Trans Switch Africa

Annual Report 2024

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Group Overview

Trans Switch Africa Holdings Ltd ("**Trans Switch Africa**" or "**The Company**") was incorporated and registered in Mauritius on 21 April 2016 as a public Company and holds a Category 1 Global Business License in accordance with the Mauritian Companies Act 2001 and the Mauritian Financial Services Act 2007. The Company was listed on the Stock Exchange of Mauritius (SEM) on the 6th of February 2018.

Trans Switch Africa maintains a vision of creating value for stakeholders through its consolidation strategy positioning Mauritius as the platform.

The company identifies significant opportunities across Africa, Europe, and other international markets in providing high-end business process outsourcing (BPO) services, with a particular focus on financial services providers, including banks, insurers, and non-bank financial institutions. The past decade has seen rapid expansion in the financial services sector, driven by increased internet penetration and the accelerating adoption of digital technologies. These developments, combined with the ongoing demand for efficiency and innovation, offer a compelling market opportunity to consolidate best-in-class service providers, creating a platform that delivers innovative, customized products and services to meet evolving customer needs.

Strategy

Our strategy remains centered on the consolidation of niche businesses that offer managed outsourced services, including account hosting, electronic transaction processing, and value-added services tailored for the financial services industry. We will prioritize acquisitions of businesses that specialize in solution-driven platforms, robust back-end infrastructure, and payment processing capabilities for both banking and non-banking sectors. By bringing these services together under one unified platform, we aim to streamline operations, reduce costs, and enhance scalability for clients.

Our goal is to become a leading global provider of outsourced services to the financial services industry by consolidating fragmented players with high growth potential, particularly across CEMEA and other identified markets. Through strategic acquisitions, we will build a diversified portfolio of businesses, with a strong emphasis on post-acquisition integration, synergy extraction, and sustainable growth. We endeavor to ensure that each business is optimized for long-term success, creating value for all stakeholders and driving enterprise growth.

Key Differentiators which set Trans Switch Africa apart:

- Comprehensive Service Offering: A one-stop platform for financial institutions, offering an integrated suite of services from account hosting to payment processing and beyond.
- Scalable Growth: Leveraging technological innovation and operational synergies across our businesses to deliver cost-effective, scalable solutions to clients of all sizes.
- Market Leadership: Positioning ourselves as a dominant player in known markets while expanding our footprint globally.

Deva Marianen, Chairman of the Board

Chairmans Report

Dear Stakeholders,

It is with pleasure that I present the Chairman's Report for the year ended 30 June 2024. This has been a transformative year for Trans Switch Africa Holdings Ltd, marked by significant milestones in growth, operational performance, and strategic positioning. The Company has made substantial progress on our strategic goals, delivering strong results and positioning itself for global expansion.

Strategic Acquisition: Direct Transact Group (Pty) Ltd

A key highlight for the Company was the successful acquisition of Direct Transact Group (Pty) Ltd ("Direct Transact"), completed on 31 July 2023. This acquisition enables us to diversify and expand our service offerings, strengthening our presence in the payments and financial services sectors. Direct Transact's 22 years of experience as a third-party processor and national payment operator, processing USD 2.8 billion (ZAR 50 billion) monthly, positions it as a significant driver of the Company's future growth and long-term value.

Strong Financial Performance and Improved Shareholder Value

The Company has focused on enhancing shareholder value. With the inclusion of eleven months (August 2023 – June 2024) of earnings from Direct Transact, we achieved notable financial results. Our net profit for the year reached USD 2.9 million, compared to a loss of USD 0.5 million in the prior year. Our net asset value per share increased to USD 0.80, up from USD 0.63 (June 2023).

Despite global geopolitical tensions impacting equity markets, our investment portfolio's value increased by USD 0.9 million, further contributing to our strong performance.

Directorate

The Board is very engaged and actively involved, ensuring strong leadership and strategic oversight. During the year, Trans Switch Africa Holdings appointed three new directors following the acquisition of Direct Transact. We continue to maintain a skilled and objective Board that considers the needs of all stakeholders, ensuring diverse perspectives and a commitment to long-term value creation. We believe this proactive approach strengthens our governance and helps drive the Company's success.

Looking Ahead

The Company is focused on strengthening its portfolio of businesses through strategic acquisitions and organic growth. We are particularly excited about the roll-out of the Vivere Global Limited multicurrency card product, with the first customer set to go live in the year ahead. We will continue leveraging the success of Direct Transact and our subsidiaries to drive growth, improve operational efficiencies, and create sustained value for our shareholders.

We are mindful of evolving market dynamics and will remain adaptable in navigating global market changes. Our diversified business activities, strong asset base, and operational resilience position us well to thrive in both challenging and growth-oriented environments.

Conclusion

I would like to express my sincere gratitude to our management teams, employees, directors, and shareholders for their unwavering support throughout the year. Your trust has been vital to our success, and we remain committed to delivering strong performance and value creation.

In closing, the Company has made significant strides this year, particularly with the acquisition of Direct Transact, which lays the foundation for future growth. We are confident that our focus on innovation, operational excellence, and increasing shareholder value will drive our success in the years to come.

Thank you for your continued trust and support.

Deva Marianen
CHAIRMAN OF THE BOARD

Date: **15 November 2024**

Vision, Mission and Values

Vision

To emerge as a leading outsourced services provider to the Financial Services Industry by focusing on synergizing businesses with high growth potential across CEMEA.

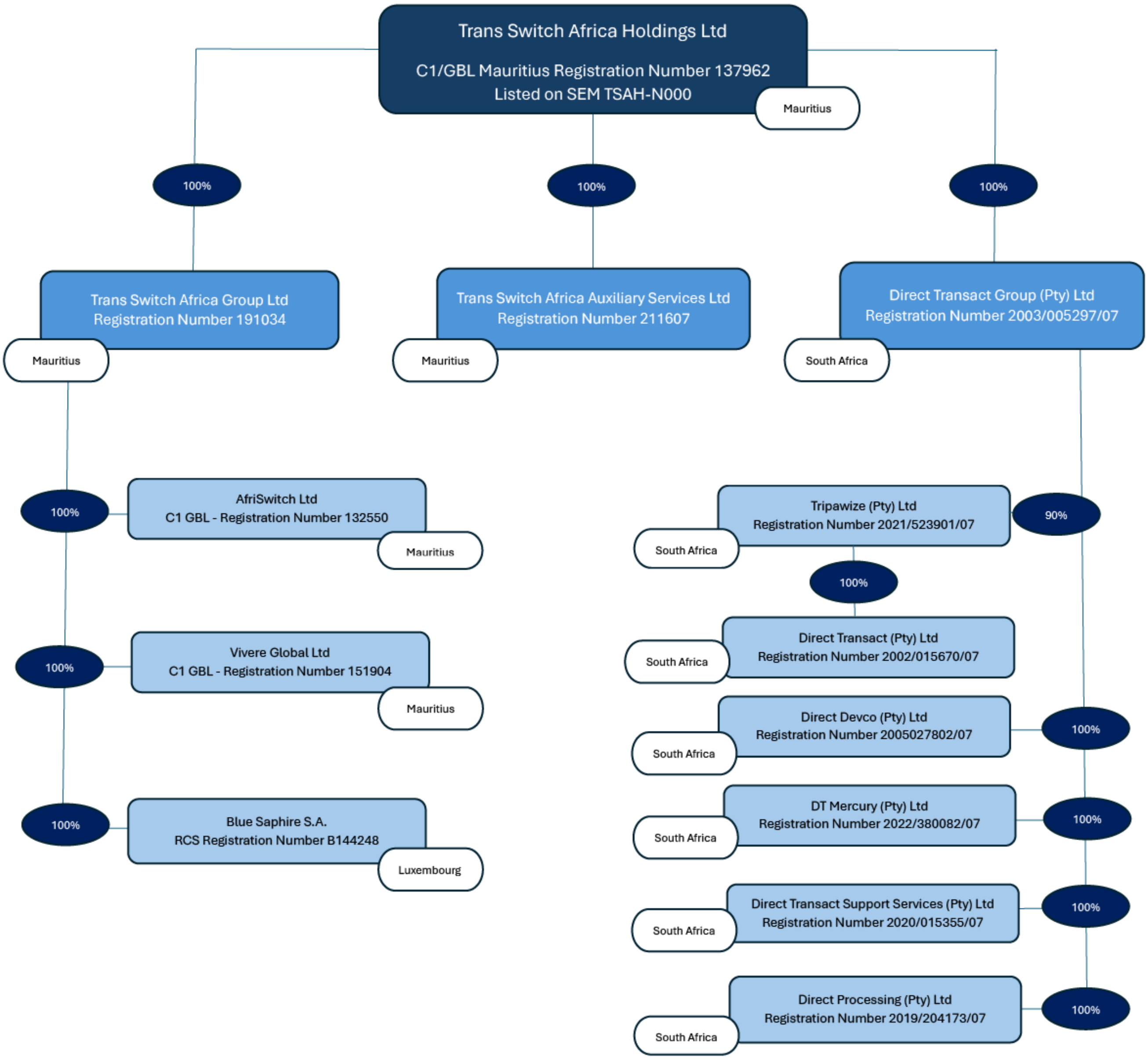
Mission

To create sustainable growth for all stakeholders by building up and investing into a portfolio of carefully chosen businesses servicing the Financial Services Industry and ensuring post-acquisition integration and synergy extraction through the expertise, experience and track record of our partners and their network to achieve enterprise growth at both an underlying institutional and holdings level.

Our Values

We believe in establishing strong win-win partnerships with local and foreign businesses to serve as a platform for each business to reach its full potential.

Group Structure



Board of Directors

Deva Marianen, Non-Executive Director

Deva is the founder of the SAFYR Group of Companies in Mauritius ('Safyr'), which is a leading investment banking group through its 100% owned subsidiary, Safyr Capital Partners. He founded Safyr in 2013, who now directly employs more than 100 people in Mauritius and through Safyr's portfolio of investments, employ more than 450 staff. Through his leadership, Safyr has become a significant player in Mauritius contributing to the growth of the financial services sector, servicing a range of African centric clients from banking institutions to asset managers, family offices and High Net Worth Individuals. Safyr's main focus remain asset management, corporate finance, private equity, investment advisory and fiduciary services. Safyr has acquired led and acquired significant stakes in key economic players in Mauritius, one of them operating in the healthcare space.

Deva specializes in Capital Markets with a strong focus on Private Equity, serving as an advisor to several large institutions and family offices. Deva serves on several board of directors, including chairman of listed companies. Throughout his career, he has personally led various mergers and acquisitions globally, in sectors such as renewable energy, agriculture, financial services, fintech and health care. He holds a degree in Economics and Finance and is qualified as a Chartered Secretary.

A passionate leader with first class communication skills and a long track record of successful management. He is educated to a very high level, with extensive knowledge of all finance, economic, social and regulatory issues. He operates with a first-rate interpersonal skill and an ability and passion to develop the vision of any company that he manages. His motto is to push performance improvement whilst at the same time delivering growth for sustainable development. His directorship is to ensure that clear goals and objectives and expectations are delivered and maintained. On top of all, he is a hands-on Executive officer, known for a strategic and focused approach, with extensive accolades for establishing creative strategies both internally i.e. by optimizing internal operations and financial returns as well as externally, through the creation of efficient platforms.

