment	-	-	-	-	(1,211)	-	(1,211)
General expenses	(327)	-	(1,000)	(25)	(19,247)	-	(20,599)
Goodwill impaired	-	-	-	-	-	-	-
Impairment	4,324	-	-	-	(1,219,113)	-	(1,214,788)
Insurance	-	-	-	-	(3,555)	-	(3,555)
Interest paid	(860)	(18,688)	(62,755)	(12,473)	(223,419)	253,236	(64,959)
Legal Fees	(19,895)	-	-	-	-	-	(19,895)
Licence fees	-	-	-	-	-	-	-
Management Fee (I/Co)	-	-	-	-	(398,066)	398,066	-
Penalties	(710)	-	(205)	(838)	(24)	-	(1,777)
Professional fees	(67,858)	-	-	(4,602)	-	-	(72,460)
Repairs and maintenance	-	-	-	-	(351)	-	(351)
Software expenses	(681)	-	-	-	(5,123)	-	(5,804)
Telephone	(3,600)	-	-	-	(2,527)	-	(6,127)
Travel	(11)	-	-	-	(7,416)	-	(7,427)
Wages and salaries	(27,589)	-	-	-	(91,689)	-	(119,279)
Realised currency gains	36,250	(316)	4	(5)	-	-	35,933

Notes to the Consolidated and Separate Financial Statements

Figures in US$

Segment Reporting continued...

Total expenses	(722,734)	(19,387)	(70,815)	(22,608)	(2,624,561)	651,302	(2,808,802)
Total loss before tax	(76,315)	(7,593)	(66,507)	(22,608)	(1,822,290)	(1)	(1,995,313)
Income tax expense	-	-	-	-	-	-	-
Loss for the year	(76,315)	(7,593)	(66,507)	(22,608)	(1,822,290)	(1)	(1,995,313)

2023	**Mauritius**	**United Kingdom**	**Kenya**	**Uganda**	**South Africa**	**Consolidated adjustments**	**Total**
Income							
Interest receivable	10,606	779	4,176	-	1,242	-	16,803
Intercompany interest receivable	214,952	9,363	-	-	-	(188,939)	35,376
Intercompany management fee	235,459	-	-	-	-	(174,795)	60,664
Revenue from rooftop solar	-	-	-	-	501,109	-	501,109
	461,017	10,142	4,176	-	502,351	(363,734)	613,952

Notes to the Consolidated and Separate Financial Statements

Figures in US$

Segment Reporting continued...

Expenditure							
Professional fees	(77,158)	-	-	710	-	-	(76,448)
Audit fees	(41,595)	-	(5,679)	(6,518)	(10,821)	-	(64,613)
Directors' fees	(500,000)	-	-	-	-	-	(500,000)
Cost of sales	-	-	-	-	(455,157)	-	(455,157)
Impairment loss on investment	(577,172)	-	-	-	-	577,172	-
Accounting fees	(55,155)	-	-	-	-	-	(55,155)
Interest expenses	(985)	(12,005)	(56,977)	(8,267)	(35,131)	75,083	(38,282)
Impairment of plant and equipment	-	-	-	-	(431,903)	28,464	(403,439)
Impairment of IFRS 9 Loan and other assets	(36,519)	-	-	-	-	63,902	27,383
Bank charges	(2,366)	-	(174)	(191)	(152)	-	(2,883)
Consulting fees	-	(289)	-	-	(4,716)	-	(5,005)
Legal fees	(7,811)	-	-	-	(2,201)	-	(10,012)
Intercompany management fee	-	-	-	-	(174,795)	174,795	-
Wages and salaries	(2,827)	-	-	-	(60,517)	-	(63,344)
Loss on disposal of associated company	-	-	-	-	-	(207,290)	(207,290)
Share of loss of associated company	-	-	-	-	-	(64,969)	(64,969)
Write off loan	(70,953)	-	-	-	-	-	(70,953)
Write off goodwill	-	-	-	-	-	(16,009)	(16,009)
Exchange loss	(215,046)	-	(6)	-	-	2	(215,050)
Other operating expenses	(14,510)	-	(19)	-	(40,766)	4,363	(50,932)
	(1,602,097)	(12,294)	(62,855)	(14,266)	(1,216,159)	635,513	(2,272,158)
(Loss) profit before taxation	(1,141,080)	(2,152)	(58,679)	(14,266)	(713,808)	271,779	(1,658,206)
Taxation	-	-	-	-	-	-	-
(Loss) profit for the year	(1,141,080)	2,024	(58,679)	(14,266)	(713,808)	271,779	(1,658,206)

