ANNUAL REPORT 2022

Africa Clean Energy Solutions Limited
Level 3, Alexander House
35 Cybercity
Ebene 72201
Mauritius
www.acesrenewables.com

CONTENTS

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

Although Covid-19 is behind us the year has continued to be challenging due to the impact of the Ukraine Russian crisis.

Nevertheless, we are confident that we will achieve financial close and operation of a number of our long-term projects in 2023.

Group Strategy

Short Term Strategy

The announcement by President Ramaphosa to initially increase the level to 100MW, and more recently to abolish a cap for private power providers has opened the South African market further, which may have a knock-on effect in the rest of Africa.

These developments have enhanced the Group strategy adopted in 2021 and has geared itself to continue developing that strategy.

The Group has concentrated its efforts in South Africa which has resulted in enquiries and quotations being submitted to commercial, industrial and mining enterprises. These quotations range from 500kW to 25MW.

The timeline to complete a project from enquiry to Commercial Operating Date ("COD") is between 6 to 36 months depending on the size and the technology of the project.

These projects comprise:

- the installation of roof top renewable solar solutions;
- installation of stand-alone hybrid energy solutions comprising solar, biomass or biogas;
- supplying farmers with an energy solution for the irrigation and security of food crops.

Medium to Long Term Strategy

Through organic and acquisitional growth, continuing development of the Independent Power Producers ("IPP") program will provide a strong annuity income base.

Africa Clean Energy Solutions Limited ("ACES Renewables") will:

- continue to develop, finance, build and own projects using its chosen technologies;
- design, build and operate mini – grids, to sell the energy to bankable commercial and/or mining clients;
- acquire clean energy projects that have reached final development stage and are generating cash flow;
- generate a strong positive recurring cash flow for the benefit of the group and its shareholders, by owning the projects and selling energy.

During the 2022 financial year executive management considered its position and concluded that it required to increase the capability of the Group by appointing a new Chief Executive Officer. This process was finalised during August 2022.

Subsequent to the year-end, Mr Andrew Cox assumed the responsibility of the Chief Executive Officer with effect from the 1 September 2022, and we welcome him to the Board. Mr Dave Kruger will concentrate on the numerous opportunities arising out of South Africa and has assumed the role of Chief Operating Officer and Mr Melvyn Antonie will continue his role as Chief Financial Officer.

Acknowledgements

Thank you to my fellow Board members, our investors, and stakeholders for their continued support during the year.

Gaetan Siew
Chairman

CHIEF EXECUTIVE OFFICER'S REPORT

Upon joining ACES Renewables in September, I am excited to be working with a dedicated team and highly experienced Board and look forward to the year ahead.

I have worked in a variety of industries including the oil and fuel, FMCG, property and banking industries.

I believe the renewable energy landscape is on the verge of exponential growth, which ACES Renewables is in a strong position to take advantage of.

I present to you the Group Annual Report for the year ended 30 June 2022.

This year

The 2022 financial year started off on a very slow basis. Having come out of Covid-19, matters started to progress normally. Unfortunately, during the first quarter of 2022 the Ukraine Russian conflict escalated causing the international financial markets to slow down, potentially leading to an international recession in 2023. Interest rates and inflation are on the rise across the globe.

Notwithstanding these developments, the Government of South Africa has opened the market and lifted many of the restrictions for IPPs to enter into Power Purchase Agreements ("PPA") with the private sector. Permitting and licencing processes have been streamlined for IPPs.

Eskom is becoming a major burden to the economy;

in that it should be producing 45,000MW of power but currently is capable of producing only 27,000MW. Eskom's inability to provide sufficient energy to South Africa is one of the main factors preventing the economy from growing at a reasonable level of 3%. If this were the case the total energy required would be around 50,000MW. The net result is that the opportunity in South Africa for IPP companies has grown significantly in the last number of months.

During the year SACE Projects (Pty) Limited ("SACE Projects") has been recapitalised. ACES Renewables has converted R9.96 million of its loan account into 149 new shares, and the remaining shareholders have subscribed for 90 new shares to the value of R6 million in cash. The net result is that ACES Renewables now holds 58.2% of SACE Projects.

Due to the increased demand for electricity the number of inquiries for SACE Projects has increased and at present we have submitted twenty-one quotations since the beginning of this calendar year, and we have concluded three of these. This trend is likely to continue into the near future in South Africa.

SACE Projects is in the early development stage of a number of large solar ground-mounted opportunities. These range in size from 10MW to 100MW. Early development includes permitting, land use, grid access and identifying off-takers.

Notwithstanding these positive developments in South Africa, the competition levels have grown, with many of the major financial institutions looking for projects in the renewable space.

The project in Kenya has received confirmation from KPLC (Kenya Power and Lighting Company) that our project is still under consideration, however the recent election for a new president is delaying the final implementation, as many of the Government institutions in Kenya are being restructured. We aim to secure the PPA by the second quarter of 2023.
The project in Uganda has resulted in an extension to provide the feasibility study which is likely to be completed by June of 2023. During the financial year the company acquired the 35% equity held in Unergy Limited from Metier Private Equity (Pty) Limited at par, bringing the shareholding to 75%.

The future

Despite the issues regarding the Ukraine Russian conflict, 2023 presents an improved opportunity for the Group, mainly because of the comments made above regarding the opening of the South African market and the increased demand for energy. The strategy which we adopted in 2021-22, being the installation of commercial roof-top solar has begun to bear fruit and although not all these projects were concluded during the 2021-22 financial year, they will come to fruition during the 2022-23 financial year.

These rooftop installations provide a very positive cash flow to the Group.

Furthermore, the opportunity for this type of installation has increased in the countries in which we operate in Africa and enquiries have been received from Kenya for three projects which are being quoted for.

Fund raising

The growth in the renewable energy market in which we operate, will give the Group the opportunity to develop and acquire a number of reasonably sized projects. This will lead to generating positive cashflow encouraging new investment.

I look forward to a productive year ahead.

Andrew Cox
Chief Executive Officer

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 Installation

Rooftop Hybrid Installation

Successfully completed

365kW PV installation at P L Steel

Hybrid installation at Eastgate Office Park

Ground Mounted Solar PV Installation

Successfully completed 10MW Ground Mounted PV installation

Similar projects ranging from 10MW to 100MW are in the pipeline.

INVESTORS

The share last traded at 99 US cents.

As the South African energy market has opened up to the private sector the possibilities of the Group achieving its objective for 2023 has increased substantially which will be beneficial to investors. By meeting its 2023 objectives the market will gain more confidence, ACES Renewables investors can expect:

- Internal Rate of Returns from 12% to 20%, depending on country and technology;
- Income is denominated in USD currency in all African countries apart from South African;
- Sustainable returns over duration of operations of projects;
- Clear exit opportunity through listing on stock exchange;
- Be part of upliftment of communities, empowering women, providing a cleaner environment while earning a sustainable return.

HUMAN RESOURCES

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

The South African operations has promoted Tumelo Lekalakala to Operations Manager and is recruiting for a new member for 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 work force.

REVIEW OF RESULTS

Results have been impacted due to the slow recovery of the economy since the Covid-19 pandemic and the resultant delays in the countries in which we operate.

The developments in South Africa together with the Ukraine Russian conflict - which has resulted in an international energy crisis - will allow the Group to increase its presence in South Africa and reduce the development time for its African projects.

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 projects and continue to develop new projects.

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

During the year income was generated into ACES Mauritius from its subsidiaries and associates in the form of management fees received. This will continue as we move forward and increase as the projects reach COD.

FINANCIAL STATEMENTS

AFRICA CLEAN ENERGY SOLUTIONS LIMITED AND ITS SUBSIDIARIES
MANAGEMENT AND ADMINISTRATION FOR THE YEAR ENDED 30 JUNE 2022

Directors	Melvyn Joseph Antonie (Appointed 8 December 2017) 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 29 August 2019) Smitha Algoo-Bissonauth (Appointed 8 December 2017) (Resigned 3 December 2021) Andrew Lloyd Cox (Appointed 1 September 2022)	
Company Secretary	Intercontinental Trust Limited Level 3, Alexander House 35 Cybercity Ebène, 72201 Mauritius	
Registered Office	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	Mercantile 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	
Legal adviser	C&A Law Level 1 Alexander House 35 Cybercity Ebène, 72201 Mauritius	

DIRECTORS' COMMENTARY

AFRICA CLEAN ENERGY SOLUTIONS LIMITED AND ITS SUBSIDIARIES
COMMENTARY OF THE DIRECTORS FOR THE YEAR ENDED 30 JUNE 2022

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 2022.

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:

Name	% Holding Direct	% Holding Indirect	Country of incorporation 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
SA Clean Energy Finance (Pty) Limited	100	-	South Africa
Unergy Limited	-	75	Uganda

The joint ventures are namely:

Name	% Holding Direct	% Holding Indirect	Country of incorporation and operation
Kalkuil Solar (Pty) Limited	45	-	South Africa
Matla A Letsatsi (RF) (Pty) Limited	45	-	South Africa

The associates are namely:

Name	% Holding Direct	% Holding Indirect	Country of incorporation and operation
Sturrock Investment Number Eight (Pty) Ltd	35	-	Namibia
SACE Projects (Pty) Limited	71.14	-	South Africa

In August 2021, Sibal Energy Proprietary Limited was dissolved and struck off the company records.

On 10 August 2021, the company subscribed for 35% of the shares in Sturrock Investments Number Eight Proprietary Limited.

On 17 January 2022, Africa Clean Energy Solutions (ACES) Limited acquired 35% of the shares in Unergy Limited from Metier Private Equity (Pty) Ltd.

On 24 February 2022, the company disposed of 72% in Africa Renewable Clean Power Proprietary Limited.

On 30 June 2022, the company capitalised a portion of the loan account in SACE Projects (Pty) Limited into equity shares.

Review and Dividend

The results of the Company for the year ended 30 June 2022 are as shown in the statement of profit or loss and other comprehensive income.

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

Auditors

The auditors, BDO & Co, have indicated their willingness to continue in office and their re-appointment will be tabled for consideration at the next annual meeting of the shareholders.

CORPORATE GOVERNANCE REPORT

AFRICA CLEAN ENERGY SOLUTIONS LIMITED AND ITS SUBSIDIARIES
CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 30 JUNE 2022

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.

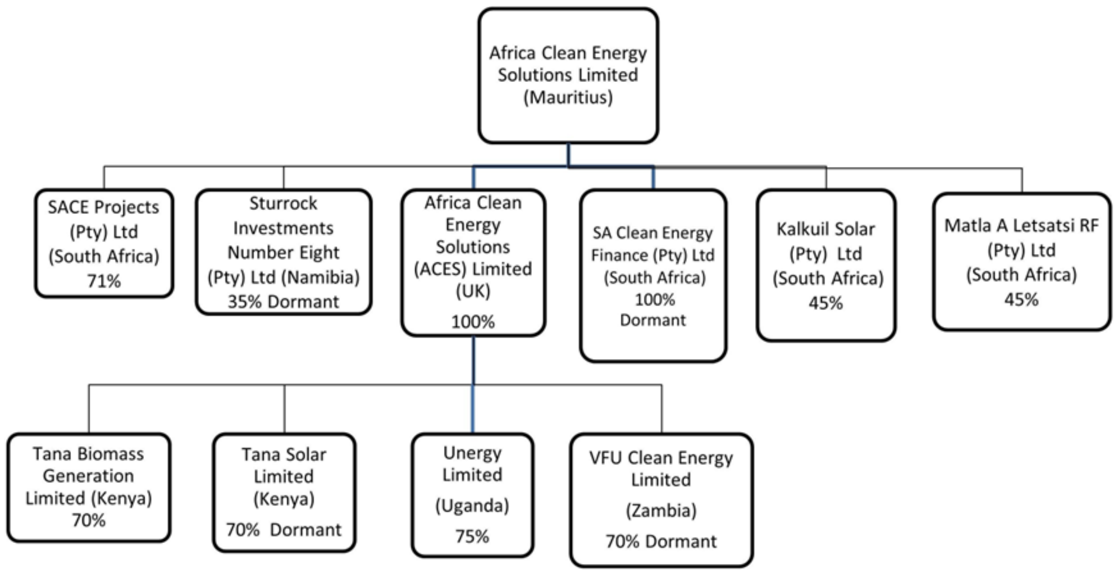
Africa Clean Energy Solutions Limited (the "Company" or "ACES Renewables") was incorporated in Mauritius on 8 December 2017 and holds a Global Business Licence issued by the Financial Services Commission (the "FSC"). The Company is listed on the Official Market of the Stock Exchange of Mauritius Limited (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 Namibia, Botswana, Kenya, Uganda, South Africa 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.

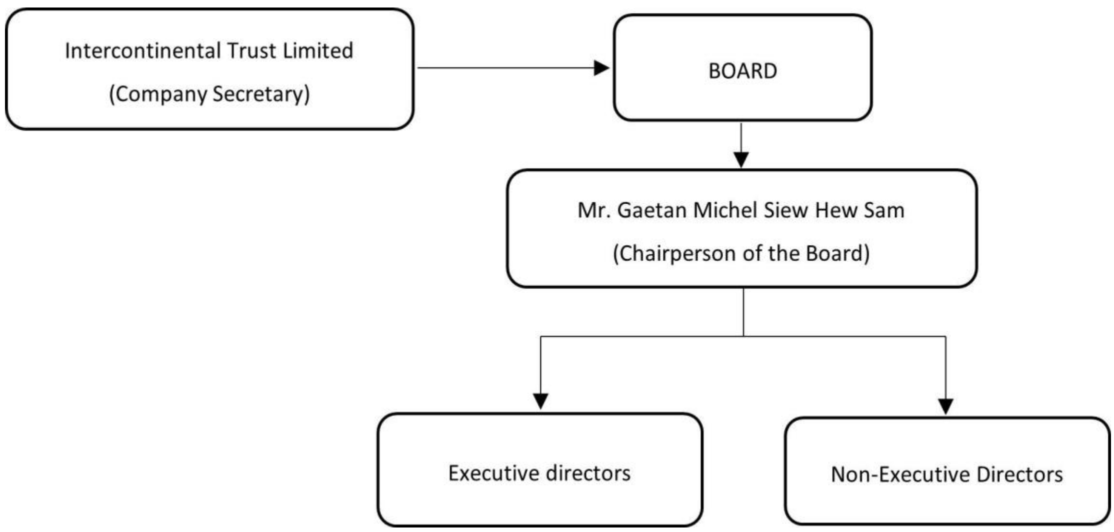
The Board of Directors of the Company recognises that The National Code of Corporate Governance for Mauritius (2016) (the "Code") is regarded as best practice and therefore uses its best endeavours to ensure that the principles of good corporate governance, as applicable in Mauritius, are fully adhered 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

The holding structure of the Company is as follows:



Organisational Chart



SHAREHOLDERS (CONTINUED)
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 powerplants in Kenya
Tana Solar Limited	Dormant
Unergy Limited	Generating, operating and owning renewable energy powerplants in Uganda
VFU-Clean Energy Limited	Dormant
SACE Projects (Pty) Limited	Generating, operating and owning renewable energy powerplants, and installing roof top solar solutions in South Africa
SA Clean Energy Finance (Pty) Limited	Dormant
Sturrock Investments Number Eight (Proprietary) Limited	Dormant
Kalkuil Solar (Pty) Limited	Dormant
Matla a Letsatsi (RF) (Pty) Limited	Dormant

Common Directors

Mr Melvyn Joseph Antonie and Mr Johan David Kruger are common directors in the following subsidiary companies:

Melvyn Joseph Antonie	Johan David Kruger
Africa Clean Energy Solutions (ACES) Limited	Africa Clean Energy Solutions (ACES) Limited
Tana Biomass Generation Limited	Tana Biomass Generation Limited
Tana Solar Limited	Tana Solar Limited
VFU-Clean Energy Limited	VFU-Clean Energy Limited
SACE Projects (Pty) Limited	SACE Projects (Pty) Limited
SA Clean Energy Finance (Pty) Limited	Unergy Limited
Sturrock Investments Number Eight (Proprietary) Limited	Sturrock Investments Number Eight (Proprietary) Limited
Kalkuil Solar (Pty) Limited	Kalkuil Solar (Pty) Limited
Matla a Letsatsi (RF) (Pty) Limited	Matla a Letsatsi (RF) (Pty) Limited

SHAREHOLDERS (CONTINUED)
Substantial shareholders

The following shareholders held more than 5% of the stated capital of the Company as at 30 June 2022:

Name of shareholder	Number of ordinary shares	% Holding
ITL Trustees Ltd as trustee of the Nemesis Trust	5,385,531	18.40%
ITL Trustees Ltd as trustee of the Topolino Trust	6,294,537	21.50%
ITL Trustees Ltd as trustee of the Wenda Trust	4,639,922	15.85%
Klaus Alfred Muller	1,569,999	5.12%
South Africa Clean Energy Solutions Limited	2,000,000	6.83%

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.