He is a well-respected leader with a proven track record for his ability to manage a servicing business and enhance its balance sheet as well as unlocking its potential to grow assets. He has developed a niche expertise in the African market, with a specific focus on South Africa, principally looking at international restructuring of client businesses from a tax and exchange control perspective, developed specific corporate finance skills in terms of capital and debt raising, listings on international exchanges and mergers and acquisitions. In all cross-border transactions, it is important for him to have knowledge of the current dynamics within a specific country especially understanding the political situation in play in a view to advise in the most efficient manner on mode of investment and operations.

Board of Directors

Mr. Vaughan Heberden, Independent Non-Executive Director

Vaughan holds BA and LLB qualifications and is a shareholder and director of Bellerive Corporate Management Services (Mauritius) Ltd and holds various board positions and is a member of the Listing Committee of the Stock Exchange of Mauritius.

Previous roles include: - CEO of the Cim Group, a diversified financial service listed on the Stock Exchange of Mauritius. Prior to relocating to Mauritius, he was Director, Southern & East Africa, of Barclays International & Private Banking, CEO of Ansbacher South Africa, the Private Banking arm of FirstRand Bank Limited and a director of UAL Investment Planning Services (Pty) Ltd.

Vaughan has 30+ years in business with significant experience at CEO, Director and Chairperson Level.

Mr. Hendrik Petrus Barnhoorn, Independent Non-Executive Director

Henk currently holds the position of Chief Operating Officer (COO) for Creation Group, (www.creation-capital.com) a South African regulated and licensed investment manager. Creation is a Finance House with a pragmatic investment philosophy specializing in Private Credit across multiple jurisdictions. Since March 2023 Henk is also the Chief Executive Officer of Alize Capital (Pty) Ltd, a South African Financial Services regulated and licensed trade finance entity. He currently resides and works from the Netherlands.

Henk previously worked as the Group Chief Financial Officer (CFO), since 2008, for Geneva Management Group, which is a regulated and licensed multifaceted global financial services group, which operates in various jurisdictions, and spent the last two years based in the Switzerland office until he resigned in 2020. During his 12 years with the group, Henk served on all the key Boards including the Group Board, the Fund Management and Insurance divisions and took on the responsibilities for Group Compliance and Risk. Henk has many years of senior executive experience across various industries, including an New York Stock Exchange (NSE) listed entity, working in both the USA and the Netherlands. His focus has been on the Financial Industry, including listed (public) and privately-owned companies. He served (and still serves) on several Boards and Audit Committees.

Henk is a qualified Chartered Accountant, was an account manager with PWC in the Netherlands, and is a member of South African Institute of Chartered Accountants (SAICA). He has a degree in Investment Management (B. Comm Hons) and holds an executive MBA from the Erasmus University, Rotterdam (the Netherlands).

Board of Directors

Mrs. Kim Tracy Setzkorn, Independent Non-Executive Director

Kim serves as a Group Director and heads up Legal, Risk and Compliance Officer for the TrustQore Group. Kim has been with the Group since 2008 and during this time has held several key positions including: heading up client operations (administration and accounting), relationship management of platinum client relations and providing legal and technical support for the client operations as well as the Group.

Kim is a seasoned director holding board positions on key clients and is a member of several committees (risk, governance and investment). Kim is registered as an attorney in South Africa and her specialty is in fiduciary and corporate matters for high-net-worth private clients. Kim holds a Bachelor of Laws and a Bachelor of Arts degree (majoring in Private Law and Psychology) from the University of South Africa and is a full member of the Society of Trust and Estate Practitioners. Kim is based in TrustQore's Mauritius office.

Mrs. Arina McDonald, Independent Non-Executive Director

Arina is a professional banker and businesswomen with diverse skills and experience in both South Africa and Internationally. Arina is a qualified Chartered Accountant (SA). She currently serves on the Boards of Governance of Companies in the Financial Services, Information Technology and Biomedical services industries.

Arina was CFO of Atlas Mara Ltd, a UK listed banking group that was set up to strategically focus on building-up strong local banks across 7 African countries. Before that, Arina was also the CFO for the Standard Bank Group's African businesses for 5 years, with a 17-country representation across the African continent. Prior to that role, she was a Director in the Standard Bank of South Africa Ltd.'s Investment Banking, Mergers & Acquisition, and Debt Advisory Services team, and held leadership roles in both the Group Tax and Finance functions.

Arina has a focus on good corporate governance, regulatory compliance, instilling a corporate social responsibility framework where a real difference can be made by businesses in the markets they operate within. She believes in integrity and humility as non-negotiables for any leader and is focused on championing a learning spirit within a team environment.

Board of Directors

Hendrik Johannes Dreyer, Non-Executive Director

Hendrik is the CEO and co-founder of Direct Transact (Pty) Ltd, the largest independent provider of fintech services and expertise for banks and brands in South Africa. Hendrik started his career as a lecturer, later moving into banking as a senior executive before becoming the entrepreneur behind the award-winning Direct Transact, SA's first Banking-Software-as-a-Service provider, 22 years ago.

Hendrik is an internationally respected 30-year veteran in the banking and payment technology space and has been involved in the evolution of digital banking in Southern Africa since 1991. The business has won numerous industry awards and has earned the trust of banks, retailers, fintech's and regulators for its service excellence and ethical business practices in line with global best practices and continually updated standards. Hendrik is also a seasoned philanthropist. His great life passion, the Direct Transact Foundation, runs more than 10 charitable projects concurrently for the protection of vulnerable children and the elderly, and is funded from about 10% of the company's annual operating profits. Hendrik is deeply passionate about stewardship and believes we all need to take accountability for that which is entrusted to us - people and nature - with great care, responsibility and compassion.

Anthony Kelvin de Gray Birch, Non-Executive Director

Anthony is the Managing Director and co-founder of Direct Transact (Pty) Ltd, the largest independent provider of transaction infrastructure for banks and businesses in Southern Africa. A chartered accountant (CA) SA by training and SAICA member, Anthony has a very deep understanding of how to grow a lean, financially sustainable, scalable business from the ground up. Anthony started his career in auditing banks before he found a position as a junior accountant at a South African bank. Here Anthony worked across divisions, as well as with the 20twenty online banking venture. It is here that he met his future business partner Hendrik Dreyer with whom he embarked on the ambitious - and at first very daunting - 22+ year entrepreneurial journey into the world of banking and payments. Today Anthony is a leading authority on Banking-as-a-Service (BaaS), interbank processes, banking operations and regulatory compliance.

Built on a proud 22-year history, the company has unrivalled expertise in payments processing. Over the years it has earned the trust of banks, retailers, fintech's and regulators alike for its service excellence and ethical business practices in line with global best practices and continually updated standards.

Directors External Interests

The Board of Director's External Profile

Name of Directors	Other Directorships * Currently Held (Name of Organization)
Mr. Hendrik Petrus Barnhoorn (Male)	Trans Switch Africa Holdings Ltd, HEBA Consulting Ltd, MMP MPY LTD, Creation Europe B.V., Biscuit Palace (Pty) Ltd, Altvest Capital (listed on Cape Town Stock Exchange), Alizé Capital (Pty) Ltd.
Mr. Vaughan Heberden (Male)	Trans Switch Africa Holdings Ltd, Old Mutual US Dollar Money Market Fund Ltd, Old Mutual US Dollar Duration Fund Ltd, PSG Konsult (Mauritius) Ltd, Grindrod Mauritius Ltd. (and subsidiaries), Bellerive Corporate Management Services (Mauritius) Ltd, Bayport Management Ltd, SBM Factors Ltd, SBM Insurance Agency Ltd, SBM Mauritius Asset Managers Ltd.
Mr. Deva Marianen (Male)	Safyr Group Holdings Ltd, Safyr Capital Partners Ltd, Safefin Management Services Ltd, Falcon Healthcare Group Ltd, Safyr Health Investments Ltd, Safyr Property Solutions Ltd, Safyr Real Estate Limited, Sgh Residential Property Holding Ltd, Flying Surgeons Company Ltd, Artemis Curepipe Hospital Ltd, Artemis Coromandel Hospital Ltd, Artemis Cascavelle Hospital Ltd, Saf Tech Leasing, Xpress Coffee Lounge Ltée, Saf Healthcare Holdings Ltd, Emerald Partners (Mauritius) Ltd, Falcon Emergency Response Services Ltd, IT 2 Novate Ltd, Trans Switch Africa Holdings Ltd, Ict Africa Ventures Ltd, It Novate Ltd, Safyr Africa Holdings Ltd, Safyr Utilis Fund Services Ltd, RegtecX Solutions Ltd, Safyr Utilis Corporate and Trust Services Ltd, Safyr Utilis Holdings Ltd, Safyr International Ltd, Safyr Utilis Nominees Ltd.
Mrs. Arina Mc Donald (Female)	Trans Switch Africa Holdings Limited, Direct Transact Group (Pty) Ltd, Sinapi Biomedical (Pty) Ltd, Hans Merensky Legacy Foundation.

Name of Directors	Other Directorships * Currently Held (Name of Organization)
Mrs. Kim Setzkorn (Female)	TrustQore (Mauritius) Ltd, Smile Telecoms Holdings Limited, Smile Telecoms IP Limited, Ninth BIT Limited, Voucher Activation Services Ltd, TrustQore (BVI) Ltd, Control Services Corp, L'Eau D'Or Limited, AfriSwitch Ltd, DNS Africa Ltd, Total Profit (HK) Limited, AV Technology Limited, Mauveland Holding Limited, WEST AFRICAN PLASTICS 1 (WAP1) LTD, CapitalN Africa Ltd, A.A Logistics Ltd, Afrosuez Investments Ltd, Grouper Group Ltd, Advenco Holdings (Pty) Ltd, Vivere Global Ltd, TPF International Limited, Marix Ltd, Denesta Limited, Custody Investment Services Ltd, Securities House Nominees Inc, Africa Infrastructure Company (AIC) Ltd, ADvTECH (Mauritius) Ltd, KAI Group Ltd, Schole (Mauritius) Limited. SOCIUM-A Limited, TrustQore Corporate Services Ltd, Rail Alliance Ltd, Estel Holdings Ltd, Sema Holdings Ltd, Lions Resources Holding Limited, Lions Resources Ltd, Reload-ASI Africa Limited, SunBet Africa Holdings, Transatlantic Investments Limited, Renven Investment Holding Ltd, Taurum International Ltd, Inline Services Corp, Platcorp Holdings Ltd, The Greenway PCC, Mozhold, TrustQore Ltd, TrustQore Services Ltd, MING XIAO TRADING LIMITED, Leova Limited, Esperanca Investments Ltd, AlphaVest One Limited.
Hendrik Johannes Dreyer (Male)	Trans Switch Africa Holdings Limited, Direct Transact Group (Pty) Ltd, Direct Transact (Pty) Ltd, DirectDevco (Pty) Ltd, Direct Processing (Pty) Ltd, Direct Support Services (Pty) Ltd, 1dentity South Africa (Pty) Ltd, Touch Tone Trading 59 (Pty) Ltd, Dotcom Trading 968 (Pty) Ltd, Matisign (Pty) Ltd, Ayurveda Foundation (NPC).
Mr. Anthony Kelvin De Gray Birch (Male)	Trans Switch Africa Holdings Limited, Direct Transact Group (Pty) Ltd, Direct Transact (Pty) Ltd, DirectDevco (Pty) Ltd, Direct Processing (Pty) Ltd, Direct Support Services (Pty) Ltd 1dentity South Africa (Pty) Ltd, Touch Tone Trading 59 (Pty) Ltd.