Notes to the Consolidated and Separate Financial Statements

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023

34. Business Combinations

2023

On 1 October 2022, the investment in SACE Projects (Pty) Ltd was reclassified from investment in associate to investment in subsidiary, as there was a change in the voting rights. In October 2022, Mr A Cox, a director of ACES Renewables, was appointed to the Board of SACE Projects (Pty) Ltd, increasing the ACES Renewables Board Representation from 50% (2/4 directors) to 60% (3/5 directors), demonstrating that the company obtained control. This has resulted in the non controlling interest having Board Representation of 40% (2/5 directors).

The goodwill of USD 16,009 that arose from the business combination at group level, which was attributable to the acquired subsidiary and future cash flow expected to be received, was written off in 2023.

The income and loss included in the consolidated financial statements contributed by SACE Projects (Pty) Ltd was effective the date of the transaction, being 1 October 2022. Had SACE Projects (Pty) Ltd been consolidated from 1 July 2022, income would have been USD 576,600 and loss would have been USD 787,280. Since acquisition date, SACE Projects (Pty) Ltd contributed USD 502,351 to Group revenues and USD 713,807 to Group loss.

The following table summarises the consideration paid by the group and the fair value of identifiable assets acquired and liabilities assumed at acquisition date:

	Group
Consideration as at 1 October 2022	
Purchase consideration (non cash)	–
Add: Fair value of equity interest held before business combination	(58,359)
Less: Non–controlling interest at acquisition	(31,688)
Add: Fair value of net assets at acquisition	106,056
Goodwill	16,009

Recognised amounts of identifiable assets acquired and liabilities assumed:

Bank and cash	102,811
Fixed assets	2,051,626
Other current assets	110,808
Accruals and payables	(567,391)
Loans to related parties	(1,591,798)
	106,056

Recognised amounts of identifiable assets acquired and liabilities assumed:

Net cash outflow on acquisition of subsidiary	-
Consideration paid cash	(102,811)
Less: Cash and cash equivalent balances acquired	(102,811)

Acquisition related costs

Non–controlling interest (NCI) was measured at the NCI's proportionate share of the recognised amounts of the acquiree's net assets.

Figures in US$	Group 2024	Group 2023	Company 2024	Company 2023

35. Three year summary of published results and assets and liabilities - Group

(a) Statement of profit or loss and other comprehensive income

	2024	2023	2022
Revenue	813,489	613,951	467,226
Profit (loss) before taxation	(2,005,843)	(1,658,206)	(870,259)
Income tax expense	-	-	(16,332)
Profit (loss) for the year	(2,005,843)	(1,658,206)	(886,591)
Other comprehensive income, net of tax			(18,254)
Total comprehensive loss	(2,005,843)	(1,658,206)	(904,845)
Loss for the year attributable to:			
Owners of Parent	(1,206,084)	(1,327,243)	(875,551)
Non–controlling interest	(799,759)	(330,963)	(11,040)
	(2,005,843)	(1,658,206)	(886,591)
Comprehensive loss attributable to:			
Owners of Parent	(1,141,553)	(1,309,485)	(883,662)
Non–controlling interest	(820,644)	(294,595)	(21,183)
	(1,962,197)	(1,604,080)	(904,845)
Basic loss per share	(0.0394)	(0.0450)	0.0299

(b) Statement of financial position

	2024	2023	2022
ASSETS			
Non current assets	344,052	1,208,270	2,107,659
Current assets	316,520	278,349	183,352
Total assets	660,572	1,486,619	2,291,011
EQUITY AND LIABILITIES			
Capital and reserves	(1,236,237)	(94,682)	896,471
Non controlling interest	(1,318,003)	(497,362)	(234,455)
Total equity	(2,554,240)	(592,044)	662,016
LIABILITIES			
Non current liabilities	839,518	96,148	41,236
Current liabilities	2,375,294	1,982,515	1,587,759
Total liabilities	3,214,812	2,078,663	1,628,995
Total equity and liabilities	660,572	1,486,619	2,291,011