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.

SHAREHOLDERS (CONTINUED)
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.

PRINCIPLE 1: GOVERNANCE STRUCTURE (CONTINUED)

The Company's organisational chart is commensurate with the sophistication and scale of the organisation. The Company has six 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.

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. Andrew Cox to assume the role of Chief Executive Officer effective as from 1 September 2022. 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. Mr Cox will also ensure effective communication with the stakeholders.

PRINCIPLE 1: GOVERNANCE STRUCTURE (CONTINUED)

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 three resident directors from Mauritius and one female directors 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.

The Board of Directors and Structure

Name & Date of Appointment	Gender	Country of Residence	Designation	Directorships in other listed companies
Melvyn Joseph Antonie (8 December 2017)	M	South Africa	Executive Director and Chief Financial Officer	None
Johan David Kruger (8 December 2017)	M	South Africa	Executive Director and Chief Executive 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
Andrew Lloyd Cox (1 September 2022)	M	South Africa	Non-Executive Director	None

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

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) • Mr. Melvyn Joseph Antonie (Executive Director) • Mrs. Toorisha Nakey-Kurnauth (Non-Executive Director)
Corporate Governance Committee	• Mr. Antoine Kon-Kam King (Independent Non-executive Director & Chairman) • Mr. Melvyn Joseph Antonie (Executive Director) • Mr. Gaetan Michel Siew Hew Sam (Independent Non-executive Director)

Directors Profile

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

MELVYN JOSEPH ANTONIE
BA, LLB Diploma from Manchester University (Finance)
(South African, Executive Director)

Mr. Antonie and Mr. Kruger formed 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. Antonie became the Chief Financial Officer on formation in 2017.

Mr. Antonie is an admitted attorney. In 1973, he joined Barclays National Merchant Bank where he became senior general manager, responsible for mergers, acquisitions, listings, bank syndicated positions and project financing. Mr. Antonie became a director of Hill Samuel SA in 1986 and he was responsible for the corporate finance department. He formed The Janus Corporation as a shareholder and director in 1987 and between 1996 and 1998, as part of a joint venture, he was a director of SG Corporate Finance (SA) (Pty) Limited. Mr. Antonie has extensive experience in the financial field and heads up the ACES Renewables finance team.

JOHAN DAVID KRUGER
(South African, Executive Director)

Mr. Kruger and Mr. Antonie formed 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

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

in Mauritius. ACES Renewables became the holding company. Mr. Kruger became the Chief Executive Officer on formation in 2017.

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 reasoned 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 Insurance (Mauritius), Director of Antela Consulting, Board Member and Past President of the Chinese Business Chamber, President of We-Recycle and President of 'conseil syndical', Le Bout du Monde. He is also currently a member of the Audit Committee Forum of the Mauritius Institute of Directors (MIOD).

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

ANDREW LLOYD COX
B.Sc, CA
(South African, Executive Director)

Mr Cox holds a B.SC (Hons) degree in mathematics from Salford University, Manchester, UK. He qualified as a chartered accountant in 1993 through the ICAEW.

He has worked in a number of industries, namely FMCG, life insurance, property and the oil and fuel industries.

In 2001 he joined Investec Bank. He was part of the senior management team that implemented a 'turnaround' strategy for the ailing Fedsure Life group; which was later disposed of at a profit.

He joined Growthpoint Properties in 2007 as the COO.

In 2014, together with five other shareholders, formed Oilstar (Pty) Ltd; which acquired 35 petrol stations from Chevron (SA). Mr Cox was the CEO and ran the business until it was sold in 2020.

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 Deputy MLRO for several companies under her administration.

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

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

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.

PRINCIPLE 2: STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTINUED)
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 on a quarterly basis. 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.

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;

PRINCIPLE 2: STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTINUED)
Audit and Risk Committee (continued)

- 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;

PRINCIPLE 2: STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTINUED)
Corporate Governance Committee (continued)

- 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;
- 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
Melvyn Joseph Antonie	3/3	N/A	1/1	1/1
Johan David Kruger	3/3	N/A	N/A	1/1
Antoine Kon-Kam King	3/3	3/3	1/1	N/A
Gaetan Michael Siew Hew San	3/3	N/A	1/1	1/1
Toorisha Nakey-Kurnauth	3/3	2/2	N/A	1/1
Smitha Algoo-Bissonauth	1/1	1/1	N/A	N/A

PRINCIPLE 2: STRUCTURE OF THE BOARD AND ITS COMMITTEES (CONTINUED)
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 2022

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.

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 2022 are as follows:

Directors	Direct Holding	Indirect Holding	Total Shares Held
Melvyn Joseph Antonie	5	5,385,531	5,381,536
Johan David Kruger	5	6,294,537	6,294,542
Antoine Kon-Kam King	-	-	-
Gaetan Michael Siew Hew San	-	-	-
Toorisha Nakey-Kurnauth	-	-	-

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.

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

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.

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)
Intercontinental Trust Ltd	USD 5,250
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)
Johan David Kruger	USD 186,000
Melvyn Joseph Antonie	USD 108,500

The directors have not received remuneration in the form of share options or bonuses associated with the Company's performance.

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.

PRINCIPLE 4: DIRECTOR DUTIES, REMUNERATION AND PERFORMANCE (CONTINUED)
Remuneration Philosophy (continued)

- 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 28 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 21 February 2022. 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.

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL (CONTINUED)

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 3 November 2020.

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.

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.

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL (CONTINUED)
Internal control and risk management (continued)

The Company will engage in the above mentioned internal controls during the financial year ending 30 June 2023.

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 carries 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.
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)

Risk Category	Risk Description	Risk Mitigation
Energy, technology, location and infrastructure risks	In regards 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 FinancialRisk	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 & 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.

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 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 Company Secretary conducts regular file reviews on the Company.

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.

PRINCIPLE 6: REPORTING WITH INTEGRITY (CONTINUED)

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 2022 will be filed with the FSC by 31 October 2022. 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. 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.

PRINCIPLE 7: AUDIT (CONTINUED)

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.

Auditors' Remuneration

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

	2022 USD	**2021 USD**
Audit fees	**36,500**	**37,000**
At 30 June	**36,500**	**37,000**

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 31 December 2022. Shareholders are strongly encouraged to attend the Company's Annual Meeting, which provides an opportunity for the latters 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 the Notice of the Annual meeting is published in two daily newspapers 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 2022 was USD0.0648. The Company will regularly engage with its shareholders through the publication of its announcements, roadshows, at the annual general meeting and by holding meetings.

Time Table of Important Events

Month	Events
October 2022	Publication of abridged audited financial statements for the year ended 30 June 2022
December 2022	Annual General Meeting
June 2023	Financial year end

Mr. Antoine Kon-Kam King
Chairman of the Corporate Governance Committee

STATEMENT OF COMPLIANCE

AFRICA CLEAN ENERGY SOLUTIONS LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPLIANCE FOR THE YEAR ENDED 30 JUNE 2022

(Section 75 (3) of the Financial Reporting Act)

Name of Company: Africa Clean Energy Solutions Limited
Reporting Period: Financial year ended 30 June 2022

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 constitutes 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.

Director
31 October 2022

D. Nancy Kurnauth

Director
31 October 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES

AFRICA CLEAN ENERGY SOLUTIONS LIMITED AND ITS SUBSIDIARIES
STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 30 JUNE 2022

The Directors acknowledge their responsibilities for:

1. Adequate reporting records and maintenance of effective internal control systems;

2. The preparation of the consolidated annual financial statements which fairly present the state of affairs of the Company as at the end of the financial period and the results of its operations and cash flows for that period, and which comply with International Financial Reporting Standards ("IFRS"); and

3. The selection of appropriate accounting policies supported by reasonable and prudent judgements.

The external auditors are responsible for reporting on whether the financial statements are fairly presented.

The Directors report that:

1. Adequate accounting records and an effective system of internal controls and risk management have been maintained;

2. Appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;

3. International Financial Reporting Standards have been adhered to;

4. The Code of Corporate Governance has been adhered to. Reasons have been provided in the corporate governance report in case of non-compliance with any requirement; and

5. The Directors have reviewed the Company's cash flow forecast for the 12 month period from the date of signature and, in the light of this view and the current financial position, they are satisfied that the Company has or it will have access to adequate resources to continue in operational existence and as a going concern for the foreseeable future.

Antoine Kon-Kam King	Toorisha Nakey-Kurnauth
31 October 2022	31 October 2022

SECRETARY'S CERTIFICATE

AFRICA CLEAN ENERGY SOLUTIONS LIMITED AND ITS SUBSIDIARIES
SECRETARY'S CERTIFICATE UNDER SECTION 166(D) OF THE MAURITIUS COMPANIES ACT 2001 FOR THE YEAR ENDED 30 JUNE 2022

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 2022, all such returns as are required of the company under the Mauritian Companies Act 2001.

Intercontinental Trust Limited
Company Secretary
31 October 2022

INDEPENDENT AUDITORS' REPORT

AFRICA CLEAN ENERGY SOLUTIONS LIMITED AND ITS SUBSIDIARIES
INDEPENDENT AUDITORS' 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 (the "Group"), and the Company's separate financial statements on pages 48 to 131 which comprise the consolidated and separate statements of financial position as at 30 June 2022, 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 a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements on pages 48 to 131 give a true and fair view of the financial position of the Group and of the Company as at 30 June 2022, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting 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 29 of the financial statements, which indicates that the Group and the Company incurred a net loss of USD 886,591 (2021: Profit of USD 122,705) and USD 367,209 (2021: Loss of USD 9,386) respectively for the year ended 30 June 2022. In addition, as of that date, the Group and the Company had net current liabilities of USD 1,404,407 (2021: USD 1,781,029) and USD 1,192,138 (2021: USD 1,055,655) respectively. As stated in Note 29, 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.

To the Shareholders of Africa Clean Energy Solutions Limited

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.

Key audit matter for the Company and the Group

Recoverability of amounts receivable from related parties
At 30 June 2022, loans to related parties amounted to USD 2m (2021: USD 2.3m) and USD 2.8m (2021: USD 3.7m) for the Group and the Company respectively. Loans to related parties are measured amortised cost less expected credit loss allowance in accordance with IFRS 9 *Financial Instruments*.

IFRS 9 requires the Group and Company to recognise expected credit losses (ECL) on financial assets measured at amortised cost, which involves significant judgement and estimates to be made by the Group and Company. The determination of ECL on loans to related parties which are not credit impaired involves the highest level of management judgement, 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.

Related disclosures
Refer to notes 2.4(iv) (accounting policies), note 3 (critical accounting estimates and judgements), note 5(a) (credit risk) and note 10 (Loans to related parties) of the accompanying financial statements for details of the loans to related parties.

To the Shareholders of Africa Clean Energy Solutions Limited

Key audit matter for the Company and the Group (cont'd)

Audit response

Our audit procedures included, amongst others:

- 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 Group's and the Company's determination of credit risk and validate the expected credit loss (ECL) calculation and impairment methodology. Their work consisted of:
    - Reviewing the ECL methodology for compliance with IFRS 9 principles and best practice.
    - Independently reviewing and reperforming the ECL model calculations for accuracy and consistency of management's methodology.
    - Performing a challenger ECL model using independent inputs namely Probability of Default (PDs), Exposure at Default (EAD), Loss Given Default (LGDs) and forward looking macro-economic factors.
- Discussion with management over future prospects of the Group with respect to quoted projects in pipeline.
- Reviewing the completeness and adequacy of the disclosures in the financial statements for compliance with IFRS 7 Financial Instruments: Disclosures.

Responsibilities of Directors and Those Charged with Governance 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 International Financial Reporting 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 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 the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and the Company's financial reporting process.

To the Shareholders of Africa Clean Energy Solutions Limited

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

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

As part of an audit in accordance with ISAs, we exercise professional 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 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 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 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 and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

To the Shareholders of Africa Clean Energy Solutions Limited

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

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.

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.

To the Shareholders of Africa Clean Energy Solutions Limited

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
Chartered Accountants

Port Louis,
Mauritius

Rookaya Ghanty, FCCA
Licensed by FRC

31 October 2022

STATEMENTS OF FINANCIAL POSITION

AFRICA CLEAN ENERGY SOLUTIONS LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2022

Figures in $	Notes	Group 2022	Group 2021	Company 2022	Company 2021
Assets					
Non-current assets					
Equipment	6	297	968	297	968
Goodwill	7	-	-	-	-
Investments in associates and joint ventures	8	321,820	-	615,115	25
Investments in subsidiaries	8	-	-	6	256,337
Loans to related parties	10	1,785,542	2,332,841	2,472,396	3,052,496
Total non-current assets		**2,107,659**	**2,333,809**	**3,087,814**	**3,309,826**
Current assets					
Other receivables	9	22,535	5,264	21,161	4,343
Loans to related parties	10	156,579	-	334,043	600,027
Cash and cash equivalents	11	4,238	111,752	3,592	105,754
Total current assets other than non-current assets classified as held for sale		**183,352**	**117,016**	**358,796**	**710,124**
Non-current assets classified as held for sale	12	-	1,170,294	-	-
Total current assets		**183,352**	**1,287,310**	**358,796**	**710,124**
Total assets		**2,291,011**	**3,621,119**	**3,346,610**	**4,019,950**
Equity and liabilities					
Equity					
Stated capital	13	3,407,721	3,407,721	3,407,721	3,407,721
Equity component of convertible loan	14	40,000	31,286	40,000	31,286
Foreign currency translation reserve		17,102	79,764	-	-
Financial assets at fair value through other comprehensive income reserve		-	(93,066)	-	-
Accumulated loss		(2,568,352)	(1,654,286)	(1,552,045)	(1,184,836)
Total equity attributable to owners of the parent		896,471	1,771,419	1,895,676	2,254,171
Non-controlling interests		(234,455)	(48,345)	-	-
Total equity		**662,016**	**1,723,074**	**1,895,676**	**2,254,171**

AFRICA CLEAN ENERGY SOLUTIONS LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2022 (CONTINUED)

Figures in $	Notes	Group 2022	Group 2021	Company 2022	Company 2021
Liabilities					
Non-current liabilities					
Amounts payable to related parties	17	41,236	-	-	-
Current liabilities					
Accruals and other payables	15	1,549,006	1,563,183	1,523,615	1,445,053
Borrowings	16	-	17,507	-	17,507
Amounts payable to related parties	17	38,753	317,355	27,319	303,219
Total current liabilities		**1,587,759**	**1,898,045**	**1,550,934**	**1,765,779**
Total liabilities		**1,628,995**	**1,898,045**	**1,550,934**	**1,765,779**
Total equity and liabilities		**2,291,011**	**3,621,119**	**3,446,610**	**4,019,950**
Number of shares is issue		29,275,770	29,275,770	29,275,770	29,275,770
Net asset value per share		0.0306	0.0605	0.0648	0.0770