Portfolio

Portfolio

Trans Switch Africa Holdings is an investment holding Company established to grow a diverse portfolio of investments in its identified markets. The net asset value of Trans Switch Africa Holdings at the end of the financial year was USD 17.1 million.

The major investments of Trans Switch Africa Holdings consist of:

Subsidiary: Trans Switch Africa Group Ltd

Subsidiaries of Trans Switch Africa Group Ltd

- AfriSwitch Ltd "**AfriSwitch**"
- Blue Saphire S.A. "**Blue Saphire**"
- Vivere Global Ltd "**Vivere**"

Subsidiary: Direct Transact Group (Pty) Ltd "**Direct Transact**"

Objective

To seek out and invest in carefully selected opportunities, targeting African and other global clients showing a high growth potential not only in their existing client base, but also from a perspective of leveraging their services into new customers and markets.

The intention and strategy is to invest in, and act as a catalyst in the consolidation of niche business providing managed outsourced account hosting, electronic transaction processing and ancillary services, which includes secure identity management, to the financial services industry. The opportunity is presented through a growing need to provide accessible banking and financial services to consumers globally. The opportunity for Trans Switch Africa Holdings is to invest in businesses that provide turnkey services to Banks and Financial Institutions where there is a need to provide such services through the appropriate infrastructure and back-end/process.

The Company's strategy is to consolidate multiple players focusing on solution-based platforms, back-end infrastructure and payment processing for banking and non-banking businesses and to provide a bespoke service through a single platform to the end customer. Through its carefully selective investments into such companies, showing high potential for growth of client base and the improvement of processes and services to their selected customer base, the Company intends to grow into a significant Software as a Service (SAAS) financial services provider within the next 5 years.

AfriSwitch

AfriSwitch specializes in providing turnkey bespoke solutions to the banking, retail and corporate industry, relating to any form of electronic transaction processing and account hosting services. The spectrum and range of AfriSwitch service offerings are listed below:

Channels

Mobile
Branch
Internet
API
Application Process Interfaces

Banking as a Service

Transactional Products
- Debit/Credit Cards
- Corporate Purchase Cards
- Pre-Paid Cards
- Multi-Currency Cards

Assets/Lending
- Personal Loans
- Revolving Credit
- Motor Vehicle Finance
- Home Loans
- Debtor Finance
- Trade Finance

Liabilities
- Savings Products
- Investment Products
- Fixed Deposits
- Notice Deposits
- Call Accounts
- Trust Accounts

Card Management
Fraud Management
IVR Services

Payments as a Service

Card Associations
MasterCard
- Issuing and Acquiring

Visa
- Issuing and Acquiring

Interbank processing, namely;
- Electronic Funds Transfer
- Real Time Clearing
- Swift
- Account Verification Services

Value-Added Service Providers
- Pre-Paid Electricity
- Prepaid Airtime, ect.

Open and Closed Loop Services

Acquiring as a Service

Merchant Management
- Merchant Settlement
- Merchant Fees/Commission
- Interchange Split

Terminal Monitoring
- Device and Consumables
  - Point of Sales Devices
  - ATM Devices

E-commerce

Support Services

Interbank Queries
Visa/MasterCard
- Charge Backs
- ATM Transactions
- POS Transactions

Back Office Reconciliation and Settlement
- Management of Branch Teller Cash Transactions
- General Ledger Settlement Clearing per Payment Stream including Visa and MasterCard
- ATM Cash Balancing Settlement

Cash Management

AfriSwitch continues to explore new ways to expand its innovative service offerings to its customers, focusing on flexibility, security, compliancy and most importantly the specific requirements of its customers, keeping within the framework of the regulations of Central Banks and the Card Associations.

AfriSwitch's expertise, experience and professional advice will ensure that its clients not only have the ability to compete on an equal footing (from a technological, switching, settlement, clearing and infrastructure perspective) with any of the international banks, but also to improve on some of their product and service offerings in the marketplace.

AfriSwitch's high volume payment gateway connects its clients with the global banking community for card processing, authorization and settlement. They are market leaders for independent online payment processing, as well as providing turnkey solutions to retail banks who understand the cost benefit of not having to develop and maintain their own retail-banking platform, rather choosing to outsource these services to a competent service provider.

Direct Transact

Direct Transact (Pty) Ltd originated through a management buy-out of the Electronic Banking Division of a former South African Retail Bank, in September 2002. Direct Transact soon became the first Banking-as-a-Service (BaaS) and Payments-as-a-Service (PaaS) provider to the financial services industry in South Africa.

From the start, the company has specialized in providing services to the banking, retail, and corporate industries, offering turnkey solutions relating to any form of electronic transaction processing and account hosting services. A complete technology refresh has elevated its cutting-edge solution ensuring that it is geared to servicing its customers in a rapidly evolving marketplace.

Direct Transact enables banking and payment services by leveraging their domain knowledge to create customer solutions that are sustainable and affordable. This is done for banks and corporates, to drive financial inclusion. For over 23 years Direct Transact has lowered the barriers to entry for banks, corporates, and financial services organizations, enabling them to compete on equal footing with international and local tier 1 banks. Direct Transact owns their own intellectual property and are not dependent on any 3rd-party vendor for their service or software. Today, the majority of all clearing and settlement banks in South Africa are Direct Transact customers.

Direct Transact Offers-

- **Banking**

  A full range of banking products covered - transactional, saving, lending and investments, asset, and property finance, along with business and corporate accounts, as well as fraud management and tiered authorization.

- **Payments**

  The payment hub leverages the accessibility of cloud deployment technology to create a secure environment in which customers can use any payment entry point to access payment transaction sources.

  Direct Transact is Visa and Mastercard certified for both local and international issuing and acquiring services and facilitate all South African payment streams and payment types.

- **Card management services**

  Direct Transact provides physical cards, virtual cards and tokenization for banks, corporates, and retailers. Additionally, they cover interbank connectivity, dispute resolution, settlements, merchant management and eCommerce support.

direct transact

- **Backoffice and reconciliation**

Ensuring up to date and 100% correct settlement figures and reconciliation process, whether it's financial operations or back-office processes, keeping things synchronized, stable, accurate, balanced and on point. Direct Transact runs an automated reconciliation process at a transactional level with real-time data across all payment streams. This allows for a central record-keeping of all transactions processed through Visa, Mastercard and the South African National Payment System handling interbank disputes and lost/stolen cards.

- **One customer view**

Direct Transacts comprehensive platform means no silos – you get a single customer view across all financial flows. It's all-in-one system, providing an all-in-one view.

- **Cutting-edge architecture and convenient integration**

Direct Transacts modern and modular architecture with standardized API's and SDK's makes integration easy, compatible with both modern and legacy systems.

- **Comprehensive and customizable**

Direct Transact's holistic system removes the friction of patch-working multiple systems.

- **Cost effectiveness**

Direct Transact's operating model is more cost-efficient than building and running your own and accelerates market entry. Direct Transact guarantees cost predictability and on-time market launches, scaling as you grow.

- **Compliance**

Direct Transact takes care of compliance, so their customers don't have to, including PCI DSS and other global and local banking and payment regulations, remaining PCI DSS compliant throughout their transaction processing and hosting components with top-tier technology, risk mitigation, and rigorous control processes.

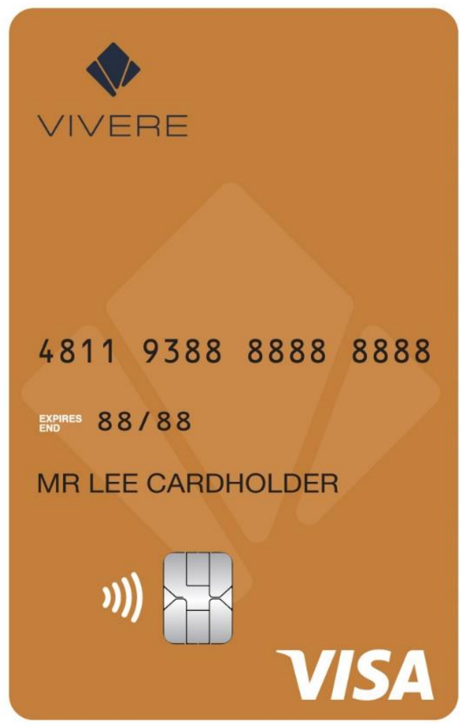
Vivere

Vivere has developed a Global Multi Currency Card solution, which includes a fully integrated and highly developed web- and mobile application, which allows users to manage their finances seamlessly.

A global multi-currency offering with the following uses in mind:

- Pre-funded Travel card
- International remittances
- Bespoke programs
- E/Commerce usage

Key Features of the Global Currency Offering:



- The Vivere Global Multi-Currency card will be accepted across the world at relevant merchants.
- Purchases and ATM withdrawals can be made anywhere across the globe.
- Multiple currencies can be loaded onto a single card with a hunting facility.
- The card offers enhanced security through PIN's and OTP's.
- The product will cater for Biometrics with both touch and facial recognition.
- The solution will be supported by a 24/7 Call Centre.
- The web application and Mobile application offer full control of the card use and management.
- The card can be blocked or cancelled on the website or mobile application adding additional security.
- The card allows the user to lock in exchange rates and avoid currency conversion fees.
- Reloads can be done at anytime, anywhere in the world.
- Real-time transfers between wallets; and
- Virtual cards.

Blue Saphire

Overview

Blue Saphire, independently, through its Intellectual Property connects clients with the global banking community. The software involves online payment processing, as well as providing turnkey solutions to retail banks who understand the cost benefit of not having to develop and maintain their own retail-banking platform, rather choosing to outsource these services to a competent service provider. The current year has included the development of software related to the Global Currency card product.

Description of Software

- Comprehensive Retail and Corporate Banking Solution.
- File management system to receive batch files from various sources.
- Fraud Management System (Comprehensive fraud system that monitors all card-based transactions according to the rules of the card associations).
- Interactive Voice Recognition (IVR) provides a secure method of call center interaction between the client and retail banking system for PIN management.
- E-Commerce payments gateway (Gateway for on-line shopping enables merchants to provide a channel to sell goods and services via the internet).
- Cloud based Multi-Currency Card.

Comprehensive Retail and Corporate Banking Solution

The Comprehensive Retail and Corporate Banking Solution focuses on account hosting for a variety of products built to specific country and customer requirements.

The core system provides unparalleled scalability and resilience while our product offering is enriched with a new way of thinking when it comes to banking. Although security, compliance and the protection of customer data form an integral part of the system, flexibility in the design was not compromised.

The system is designed for all financial institutions.

The use of an internet browser front-end makes access easy and relatively inexpensive.

The retail functionality provides the full spectrum of banking from the front office through to the back

office.

Validation of input for accuracy and completeness is ensured by rules and special validation on both the front end and the back end and provides a complete audit trail.

A modular approach in the design of the comprehensive system separates functions such as interest calculation, fee structures, the transaction processor, and other processes from the product itself, making the definition of the product and its characteristics a mere combination of the modules.

The following modules are available:

- Account application and Client Information File (CIF).
- The product and client rule module.
- The transaction processor.
- The fee calculator.
- The interest calculator.
- The reporting and administrative module.
- The client communication module.
- The batch task processor.
- The Product Builder (easy setup of new products).
- The Knowledge Builder (online training manual).

The following products are currently available:

- Debit/Credit Card (magstripe and chip).
- Corporate Debit/Credit Card.
- Savings accounts.
- Fixed deposits.
- Notice deposits.
- Short and Long-Term Investments.
- Corporate Investments.

A Cloud based multi-currency card linked to the international card associations, with an integrated mobile- and web application for use by card holders.

A File Management System has been developed to receive data files from any source in various formats and to validate the contents of these files according to specified criteria and deliver the files according to specified criteria and deliver the files in a format acceptable to the banking industry to invoke the transfer of funds.

A Fraud Management System monitors all card-based transactions according to the rules as defined by the Card Associations. These rules determine card usage to identify possible fraudulent transactions and to report on these for immediate action.

The events that are identified for investigation use specific criteria and the system currently caters for more than 20 different scenarios to detect possible fraudulent or suspicious transactions.

The bank's fraud department can use this function to identify possible fraudulent transactions and to engage with the client to determine the validity thereof. The system enables the bank to stop a card if fraudulent action is suspected.

Financial Review

In the year under review, Trans Switch Africa Holdings Ltd successfully concluded and implemented a share purchase agreement effective 31 July 2023, acquiring 100% of the shareholding of the South African-based Direct Transact Group (Pty) Ltd ("Direct Transact"). The purchase price for the acquisition was anticipated at USD 18.2 million, structured on an earn-out basis. The first two tranches of the purchase consideration, totaling USD 5.9 million, have been settled, and the third is anticipated to be settled shortly after the year end. To facilitate the initial payment, the Company raised a loan facility of USD 2 million, along with the sale of a portion of its investment portfolio. This acquisition has significantly impacted the Company's financial performance, driving growth in both revenue and profit.

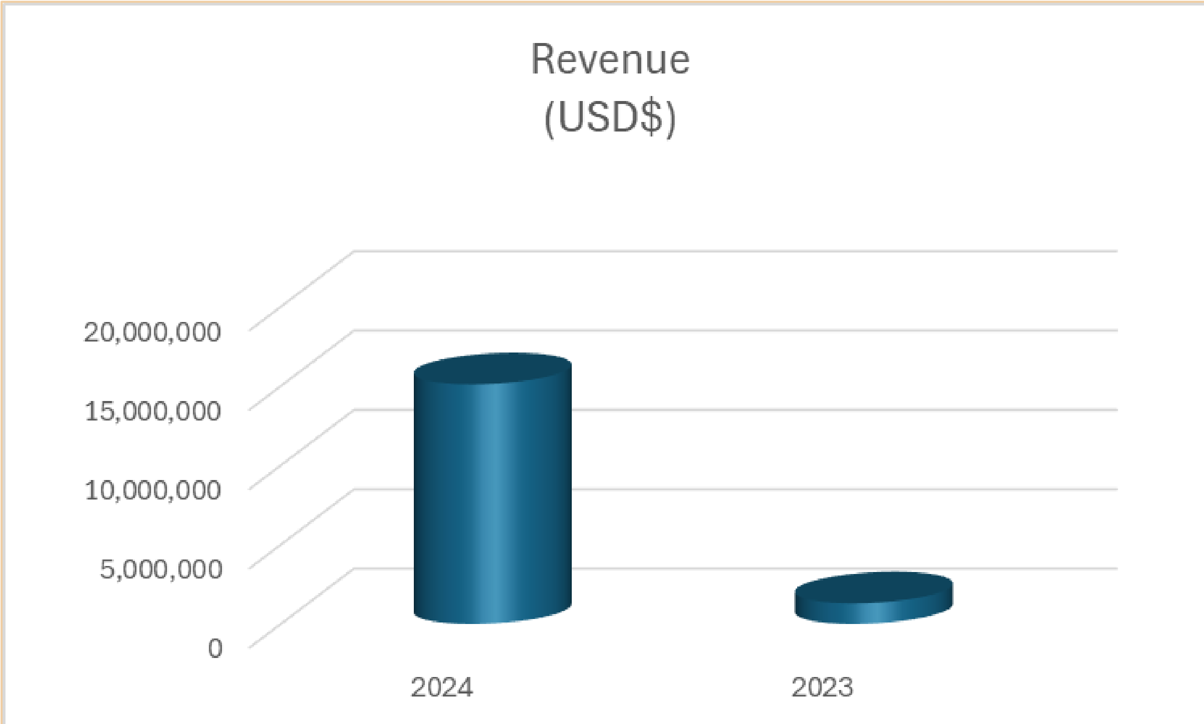
Statement of Profit or Loss and Other Comprehensive Income

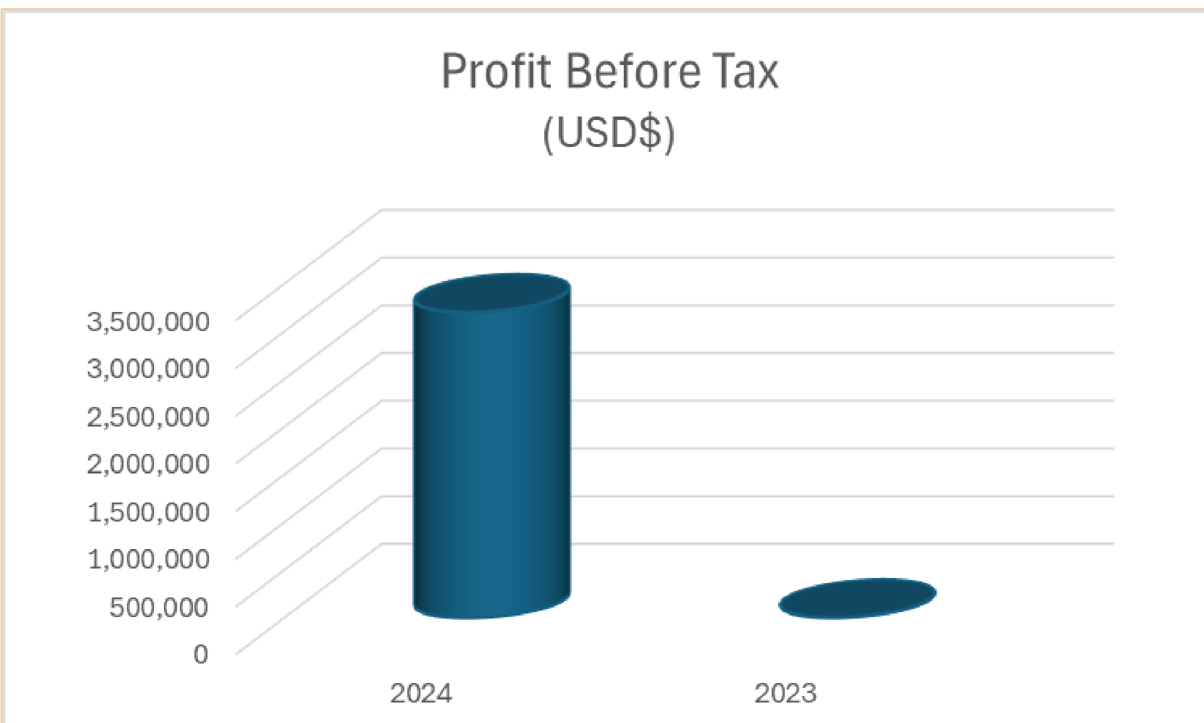
Revenue for the year saw a remarkable increase, growing from USD 1.3 million in 2023 to USD 15.1 million in 2024, almost all due to the addition of Direct Transact results for the eleven-month period. The increase reflects the expansion of the company's core business in the financial services sector. Despite equity market fluctuations in the year, the year closed out with a fair value gain on its financial assets of USD 0.9 million. Other income also experienced a dramatic rise, increasing from USD 22,411 to USD 5.7 million, driven by Direct Transact's non-core income activities.

On the flip side, total expenses saw a corresponding sharp increase, climbing from USD 0.7 million to USD 17 million. The largest contributor to these expenses were salary and staff related costs (80% of total administration costs) with Direct Transact employing in excess of 160 employees.

The company did not incur any impairment on goodwill in 2024, after a USD 2.2 million impairment of the investment in Afriswitch Ltd in 2023. Finance costs for the year totaled USD 0.5 million, primarily due to interest on the USD 2 million loan facility raised for the Direct Transact acquisition and lease liabilities assumed from the acquired company.

A significant turnaround in profitability was seen, with profit before tax moving from a loss of USD 0.3 million in 2023 to a profit of USD 4.2 million in 2024. The Company paid USD 1.3 million in income taxes across the three jurisdictions it operates in. Net profit for the year stood at USD 2.9 million, compared to a loss of USD 0.5 million in the prior year. The profit attributable to the owners of the parent company was USD 2.9 million, with the remainder allocated to non-controlling interests. Total comprehensive income amounted to USD 3.2 million, reversing the loss of USD 0.2 million in 2023. Earnings per share (EPS) showed a strong recovery, rising to USD 0.13 from a loss of USD 0.02 in the previous year.


Revenue
(USD$)
20,000,000
15,000,000
10,000,000
5,000,000
0
2024
2023


Profit Before Tax
(USD$)
3,500,000
3,000,000
2,500,000
2,000,000
1,500,000
1,000,000
500,000
0
2024
2023

Statement of Financial Position

On the balance sheet, non-current assets grew substantially, from USD 13.4 million in 2023 to USD 28.4 million in 2024, driven by the acquisition of Direct Transact. The increase was mostly attributable to intellectual property assets totaling USD 16.3 million. Current assets also rose sharply, from USD 1 million to USD 7.9 million, bolstered by a USD 3.8 million increase in debtors from Direct Transact and higher cash balances intentionally held to increase liquidity.

Equity increased from USD 13.9 million to USD 17.1 million, while retained losses decreased from USD 8.6 million to USD 5.7 million, reflecting the company's improved financial performance.

Liabilities also grew due to the acquisition and the financing thereof. Non-current liabilities rose from USD 0,1 million to USD 13.9 million, reflecting the take-on of a USD 2 million loan facility, the remaining balance owing to the shareholders of Direct Transact as well as the USD 1.9 million lease liabilities assumed from Direct Transact. Current liabilities also increased, from USD 0.3 million to USD 4.9 million, largely due to the third tranche of the Direct Transact purchase price being payable shortly after year end.

Trans Switch Africa's debt to equity ratio of 1.07 reflects a relatively high reliance on debt to finance the Company's expansion. This is common in companies pursuing growth strategies through acquisitions; to counter this, the Company maintains a sizeable investment portfolio, which is very liquid, and large cash balances on hand. The Company has strong cashflow and endeavors to settle a large portion of the external debt in the year ahead thereby improving the ratio imminently.

Dividend

No dividend was declared or recommended for the year, as the company continues to prioritize cash preservation for operational needs and future expansion.

Trans Switch Africa Holdings Ltd has successfully demonstrated growth across key financial metrics, reflecting both its strategic acquisition of Direct Transact and strong operational execution. The turnaround in profitability and cash flow generation provides a solid foundation year for the continued execution of the Company's strategic plans in 2025 and the years ahead.

Corporate Governance

Statement of Compliance

As confirmed the Corporate Governance statement which formed part of the Company's listing particulars of January 2018, Trans Switch Africa Holdings Ltd (hereafter referred to as "Trans Switch") is fully committed to complying with The Report on Corporate Governance for Mauritius. Trans Switch was listed on the Stock Exchange of Mauritius on the 6th of February 2018.