Approved by the Board of Directors and authorised for issue on 31 October 2022

Antoine Kon-Kam King

Toorisha Nakey-Kurnauth

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

AFRICA CLEAN ENERGY SOLUTIONS LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

Figures in $	Notes	Group 2022	Group 2021	Company 2022	Company 2021
Revenue	18	267,329	223,675	577,523	97,919
Interest revenue	18	191,213	182,446	235,561	208,092
Gains on disposal of investment	22	8,684	-	-	-
Gain on foreign exchange		-	416,207	-	416,204
Reversal of over accrual		-	7,477	-	-
		467,226	**829,805**	**813,084**	**722,215**
Cost of sales	19	(12,500)	-	-	-
Audit and accounting fees	20.1	(143,973)	(128,684)	(129,904)	(106,798)
Directors fees		(320,750)	(343,155)	(320,750)	(343,155)
Professional fees	20.2	(71,350)	(74,297)	(70,050)	(74,297)
Consulting fees		(24,289)	(24,256)	(20,000)	(54,256)
Impairment and write off loans receivable	10	(10,323)	(68,102)	(59,453)	(96,650)
Other expenses	21	(21,238)	(43,292)	(18,442)	(42,414)
Goodwill written off	7	(129,946)	(11,283)	-	-
Loss on disposal of subsidiary	22	(15,334)	-	(250,837)	-
Finance costs	23	(274,436)	(14,031)	(294,525)	(14,031)
Share of loss of associated companies	8	(313,346)	-	-	-
(Loss) / profit before tax		**(870,259)**	**122,705**	**(350,877)**	**(9,386)**
Income tax expense	24	(16,332)	-	(16,332)	-
(Loss) / profit for the year		**(886,591)**	**122,705**	**(367,209)**	**(9,386)**
(Loss) / profit for the year attributable to:					
Owners of Parent		(875,551)	91,321	(367,209)	(9,386)
Non-controlling interest		(11,040)	31,384	-	-
		(886,591)	**122,705**	**(367,209)**	**(9,386)**

AFRICA CLEAN ENERGY SOLUTIONS LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022 (CONTINUED)

Figures in $	Notes	Group 2022	Group 2021	Company 2022	Company 2021
Other comprehensive income net of tax Components of other comprehensive income that will not be reclassified to profit or loss					
Changes in revaluation of investment at fair value through other comprehensive income		-	(129,256)	-	-
Components of other comprehensive income that may be reclassified subsequently to profit or loss					
Currency translation differences		(18,254)	98,570	-	-
Total other comprehensive loss net of tax	25	**(18,254)**	**(30,686)**	**-**	**-**
Total comprehensive (loss) / income for the year		**(904,845)**	**92,019**	**(367,209)**	**(9,386)**
Comprehensive (loss) / income attributable to:					
Comprehensive (loss) / income, attributable to owners of parent		(883,662)	72,540	(367,209)	(9,386)
Comprehensive (loss) / income, attributable to non- controlling interests		(21,183)	19,479	-	-
		(904,845)	**92,019**	**(367,209)**	**(9,386)**
Weighted average number of shares		**29,275,770**	**29,262,181**		
Basic (loss) / earnings per share	26	**(0.0299)**	**0.0031**		

STATEMENTS OF CHANGES IN EQUITY

AFRICA CLEAN ENERGY SOLUTIONS LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

Group Figures in $	Stated capital	Subscription monies received in advance	Equity component of convertible loan stock	Financial assets at fair value through other comprehensive income reserve*	Foreign currency translation reserve**	Accumulated loss	Attributable to owners of the parent	Non-controlling interest	Total
Balance at 1 July 2020	3,247,721	140,000	32,995	-	5,479	(1,745,607)	1,680,588	(67,824)	1,612,764
Changes in equity									
Profit for the year	-	-	-	-	-	91,321	91,321	31,384	122,705
Other comprehensive income	-	-	-	(93,066)	74,285	-	(18,781)	(11,905)	(30,686)
Total comprehensive income for the year	-	-	-	(93,066)	74,285	91,321	72,540	19,479	92,019
Issue of shares (Note 13)	160,000	-	-	-	-	-	160,000	-	160,000
Transfer to stated capital	-	(140,000)	-	-	-	-	(140,000)	-	(140,000)
Equity component of convertible loan (Note 14)	-	-	(1,709)	-	-	-	(1,709)	-	(1,709)
Balance at 30 June 2021	**3,407,721**	**-**	**31,286**	**(93,066)**	**79,764**	**(1,654,286)**	**1,771,419**	**(48,345)**	**1,723,074**

AFRICA CLEAN ENERGY SOLUTIONS LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022 (CONTINUED)

Group (continued) Figures in $	Stated capital	Subscription monies received in advance	Equity component of convertible loan stock	Financial assets at fair value through other comprehensive income reserve	Foreign currency translation reserve	Accumulated loss	Attributable to owners of the parent	Non-controlling interest	Total
Balance at 1 July 2021	3,407,721	-	31,286	(93,066)	79,764	(1,654,286)	1,771,419	(48,345)	1,723,074
Changes in equity									
Loss for the year	-	-	-	-	-	(875,551)	(875,551)	(11,040)	(886,591)
Other comprehensive income	-	-	-	-	(8,111)	-	(8,111)	(10,143)	(18,254)
Total comprehensive income for the year	-	-	-	-	(8,111)	(875,551)	(883,662)	(21,183)	(904,845)
Dividend paid to minority interest	-	-	-	-	-	-	-	(118,670)	(118,670)
Release to retained earnings on disposal of investment	-	-	-	93,066	-	(93,066)	-	-	-
Acquisition of subsidiary (40% to 75% of Unergy Limited (Note 33)	-	-	-	-	-	-	-	(40,293)	(40,293)
Disposal of Africa Renewable Clean Power Proprietary Limited (Note 8.3.4)	-	-	-	-	-	-	-	(5,964)	(5,964)
Equity component of convertible loan (Note 14)	-	-	8,714	-	-	-	8,714	-	8,714
Release on disposal of Africa Renewable Clean Power Proprietary Limited	-	-	-	-	(54,551)	54,551	-	-	-
Balance at 30 June 2022	**3,407,721**	**-**	**40,000**	**-**	**17,102**	**(2,568,352)**	**896,471**	**(234,455)**	**662,016**

* Financial assets at fair value through other comprehensive income reserve comprises the cumulative of net change in financial assets through other comprehensive income that has been recognised in other comprehensive income until the investments are disposed.
** The foreign currency translation reserve consists of foreign currency differences arising from the translation of the financial statements of foreign operations.

AFRICA CLEAN ENERGY SOLUTIONS LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022 (CONTINUED)

Company

Figures in $	Stated capital	Subscription monies received in advance	Equity component of convertible loan stock	Accumulated loss	Total
Balance at 1 July 2020	3,247,721	140,000	32,995	(1,175,450)	2,245,266
Changes in equity					
Loss for the year	-	-	-	(9,386)	(9,386)
Total comprehensive income	-	-	-	(9,386)	(9,386)
Issue of shares (Note 13)	160,000	-	-	-	160,000
Transfer to stated capital	-	(140,000)	-	-	(140,000)
Equity component of convertible loan (Note 14)	-	-	(1,709)	-	(1,709)
Balance at 30 June 2021	**3,407,721**	**-**	**31,286**	**(1,184,836)**	**2,254,171**
Balance at 1 July 2021	3,407,721	-	31,286	(1,184,836)	2,254,171
Changes in equity					
Loss for the year	-	-	-	(367,209)	(367,209)
Total comprehensive income	-	-	-	(367,209)	(367,209)
Equity component of convertible loan (Note 14)	-	-	8,714	-	8,714
Balance at 30 June 2022	**3,407,721**	**-**	**40,000**	**(1,552,045)**	**1,895,676**

STATEMENTS OF CASH FLOWS

AFRICA CLEAN ENERGY SOLUTIONS LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

Figures in $	Notes	Group 2022	Group 2021	Company 2022	Company 2021
Cash (used in) / generated from operations					
(Loss) / profit for the year		**(886,591)**	**122,705**	**(367,209)**	**(9,386)**
Adjustments to reconcile (loss) / profit					
Interest income	18	(191,213)	(182,446)	(235,561)	(208,092)
Finance costs	23	6,359	14,031	6,359	14,031
Depreciation expense	6	671	666	671	666
Goodwill written off	7	129,946	11,283	-	-
Unrealised foreign exchange gains and losses		234,144	(384,207)	286,468	(384,850)
Dividend income	18	-	-	(310,194)	-
Share of loss of associated companies	8	313,346	-	-	-
Impairment of loans and investments	10	10,323	68,102	59,453	96,650
Withholding tax payable on dividends	24	16,332	-	-	-
Loss on disposal of subsidiary	8.3.4. / 22	15,334	-	256,331	-
Gain on deemed disposal of associated company	8.4.2.	(4,834)	-	-	-
Changes in working capital					
(Increase) Decrease in trade receivables		(147,217)	43,527	(16,819)	42,914
Increase in accruals and other payables		265,100	416,200	89,381	475,275
Net cash flows (used in) / from operations		(238,300)	109,861	(231,120)	27,208
Interest received		196	-	-	-
Withholding taxes paid	24	(16,332)	-	(16,332)	-
Net cash flows (used in) / from operating activities		**(254,436)**	**109,861**	**(247,452)**	**27,208**

AFRICA CLEAN ENERGY SOLUTIONS LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022 (CONTINUED)

Figures in $	Notes	Group 2022	Group 2021	Company 2022	Company 2021
Cash flows from investing activities					
Other cash payments to acquire interests in joint ventures	8	-	(7)	-	(7)
Proceeds from sale of investments	12	1,049,101	-	-	-
Purchase of property, plant and equipment	6	-	(764)	-	(764)
Net cash acquired on acquisition of subsidiaries	33	2,741	-	-	-
Loan granted to related parties		(398,895)	(144,967)	(432,333)	(156,034)
Repayments of cash advances and loans made to other parties received		-	26,046	554,634	130,910
Net cash disposed on disposal of subsidiary	8.3.4.	(37,002)	-	-	-
Dividend income		-	-	293,862	-
Cash flows from / (used in) investing activities		**615,945**	**(119,692)**	**416,163**	**(25,895)**
Cash flows from financing activities					
Repayment of loans	17.2	(380,309)	(31,120)	(288,757)	(22,993)
Additional loan obtained	17.2	29,956	125,859	17,884	125,859
Dividend paid to minority shareholders		(118,670)	-	-	-
Cash flows (used in) / from financing activities		**(469,023)**	**94,739**	**(270, 873)**	**102,866**
Net increase in cash and cash equivalents		**(107,514)**	**84,908**	**(102,162)**	**104,179**
Cash and cash equivalents at beginning of the year		111,752	26,844	105,754	1,575
Cash and cash equivalents at end of the year	**11**	**4,238**	**111,752**	**3,592**	**105,754**

NOTES TO THE FINANCIAL STATEMENTS

AFRICA CLEAN ENERGY SOLUTIONS LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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 significant accounting policies

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 International Financial Reporting Standards (“IFRS”) 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 accordance with IFRS requires the directors to exercise their judgement in the process of applying the Group's accounting policies. Critical accounting estimates and assumptions used that are significant to the financial statements and areas involving a higher degree judgement or complexity are disclosed in Note 3. Amounts are presented to the nearest dollar unless otherwise stated.

The financial statements are prepared under the historical cost convention, except for financial assets at fair value through other comprehensive income. 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,

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

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.

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

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.1 Basis for consolidation (continued)

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.

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 IFRS 9 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.

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.1 Basis for consolidation (continued)

2.1.1. Changes in the Group's ownership interests in existing subsidiary

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

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.1 Basis for consolidation (continued)

2.1.2. Business combinations (continued)

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.

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.

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.1 Basis for consolidation (continued)

2.1.2. Business combinations (continued)

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.

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.

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.1 Basis for consolidation (continued)

2.1.4. Investment in associated companies

Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates in the company are carried at cost less impairment losses. Investments in associates in the group are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The group's share of post-acquisition profit or loss is recognised in the statements of profit or loss and other comprehensive income, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to share of profit/(loss) of associates in the statements of profit or loss and other comprehensive income.

Profits and losses resulting from upstream and downstream transactions between the group and its associates are recognised in the group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the group.

Dilution gains and losses arising in investments in associates are recognised in the statements of profit or loss and other comprehensive income.

2.1.5. Investment in joint ventures

The company applies IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor. The Company has assessed the nature of its joint arrangements and determined them to be joint

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.1 Basis for consolidation (continued)

2.1.5. Investment in joint ventures (continued)

ventures. In the Company's separate financial statements, investments in joint ventures are accounted for at cost less impairment losses. Joint ventures in the group's financial statements are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the company's share of the post-acquisition profits or losses and movements in other comprehensive income. When the company's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long- term interests that, in substance, form part of the company's net investment in the joint ventures), the company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the company and its joint ventures are eliminated to the extent of the company's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the company.

2.2 Property, plant and equipment

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.

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.2 Property, plant and equipment (continued)

Initial measurement (continued)

- 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.

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**
Fixtures and fittings	3 years	Straight line
Office equipment	3 years	Straight line
Computer equipment	3 years	Straight line

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

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.2 Property, plant and equipment (continued)

Impairments (continued)

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.

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.

2.3 Intangible assets

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.

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.3 Intangible assets (continued)

Initial measurement (continued)
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 (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.3 Intangible assets (continued)

Amortisation (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

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.4 Financial instruments (continued)

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.

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.

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.4 Financial instruments (continued)

Financial assets (continued)

(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.

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 other receivables and amounts 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

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.4 Financial instruments (continued)

Financial assets (continued)
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

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.4 Financial instruments (continued)

Significant increase in credit risk (continued)

- 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.

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).

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.4 Financial instruments (continued)

Significant increase in credit risk (continued)

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 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.

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.4 Financial instruments (continued)

Significant increase in credit risk (continued)

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.

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.

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.4 Financial instruments (continued)

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

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.

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.

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.4 Financial instruments (continued)

Financial liabilities (continued)

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.

Trade and other receivables are classified as debt instruments and loan commitments at amortised cost.

Up to 30 June 2021, trade receivables were recognised initially at the transaction price. They were subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables was established when there was objective evidence that the company would not be able to collect all amounts due according to the original terms of the receivables.

Trade and other receivables were classified as loans and receivables up to 30 June 2022.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially recorded at fair value and subsequently carried at amortised cost.

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.4 Financial instruments (continued)

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.

2.6 Stated capital

Stated capital comprises ordinary shares.

2.7 Non-current assets classified as held for sale

Non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset or disposal group, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset or disposal group is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

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 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.

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.9 Segmental policies (continued)

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 basis.

2.10 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.

2.11 Cash and cash equivalents

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

2.12 Expense recognition

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

2.13 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.

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.13 Foreign currencies translation (continued)

Transactions and balances (continued)
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.

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.

Accounting Policies (continued)

2. Basis of preparation and summary of significant accounting policies (continued)

2.13 Foreign currencies translation (continued)

Transactions and balances (continued)

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.

2.14 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.

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
- 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

Accounting Policies (continued)

3. Critical accounting judgements and key sources of estimation uncertainty

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.