The directors recognise the need to conduct the enterprise with integrity and in accordance with generally accepted corporate governance practices. This includes timely, relevant and meaningful reporting to shareholders and all other stakeholders and providing a proper and objective perspective of the company and its activities. The Board strives to ensure that the group is ethically managed according to prudently determined risk parameters and corporate governance principles. In addition, the Board has established a set of criteria for the selection of prospective directors in view of the needs and strategic orientations of the company, alongside considering gender diversity.

The Board has established controls and procedures to ensure enhanced accuracy and integrity of accounting records, and to ensure that assets are safeguarded. This also ensures that financial statements may be relied upon for maintaining accountability. These mechanisms and policies are reviewed regularly.

The directors have pleasure in submitting the Company's report on corporate governance. This report describes the framework for the corporate governance and compliance of the Company with the disclosures required under the Code of Corporate Governance for Mauritius ('The Code'). Reasons for non-compliance are provided in the Corporate Governance Report, where applicable.

In respect of the requirements for a website, Trans Switch has recently set up a website under the domain address **https://transswitch.com** .

The Board has established a number of committees to give detailed attention to certain of its responsibilities and which operate within defined, written terms of reference. As such, certain functions have been delegated to the Audit and Risk, Corporate Governance and Investment Committees. The Board is conscious of the fact that such delegation of duties is not an abdication of the Board member's responsibilities. The Board assumes responsibility for leading and controlling the organization and meeting all legal and regulatory requirements.

The various committees' terms of reference are reviewed annually. The directors follow the principles of the model code on securities transactions by directors as detailed in Appendix 6 of the Mauritius Stock Exchange Listing Rules.

Corporate Governance

1. Corporate Governance Committee

Mr. Vaughan Heberden (Chairperson) and Mrs. Kim Tracy Setzkorn serve as members of the Corporate Governance Committee. This committee is responsible for the adherence to the requirements of sound corporate governance, the company's policy on remuneration, measuring the performance of the Executive committee and non-executive directors, the remuneration of non-executive directors, the appointment and induction of new directors, and ensuring that the right balance of skills expertise and independence is maintained on the board.

Through the work of the committee, the Board ensures that the company's performance and interaction with stakeholders are guided by its constitution, and that the impact of its businesses on the environment, society and the economy is regularly assessed and considered. The committee is assessed annually to ensure the company's adherence to corporate citizenship principles and ethical performance.

The mandate of the Corporate Governance Committee includes:

- Making recommendations to the board with respect to the size and composition of the committees of the board including the corporate governance committee.
- Make recommendations on the frequency, structure and functioning of board meetings and board committee meetings.
- Monitor and evaluate the functioning of committees and make any recommendations for any changes including the creation and elimination of committees.
- Develop charters for any new committees established by the board and review the charters of each existing committee and recommend any amendments to the charters.
- Review any notice given by an individual director that the director intends to retain an outside advisor at the expense of the organisation.
- Review all related party transactions and situations involving board members and refer where appropriate to the board or the shareholders general meeting.
- Oversee the evaluation of the board as a whole, its committees and individual directors. If the evaluation is being conducted internally, oversee board performance and report annually to the board with an assessment of the board's performance.
- Review its own performance annually.

- Keep up to date and fully informed about strategic issues and commercial changes affecting the company and the market in which it operates.

- Periodically receive a report from legal counsel or chief compliance office or company secretary or chief governance officer on compliance issues.

- Ensure that an adequate process is in place for the board and senior management to comply with the Mauritian Code of Corporate Governance.

- Work and liaise as necessary with all other board committees; and

- Have responsibility for setting the remuneration policies of the Company.

2. Company Secretary

Safyr Utilis Corporate and Trust Services Ltd is the company secretary. They provide the Board and the directors with detailed guidance and advice as to the proper discharge of duties with regards to the prevailing legislation in Mauritius. The company secretary's performance is subject to evaluation in line with the Board evaluation. The Company Secretary maintains an Interests Register which is available for consultation by shareholders upon written request to the Company Secretary.

3. Investment Committee

The members of this committee are Mr. Deva Marianen, Mrs Kim Tracy Setzkorn and Mrs Casey Jane Jorgensen. The company's Investment Committee meets when necessary to consider the Company's investment policy and to assess and identify the investment opportunities, and to make recommendations to the board. The Board determines the committee's authority level. The Investment Committee meetings are held on an ad hoc basis, as and when necessary, for evaluation and consideration of potential investments.

4. Risk and Audit Committee

The members of the Risk and Audit Committee are Mr. Hendrik Petrus Barnhoorn as the Chairperson and Mr. Deva Marianen. The Board has established the committee to ensure the risk and financial governance of the company. Other individuals holding a senior position in the company as well as external auditors are welcome to attend the committee meetings as invitees where appropriate.

The committee's primary mandate includes evaluating the systems of internal financial and operational control and accounting policies, reviewing the publication of financial information, recommending the appointment, terms of engagement and remuneration of the external auditors, and ensuring the independence of the external auditors. The committee also reviews the company's critical business, operational, financial and compliance exposures and sustainability issues.

The committee's role in risk management is to set the process for the identification and management of risk, report any significant risks to the Board, and their implementation and review and approve group insurance policies. The committee reports regularly to the Board and at the annual meeting on how it has discharged its duties

The following is a guideline of the various tasks of the sub-committees of the audit and risk committee.

INTERNAL CONTROL AND INTERNAL AUDIT	RISK MANAGEMENT
Review the internal audit function's compliance with its mandate as approved by the Audit and Risk Management Committee. Review the effectiveness of the Company's systems of internal control, including internal financial control and business risk management and maintaining effective internal control systems. Review and approve the internal audit charter, internal audit plans and internal audit's conclusions with regard to internal control and risk management. Review the adequacy of corrective action taken in response to significant audit findings.	Review and assess the integrity of the risk control systems and ensure that the risk policies and strategies are effectively managed. Outline the scope of risk management work. Review executive management reports detailing the adequacy and overall effectiveness of the Company's risk management function and its implementation by management. Review risk identification and measurement methodologies.

ETHICS, HEALTH, SAFETY AND ENVIRONMENT	COMPLIANCE AND WHISTLEBLOWING
Review statements on ethical standards or requirements for the Company and assisting in developing such standards and requirements. Give recommendations on any potential conflict of interest or questionable situations of a material nature; and Review the development and implementation of health, safety and environmental practices to comply with existing legislative and regulatory frameworks.	Review the Company's procedures for detecting fraud; and Review the Company's systems and controls for the prevention of bribery and receive reports on non- compliance.

4.1 Appointment of the External Auditor

Following the amendments brought by the Financial Reporting Act in September 2016, where an audit firm has audited the accounts of a listed company for a continuous period of time as is, as at 7 September 2016, auditing the accounts of that company subject to such conditions and for such time as may be prescribed.

Since the conditions mentioned above have not yet been prescribed by the Authorities, the Board of directors of Trans Switch has recommended to the Shareholders that a new Auditor be appointed for the year ending 30 June 2024, as part of the auditor rotation requirements. BDO & Co has acted as the Group's external auditors since its initial appointment on 29 November 2017. MOORE (Mauritius) LLP has been appointed as the Company's auditors for the financial year ended 30 June 2024.

The fee payable (exclusive of vat) to the auditor of the Group and Company for audit services are as follows.

	2024 USD	2023 USD
Audit fee- Company	10,000	12,350
Audit fee - Group	13,000	14,125

The Audit and Risk Committee's major responsibilities:

AUDITORS AND EXTERNAL AUDIT	FINANCIAL REPORTING, REPORTING AND ACCOUNTABILITY
Consider and make recommendations to the Board for the appointment, re-appointment and removal of the company's external auditor. Evaluate the independence and effectiveness of the external auditor, determine its remuneration and terms of engagement. Discuss and review, with the external auditor the engagement letter, audit plan, terms, nature and scope of the audit function, procedure and engagement and audit fee; and Meet privately with the external auditors at least once a year without the presence of senior management.	Review significant accounting and reporting issues and understand their impact on the financial statements. Review the annual financial statements, prior to submission and approval by the Board and assess whether the financial statements reflect appropriate accounting principles. Meet with management and the external auditors to review the financial statements and the results of the audit. To account to the Board for its activities and make recommendations concerning the adoption of the annual and interim financial statements and any area within its remit where action or improvement is needed.

4.2 Assessment of the effectiveness of the external audit process

The Audit and Risk Committee has the responsibility to have a proper assessment of the effectiveness of the external audit process as set out in the Audit and Risk Committee charter. An extract of the charter pertaining to same is as follows:

The committee shall:

1.1.1. Consider and make recommendations to the Board, to be put to shareholders for approval at the Annual Meeting, in relation to the appointment, re-appointment and removal of the Company's external auditor.

1.1.2. Ensure that at least once every seven years the audit services contract is put out to tender to enable the committee to compare the quality and effectiveness of the services provided by the incumbent auditor with those of other audit firms; and in respect of such tender oversee the selection duration of the tendering process.

1.1.3. Several firms should be screened, and the committee should obtain written or verbal proposals to enable it to arrive at its recommendation.

1.1.4. If an auditor resigns, investigate the issues leading to this and decide whether any action is required.

1.1.5. Oversee the relationship with the external auditor including (but not limited to):

1.1.5.1. Recommendations on their remuneration, including fees for audit, and that the level of fees is appropriate to enable an effective and high-quality audit to be conducted.

1.1.5.2. Approval of their terms of engagement, including any engagement letter issued at the start of each audit and the scope of the audit.

1.1.5.3. Assessing annually their independence and objectivity considering relevant professional and regulatory requirements and the relationship with the auditor as a whole; and

1.1.5.4. 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.

5. Board Meetings

The Board of directors conduct Board meetings to examine all statutory matters, to provide strategic direction to the Company and its underlying investments and to ensure that the Company reaches its targeted growth in its Net Asset Value and consequently growth in both yield and share price. Regular meetings of the Board are held to discuss and review the performance and day-to-day functioning of the Company and its investments.

The Board meetings are carried out in an environment which promotes constructive feedback from all members', and which also encourages open discussions.

The Chairman together with the Company Secretary and executive management decide on the meeting agendas. The directors are aware of their fiduciary responsibilities.

The following table sets out the number of meetings attended by the directors for the period from 01 July 2023 to 30 June 2024:

No of Meetings held		Board Meeting	Risk and Audit Committee	Investment Committee	Corporate Governance Committee
Category	Directors	4	4	5	2
Non-Executive Director	Deva Marianen	4	4	3	-
Independent Non-Executive Director	Vaughan Heberden	4	N/A	N/A	2
Independent Non-Executive Director	Hendrik Petrus Barnhoorn	4	4	N/A	N/A
Independent Non-Executive Director	Kim Tracy Setzkorn	4	N/A	4	2
Independent Non-Executive Director	Arina Mc Donald	3	N/A	N/A	N/A
Non-Executive Director	Hendrik Johannes Dreyer	3	N/A	N/A	N/A
Non-Executive Director	Anthony Kelvin de Gray Birch	3	N/A	N/A	N/A

6. Board Appraisal

The Board of directors resolved that Board appraisal shall be conducted every 1-2 years by the Company. The next board appraisal date has not been set yet.

The reason why 1-2 years have been chosen as the time frame is because it will enable the company to manage the ongoing improvements in the governance matters. The Board has the capacity to determine its size and composition.

7. Board Charter

The Board adopted a charter on 01 December 2020.

8. The Board of Directors

The Board of directors comprises of Mr. Deva Marianen, Mr. Vaughan Heberden, Mr. Hendrik Petrus Barnhoorn, Mrs Kim Tracy Setzkorn, Mrs Arina Mc Donald, Mr. Hendrik Johannes Dreyer and Mr. Anthony Kelvin De Gray Birch. The Board has not appointed a CEO as the organization is a holding company and does not require a CEO for its functionalities.

The Board of directors is a unitary Board, composed of seven directors under the chairmanship of Mr. Deva Marianen. The Board ensures that it has the right balance of skills, experience, independence and business knowledge necessary to discharge its responsibilities. The Board of directors are aware of their legal duties. In line with the Code, all directors stand for re-election at the Annual Meeting of Shareholders. The Board is satisfied that it has discharged its responsibilities for the year in respect of its Corporate Governance accountabilities.

The directors are aware that the Code recommends that each director should be elected (or re-elected as the case may be) every year at the Annual Meeting of the Shareholders. However, at each Annual Meeting of the Company, one Director, who has been the longest in office since his/her appointment or last re-appointment, retires by rotation and is eligible for re-appointment, in compliance with the provisions set out in the Companies Act 2001.

All the current directors are under the age of 70 years.

Re-election of directors over the age of 70 years is made in compliance with section 138(6) of the Companies Act 2001.

Newly appointed directors go through a full induction process in order to become familiar with the Company's business environment and senior management.

9. Company's Profile

The Company, having File Number C137962, was incorporated on 21 April 2016. The Company holds a Global Business License with License Number C106003255 from the Financial Services Commission. The Company is a Public Company Limited by shares.

The Registered address of the Company is C/o Safyr Utilis Corporate and Trust Services Ltd, 7th Floor, Tower 1, NeXTeracom, Cybercity, Ebene, Republic of Mauritius. The Company is listed on the Stock Exchange of Mauritius.

10. Company's Constitution

The Constitution of the Company was adopted on 20 July 2016 which is in line with the Companies Act 2001.

11. Related Party Transactions

The related party transactions have been set out in note 27 in the Financial Statements of the Company. Shareholders will also be apprised of related party transactions through the issue of circulars and press releases by the Company in compliance with the Listing Rules of the Stock Exchange of Mauritius Ltd.

12. Code of Ethics

The Board adopted a code of ethics on 1st December 2021.

13. Director's Remuneration

Trans Switch's constitution confers upon the Board the power to fix director's emoluments and reward in alignment with their individual as well as joint contribution towards the achievement of the company's objective and performance, whilst considering the current market conditions and company's financial performance. Directors are remunerated for their knowledge, experience and insight given to the Board and Committees. Any director who is in full time employment with Trans Switch does not receive any additional remuneration for sitting on the board. To be noted that there is no director approaching retirement. The non-executive directors have not received remuneration in the form of share options or bonuses associated with organizational performance.

Name of Directors	2020 USD	2021 USD	2022 USD	2023 USD	2024 USD
Vaughan Heberden	10,000	10,000	10,000	10,000	10,000
Deva Marianen	1,200	1,200	,200	1,200	1,200
Hendrik Petrus Barnhoorn	10,000 (*2,000 – other services)	10,000 (*2,000 – other services)	10,000	10,000	10,000
Kim Tracy Setzkorn	10,000	10,000	10,000	6,000	6,180
Arina Mc Donald	-	-	-	-	10,000
Hendrik Johannes Dreyer	-	-	-	-	10,000
Anthony Kelvin De Gray Birch	-	-	-	-	10,000

14. Risk Governance and Internal Control

The Board is responsible for the system of internal control and risk management of the Group and its subsidiaries. The Board is committed to continuously maintain adequate internal control procedures with a view to safeguard the assets of the Group.

The Board has mandated Management to continuously implement and maintain adequate and effective internal controls and also ensure that the processes and systems used are operating satisfactorily. The Board derives assurance that the internal control systems are effective through the management of the company and for potential subsidiaries who will be appraised regularly in respect of performance and operations and also through the Internal Audit Function in accordance with their internal audit plan.

15. Shareholder Communications

It is the stated aim of Trans Switch Africa to meet regularly with institutional shareholders, private investors and investment analysts for discussion on the performance and management of the company and it shall promote a stakeholder inclusive approach.

The Board appreciates that shareholders' perceptions affect the company's reputation and, in this regard, will establish policy for the engagement of the company's stakeholders. The Board will encourage shareholders to attend annual meetings through effective communication whether by means of the press or otherwise.

Key Shareholders & Significant percentage shareholdings

The table below discloses the list of major shareholders of the Company and the relative number of ordinary shares held by them as at 30 June 2024:

NAME OF SHAREHOLDERS	TOTAL NUMBER OF SHARES	PERCENTAGE OF HOLDINGS
IT Novate Ltd	21,999,000	99.99%
Ian Setzkorn	1,000	0.01%

16. Statement of Director's Responsibilities In Respect of Financial Statements

Company law requires the directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance and cash flow of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently.
- make judgments and estimates that are reasonable and prudent.

- state whether there has been compliance with International Financial Reporting Standards.

- prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the Company will continue in business; and

- ensure that the Code of Corporate Governance has been adhered to and in case of non-compliance, reason has been provided accordingly.

The directors confirm that they have complied with the above requirements in preparing the Company's financial statements. The external auditors are responsible for reporting on whether the financial statements are fairly presented.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy the financial position of the Company at any time and enable them to ensure that the financial statements comply with The Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

The Board is responsible for the system of internal control and risk management for the Company and its subsidiaries.

The Board is committed to continuously maintain a sound system of risk management and adequate control procedures with a view to safeguarding the assets of the Group.

The Board believes that the Group's systems of internal control and risk management provide reasonable assurance that control and risk issues are identified, reported on and dealt with appropriately. Trans Switch is serviced with internal audit services in accordance with the terms of the management contract which the Company has with Safyr Utilis Fund Services Ltd.

Nothing has come to the Board's attention, to indicate any material breakdown in the functioning of the internal controls and systems during the period under review, which could have a material impact on the business. The financial statements are prepared from the accounting records on the basis of consistent use of appropriate accounting policies supported by reasonable and prudent judgments and estimates that fairly present the state of affairs of the Group and the Company.

17. Requirements for a Listed Company

A public interest entity ("PIE") is defined as follows:

1 Entities listed on the Stock Exchange of Mauritius

2 Financial institutions regulated by the Financial Services Commission, from the following categories:

a. Insurance companies other than companies conducting external insurance business, licensed under the Insurance Act.
b. Collective investment schemes ("CIS") and closed-end funds, registered as reporting issuers under the Securities Act.
c. CIS managers and custodian licensed under the Securities Act.

3 Any company which has, during 2 consecutive preceding years, at least 1 of the following:

a. An annual turnover exceeding 500 million rupees.
b. Total assets value exceeding 500 million rupees.

4 Any Group Company which has, during 2 consecutive preceding years, at least 1 of the following:

a. An annual turnover exceeding one billion rupees.
b. Total assets value exceeding one billion rupees.

18. Corporate Governance Framework

The above is a reflection of the Corporate Governance framework that has been put in place by the Corporate Governance Committee.

The following sets out the Statement of Compliance to Code (Section 75 (3) of the Financial Reporting Act) which is required to be included in this Corporate Governance Report for Trans Switch as a PIE.

The Code of Corporate Governance

(SECTION 75 (3) OF THE FINANCIAL REPORTING ACT)

Name of Public Interest Entity ('PIE'):	Trans Switch Africa Holdings Ltd
Reporting Period:	1 July 2023 to 30 June 2024

For the year under review, we, the directors of Trans Switch Africa Holdings Ltd, confirm that the company has complied with the Code of Corporate Governance of Mauritius in the majority of the key requirements of the Code of Corporate Governance of Mauritius, with the following exceptions:

Principle 2: The structure of the Board and its committees

The title, function and role of the chairperson should be separate from that of the CEO.

The Company is a holding company with investments in operating companies, due to the nature of the Company's investment holding activities, it does not require a CEO for its functionalities for the time being. The Board will consider the appointment of a CEO in the event that the Company requires one for its guidance and leadership.

Principle 5: Risk Governance and Internal Control

Report on whistle-blowing rules and procedures.

As the Company is an investment holding company with no current direct full-time employees, it intends to develop robust whistle-blowing rules and procedures in line with future development, either through growth or acquisition, and intends to develop this in future reporting periods.

Vaughan Heberden
Chairperson

Date: **15 November 2024**

Audited Financials

Company Data

		Date appointed
DIRECTORS	Deva Marianen	21 April 2016
	Edward Vaughan Heberden	01 July 2016
	Hendrik Petrus Barnhoorn	21 October 2016
	Kim Tracy Setzkorn	25 February 2020
	Anthony Kelvin de Gray Birch	15 September 2023
	Hendrik Johannes Dreyer	15 September 2023
	Arina Mc Donald	01 November 2023

ADMINISTRATOR AND SECRETARY	**Safyr Utilis Corporate and Trust Services Ltd** 7th Floor, Tower 1, NeXTeracom Cybercity Ebene Republic of Mauritius
REGISTERED OFFICE	**C/o Safyr Utilis Corporate and Trust Services Ltd** 7th Floor, Tower 1, NeXTeracom Cybercity Ebene Republic of Mauritius
AUDITORS	**MOORE (Mauritius) LLP** 6th Floor Newton Tower Sir William Newton Street Port-Louis Republic of Mauritius

Commentary of the Directors

The directors present their commentary, together with the audited financial statements of Trans Switch Africa Holdings Ltd (the "Company") and its subsidiaries (together referred to as the "Group") for the year ended 30 June 2024.

Principal Activity

The principal activity of the Company is to act as an investment holding Company. The subsidiaries within the Group are each involved in unique activities around the development of banking and finance related software, as well as the provision of bespoke services in the fin tech space. Certain investees house the developed intellectual property which the group utilizes in its various software as a service initiative.

Results and Dividends

The results for the year ended are as shown in the statements of profit or loss and other comprehensive income, and related notes.

The directors do not recommend the payment of dividend for the year under review (2023: Nil).

Directors

The directors in office during the period were as stated on pages 11-14.

Directors' Responsibilities in Respect of The Financial Statements

The Company's directors are responsible for the preparation and fair presentation of the financial statements of the Company and the Group, comprising the separate financial statements of the Company and the consolidated financial statements of the Group. These financial statements comprise the statements of financial position at 30 June 2024, the statements of profit or loss and other comprehensive income, the statements of changes in equity and statements of cash flows for the year then ended and the notes to the financial statements, which include a summary of material accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and Mauritius Companies Act 2001.

The directors' responsibilities include: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The directors have made an assessment of the Company's and the Group's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead.

By order of the board

Director

Date: **15 November 2024**

Secretary's Certificate

UNDER SECTION 166 (d) OF THE MAURITIUS COMPANIES ACT 2001

We certify that, to the best of our knowledge and belief, the Company has filled with the Registrar of Companies all such returns as are required of the Company under the Mauritius Companies Act 2001, for the financial year ended 30 June 2024.

Shaheen Coowar

Company Secretary

SAFYR UTILIS CORPORATE AND TRUST SERVICES LTD

Date: **15 November 2024**

MOORE (Mauritius) LLP
6th Floor, Newton Tower
Sir William Newton Street
Port-Louis, Mauritius
T (230) 211 6535
F (230) 211 6964
E moore-mauritius@intnet.mu

www.moore-mauritius.mu

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TRANS SWITCH AFRICA HOLDINGS LTD AND ITS SUBSIDIARIES

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of **Trans Switch Africa Holdings Ltd and its subsidiaries** (referred to as the "Group") set out on pages 56 to 115, which comprise the consolidated and separate statements of financial position as at 30 June 2024, the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year ended 30 June 2024, and the notes to the consolidated and separate financial statements, including a summary of material accounting policies.