Fair value estimation

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The fair value of financial instruments that are not traded in an active market (for example, unlisted investments) is determined by using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

Impairment of financial assets

The loss allowance for financial assets are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgement in making these assumptions and in selecting inputs to the impairment calculation such as determining criteria for significant increase in credit risk, choosing the appropriate model for the measurement of expected credit loss and forward looking information, based on the Group's and the Company's past history, listing market conditions (Note 10).

Accounting Policies (continued)

3. Critical accounting judgements and key sources of estimation uncertainty (continued)

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 24).

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.

Estimated impairment of goodwill

The group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2.3. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations or fair value less cost to sell. These calculations require the use of estimates (Note 7).

4. Application of new and revised International financial Reporting Standards (IFRS)

In the current year, the Group and the Company have applied all of the new and revised relevant Standards and Interpretations issued by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”) of the IASB that are relevant to its operations and effective for accounting periods beginning on or after 1 July 2020.

4.1 Amendments to published Standards effective in the reporting period

Definition of a Business (Amendments to IFRS 3) clarifies the definition of a business to help determine whether a transaction should be accounted for as a business combination or an asset acquisition and permits, in certain circumstances, a simplified assessment that an acquired set of activities and assets is not a business. The amendments had no impact on the Group's financial statements.

Accounting Policies (continued)

4. Application of new and revised International financial Reporting Standards (IFRS) (continued)

4.1 Amendments to published Standards effective in the reporting period (continued)

Definition of Material (Amendments to IAS 1 and IAS 8) clarifies the definition of material and aligns the definitions used across IFRSs and other IASB publications. The amendments had no impact on the Group's financial statements.

Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7) provides relief from certain hedge accounting requirements in order to avoid unnecessary discontinuation of existing hedge relationships during the period before the replacement of an existing interest rate benchmark with an alternative interest rate. The amendments had no impact on the Group's financial statements.

Amendments to References to the Conceptual Framework in IFRS Standards relate to minor amendments to various standards to reflect the revised Conceptual Framework for Financial Reporting. The amendments have no impact on the Group's financial statements.

Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16) provides an option to apply a simplified accounting treatment to some lease modifications in the accounts of the lessee. The amendment has no impact on the Group's financial statements.

Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) extends the temporary exemption to accounting periods beginning before January 1, 2023. The amendments have no impact on the Group's financial statements.

Application of the above standards did not impact these consolidated and separate 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 1 January 2021 or later periods, but which the Group has not early adopted.

Accounting Policies (continued)

4. Application of new and revised International financial Reporting Standards (IFRS) (continued)

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

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

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)
IFRS 17 Insurance Contracts
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
Annual Improvements 2018-2020
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37)
Reference to the Conceptual Framework (Amendments to IFRS 3)
Amendments to IFRS 17
Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)
Definition of accounting estimates (Amendments to IAS 8)
Disclosure of accounting policies (Amendments to IAS 1)
Deferred tax related to assets and liabilities arising from a single transaction (IAS 12)

Where relevant, the Group is 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.

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

5. Financial Risk Management

Categories of financial instruments
(a) Categories of financial assets

Financial assets at fair value through other comprehensive income	**-**	1,170,294	**-**	-
Financial assets at amortised cost	**1,948,270**	2,447,404	**2,810,570**	1,848,215
	1,948,270	3,617,698	**2,810,570**	1,848,215

(b) Categories of financial liabilities

Amounts payable to related parties	**79,989**	429,364	**27,319**	316,939
Accruals and payables	**1,549,006**	1,451,183	**1,523,615**	1,431,333
Borrowings	**-**	17,506	**-**	17,506
	1,628,995	1,898,053	**1,550,934**	1,765,779

The Group has exposure to the following risks from its use of financial instruments:
- Credit risk;
- Liquidity risk; and
- Market risk (including interest rate risk and currency risk)

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.

(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 loan receivables, other 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.

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

5. Financial Risk Management (continued)

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

Amounts receivable from related parties	**1,942,121**	2,332,850	**2,806,439**	3,652,523
Other receivables	**1,911**	2,804	**537**	1,883
Cash and cash equivalents	**4,238**	111,752	**3,592**	105,754
	1,948,270	2,447,406	**2,810,568**	3,760,160

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 10). 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 1,404,407 (2021: USD 1,781,039) and USD 1,192,138 (2021: USD 1,055,654) 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.

5. Financial Risk Management (continued)

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

	Group			
At 30 June 2022	**Within 6 months**	**Between 7 and 12 months**	**More than one year**	**Total**
Accruals and payables	**483,415**	**1,065,591**	**-**	**1,549,006**
Amount payable to related parties	**38,560**	**193**	**41,236**	**79,989**
Borrowings	**-**	**-**	**-**	**-**
	521,975	**1,065,784**	**41,236**	**1,628,995**

	Company			
At 30 June 2022	**Within 6 months**	**Between 7 and 12 months**	**More than oneyear**	**Total**
Accruals and payables	**453,194**	**1,070,421**	**-**	**1,523,615**
Amount payable to related parties	**27,319**	**-**	**-**	**27,319**
Borrowings	**-**	**-**	**-**	**-**
	480,513	**1,070,421**	**-**	**1,550,934**

	Group			
At 30 June 2021	Within 6 months	Between 7 and 12 months	More than oneyear	Total
Accruals and payables	478,264	972,919	-	1,451,183
Amount payable to related parties	-	429,364	-	429,364
Borrowings	-	17,506	-	17,506
	478,264	1,419,789	-	1,898,053

	Company			
At 30 June 2021	Within 6 months	Between 7 and 12 months	More than oneyear	Total
Accruals and payables	360,134	1,071,199	-	1,431,333
Amount payable to related parties	-	316,939	-	316,939
Borrowings	-	17,506	-	17,506
	360,134	1,405,644	-	1,765,779

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

5. Financial Risk Management (continued)

(c) Fair value estimation
The fair values of those financial assets and liabilities not presented on the Group's and the Group's statements of financial position at their fair values are not materially different from their carrying amounts.

(d) Market risk
Market risk represents the potential loss that can be caused by a change in the market value of financial instruments. The Group's and the Company's exposure to market risk is determined by a number of factors, including interest rates, foreign currency exchange rates and market volatility. The Group and the Company conducts its investment operations in a manner that seeks to exploit the potential gains in the market, while limiting its exposure to market declines.

(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.

At 30 June 2022, 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 2022	Group 2021	Company 2022	Company 2021
Financial assets				
Non- interest bearing	**94,813**	9,502	**93,440**	604,370
Variable interest rate instruments	**1,812,711**	2,275,297	**2,175,886**	2,535,403
	1,907,524	2,284,799	**2,269,326**	3,139,773
Financial Liabilities				
Non- interest bearing	**1,549,006**	1,563,180	**1,523,616**	1,445,053
Variable interest rate instruments	**79,989**	334,872	**27,318**	320,726
	1,628,995	1,898,053	**1,550,934**	1,765,779

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 demoninated loans, and a 200 basis point increase or decrease is used on all South African Rand demoninated loans. This is based on the variation of interest rates between South Africa and United States.

5. Financial Risk Management (continued)

If interest rates had been higher/lower and all other variables were held constant, the Group's and Company's loss for the year ended 30 June 2022 would have decreased by USD 40,161 and USD 41,420 respectively (2021 decreased: Group – USD 32,194 and Company – USD 33,485). 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.

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

2022	**Group**		**Company**	
	Financial assets	**Financial liabilities**	**Financial assets**	**Financial liabilities**
Pound Sterling (GBP)	-	-	-	-
Ugandan Shillings (UShs)	-	-	-	-
US Dollar (USD)	**123,935**	**1,574,986**	**986,880**	**1,508,363**
South African Rand (ZAR)	**1,840,722**	**54,005**	**1,840,722**	**42,571**
Namibian Dollar (NAD)	-	-	-	-
	1,964,657	**1,628,991**	**2,827,602**	**1,550,934**

	Group		Company	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
Pound Sterling (GBP)	4,230	-	-	-
Ugandan Shillings (UShs)	-	-	-	-
US Dollar (USD)	191,228	1,486,759	914,193	1,466,909
South African Rand (ZAR)	2,142,645	313,016	2,142,645	298,869
Namibian Dollar (NAD)	10	98,278	-	-
	2,338,113	1,898,053	3,056,837	1,765,779

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

5. Financial Risk Management (continued)

At 30 June 2022, had the exchange rate between Pound Sterling and US Dollar, Kenya Shillings and US Dollar and Uganda Shillings and US Dollar, South African Rand and US Dollar and Namibian Dollar 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 and in net assets attributable to shareholders as follows:

Impact on profit and net assets attributable to shareholders:

Pound Sterling	**-**	(423)	**-**	-
Kenya Shillings	**-**	-	**-**	-
Uganda Shillings	**-**	-	**-**	-
South African Rand	**184,072**	194,786	**184,072**	194,786
Namibian Dollar	**-**	-	**-**	-

Capital Risk Management

The Group monitors "adjusted capital" which comprises all components of equity (i.e. share capital, non-controlling interest, retained earnings, and revaluation reserve) other than amounts in the cash flow hedging reserve.

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.

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.

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

Capital Risk Management (continued)

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% (2021: 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 2022 and at 30 June 2021 were as follows:

Loans and borrowings	**79,989**	334,862
Less: cash and cash equivalents	**(4,238)**	(111,752)
Net debt	**75,751**	223,110
Total equity	**662,016**	1,723,074
Less: Amounts in the cash flow hedging reserve	**-**	-
Total adjusted capital	**662,016**	1,723,074
Debt to adjusted capital ratio (%)	**11.44%**	12.95%

The decrease in the debt to adjusted capital ratio during 2022 resulted primarily from the payment of it working capital. The Group continuously revisits its debt to adjusted capital ratio target going forward acting prudently.

6. Equipment

6.1 Balances at year end and movements for the year

	Fixtures and Fittings	Office Equipment	Computer Equipment	Total
Reconciliation for the year ended 30 June 2022-Group				
Balance at 1 July 2021				
At cost	**1,623**	**191**	**2,067**	**3,881**
Accumulated depreciation	**(1,623)**	**(191)**	**(1,099)**	**(2,913)**
Carrying amount	**-**	**-**	**968**	**968**
Movements for the year ended 30 June 2022				
Depreciation	-	-	**(671)**	**(671)**
Equipment at the end of the year	**-**	**-**	**297**	**297**
Closing balance at 30 June 2022				
At cost	**-**	**191**	**1,672**	**1,863**
Accumulated depreciation	**-**	**(191)**	**(1,375)**	**(1,566)**
Carrying amount	**-**	**-**	**297**	**297**
Reconciliation for the year ended 30 June 2021-Group				
Balance at 1 July 2020				
At cost	1,338	191	1,234	**2,763**
Accumulated depreciation	(1,338)	(191)	(364)	**(1,893)**
Carrying amount	**-**	**-**	**870**	**870**
Movements for the year ended 30 June 2021				
Additions from acquisitions	-	-	764	**764**
Depreciation	-	-	(666)	**(666)**
Equipment at the end of the year	-	-	968	**968**
Closing balance at 30 June 2021				
At cost	1,623	191	2,067	**3,881**
Accumulated depreciation	(1,623)	(191)	(1,099)	**(2,913)**
Carrying amount	**-**	**-**	968	**968**

6. Equipment (continued)

	Fixtures and Fittings	Office Equipment	Computer Equipment	Total
Reconciliation for the year ended 30 June 2022- Company				
Balance at 1 July 2021				
At cost	**-**	**191**	**1,672**	**1,863**
Accumulated depreciation	**-**	**(191)**	**(704)**	**(895)**
Carrying amount	**-**	**-**	**968**	**968**
Movements for the year ended 30 June 2022				
Depreciation	**-**	**-**	**(671)**	**(671)**
Equipment at the end of the year	**-**	**-**	**297**	**297**
Closing balance at 30 June 2022				
At cost	**-**	**191**	**1,672**	**1,863**
Accumulated depreciation	**-**	**(191)**	**(1,375)**	**(1,566)**
Carrying amount	**-**	**-**	**297**	**297**
Reconciliation for the year ended 30 June 2021- Company				
Balance at 1 July 2020				
At cost	-	191	908	1,099
Accumulated depreciation	-	(191)	(38)	(229)
Carrying amount	**-**	**-**	870	870
Movements for the year ended 30 June 2021				
Additions form acquisitions	-	-	764	764
Depreciation	-	-	(666)	(666)
Equipment at the end of the year	-	-	968	968
Closing balance at 30 June 2021				
At cost	-	191	1,672	**1,863**
Accumulated depreciation	-	(191)	(704)	**(895)**
Carrying amount	-	-	968	**968**

6. Equipment (continued)

6.2. Depreciation and impairment losses

Depreciation and impairment losses have been included under the following expenditures:

Other expenses				
Computer equipment	**671**	666	**671**	666

7. Goodwill

Reconciliation of changes in goodwill

	Goodwill	Total
Reconciliation for the year ended 30 June 2022 - Group		
Balance at 1 July 2021		
At cost	-	-
Accumulated impairment	-	-
Carrying amount	-	-
Movements for the year ended 30 June 2022		
Acquisitions through business combinations (Note 33)	**129,946**	**129,946**
Impairment loss recognised in profit or loss	**(129,946)**	**(129,946)**
Intangible assets at the end of the year	-	-
Closing balance at 30 June 2022		
At cost	**129,946**	**129,946**
Accumulated impairment	**(129.946)**	**(129,946)**
Carrying amount	-	-
Reconciliation for the year ended 30 June 2021 - Group		
Balance at 1 July 2020		
At cost	11,283	11,283
Accumulated impairment	-	-
Carrying amount	11,283	11,283
Movements for the year ended 30 June 2021		
Impairment loss recognised in profit or loss	(11,283)	(11,283)
Intangible assets at the end of the year	-	-
Closing balance at 30 June 2021		
At cost	11,283	11,283
Accumulated impairment	(11,283)	(11,283)
Carrying amount	-	-

7. Goodwill (continued)

At 30 June 2021, the recoverable amount was based on the fair value less cost of disposal being the sale value of the investments in NCF Energy (Pty) Limited and Tandii Investments (Pty) Limited which amounted to NAD 16.75m as agreed between the Company and the acquirer of the investments.

The fall in the recoverable amount at 30 June 2021 as well as the disposal of the investments in in NCF Energy (Pty) Limited and Tandii Investments (Pty) Limited after 30 June 2021 (refer to note 12) led to the impairment of the goodwill.

During the year, the group recognised a goodwill of USD 129,946 on acquisition of Unergy (Note 33). The business of Unergy is in its start-up phase and currently not generating any cash flows and it had negative equity as at 30 June 2022. The directors have consequently determined to write off the goodwill amounting to USD 129,946.

The recoverable amount of the power project cannot be determined currently as they are not generating any cash flow. Thus, recoverable amount has been determined for the cash generating unit (CGU) to which this asset belongs. Therefore, Unergy has been identified as the CGU, and the recoverable amount of the CGU has been estimated to be USD Nil as at 30 June 2022.

The recoverable amount was based on fair value less cost of disposal whereby the carrying amount of the underlying assets and liabilities approximated their fair values, and Unergy had a negative net asset value.