In our opinion, these consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Group and Company as at 30 June 2024, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and comply with the Companies Act 2001 and the Financial Reporting Act 2004.

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 and Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code") and other independence requirements applicable to performing audits of financial statements of the Group and Company and in Mauritius. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits of the Group and We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the 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.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

<table>
<tr><th colspan="2">GOODWILL IMPAIRMENT ASSESSMENT</th></tr>
<tr><th>Key Audit Matter</th><th>How our Audit Addressed the Key Audit Matter</th></tr>
<tr><td>The carrying value of goodwill as at 30 June 2024, amounted to USD 2,202,808 (2023: USD 1,537,672). No impairment was recognised in the statements of profit or loss during the year under review.

A cash generating unit ("CGU") to which goodwill has been allocated must be tested for impairment at least annually in accordance with IAS 36 Impairment of Assets, by comparing the carrying amount of the CGU, including the goodwill, with the recoverable amount of the unit.

The Group's assessment of impairment is a judgmental process which requires estimating the recoverable amount of the (CGU), being the higher of the value-in-use and fair value less costs of disposal.

The value-in-use calculations use the discounted cash flow (DCF) method. The financial projections of the model are based on financial budgets which involve judgement by management, such as determining and estimating the appropriate weighted cost of capital (WACC), revenue growth rates from customer contracts, remaining years of existing service agreements with customers and EBITDA margins.</td><td>As part of our audit procedures to mitigate audit risk to an acceptably low level, we have:

- Assessed the reliability of management's cash flow forecasts of the CGU through a review of actual performance compared to historical forecasts.

- Evaluated the reasonableness of the assumptions applied to key model inputs, such as WACC, revenue growth rates, customer contracts' remaining years and EBITDA margins.

- Compared significant inputs underpinning the WACC with externally derived market data, as well as our own assessment based on our knowledge of the Group and the industry to corroborate management's assumptions.

- Verified the mathematical accuracy of the cash flow model used and checked for the internal inconsistency of the valuation model.

- Performed sensitivity analysis around the key assumptions to evaluate the possible impact on the recoverable amount of the CGU; and

- Evaluated the adequacy of the consolidated and separate financial statements disclosures, including</td></tr>
</table>

Management has disclosed the accounting judgments and estimates relating to goodwill impairment review in note 7 to the financial statements. Due to the level of judgement involved and assumptions applied in the valuation model underpinning the recoverable amount of the CGU as well as the significance of Goodwill to the consolidated and separate financial statements, this was considered a key audit matter.	disclosures of key assumptions and judgements in accordance with IAS 36 Impairment of Assets.

Other Information

The directors are responsible for the other information. The other information comprises the Statement of Compliance, Corporate Governance Report, Directors' Report and Certificate from the Company Secretary as required by the Companies Act 2001, or any other information. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

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

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

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation of the consolidated and separate financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and in compliance with the requirements of the Mauritius Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and 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 Company or to cease operations, or have no realistic alternative but to do so.

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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated 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.

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

We also provide the directors 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 the directors, 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.

Use of our report

This report is made solely to the Company's members, in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters that 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.

Report on other legal and regulatory requirements

Mauritius Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditor.

We have obtained all the 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.

Financial Reporting Act 2004 - Corporate Governance Report

The Directors are responsible for preparing the Corporate Governance Report. Our responsibility under the Financial Reporting Act 2004 and the Financial Services Circular Letter CL281021 is to report on the compliance with the Code of Corporate Governance (the "Code") disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the Corporate Governance Report, the Company, has pursuant to Section 75 of the Financial Reporting Act 2004, complied with requirements of the Code.

MOORE (Mauritius) LLP	**Shweta Moheeput BSc, FCA**
Chartered Accountants	Licensed by FRC
Port Louis	
Republic of Mauritius	Date: **15 November 2024**

Statements of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2024

	Notes	THE GROUP 2024 USD	THE GROUP 2023 USD	THE COMPANY 2024 USD	THE COMPANY 2023 USD
Income					
Dividend income	19	**45,175**	34,607	**3,632,845**	1,502,176
Revenue from services	19	**15,098,116**	1,278,031	**-**	-
Other income	20	**5,688,617**	22,411	**32,368**	16,767
Total income		**20,831,908**	1,335,049	**3,665,213**	1,518,943
Fair value gain on financial asset at FVTPL	4	**929,316**	1,224,466	**929,316**	1,038,644
Expenses					
Cost of sales	22	**(111,300)**	-	**-**	-
Other expenses	22	**(693,668)**	(199,660)	**(68,329)**	(57,380)
Administrative expenses	22	**(16,195,998)**	(473,255)	**(280,538)**	(121,170)
Total expenses		**(17,000,966)**	(672,915)	**(348,867)**	(178,550)
Impairment on goodwill	7	**-**	(2,230,709)	**-**	-
Impairment of investment in subsidiary	6	**-**	-	**-**	(5,466,155)
Finance cost	21	**(515,161)**	-	**(156,800)**	-
Profit/(loss) before tax		**4,245,097**	(344,109)	**4,088,862**	(3,087,118)
Income tax expense	18	**(1,312,885)**	(185,661)	**(8,512)**	(6,094)
Profit/(loss) for the year		**2,932,212**	(529,770)	**4,080,350**	(3,093,212)
Items that may be reclassified subsequently to profit and loss:					
Currency translation differences		**231,002**	(6,828)	**-**	-
Items that will not be reclassified to profit and loss:					
Changes in the fair value of equity investments at FVTOCI	5	**66,655**	315,145	**66,655**	315,145
Other comprehensive income, net of tax		**297,657**	308,317	**66,655**	315,145
Total comprehensive income/(loss) for the year		**3,229,869**	(221,453)	**4,147,005**	(2,778,067)
Profit/(loss) attributable to:					
Owners of the parent		**2,875,748**	(529,770)		
Non- controlling interests		**56,464**	-		
		2,932,212	(529,770)		
Total comprehensive income/(loss) for the year attributable to:					
Owners of the parent		**3,173,405**	(221,453)		
Non- controlling interests		**56,464**	-		
		3,229,869	(221,453)		
Earnings/(loss) per share	14	**0.13**	(0.02)		

The notes on pages 60 - 115 forms an integral part of these financial statements.
Auditor's report on pages 51 - 55.

Statements of Financial Position as at 30 June 2024

	Notes	THE GROUP		THE COMPANY	
		2024	2023	**2024**	2023
		USD	USD	**USD**	USD
ASSETS					
Non-current assets					
Property, plant and equipment	10	**1,460,593**	808	**-**	-
Right-of-use assets	8	**1,387,358**	-	**-**	-
Intangible assets	7	**16,275,135**	2,115,854	**-**	-
Investment in subsidiaries	6	**-**	-	**20,265,548**	2,067,771
Financial assets at fair value through other comprehensive income	5	**691,473**	624,818	**691,473**	624,818
Financial assets at fair value through profit or loss	4	**8,300,904**	10,622,463	**7,969,087**	10,609,029
Financial assets at amortised cost	11A	**202,655**	-	**-**	-
Deferred tax asset	17	**124,818**	-	**-**	-
		28,442,936	13,363,943	**28,926,108**	13,301,618
Current assets					
Trade and other receivables	11	**4,125,736**	310,855	**44,864**	64,309
Financial assets at amortised cost	11A	**-**	-	**164,300**	137,975
Cash and cash equivalents	12	**3,795,146**	670,966	**2,721,159**	333,814
		7,920,882	981,821	**2,930,323**	536,098
Total assets		**36,363,818**	14,345,764	**31,856,431**	13,837,716
EQUITY					
Share capital	13	**22,000,100**	22,000,100	**22,000,100**	22,000,100
Accumulated losses		**(5,703,989)**	(8,579,737)	**(4,655,044)**	(8,735,394)
Currency translation reserves		**224,174**	(6,828)	**-**	-
Fair value reserves		**591,473**	524,818	**591,473**	524,818
Total equity attributable to equity holders		**17,111,758**	13,938,353	**17,936,529**	13,789,524
Non-controlling interests		**451,634**	-	**-**	-
Total equity		**17,563,392**	13,938,353	**17,936,529**	13,789,524
LIABILITIES					
Non-current liabilities					
Borrowings	15	**1,396,547**	122,365	**1,000,000**	-
Lease liabilities	9	**1,880,378**	-	**-**	-
Other payables	16	**10,642,987**	-	**9,922,777**	-
		13,919,912	122,365	**10,922,777**	-
Current liabilities					
Borrowings	15	**616,216**	-	**500,000**	8,500
Lease liabilities	9	**83,936**	-	**-**	-
Other payables	16	**3,647,071**	114,768	**2,497,125**	39,692
Current tax liabilities	18	**533,291**	170,278	**-**	-
		4,880,514	285,046	**2,997,125**	48,192
Total liabilities		**18,800,426**	407,411	**13,919,902**	48,192
TOTAL EQUITY AND LIABILITIES		**36,363,818**	14,345,764	**31,856,431**	13,837,716

Approved by the Board of Directors on **15 November 2024.**

Signed on behalf of the Board

Arina Mc Donald
Director

Henk Barnhoorn
Director

The notes on pages 60 – 115 forms an integral part of these financial statements.
Auditor's report on pages 51 – 55.

Statements of Changes in Equity Year ended June 2024

THE GROUP	Share capital	Accumulated losses	Currency translation reserves	Fair value reserves	Total equity attributable to equity holders	Non controlling interests	Total equity
	USD	USD	USD	USD	USD	USD	USD
At 1 July 2022	22,000,100	(8,049,967)	-	209,673	14,159,806	-	14,159,806
Loss for the year	-	(529,770)	-	-	(529,770)	-	(529,770)
Other comprehensive income/(loss) loss for the year	-	-	(6,828)	315,145	308,317	-	308,317
At 30 June 2023	**22,000,100**	**(8,579,737)**	**(6,828)**	**524,818**	**13,938,353**	**-**	**13,938,353**
At 1 July 2023	**22,000,100**	**(8,579,737)**	**(6,828)**	**524,818**	**13,938,353**	**-**	**13,938,353**
At acquistion 1 Aug 2023	-	-	-	-	-	395,170	395,170
Profit for the year	-	2,875,748	-	-	2,875,748	56,464	2,932,212
Other comprehensive income	-	-	231,002	66,655	297,657	-	297,657
At 30 June 2024	**22,000,100**	**(5,703,989)**	**224,174**	**591,473**	**17,111,758**	**451,634**	**17,563,392**

THE COMPANY	Share capital	Accumulated losses	Other reserves	Total equity
	USD	USD	USD	USD
At 1 July 2022	**22,000,100**	**(5,642,182)**	**209,673**	**16,567,591**
Loss for the year	-	(3,093,212)	-	(3,093,212)
Other comprehensive income for the year	-	-	315,145	315,145
At 30 June 2023	**22,000,100**	**(8,735,394)**	**524,818**	**13,789,524**
At 1 July 2023	22,000,100	(8,735,394)	524,818	13,789,524
Profit for the year	-	4,080,350	-	4,080,350
Other comprehensive income for the year	-	-	66,655	66,655
At 30 June 2024	**22,000,100**	**(4,655,044)**	**591,473**	**17,936,529**

The notes on pages 60 - 115 forms an integral part of these financial statements.
Auditor's report on pages 51 – 55.