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

8. Investments in subsidiaries, associates and joint ventures

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

Equity accounted investments	**321,820**	-	**615,115**	25
Investments in subsidiaries	**-**	-	**6**	256,337

Movement in investments in subsidiaries made up as follows:	Company	
	2022	2021
At start of the year	**256,337**	417,815
Disposal of investment in subsidiary	**(256,331)**	-
Equity portion of loan (Note 28.2.(vi))	**-**	(161,478)
	6	256,337

Movement in investments in associated companies and joint ventures made up as follows:	Company	
	2022	2021
At start of the year	**25**	32
Disposals	**-**	(13)
Additions	**615,090**	6
At end of the year	**615,115**	25

	Group	
	2022	2021
At start of the year	**-**	-
Additions	**615,109**	6
Share of other comprehensive income	**20,057**	-
Share of loss after tax	**(313,346)**	(6)
	321,820	-

8. Investments in subsidiaries, associates and joint ventures (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:

2022

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
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

2021

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
Africa Renewable CleanPower (Pty) Limited	Ordinary	Renewable Energy	72%		28%	Namibia
SA Clean Energy Finance(Pty) Limited	Ordinary	Renewable Energy	100%		0%	South Africa
Sibal Energy Proprietary Limited	Ordinary	Renewable Energy	70%		30%	Botswana
Tana Biomass Generation Limited	Ordinary	Renewable Energy		70%	30%	Kenya
Tana Solar Limited	Ordinary	Renewable Energy		70%	30%	Kenya
VFU - Clean Energy Limited	Ordinary	Renewable Energy		70%	30%	Zambia

On 11 August 2021, Sibal Energy Proprietary Limited was stuck off the company register in Botswana. On 17 January 2022, Metier International exercised its option to resell the shares acquired in 2019 to Africa Clean Energy Solutions (ACES) Limited, thereby increasing shareholding from 40% to 75%, causing the Company to exercise control. As such, the investment was reclassified from investment in associate to investment in subsidiary. On 24 February 2022, Africa Clean Energy Solutions Limited disposed of its 72% investment in Africa Renewable Clean Power (Pty) Limited.

8. Investments in subsidiaries, associates and joint ventures (continued)

8.2 Composition of the group (continued)

Details of the associated companies are as follows:

2022

Name	Class of Share	Year End	Nature of business	% Holding Direct	% Holding Indirect	Country of incorporation and operation
SACE Projects (Pty) Limited	Ordinary	30 June	Renewable Energy	71%		South Africa
Sturrock Investments Number Eight (Pty) Ltd	Ordinary	30 June	Renewable Energy	35%		Namibia

2021

Name	Class of Share	Year End	Nature of business	% Holding Direct	% Holding Indirect	Country of incorporation and operation
SACE Projects (Pty) Limited	Ordinary	30 June	Renewable Energy	49.90%		South Africa
Unergy Limited	Ordinary	30 June	Renewable Energy		40%	Uganda

All of the above associates are accounted for using the equity method.

At 30 June 2022, part of the loan owed by SACE Projects (Pty) Limited was converted into investment, resulting in an increase in the group's shareholding in SACE Projects to 71%. This did not result in the group controlling SACE Projects since there had been no change in the group's voting rights or representation to the Board of SACE Projects.

On 10 August 2021, Africa Clean Energy Solutions Limited acquired 35% of the shares in Sturrock Investments Number Eight (Pty) Ltd.

Details of joint ventures are as follows:

2022

Name	Class of Share	Year End	Nature of business	% Holding Direct	% Holding Indirect	Country of incorporation and operation
Kalkuil (Pty) Limited	Ordinary	28 February	Renewable Energy	45%		South Africa
Matla a Letsaatsi (Pty) Limited	Ordinary	30 June	Renewable Energy	45%		South Africa

8. Investments in subsidiaries, associates and joint ventures (continued)

8.2 Composition of the group (continued)

Details of joint ventures are as follows: (continued)

2021

Name	Class of Share	Year End	Nature of business	% Holding Direct	% Holding Indirect	Country of incorporation and operation
Kalkuil (Pty) Limited	Ordinary	28 February	Renewable Energy	45%		South Africa
Matla a Letsaatsi (Pty) Limited	Ordinary	30 June	Renewable Energy	45%		South Africa

For joint venture companies with non-coterminous financial year ends, management accounts as at 30 June were used for equity accounting purposes. In accordance with the shareholders agreement for Kalkuil Solar (Pty) Limited and Matla a Letsatsi (RF) (Pty) Limited, no action shall be taken or resolution passed by the Board or Shareholders, and the power to take any action, in regard to matters without the approval of the Shareholders holding at least 75% of the total voting rights for special resolutions, which demonstrates unanimous consent. For this reason, the investments were classified as joint ventures.

8.3 Investments in subsidiaries

8.3.1 Details of subsidiaries with material non-controlling interests are as follows:

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

	Profit (loss) allocated to non-controlling Interest during the period 2022	Accumulated non-controlling interest at 30 June 2022	Profit allocated to non-controlling interest during the period 2021	Accumulated non-controlling interest at 30 June 2021
Africa Renewable Clean Power (Pty) Limited	**9,399**	**-**	36,184	125,360
Tana Biomass Generation Limited	**(15,524)**	**(189,952)**	(4,800)	(174,428)
Unergy Limited	**(4,915)**	**(45,208)**	-	-

Africa Renewable Clean Power Proprietary Limited declared a dividend to its shareholders during the year. On 24 February 2022, Africa Clean Energy Solutions Limited disposed of its 72% shareholding in Africa Renewable Clean Power (Pty) Limited.

8. Investments in subsidiaries, associates and joint ventures (continued)

8.3 Investments in subsidiaries (continued)

8.3.3 Summarised financial information for subsidiaries with material non-controlling interests before inter-group eliminations

	Africa Renewable Clean Power (Pty) Limited	Tana Biomass Generation Limited	Unergy Limited
At 30 June 2022			
Non-current assets	**-**	**70,863**	**-**
Current assets	**-**	**522**	**117**
Non-current liabilities	**-**	**696,601**	**115,463**
Current liabilities	**-**	**6,028**	**25,491**
Revenue	**-**	**3,819**	**-**
Profit (loss) from operations	**-**	**(51,745)**	**(19,662)**
Other comprehensive loss	**-**	**-**	**-**
Total comprehensive loss	**-**	**(51,745)**	**(19,662)**
Dividend paid to non-controlling interests	**-**	**-**	**-**
Cash outflow from operating activities	**-**	**(11,283)**	**(3,360)**
Cash inflow from investing activities	**-**	**-**	**2,741**
Cash inflow (outflow) from financing activities	**-**	**11,336**	**736**
Net cash inflow (outflow)	**-**	**53**	**117**
At 30 June 2021			
Non-current assets	1,170,293	67,045	-
Current assets	5,686	468	-
Non-current liabilities	-	635,187	-
Current liabilities	728,198	11,826	-
Revenue	151,496	-	-
Profit (loss) from operations	129,229	(16,000)	-
Other comprehensive income	(149,007)	-	-
Total comprehensive income	(19,778)	(16,000)	-
Cash inflow (outflow) from operating activities	147,077	(15)	-
Cash inflow (outflow) from investing activities	-	-	-
Cash inflow (outflow) from financing activities	(141,553)	-	-
Net cash inflow (outflow)	5,524	(15)	-

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

8. Investments in subsidiaries, associates and joint ventures (continued)

8.3 Investments in subsidiaries (continued)

8.3.4 Loss on disposal of subsidiary

In the prior year, the Company held a 72% investment in Africa Renewable Clean Power Proprietary Limited and accounted for the investment as a subsidiary. On 24 February 2022, the Group disposed of its interest to the minority shareholder of Africa Renewable Clean Power Propriertary Limited for the proceeds of USD nil.

The transaction resulted in the recognition of a gain in profit or loss calculated as follows

Proceeds of disposal	-
Plus: Fair value of investment retained (0%)	-
Add: Non-controlling interest previously recognized	**5,964**
Less: Cash balance at date of disposal	**(37,002)**
Less: Other net assets at date of disposal	**15,704**
Loss on disposal	**(15,334)**

8. Investments in subsidiaries, associates and joint ventures (continued)

8.4 Investments in associates

8.4.1 Summarised financial information for material associates

The summarised financial information below represents the proportion of the amounts showing in the associates financial statements prepared in accordance with IFRS.

	SACE Projects (Pty) Limited	Unergy Limited	Sturrock Investments Number Eight (Pty) Ltd
At 30 June 2022			
Non-current assets	**2,248,356**	**-**	**-**
Current assets	**4,588**	**-**	**16**
Non-current liabilities	**1,756,672**	**-**	**-**
Current liabilities	**551,102**	**-**	**-**
Revenue	**422,689**	**-**	**-**
Profit (loss) from continuing operations	**(449,612)**	**-**	**-**
Other comprehensive loss	**(264,066)**	**-**	**-**
Total comprehensive loss	**(713,678)**	**-**	**-**
Dividends received	**-**	**-**	**-**
At 30 June 2021			
Non-current assets	2,299,143	-	-
Current assets	153,997	7,177	-
Non-current liabilities	582,229	91,305	-
Current liabilities	2,153,858	67,954	-
Revenue	557,576	-	-
Profit (loss) from continuing operations	(152,003)	880	-
Other comprehensive income	57,252	(200)	-
Total comprehensive income	(94,751)	680	-

Share of loss not recognised amounted to USD nil (2021: USD 152,322).

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

8. Investments in subsidiaries, associates and joint ventures (continued)

8.4 Investments in joint associates (continued)

8.4.2 Gain on deemed disposal of associated company

In the prior year, the Company held a 40% indirect investment in Unergy Limited and accounted for the investment as an associated company. On 17 January 2022, Metier International exercised its option to resell the shares acquired in 2019 to Africa Clean Energy Solutions (ACES) Limited, thereby increasing shareholding from 40% to 75%, causing the Company to exercise control. As such, the investment was reclassified from investment in associate to investment in subsidiary.

The transaction resulted in the recognition of a gain in profit or loss calculated as follows

Gain on derecognition of associated company	**4,834**
	4,834

8.5 Investments in joint ventures

8.5.1 Summarised financial information for material joint ventures

The summarised financial information below represents the proportion of the amounts showing in the joint ventures financial statements prepared in accordance with IFRS.

	Kalkuil Solar (Pty) Limited	Matla a Letsatsi (Pty) Limited
At 30 June 2022		
Current assets	**190**	**195**
Non-current liabilities	**41,488**	**32,060**
Current liabilities	**1,845**	**1,845**
Profit or loss from continuing operations	**(3,102)**	**(2,358)**
Other comprehensive income	**198**	**151**
Total comprehensive loss	**(2,904)**	**(2,207)**
Dividends	**-**	**-**

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

8. Investments in subsidiaries, associates and joint ventures (continued)

8.5 Investments in joint ventures (continued)

8.5.1 Summarised financial information for material joint ventures (continued)

	Kalkuil Solar (Pty) Limited	Matla a Letsatsi (Pty) Limited
At 30 June 2021		
Current assets	**320**	**320**
Non-current liabilities	**43,931**	**34,007**
Current liabilities	**2,096**	**2,096**
Profit or loss from continuing operations	**(42,448)**	**(33,232)**
Other comprehensive income	**(3,259)**	**(2,552)**
Total comprehensive loss	**(45,707)**	**(35,784)**

Share of loss not recognised amounted to USD 34,589 (2021: USD 32,290). This is made up of the share of loss not recognised in Kalkuil Solar (Pty) Limited amounting to USD 19,506 (2021: USD 18,111) and in Matla a Letsatsi (Pty) Limited amounting to USD 15,803 (2021: USD 14,179).

8.5.2 Joint ventures with different reporting periods

Although Kalkuil Solar (Pty) Limited has a financial year ending 28 February, the above information is disclosed for the 12 month period from 1 July 2021 to 30 June 2022.

9. Other receivables

Other receivables comprise:

	Group 2022	Group 2021	Company 2022	Company 2021
Other receivables	**1,911**	2,804	**537**	1,883
Prepayments	**20,624**	2,460	**20,624**	2,460
	22,535	5,264	**21,161**	4,343

The carrying amount of the receivables approximate its fair value. Other receivables are denominated in US Dollar. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. As of 30 June 2022, none of the receivables were past due or impaired

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

10. Loans to related parties

10.1. Loans to related parties comprise the following balances:

	Group 2022	Group 2021	Company 2022	Company 2021
South Africa Clean Energy Solutions Limited	**78,138**	-	**78,138**	-
Unergy Limited	**-**	91,305	**114,227**	91,305
Africa Clean Energy Solutions (ACES) Limited	**-**	-	**281,007**	286,287
Africa Renewable Clean Power (Pty) Limited	**-**	-	**-**	614,830
SACE Projects (Pty) Limited	**1,718,714**	2,084,229	**1,718,714**	2,084,229
Matla a Letsatsi RF (Pty) Limited	**32,265**	34,013	**32,265**	34,013
Kalkuil Solar (Pty) Limited	**41,763**	43,937	**41,763**	43,937
Tana Biomass Generation Limited	**-**	-	**592,870**	539,345
Metier International	**-**	4,230	**-**	-
Afrinol Holdings Limited	**70,861**	67,045	**-**	-
R Muchiri	**76,961**	76,184	**58,125**	55,227
	2,018,702	2,400,943	**2,917,109**	3,749,173
Impairments	**(76,581)**	(68,102)	**(110,670)**	(96,650)
	1,942,121	2,332,841	**2,806,439**	3,652,523
Non-current assets	**1,785,542**	2,332,841	**2,472,396**	3,052,496
Current assets	**156,579**	-	**334,043**	600,027
	1,942,121	2,332,841	**2,806,439**	3,652,523

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 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. 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.

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

10. Loans to related parties (continued)

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.

The PDs range from 2.29% - 50% and the LGDs range from 19.34% to 100%.

10.2 Movements in impairment of loans to related parties are as follows:

At the beginning of the year	68,102	-	96,650	-
Impairment raised	10,323	68,102	28,822	96,650
Reversal of IFRS 9 adjustment	(1,844)	-	(14,803)	-
At the end of the year	**76,581**	**68,102**	**110,670**	**96,650**
Write off loan	-	-	45,434	-
Total impairment and write off	**76,581**	**68,102**	**59,453**	**96,650**

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

11. Cash and cash equivalents

11.1 Cash and cash equivalents included in current assets:

Cash				
Cash on hand	**26**	104	**26**	104
Balances with banks	**4,212**	7,360	**3,566**	1,362
	4,238	7,464	**3,592**	1,466
Cash in transit (Note 11.3)	**-**	104,288	**-**	104,288
At the end of the year	**4,238**	111,752	**3,592**	105,754

11.2 Net cash and cash equivalents

Current assets	**4,238**	111,752	**3,592**	105,754

11.3 Cash in transit

The cash in transit refers to the transfer of funds from Namibia to Mauritius. Due to the regulations in the two countries, there was a delay of a few days before the funds arrived in the bank account in Mauritius.

12. Non-current asset held for sale

Non-current asset

15% investment in NCF Energy (Pty) Limited and Tandii Invesmtnets (Pty) Limited. The companies are incorporated in Namibia, and hold an electricity generating licence with Nampower for 5.0MW Solar PV plant.

During 2021, it was decided to dispose of these investments. The group received an offer for an amount of NAD 8.375m for each investment from an unrelated third party. As at 30 June 2021, the investments were reclassified as non current assets held for sale. The sale was approved and concluded in September 2021.

13. Stated capital

Issued				
29,275,770 Ordinary shares at no par value	**3,407,721**	3,407,721	**3,407,721**	3,407,721
	3,407,721	3,407,721	**3,407,721**	3,407,721

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

13. Stated capital (continued)

	Group and Company		Group and Company	
	2022	**2022**	2021	2021
	Number	**USD**	Number	USD
At start of the year	**29,275,770**	**3,407,721**	29,115,770	3,247,721
Issue of shares	**-**	**-**	160,000	160,000
At end of the year	**29,275,770**	**3,407,721**	29,275,770	3,407,721

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.

14. Equity component of convertible loan

Equity component of convertible loan	**40,000**	31,286	**40,000**	31,286

The Board may issue shares at any time and there is no limit on the number of shares to be issued.

In 2018, the Company issued convertible bond of USD 40,000 in favour of Richard Morrisson and Arch Holdings Inc (Note 16).

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 USD1.00 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 of USD 1 per ordinary share in the company. As at the date of signing, the shares have not yet been issued.

15. Accruals and other payables

Accruals and other payables comprise:				
Other payables, consists mainly of directors salaries	**1,486,606**	1,520,363	**1,472,615**	1,416,302
Audit fee accrued	**62,400**	42,816	**51,000**	28,750
Total accruals and other payables	**1,549,006**	1,563,179	**1,523,615**	1,445,053

The carrying amounts of accruals and other payables approximate their fair value.

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

16. Borrowings

Borrowings comprise:				
Liability component of convertible loan (Note 14)	-	17,507	-	17,507

17. Amounts payable to related parties

17.1 Amounts payable to related parties comprises:

	Group 2022	Group 2021	Company 2022	Company 2021
Topolino Trust This loan bore interest at 3% plus 3 months average Libor and was repayable at the earlier of 12 months of the initial loan or fund raise in excess of $100,000.	-	7,173	-	7,173
Nemesis Trust This loan bore interest at 3% plus 3 months average Libor and was repayable at the earlier of 12 months of the initial loan or fund raise in excess of $100,000.	-	10,897	-	10,897
JD Kruger The loan bears interest at the South African Bank prime overdraft rate and is repayable on demand.	**9,490**	97,082	**3,463**	90,247
MJ Antonie The loan bears interest at the South African Bank prime overdraft rate and is repayable on demand.	**19,881**	122,721	**14,474**	115,420
P Norman This loan bore interest at the South African Bank prime overdraft rate and was in full.	-	28,359	-	28,359
A Ally This loan bears interest at the South African Bank prime overdraft rate and is repayable on demand.	**9,382**	51,123	**9,382**	51,123
C Mbire This loan bears interest at 3% plus 3 months average Libor and is repayable at the later of 1 July 2023 or when the project reaches financial closure.	**41,236**	-	-	-
	79,989	317,355	**27,319**	303,219
Non-current liabilities	**41,236**	-	-	-
Current liabilities	**38,753**	317,355	**27,319**	303,219
	79,989	317,355	**27,319**	303,219

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

17. Amounts payable to related parties (continued)

17.2 Reconciliation of liabilities arising from financing activities

Short term borrowings

Opening balance	**317,355**	179,182	**303,219**	158,257
Repayment of loans	**(380,309)**	(31,120)	**(288,757)**	(22,993)
Additional loan obtained	**29,956**	125,859	**17,884**	125,859
Non-cash changes - interest accrued	**6,765**	12,645	**6,020**	12,104
Non-cash changes - foreign exchange movement	**(12,745)**	30,631	**(11,047)**	29,991
Non-cash changes – acquisition	**40,647**	-	**-**	-
Working capital movement	**78,320**	158	**-**	-
Closing balance	**79,989**	317,355	**27,319**	303,219

18. Revenue

18.1 Revenue comprises:

Interest income	**191,213**	182,446	**235,561**	208,092
Dividend income	**-**	129,545	**310,194**	-
Admin and management fees received	**267,329**	94,130	**267,329**	97,919
Total revenue	**458,542**	406,121	**813,084**	306,011

18.2 Sources of revenue

Contracts with customers	**267,329**	94,130	**267,329**	97,919
Financial instruments	**191,213**	311,991	**545,755**	208,092
	458,542	**406,121**	**813,084**	**306,011**

18. Revenue (continued)

18.3 Disaggregation of revenue from contracts with customers

	Administration and management fees	Dividend income and interest received	Total
Revenue for the year ended 30 June 2022 disaggregated by type of services - Group			
Revenue	267,329	191,213	458,542
Revenue per geographical region			
South Africa	267,329	183,311	450,640
Kenya	-	7,092	7,092
Uganda	-	810	810
	267,329	**191,213**	**458,542**
Revenue per market or type of customer			
Government	-	-	-
Non-government	267,329	191,213	458,542
	267,329	**191,213**	**458,542**

	Administration and management fee	Dividend income and interest received	Total
Revenue for the year ended 30 June 2021 disaggregated by type of services - Group			
Revenue	94,130	311,991	406,121
Revenue per geographical region			
South Africa	94,130	158,052	252,182
Namibia	-	144,019	144,019
Kenya	-	6,811	6,811
Uganda	-	2,697	2,697
United Kingdom	-	412	412
	94,130	311,991	406,121
Revenue per market or type of customer			
Government	-	-	-
Non-government	94,130	311,991	406,121
	94,130	311,991	406,121

18. Revenue (continued)

18.3 Disaggregation of revenue from contracts with customers (continued)

	Administration and management fee	Dividend incomeand interest received	Total
Revenue for the year ended 30 June 2022 disaggregated by type ofservices – Company			
Revenue	267,329	545,755	813,084
Revenue per geographical region			
South Africa	267,329	183,311	450,640
Namibia	-	310,194	310,194
Kenya	-	43,952	43,952
Uganda	-	2,926	2,926
United Kingdom	-	5,371	5,371
	267,329	**545,755**	**813,084**
Revenue per market or type of customer			
Government	-	-	-
Non-government	267,329	545,755	813,084
	267,329	**545,755**	**813,084**

	Administration and management fee	Dividend incomeand interest received	Total
Revenue for the year ended 30 June 2021 disaggregated by type ofservices - Company			
Revenue	97,919	208,092	306,011
Revenue per geographical region			
South Africa	94,130	158,052	252,182
Namibia	3,789	-	3,789
Kenya	-	41,555	41,555
Uganda	-	2,697	2,697
United Kingdom	-	5,788	5,788
	97,919	208,092	306,011
Revenue per market or type of customer			
Government	-	-	-
Non-government	97,919	208,092	306,011
	97,919	208,092	306,011

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021
19. Cost of sales				
Cost of sales comprise:				
Payment for land lease option	**12,500**	-	**-**	-
20. Audit and accounting fees				
20.1 Audit and accounting fees comprise:				
Accounting fees	**65,104**	75,367	**65,104**	74,298
Auditors remuneration – Fees	**65,069**	46,476	**51,000**	32,500
Auditors remuneration - Underprovision of prior year	**13,800**	6,841	**13,800**	-
Total audit and accounting fees	**143,973**	128,684	**129,904**	106,798
20.2 Professional fees comprise:				
Professional services	**49,410**	51,003	**48,110**	51,003
Consulting fees	**20,000**	20,052	**20,000**	20,052
Publication costs	**1,940**	3,241	**1,940**	3,241
Total professional fees	**71,350**	74,297	**70,050**	74,297
21. Other expenses				
Other expenses comprise:				
Bad debts	**87**	-	**-**	-
Bank charges	**2,994**	1,060	**2,163**	653
Depreciation	**671**	666	**671**	666
Legal expense	**8,779**	3,914	**7,388**	3,914
Licence fees	**225**	450	**225**	450
Other operating expenses	**8,482**	15,205	**7,995**	14,734
Rent and utilities	**-**	21,997	**-**	21,997
Total other expenses	**21,238**	43,292	**18,442**	42,414

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

22. Gain and (losses) on disposal of investments

Other gains and (losses) comprise:

Gain on disposal of investment in NCF Energy (Pty) Ltd and Tandii Investments Ltd	**3,850**	-	**-**	-
Loss on disposal of investment in Africa Renewable Clean Power (Pty) Ltd	**(15,334)**	-	**(256,331)**	-
Gain on deemed disposal of Unergy Limited	**4,834**	-	**-**	-
Other gain	**-**	-	**5,494**	-
Total other gains and (losses)	**(6,650)**	-	**(250,837)**	-

23. Finance costs

Finance costs included in profit or loss:				
Interest on loans payable	**5,855**	11,936	**5,855**	11,936
Interest on convertible loan stock	**504**	2,095	**504**	2,095
Loss on foreign exchange	**268,077**	-	**288,166**	-
Total finance costs	**274,436**	14,031	**294,525**	14,031

24. Income tax expense

For the year ended 30 June 2022, the Group had a taxable loss of USD 450,607 and the Company had a taxable profit of USD 4,146 respectively (2021 profit: USD 115,595 and USD 130,313). The Group and Company utilised prior year tax losses against the taxable profits.

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

Tax losses	**721,133**	270,526	**414,269**	418,415

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 414,269 (2021: USD 418,415) is subject to a 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:

2024	**178,377**
2025	**235,892**
Tax losses	**414,269**

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

24. Income tax expense (continued)

24.1. The income tax for the year can be reconciled to the accounting (loss) / profit as follows:

(Loss) / profit before tax from operations	**(870,259)**	122,705	**(350,877)**	(9,386)
Income tax calculated at 15.0%	**(130,539)**	18,406	**(52,632)**	(1,408)
Tax effect of				
- Expenses not deductible for tax purposes	**68,331**	18,365	**53,621**	19,547
- Income not taxable for tax purposes	**(37,223)**	(19,432)	**(37,223)**	-
- Tax losses utlised	**-**	(14,933)	**(622)**	(18,024)
- Annual Allowance	**(68)**	-	**(68)**	(115)
- Effect of different tax rates of subsidiaries	**(5,016)**	(2,406)	**-**	-
- Unutilised tax losses brought forward	**67,591**	-	**-**	-
- Expenditure incurred in production of exempt income	**36,924**	-	**36,924**	-
- Withholding taxation on foreign dividend received	**(16,332)**	-	**(16,332)**	-
Tax charge	**(16,332)**	-	**(16,332)**	-

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

24.2 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 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.

24. Income tax expense (continued)

24.2 Additional disclosures (continued)

Following the Finance Act 2018, all companies categorised as Global Business Licence will be now licensed as Global Business Licence. Effective as from January 2019, deemed Foreign Tax Credit regime available to GBC 1 companies will be 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.

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% and for the company incorporated in Namibia (namely Sturrock Investments Number Eight (Pty) Limited), profits are subject to company tax at 32%. 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) Limited; Kalkuil Solar (Pty) Limited and Matla a Letsatsi (RF) (Pty) Limited), profits are subject to company tax at 28%. 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.

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

25. Other comprehensive income

Disclosure of gross, tax and net other comprehensive income

	Gross other comprehensive income	Net other comprehensive income
Year ended 30 June 2022 - Group		
Components of other comprehensive income that will be reclassified to profit or loss		
Exchange differences on translation		
Losses on exchange differences on translation	**(18,254)**	**(18,254)**
Total Exchange differences on translation	**(18,254)**	**(18,254)**
Total other comprehensive income	**(18,254)**	**(18,254)**
Year ended 30 June 2021 – Group		
Fair value loss on financial assets at fair value through other comprehensive income	(129,256)	(129,256)
Gains (losses) on exchange differences on translation	98,570	98,570
Total other comprehensive income	**(30,686)**	**(30,686)**

26. 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 2022	Group 2021
(Loss) / profit for the year attributable to owners of the company	**(875,551)**	91,321
Weighted average number of ordinary shares used in the calculation of basic earnings per share	**29,275,770**	29,262,181
(Loss) / earnings per share	**(0.0299)**	0.0031

27. Contingent liabilities

The Company had no contingent liabilities as at 30 June 2022 (2021: 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 2022, it was uncertain as to the commencement and completion of the project.

28. Related parties

28.1 Other related parties

Entity name	Nature of relationship
Africa Clean Energy Solutions (ACES) Limited	Wholly owned subsidiary
SA Clean Energy Finance (Pty) Limited	Wholly owned subsidiary
Tana Solar Limited	Indirect subsidiary
Tana Biomass Generation Limited	Indirect subsidiary
Africa Renewable Clean Power (Pty) Limited	Subsidiary (disposed of during the year)
VFU - Clean Energy Limited	Indirect subsidiary
SACE Projects (Pty) Limited	Associated company
Sturrock Investments Number Eight (Pty) Ltd	Associated company
Unergy Limited	Indirect subsidiary (2021: Indirect associated company)
Kalkuil Solar (Pty) Limited	Joint Venture
Matla A Letsatsi (RF) (Pty) Limited	Joint Venture
South Africa Clean Energy Solutions Limited	Enterprise with common directorship
JD Kruger	Director
MJ Antonie	Director
Topolino Trust	Shareholder
Nemesis Trust	Shareholder
P Norman	Director of associated company
A Ally	Director of associated company
R Muchiri	Director of subsidiary company
Afrinol (Holdings) Limited	Minority shareholder of subsidiary company
C Mbire	Director of subsidiary company
Metier International	Shareholder of associated company

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

28. Related parties (continued)

28.2 Other related parties (continued)

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. During the year ended 30 June 2022, the Group and the Company entered into transaction with related parties. All transactions are made on terms equivalent to arm's length transactions. The nature, volume of transactions and the balances with these entities are as follows:

Balances as at 30 June
Loan receivable from related parties:

(i) South Africa Clean Energy Solutions Limited (South Africa)

	Group 2022	Group 2021	Company 2022	Company 2021
Opening balance	**-**	-	**-**	-
Loan given during the year	**78,138**	-	**78,138**	-
Credit loss allowance	**(5,860)**	-	**(5,860)**	-
Balance at end of year	**72,278**	**-**	**72,278**	-

(ii) Robert Wanjohi Muchiri

	Group 2022	Group 2021	Company 2022	Company 2021
Opening balance	**43,191**	70,654	**22,235**	52,236
Credit loss allowance	**299**	(32,993)	**299**	(32,993)
Foreign exchange adjustment	**(2,496)**	-	**-**	-
Interest charged during the year	**3,273**	5,530	**2,897**	2,992
Balance at end of year	**44,267**	43,191	**25,431**	22,235

(iii) Tana Biomass Generation Limited (Kenya)

	Group 2022	Group 2021	Company 2022	Company 2021
Opening balance	**-**	-	**517,092**	500,780
Loan given during the year	**-**	-	**12,473**	-
Interest charged during the year	**-**	-	**41,052**	38,564
Credit loss allowance	**-**	-	**(12,342)**	(22,252)
Balance at end of year	**-**	-	**558,275**	517,092

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

28. Related parties (continued)

28.2 Other related parties (continued)

(iv) Unergy Limited (Uganda)

Opening balance	**89,461**	96,710	**89,461**	96,710
Loan given during the year	**19,274**	29	**19,996**	29
Loan repaid during the year	**-**	(8,130)	**-**	(8,130)
Interest charged during the year	**1,386**	2,696	**2,926**	2,696
Credit loss allowance	**-**	(1,844)	**(1,419)**	(1,844)
Adjustment arising on gain of control of subsidiary	**(110,121)**	-	**-**	-
Balance at end of year	**-**	89,461	**110,964**	89,461

(v) Africa Clean Energy Solutions (ACES) Limited (United Kingdom)

Opening balance	**-**	-	**281,063**	259,598
Loan given during the year	**-**	-	**585**	11,067
Interest charged during the year	**-**	-	**5,371**	5,788
Foreign exchange adjustment	**-**	-	**(11,236)**	9,834
Credit loss allowance	**-**	-	**(4,741)**	(5,224)
Balance at end of year	**-**	-	**271,042**	281,063

(vi) Africa Renewable Clean Power (Pty) Limited (Namibia)

Opening balance	**-**	-	**600,027**	450,044
Loan repaid during the year	**-**	-	**(554,634)**	(104,864)
Foreign exchange adjustment	**-**	-	**(15,146)**	108,171
Credit loss allowance	**-**	-	**14,803**	(14,803)
Loan given during the year	**-**	-	**384**	-
Write off loan	**-**	-	**(45,434)**	-
Equity portion of loan	**-**	-	**-**	161,478
Balance at end of year	**-**	-	**-**	600,027

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

28. Related parties (continued)

28.2 Other related parties (continued)

(vii) Afrinol (Holdings) Limited (Kenya)

Opening balance	**53,314**	63,226	**-**	-
Interest charged during the year	**3,816**	3,819	**-**	-
Credit loss allowance	**-**	(13,731)	**-**	-
Balance at end of year	**57,130**	53,314	**-**	-

(viii) SACE Projects (Pty) Limited

Opening balance	**2,080,659**	1,545,304	**2,080,659**	1,545,304
Loan given during the year	**317,749**	68,368	**317,749**	68,368
Loan repaid during the year	**-**	(17,916)	**-**	(17,916)
Foreign exchange adjustment	**(246,005)**	331,649	**(246,005)**	331,649
Credit loss allowance	**(5,564)**	(3,570)	**(5,564)**	(3,570)
Conversion of loan account to equity	**(615,103)**	-	**(615,103)**	-
Interest charged during the year	**177,844**	156,824	**177,844**	156,824
Balance at end of year	**1,709,580**	2,080,659	**1,709,580**	2,080,659

(ix) Metier International

Opening balance	**4,230**	3,702	**-**	-
Foreign exchange adjustment	**-**	528	**-**	-
Purchase of Unergy Limited shares	**(4,230)**	-	**-**	-
Balance at end of year	**-**	4,230	**-**	-

(x) Kalkuil Solar (Pty) Limited (South Africa)

Opening balance	**34,939**	-	**34,939**	-
Loan given during the year	**-**	42,944	**-**	42,944
Foreign exchange adjustment	**(5,181)**	374	**(5,181)**	374
Credit loss allowance	**445**	(8,998)	**445**	(8,998)
Interest charged during the year	**3,007**	619	**3,007**	619
Balance at end of year	**33,210**	34,939	**33,210**	34,939

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

28. Related parties (continued)

28.2 Other related parties (continued)

(xi) Matla a Letsatsi (RF) (Pty) Limited (South Africa)

Opening balance	**27,047**	-	**27,047**	-
Loan given during the year	**-**	33,626	**-**	33,626
Foreign exchange adjustment	**(4,012)**	(89)	**(4,012)**	(89)
Credit loss allowance	**358**	(6,966)	**358**	(6,966)
Interest charged during the year	**2,264**	476	**2,264**	476
Balance at end of year	**25,657**	27,047	**25,657**	27,047
Total loans and interest receivables (Note 10)	**1,942,121**	2,332,841	**2,806,439**	3,652,523

Terms and conditions of the loans are disclosed in note 10.

Payables to related parties:

(xii) Johan David Kruger

Opening balance	**97,082**	55,899	**90,247**	49,765
Loan received during the year	**20,194**	40,274	**3,463**	40,114
Loan repaid during the year	**(105,957)**	(11,496)	**(89,226)**	(11,496)
Interest charged during the year	**1,819**	3,979	**1,650**	3,438
Foreign exchange adjustment	**(3,648)**	8,426	**(2,671)**	8,426
Balance at end of year	**9,490**	97,082	**3,463**	90,247

(xiii) Melvyn Joseph Antonie

Opening balance	**122,721**	104,093	**115,420**	97,432
Loan received during the year	**11,032**	2,993	**9,646**	2,993
Loan repaid during the year	**(110,630)**	(11,496)	**(108,071)**	(11,496)
Foreign exchange adjustment	**(5,365)**	20,554	**(4,644)**	19,914
Interest charged during the year	**2,123**	6,577	**2,123**	6,577
Balance at end of year	**19,881**	122,721	**14,474**	115,420

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

28. Related parties (continued)

28.2 Other related parties (continued)

(xiv) Topolino Trust

Opening balance	**7,173**	3,974	**7,173**	3,974
Loan received during the year	**4,775**	3,000	**4,775**	3,000
Loan repaid during the year	**(12,003)**	-	**(12,003)**	-
Interest charged during the year	**55**	199	**55**	199
Balance at end of year	**-**	7,173	**-**	7,173

(xv) Nemesis Trust

Opening balance	**10,897**	7,086	**10,897**	7,086
Loan received during the year	**-**	3,500	**-**	3,500
Loan repaid during the year	**(10,960)**	-	**(10,960)**	-
Interest charged during the year	**63**	311	**63**	311
Balance at end of year	**-**	10,897	**-**	10,897

(xvi) Unergy Limited (Uganda)

Opening balance	**-**	8,130	**-**	-
Loan repaid during the year	**-**	(8,130)	**-**	-
Balance at end of year	**-**	-	**-**	-

(xvii) P Norman

Opening balance	**28,359**	-	**28,359**	-
Loan received during the year	**-**	27,954	**-**	27,954
Loan repaid during the year	**(27,831)**	-	**(27,831)**	-
Interest charged during the year	**507**	412	**507**	412
Foreign exchange adjustment	**(1,035)**	(7)	**(1,035)**	(7)
Balance at end of year	**-**	28,359	**-**	28,359

Figures in $	Group 2022	Group 2021	Company 2022	Company 2021

28. Related parties (continued)

28.2 Other related parties (continued)

(xviii) A Ally

Opening balance	**51,123**	-	**51,123**	-
Loan received during the year	**-**	48,298	**-**	48,298
Loan repaid during the year	**(40,666)**	-	**(40,666)**	-
Interest charged during the year	**1,622**	1,167	**1,622**	1,167
Foreign exchange adjustment	**(2,697)**	1,658	**(2,697)**	1,658
Balance at end of year	**9,382**	51,123	**9,382**	51,123

(xix) C Mbire (Director of Unergy Limited)

Opening balance	**-**	-	**-**	-
Adjustment arising on gain of control of subsidiary	**40,647**	-	**-**	-
Loan received during the year	**14**	-	**-**	-
Interest charged during the year	**576**	-	**-**	-
Balance at end of year	**41,326**	-	**-**	-
Total loans and interest payables (Note 17)	**79,989**	**317,355**	**27,319**	**303,219**

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. Out of the total Director fees of USD 320,750 (2021: USD 343,155) for the year ended 30 June 2022, USD 5,250 (2021: USD 7,000) is in relation to services rendered by Toorisha Nakey-Kurnauth, which is included within fees charged by the Company Secretary and borne by the Company. 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 10,323 for the Group and USD 28,822 for the Company were recognised during the year detailed in note 10 (2021: USD 68,102 for the Group and USD 96,651 for the Company).

All transactions were entered into the normal course of the business. The Company does not have any employees 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.

29. Going concern

Since the commencement of the 2022 financial year the Covid-19 pandemic has eased significantly, to the extent that in the later part of the 2022 financial year the world economies, except for China has opened up. This has resulted in economies beginning to operate in a normal fashion.

During April 2022 Russia invaded Ukraine resulting in a major energy crisis in European and international economies reflecting increased uncertainties. The Governments and central banks responded with monetary and fiscal interventions to stabilise economic conditions and reduce the impact of inflation and rising energy prices. Interest rates have increased internationally, which has prompted analysts to predict an economic recession in 2023.

The energy crisis in South Africa has been exacerbated by the continued load-shedding imposed by Eskom and its inability to provide the South African market with the energy it needs to grow. In January 2022, Cyril Ramaphosa the President of South Africa changed the laws and regulations and now allows the private sector to erect and develop renewable energy to supplement the current supply. Energy can be sold by the private sector or public sector.

The short-term strategy implemented by the Group in 2021 of solar roof top installation in South Africa has begun to produce dividends, in that enquiries have increased substantially. The South African entity, SACE Projects (Pty) Limited (“SACE Projects”) has received acceptance of quotes worth R12 million for the 2023 financial year as at the date of these financial statements. A further five quotes, totalling R18 million have received client Board approval and SACE Projects is awaiting signed acceptances.

SACE Projects is also in discussion to erect and develop a further 20MW of renewable power to the private sector. Since January 2022, the number of enquiries for rooftop installations has increased which has resulted SACE Projects forecasting a profit to June 2023 of USD900,000. Africa Clean Energy Solutions Limited ("ACES Renewables") expects to receive 56.6% thereof together with an agreed management fee of USD 100,000.

A recapitalisation proposal was submitted to Godwen (Pty) Limited, the other shareholder of SACE Projects. On capitalisation, ACES Renewables converted USD 537,000 of its loan account into equity and the remaining shareholders subscribed for 90 new shares in SACE Projects for USD 333,334 in cash. A further recapitalisation is planned for Q2 2023. ACES Renewables will convert a further USD 750,000 of its loan account into new shares. Existing and new shareholders will subscribe for new shares to the value of USD 666,667.

As at 5 September 2022, the company now holds 56.6% of the issued shares in SACE Projects compared to 49.9% in the 2021 financial year.

Discussions are taking place with potential off-takers for the South African projects. These include the 2.9MW Solar in Uitenhage and 10MW Biomass project in Mpumalanga.

29. Going concern (continued)

The Electricity Regulator in Uganda has approved the Ugandan project and the submission of the feasibility study has been extended to June 2023.

The project in Kenya has been delayed, but with the easing of the pandemic, there are positive signs that development of the project will commence in 2022-23. The Group is waiting for the decisions of the newly elected President to appoint the final board of KPLC, which is expected by December 2022.

The group's fund raising exercise was not successful in 2022 but is on-going. Mr Andrew Cox has been appointed the new CEO of the Group and will concentrate on the fund raising.

During the 2022 financial year the Group and Company reduced its liabilities by USD 262,915 and USD 214,844 respectively.

The Group incurred a net loss of USD 886,591 (2021 profit: USD 122,705) and the Company incurred a loss of USD 367,209 (2021: USD 9,386) for the year ended 30 June 2022. As of that date, the Group and Company had net current liabilities of USD 1,404,407 (2021: USD 1,781,029) and USD 1,192,138 (2021: USD 1,055,655) respectively. The financial statements have been prepared on a going concern basis.

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

30. Events after the reporting date

There have been no material events after the reporting year which would require disclosure to the financial statements for the period ended 30 June 2022.

31. Capital commitments

The Group and the Company has no capital commitments as at 30 June 2022 (2021: Nil).

32. 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:

32. Segment Reporting (continued)

2022	**Mauritius**	**United Kingdom**	**Kenya**	**Uganda**	**Namibia**	**Consolidated adjustment**	**Total**
Income	**USD**	**USD**	**USD**	**USD**	**USD**	**USD**	**USD**
Interest	3,096	373	3,819	-	-	-	7,288
Intercompany interest	232,465	7,889	-	-	-	(56,429)	183,925
Intercompany management fee	267,329	-	-	-	-	-	267,329
Dividends received	310,194	-	-	-	-	(310,194)	-
Other income	-	-	-	-	3,850	4,834	8,684
	813,084	8,262	3,819	-	3,850	(361,789)	467,226
Expenditure							
Professional fees	(70,050)	-	-	(1,300)	-	-	(71,350)
Audit fees	(64,800)	-	(5,926)	(2,700)	(5,443)	-	(78,869)
Directors' fees	(320,750)	-	-	-	-	-	(320,750)
Licence fees	(225)	-	-	-	-	-	(225)
Loss on disposal of subsidiary	(250,837)	-	-	-	-	235,503	(15,334)
Accounting fees	(65,104)	-	-		-	-	(65,104)
Interest expenses	(6,359)	(5,371)	(48,941)	(2,116)	-	56,429	(6,359)
Impairment of IFRS 9 loan	(14,019)	-	-	-	-	18,500	4,480
Bank charges	(2,163)	-	(451)	(295)	(85)	-	(2,994)
Consulting fees	(20,000)	(319)	-	-	(3,970)	-	(24,289)
Legal fees	(7,388)	-	-	(729)	(662)	-	(8,779)
Impairment of goodwill	-	-	-	-	-	(129,946)	(129,946)
Share of loss of associated company	-	-	-	-	-	(313,346)	(313,346)
Write off loan	(45,434)	-	-	-	40,150	5,284	-
Exchange loss	(288,166)	-	4	29	-	20,056	(268,077)
Other operating expenses	(8,665)	-	(250)	(12,551)	(273)	(14,804)	(36,543)
	(1,163,961)	(5,690)	(55,564)	(19,662)	29,717	(122,324)	(1,337,485)
(Loss) profit before taxation	(350,877)	2,572	(51,745)	(19,662)	33,567	(484,113)	(870,259)
Taxation	(16,332)	-	-	-	-	-	(16,332)
(Loss) profit for the year	(367,209)	2,572	(51,745)	(19,662)	33,567	(484,113)	(886,591)

32. Segment Reporting (continued)

2021	Mauritius	United Kingdom	Kenya	Namibia	Consolidated adjustment	Total
Income	**USD**	**USD**	**USD**	**USD**	**USD**	**USD**
Interest	3,126	413	3,819	14,474	(1)	21,831
Intercompany interest	204,966	7,289	-	-	(51,640)	160,615
Intercompany management fee	97,919	-	-	-	(3,788)	94,131
Dividends received	-	-	-	129,545	(1)	129,544
Other income	-	-	-	7,477	-	7,477
Exchange gain / (loss)	416,201	-	(4)	-	10	416,207
	722,212	7,702	3,815	151,496	(55,420)	829,805
Expenditure						
Professional fees	(74,298)	-	-	-	-	(74,298)
Audit fees	(32,500)	-	(5,310)	(15,507)	-	(53,317)
Directors' fees	(322,000)	-	-	-	-	(322,000)
Licence fees	(450)	-	-	-	-	(450)
Impairment of loans IFRS 9	(96,650)	-	-	-	28,548	(68,102)
Accounting fees	(74,298)	-	-	(4,858)	3,788	(75,368)
Interest expenses	(14,031)	(5,788)	(45,852)	-	51,640	(14,031)
Bank charges	(653)	-	(293)	(114)	-	(1,060)
Consulting fees	(54,256)	(323)	32,000	(1,677)	-	(24,256)
Legal fees	(3,914)	-	-	-	-	(3,914)
Rent	(21,997)	-	-	-	-	(21,997)
Salaries	(21,155)	-	-	-	-	(21,155)
Other operating expenses	(15,400)	-	(360)	111	(11,502)	(27,152)
	(731,602)	(6,111)	(19,815)	(22,045)	72,474	(707,100)
(Loss) profit before taxation	(9,390)	1,591	(16,000)	129,451	17,054	122,705
Taxation	-	-	-	-	-	-
(Loss) profit for the year	(9,390)	1,591	(16,000)	129,451	17,054	122,705

33. Business Combinations

On 17 January 2022, Metier International exercised its option to resell the shares acquired in 2019 to Africa Clean Energy Solutions (ACES) Limited, thereby increasing shareholding from 40% to 75%, causing the Group to exercise control. As such, the investment was reclassified from investment in associate to investment in subsidiary. The consideration for the 35% acquired from Metier International was settled against an amount receivable from the latter.

The goodwill of USD 129,946 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 2022.

Since acquisition date, Unergy Limited contributed USD nil to Group revenues and USD 19,662 to Group loss.

The income and loss included in the consolidated financial statements contributed by Unergy Limited was effective the date of the transaction, being 17 January 2022. Had Unergy Limited been consolidated from 1 July 2021, income would have been USD nil and loss would have been USD 28,755.

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

Consideration as at 17 January 2022	**Group**
Purchase consideration (non cash)	4,230
Add: Fair value of equity interest held before business combination	4,834
Less: Non-controlling interest at acquisition	(40,293)
Add fair value of net assets at acquisition	161,175
Goodwill	**129,946**
Recognised amounts of identifiable assets acquired and liabilities assumed:	
Bank and cash	2,741
Accruals and payables	(10,621)
Loans to related parties	(153,296)
	(161,175)
Acquisition of subsidiary	
Net cash outflow on acquisition of subsidiary	
Consideration paid cash	-
Less: Cash and cash equivalent balances acquired	(2,741)
	(2,741)
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.

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

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

	2022	2021	2020
Revenue	467,226	829,805	149,740
(Loss) profit before taxation	(870,259)	122,705	(903,013)
Income tax expense	(16,332)	-	-
(Loss) profit for the year	(886,591)	122,705	(903,013)
Other comprehensive (loss) income, net of tax	(18,254)	(30,686)	4,255
Total comprehensive (loss) income	(904,845)	92,019	(898,758)
(Loss) / profit for the year attributable to:			
Owners of Parent	(875,551)	91,321	(874,409)
Non-controlling interest	(11,040)	31,384	(28,604)
	(886,591)	122,705	(903,013)
Comprehensive (loss) / income attributable to:			
Owners of Parent	(883,662)	72,540	(870,218)
Non-controlling interest	(21,183)	19,479	(28,540)
	(904,845)	92,019	(898,758)
Basic (loss) / earnings per share	(0.0299)	0.0031	(0.0322)

(b) Statement of financial position

	2022	2021	2020
ASSETS			
Non current assets	2,107,659	1,163,515	2,863,329
Current assets	183,352	1,287,310	71,351
Non current assets classified as held for sale	-	1,170,294	-
Total assets	2,291,011	3,621,119	2,934,680
EQUITY AND LIABILITIES			
Capital and reserves	896,471	1,771,419	1,680,588
Non controlling interest	(234,455)	(48,345)	(67,824)
Total equity	662,016	1,723,074	1,612,764
LIABILITIES			
Non current liabilities	41,236	-	389
Current liabilities	1,587,759	1,898,045	1,321,527
Total equity and liabilities	2,291,011	3,621,119	2,934,680

NOTICE OF MEETING OF SHAREHOLDER

Africa Clean Energy Solutions Limited
Incorporated in the Republic of Mauritius
Registration number: 152282 C1/GBL
Having its registered office address at
c/o Intercontinental Trust Limited, Level 3, Alexander House
35 Cybercity, Ebene 72201, Mauritius
SEM share code: ACES.N0000
ISIN: MU0620N00008
("**ACES Renewables**" or the **"Company**")

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the Annual Meeting of shareholders of ACES Renewables will be held on **Tuesday, 6 December 2022** at **11:00 am Mauritian Time** at the registered office of the Company at Intercontinental Trust Limited, Level 3, Alexander House, 35 Cybercity, Ebene 72201, Mauritius.

The purpose of the Annual Meeting is to transact the business set out in the agenda below.

ORDINARY RESOLUTION NUMBER 1: CONSIDERATION AND ADOPTION OF THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS, RECEIVING OF THE AUDITORS' REPORT AND CONSIDERATION OF THE ANNUAL REPORT

After due consideration, **IT IS RESOLVED THAT** the audited consolidated financial statements, the auditors' report and the Annual Report for the financial year ended 30 June 2022 be hereby adopted.

ORDINARY RESOLUTION NUMBERS 2.1-2.5: RE-ELECTION OF DIRECTORS

IT IS RESOLVED THAT the following directors, who retire and offer themselves for re-election in accordance with section 12.4.2 of the Company's Constitution be re-elected each by way of a separate vote:

2.1 Gaëtan Michel Siew - Independent Non-Executive Director and Chairman
2.2 Johan David Kruger - Executive Director and Chief Operating Officer
2.3 Toorisha Nakey-Kurnauth - Non-Executive Director
2.4 Antoine Kon-Kam King - Independent Non-Executive director
2.5 Andrew Lloyd Cox – Chief Executive Officer

ORDINARY RESOLUTION NUMBER 3: RE-ELECTION OF DIRECTORS IN LINE WITH SECTION 138(6)(A) OF THE COMPANIES ACT 2001

IT IS RESOLVED THAT Melvyn Joseph Antonie (Executive Director and Chief Financial Officer), who retires and offers himself for re-election in accordance with section 138(6)(a) of the Companies Act 2001 of Mauritius be re-elected by way of a vote.

ORDINARY RESOLUTION NUMBER 4: RE-APPOINTMENT OF INDEPENDENT AUDITOR

THAT BDO & Co (“**BDO**”), the independent auditor of the Company, be re-appointed until the conclusion of the Company’s next Annual Meeting.

ORDINARY RESOLUTION NUMBER 5: REMUNERATION OF INDEPENDENT AUDITOR

THAT the Board of Directors be authorised to determine the remuneration of the independent auditor.

ORDINARY RESOLUTION NUMBER 6: REMUNERATION OF NON-EXECUTIVE DIRECTORS

THAT the Board of Directors be authorised to determine the fees of the non-executive directors for their services as directors of the Company.

ORDINARY RESOLUTION NUMBER 7: ISSUE OF SHARES

THAT the Board of Directors be authorised, in terms of paragraph 4.1 of the Constitution, to allot and issue up to 35,000,000 ordinary shares of the Company by way of various placings and/or consideration issues at any time to any person and in any number, as it thinks fit pursuant to the Mauritian Companies Act 2001, the Mauritian Securities Act 2005 and the Listing Rules of the Stock Exchange of Mauritius Ltd, and that such authority given to the directors shall be valid for a period of 12 months from the date of this approval. Additional information is included in Annexure 1.

ORDINARY RESOLUTION NUMBER 8: AUTHORITY OF DIRECTORS

THAT any director of the Company be and is hereby authorised to do all such things and sign all such documentation as is necessary to give effect to the resolutions set out in this notice, hereby ratifying and confirming all such things already done and documentation already signed.

SPECIAL RESOLUTION NUMBER 1: GENERAL AUTHORITY TO ISSUE SHARES ON A NON-PRE-EMPTIVE BASIS

THAT subject to the applicable provisions of the Mauritian Companies Act 2001 and the Constitution, the directors of the Company be and are hereby authorised, by way of a general authority, to allot and issue Shares to such person/s on such terms and conditions and at such times as the directors may, from time to time, in their discretion as deemed fit and that the authority conferred hereby shall include authority to issue options or convertible securities that are to be converted into ordinary shares of the Company, save that the pre-emption rights on issue in the Constitution, the Mauritian Companies Act 2001 or otherwise applicable shall not apply to any such issue.

The reason for Special Resolution Number 1 is to obtain the required approval of shareholders to authorise the directors to allot and issue new shares up to the limits specified in Ordinary Resolution Number 7 as if the pre-emption rights in the Constitution, the Mauritian Companies Act 2001 or otherwise applicable did not apply to any such issue or sale.

The Directors consider that the passing of ordinary resolutions number 1 to 8 and special resolution number 1 are in the best interests of the Company and its shareholders as a whole, and accordingly recommend that the shareholders entitled to vote at the Annual Meeting to exercise their vote in favour of all the resolutions to be proposed at the meeting.

Ordinary resolutions number 1 to 8 will require the support of not less than 50% of the total votes exercisable by members of the Company, present in person or by proxy to pass these resolutions.

Special resolution number 1 will require the support of not less than 75% of the total votes exercisable by members of the Company, present in person or by proxy to pass this resolution.

Attending the Meeting Virtually

The Annual General Meeting will also be held by way of electronic platform in accordance with the provisions of Section 3 of the Fifth Schedule of the Mauritius Companies Act 2001.

Shareholders who wish to attend and participate in the Annual General Meeting or who wish to submit any questions relating to the business set out in this notice, are requested to contact the company secretary at aces@intercontinentaltrust.com or, alternatively, on +230 403 0800 no later than 15 00 on Monday, 5 December 2022. Shareholders will only be provided with the dial in details to access the electronic platform once verified by the company secretary.

Key dates and times for the Annual Meeting of Shareholders:

Key events	Date
Notice of Annual Meeting	8 November 2022
Last day to lodge forms of proxy for the Annual Meeting by 11:00 am Mauritian time	5 December 2022
Annual Meeting at 11:00 am Mauritian time	6 December 2022

Annexure 1

Disclosure of additional information required under the Securities (Preferential Offer) Rules 2017 made by the Financial Services Commission under section 93 of the Financial Services Act 2007 and sections 70 and 155 of the Securities Act 2005

Pursuant to Rule 4(4) of the Securities (Preferential Offer) Rules 2017, the Company hereby provides the following additional information in respect of proposed ordinary resolution number 6 ("**the Resolution**"), if applicable, as set out in the notice of the special meeting:

a) *Objectives of the issue*

The objective of the issue of shares under the Resolution is to allow the Company to raise funding through the issue of new securities.

b) *Total number of securities to be issued*

The total number of securities that may be issued under the Resolution is 35,000,000 ordinary shares.

c) *The price at which or the price band within which the allotment is proposed*

The price to be decided by the Board of directors in due course, which price shall be determined by the directors of the Company at the time any such offer, issue or placement is announced and which shall at any time not be less than the net asset value of the Company.

d) *The basis on which the price has been arrived at*

See c) above

e) *The class or classes of persons to whom the allotment is proposed to be made*

The proposed allotments pursuant to the Resolution are to be made to the vendors of assets, to current shareholders, to sophisticated investors and to the general public.

f) *The proposed time within which the allotment shall be completed*

The allotment of securities shall be made within a 12 month period from the date of approval of the Resolution.

g) *The names of the proposed allottees and the percentage of post preferential offer capital that may be held by them, wherever applicable*

The proposed allottees and the percentage of securities held by the proposed allottees will only be determined once an allotment is made.

h) *Any change in control in the Company subsequent to the preferential offer*

Any change of control in the Company will only be determined following the proposed allotments.

i) *The number of persons to whom allotment on a preferential offer basis have already been made during the year and the corresponding number of securities as well as the price of each security*

No allotment of shares has been made on a preferential offer till date.

j) *The justification for the allotment to be made for consideration other than cash*
An allotment of shares may be issued as consideration for the acquisition of assets.

k) *The shareholding pattern prior to and after the issue of securities*
The shareholding pattern prior to the issue of shares is as follows:

Percentage of Holdings	Number of shareholders
Less than 5%	72
Between 5% to 20%	4
Greater than 20%	1

The shareholding pattern post to the issue of shares will only be determined once an allotment is made.

Instructions for members holding shares

A form of proxy is attached for the convenience of any member of the Company holding shares who cannot or does not wish to attend the Annual Meeting but who wishes to be represented thereat. Forms of proxy may also be obtained on request from the Company's registered office.

Members of the Company holding may elect to:

- attend and vote at the Annual Meeting; or alternatively

- may appoint an individual as a proxy (who need not also be a member of the Company) to attend, participate in, speak and vote in your stead at the Annual Meeting by completing the attached form of proxy and returning it to the addresses below, to be received by no later than 11:00 am Mauritian time on 5 December 2022:

The Company Secretary

Africa Clean Energy Solutions Limited
Intercontinental Trust Limited,
Level 3, Alexander House,
35 Cybercity, Ebene 72201,
Mauritius.
Fax: (230) 403 0801
Email: aces@intercontinentaltrust.com

Alternatively, the form of proxy may be handed to the chairperson of the Annual Meeting at the Annual Meeting or at any time prior to the commencement of the Annual Meeting. Please note that your proxy may delegate his/her authority to act on your behalf to another person, subject to the restrictions set out in the attached form of proxy.

Please note that the completed form of proxy must be delivered to the addresses above or handed to the chairperson of the Annual Meeting prior to the dates and times indicated, before your proxy may exercise any of your rights as a member of the Company at the Annual Meeting.

Please note that any member of the Company that is a company may authorise any person to act as its representative at the Annual Meeting.

Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the Annual Meeting should the shareholder subsequently decide to do so.

Voting at the Annual Meeting

In order to more effectively record the votes and give effect to the intentions of members, voting on all resolutions will be conducted by way of a poll.

By order of the Board
Intercontinental Trust Limited
Company Secretary
Mauritius

Date: 8 November 2022

PROXY FORM

Africa Clean Energy Solutions Limited
(Incorporated in the Republic of Mauritius)
Registration number: 152282 C1/GBL
Having its address at
c/o Intercontinental Trust Limited,
Level 3, Alexander House
35 Cybercity, Ebene 72201, Mauritius
SEM share code: ACES.N0000
ISIN: MU0620N00008
("**ACES Renewables**" or "**the Company**")

Form of proxy

Important information regarding the use of this form of proxy

Shareholders are advised to read the instructions for completing this form of proxy contained in the notice of the Annual Meeting to which this form of proxy is attached, in addition to the notes to this form of proxy.

Dear Sir/Madam,

I/We ____

of ____

being shareholder(s) of Africa Clean Energy Solutions Limited and holding _______________________

ordinary shares in the Company hereby appoint:

1. ____ or failing him/her;

2. ____ or failing him/her;

3. the chairperson of the Annual Meeting

as my/our proxy to vote for me/us at the Annual Meeting of the Company to be held on 6 December 2022 at 11:00 am **Mauritius Time** in Mauritius, and at any adjournment of the meeting, which will be held for purposes of considering and, if deemed fit, passing, with or without modification, the ordinary resolutions and the special resolution to be proposed thereat as detailed in the notice of Annual Meeting; and to vote for and/or against such resolutions and/or to abstain from voting for and/or against the resolutions in respect of the shares registered in my/our name in accordance with the following instructions:

Resolution	For	Against	Abstain
Ordinary resolution number 1 (Consideration and adoption of the Audited Consolidated Financial Statements, receiving of the Auditors' report and consideration of the Annual Report)			
Ordinary resolution number 2.1 (Re-election of Gaëtan Michel Siew as director)			
Ordinary resolution number 2.2 (Re-election of David Johan Kruger as director)			
Ordinary resolution number 2.3 (Re-election of Toorisha Nakey-Kurnauth as director)			
Ordinary resolution number 2.4 (Re-election of Antoine Kon-Kam King as director)			
Ordinary resolution number 2.5 (Re-election of Andrew Cox as director)			
Ordinary resolution number 3 (Re-election of Melvyn Antonie Joseph as director)			
Ordinary resolution number 4 (Re-appointment of independent auditor)			
Ordinary resolution number 5 (Authorising directors to determine the remuneration of independent auditor)			
Ordinary resolution number 6 (Authorising directors to determine the fees of non-executive directors)			
Ordinary resolution number 7 (Issue of shares)			
Ordinary resolution number 8 (Authority of directors)			
Special resolution number 1 (General authority to issue shares on a non-pre-emptive basis)			

Consent in terms of Section 327 of the Mauritian Companies Act 2001

I/we a shareholder of the Company, hereby consents to receive notices, annual reports, statements, reports, accounts, or any other documents pertaining to the Company at the following email address until such authority is revoked:

Email Address: ____________________________________

I/we undertake to advise the Company within 5 days at the below addresses of any change in my/our email address.

This consent may be revoked at any time on the provision of 5 days' notice in writing to the Company.

Signed this ______________________________ day of _________________ 2022

Signed: ____

Shareholder name: ____

Capacity: ____

Notes:

1. A member entitled to attend and vote at the Annual Meeting is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

2. Notwithstanding the appointment of a proxy by a member who is a natural person, such member may attend the Annual Meeting in person and vote thereat, to the exclusion of the appointed proxy.

3. Any alteration or correction made to this form of proxy must be initialed by the signatory(ies);

4. Such proxy (ies) appointed pursuant to this form of proxy may participate in, speak and vote at the Annual Meeting in the place of that member at the Annual Meeting. The person whose name stands first on the form of proxy and who is present at the meeting will be entitled to act as proxy to the exclusion of those whose names follow. If no proxy is named on a lodged form of proxy, the chairperson shall be deemed to be appointed as the proxy;

5. A member or his/her proxy is not obliged to use all the votes exercisable by the member, but the total of the votes cast or abstained may not exceed the total of the votes exercisable in respect of the shares held by the member;

6. Documentary evidence appointing a proxy or establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the Company or the company secretary or waived by the chairperson of the Annual Meeting.

Africa Clean Energy Solutions Limited
(Incorporated in the Republic of Mauritius)
Registration number: 152282 C1/GBL

Alexander House
35 Cybercity
Ebene 72201
Mauritius
www.acesrenewables.com