Statements of cash flows for the year ended 30 June 2024

	Note	THE GROUP 2024	THE GROUP 2023	THE COMPANY 2024	THE COMPANY 2023
		USD	USD	**USD**	USD
Cash flows from operating activities					
Profit/(loss) before tax		**4,245,097**	(344,109)	**4,088,862**	(3,087,118)
Adjustments for:					
Interest income	20	**(130,436)**	(7,304)	**(23,989)**	(6,469)
Dividend income	19	**(45,175)**	(34,607)	**(3,632,845)**	(1,502,176)
Impairment of goodwill	7	**-**	2,230,709	**-**	-
Impairment of investment in subsidiaries	6	**-**	-	**-**	5,466,155
Interest expense	21	**515,161**	-	**156,800**	-
Depreciation of property, plant and equipment	10	**373,156**	504	**-**	-
Depreciation of right-of-use assets	8	**156,489**	-	**-**	-
Amortisation and impairment of intangible assets	7	**773,293**	108,061	**-**	-
Loans written off	11	**54,424**	-	**54,424**	-
Loss on disposal of property, plant and equipment		**775**	**-**	**-**	-
Gain on disposal of financial assets at fair value through profit or loss	20	**(8,379)**	-	**(8,379)**	-
Fair value gain/(loss) on investments on financial assets at fair value through profit or loss	4	**(929,316)**	(1,224,466)	**(929,316)**	1,038,644)
Change in operating assets and liabilities:					
Increase in trade and other receivables		**(620,032)**	(119,461)	**(34,979)**	(36,630)
Increase in financial assets at amortised cost		**(202,655)**	-	**(26,325)**	-
Increase in other payables		**458,436**	19,813	**57,433**	29,971
Cash generated from/(used in) operations		**4,640,838**	629,140	**(298,314)**	(174,911)
Tax paid	18	**(1,297,223)**	(40,696)	**(8,512)**	(6,094)
Net cash flows generated from/(used in) operating activities		**3,343,615**	588,444	**(306,826)**	(181,005)
Cash flows from investing activities					
Acquisition of investment	6	**-**	-	**(5,875,000)**	-
Acquisition of subsidiary, net of cash acquired	25	**(4,034,973)**	-	**-**	-
Acquisition of property, plant and equipment	10	**(154,821)**	-	**-**	-
Proceeds from sale of property, plant and equipment	10	**13,680**	**-**	**-**	-
Acquisition of intangible assets	7	**(494,572)**	(686,243)	**-**	-
Proceeds from sale of intangible assets	7	**4,648**	-	**-**	-
Acquisition of financial assets at fair value through profit or loss	4	**(937,511)**	(5,011,715)	**(474,473)**	(4,307,318)
Proceeds from disposal of financial assets at fair value through profit or loss	4	**4,243,731**	5,008,697	**4,052,110**	4,087,461
Dividend received		**45,175**	34,607	**3,632,845**	625,532
Interest received	20	**130,436**	7,304	**23,989**	6,469
Net cash flows (used in)/generated from investing activities		**(1,184,207)**	(647,350)	**1,359,471**	412,144
Cash flows from financing activities					
Interest paid	21	**(239,462)**	-	**(156,800)**	-
Proceeds from borrowings	15	**2,000,000**	-	**2,000,000**	-
Proceeds of loan from subsidiary	15	**-**	(8,941)	**(8,500)**	-
Repayment of lease liabilities	9	**(324,243)**	-	-	-
Repayment of borrowings	15	**(702,478)**	-	**(500,000)**	-
Loan from subsidiary	15	**-**	-	**-**	8,500
Net cash flows generated from/(used in) financing activities		**73,817**	(8,941)	**1,334,700**	8,500
Net increase/(decrease) in cash and cash equivalents		**2,893,225**	(67,847)	**2,387,345**	239,639
Cash and cash equivalents at beginning of year	12	**670,966**	738,813	**333,814**	94,175
Effect of movement in exchange rates		**230,955**	-	**-**	-
Cash and cash equivalents at end of year	12	**3,795,146**	670,966	**2,721,159**	333,814

The notes on pages 60 - 115 forms an integral part of these financial statements.
Auditor's report on pages 51 to 55.

Notes to the Financial Statements

1. Legal Form and Principal Activity

Trans Switch Africa Holdings Ltd (the "Company") is incorporated in the Republic of Mauritius as a private company limited by shares in accordance with the Companies Act 2001. The Company has a Global Business Licence by the Financial Services Commission. Its registered office and principal place of business is situated on 7th Floor, Nexteracom Tower 1, Ebene.

The principal activity of the Company and its subsidiaries (together referred to as the "Group") is to act as an investment holding company with a view to take strategic positions in certain targeted companies who plays a key role in servicing both the financial and non-financial sector within Sub-Saharan Africa.

The financial statements of the Group for the year ended 30 June 2024 were authorised for issue on the date the financial statements were approved by the Directors as stamped on the statements of financial position.

2. Summary of Material Accounting Policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and comply with the requirement of Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

The financial statements include the consolidated financial statements of the holding company and its subsidiaries companies (collectively referred to as the "Group") and the separate financial statements of the Company. The financial statements have been prepared on a historical cost basis except for investments which are at fair value through other comprehensive income (FVTOCI) and at fair value through profit or loss (FVTPL).

The financial statements are presented in United States Dollar ("USD") and all values are rounded to the nearest dollar, except when otherwise indicated.

The directors have at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing financial statements.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 30 June 2024. Subsidiaries are entities that are controlled by the Group. Control is achieved if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee),
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses 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. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the shareholders of the parent of the Group 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 subsidiaries to bring their accounting policies into 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.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2.3 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with IFRS 9 Financial Instruments, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss in accordance with IFRS 9. All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant IFRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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 below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date. The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year.

2.4 Foreign currencies

The consolidated financial statements are presented in USD, which is also the Group's functional currency and presentation currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. All differences arising on settlement or retranslation of monetary items are taken to 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. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on retranslation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

Group companies

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into USD using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. The exchange differences arising from translation of the foreign operations are recognised in other comprehensive income and accumulated in equity (Currency translation reserve) and attributed to non-controlling interests as appropriate.

On the disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of the associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

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 exchange rate prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income and accumulated in equity.

2.5 Revenue recognition

Rendering of services

Revenue is recognised at an amount that reflect the consideration to which the Group is expected to be entitled in exchange for transferring services to a customer. For each contract with a customer, the Group identifies the contract with the customer; identified the performance in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the services promised.

The Group provides processing and development services to banks and companies. Revenue from providing services is recognised in the accounting period in which the services are rendered.

For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the number of actual labour hours spent relative to the total expected labour hours in the case of development services and the actual number of transactions relative to the total expected number of transactions for processing services.

Some contracts include multiple deliverables such as the provision of account hosting, point of sale transaction, ATM transaction, and EFT transaction services. The services are not integrated and are therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices in service level agreements.

If the contract includes an hourly fee, revenue is recognised in the amount to which the company has the right to invoice for the services provided. Customers are invoiced on a monthly basis and consideration is payable when invoice.

Interest income

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).

Dividend income

Dividend are recognised, in profit or loss, when the Group and the Company rights to receive payment have been established. Revenue is recognised at a point in time.

2.6 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date, in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets and liabilities are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.7 Investments in subsidiaries (separate financial statements of the Company)

Subsidiaries are those entities controlled by the Company. Control is achieved when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has ability to affect these returns through its power over the entity.

Investment in subsidiaries in the separate financial statements of the Company is carried at cost, net of any impairment. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is recognised in profit or loss. Upon disposal of the investment, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

2.8 Property Plant and Equipment

Property, plant and equipment are tangible assets which the Group holds for its own use which are expected to be used for more than one period. An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the company, and the cost of the item can be measured reliably. Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised. Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

Property, plant and equipment is initially measured at cost.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and impairment losses except for land which is not depreciated.

The useful lives of items of property, plant and equipment have been assessed as follows:

ITEM	DEPRECIATION METHOD	AVERAGE USEFUL LIFE
Furniture and fixtures	Straight line	6 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	5 years
IT equipment	Straight line	5 years
Leasehold improvements	Straight line	10 years
Computer Equipment	Straight line	3 years

Depreciation of an asset commences when the asset is available for use as intended by management.

Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. No material changes were made.

There were no indicators of impairment for property, plant and equipment and no impairment tests were performed.

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

2.9 Intangible assets

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets are measured at cost less any accumulated amortisation and impairment losses.

Intangible assets with finite useful lives are amortised as shown in the table below. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each financial year-end with the effect of any changes in estimate being accounted for on a prospective basis.

Amortisation is provided to write down the intangible assets to their residual values as follows:

ITEM	DEPRECIATION METHOD	AVERAGE USEFUL LIFE	RATE OF DEPRECIATION
Intellectual property	Reducing balance	-	20%
Software	Straight line	3 years	33.3%
Customer contracts	Straight line	10 years	10%

Management has assessed the useful lives of licenses and goodwill as indefinite, and accordingly they are not amortised but are tested for impairment annually or whenever there is an indication that they may be impaired.

Impairment

Finite-life intangible assets are subject to impairment testing if there are indicators of impairment.

When there are indicators of impairment, or annually for goodwill, the recoverable amount of the asset is estimated in order to determine the extent of an impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. A cash generating unit is the smallest collection of assets that generate largely independent cash inflows.

If the recoverable amount of an asset or cash generating unit is estimated to be less than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. For goodwill, impairment losses are allocated first to any goodwill in the cash generating unit, and then on a pro-rata basis of the carrying amount of each asset in the unit.

A reversal of an impairment may arise in subsequent periods, except for goodwill. When a reversal occurs, the carrying amount of the asset is revised upwards to the recoverable amount.

2.10 Leases

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- The amount expected to be payable by the lessee under residual value guarantees.
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options.
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.
- The lease liability is presented as a separate line in the consolidated and separate statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset.

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated and separate statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

When the Group revises its estimate of the term of any lease (because, for example, they re-assess the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.

- in all other cases where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using a revised discount rate, with the right-of-use asset being adjusted by the same amount.

- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the revised discount rate. The right-of-use asset is adjusted by the same amount.

The revised discount rate is determined as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be determined, or the lessee's incremental borrowing rate at the effective date of the modification, if the interest rate implicit in the lease cannot be readily determined.

2.11 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, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

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
- 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
- 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 (see (iii) below)
- 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 (iii) below)

(i) Amortized 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.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (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) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit impaired.

Interest income is recognised in profit or loss.

(ii) Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve.

The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the in profit or loss.

The Group designated all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition.

A financial asset is held for trading if either:

- It has been acquired principally for the purpose of selling it in the near term
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument)

The Group has designated financial assets at fair value through other comprehensive income. Refer to note 5.

(iii) Financial assets at FVTPL

- Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) to (ii) above) 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 (see (ii) above)
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

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.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI and trade receivables.

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

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

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

(i) 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 amortized 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
- 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:

- The financial instrument has a low risk of default
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term
- 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 are 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 contract, 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.

(ii) 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

- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group)

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

(iii) 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:

- Significant financial difficulty of the issuer or the borrower
- A breach of contract, such as a default or past due event (see (ii) above)
- 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
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation
- The disappearance of an active market for that financial asset because of financial difficulties

(iv) 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.

(v) 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 of guaranteed debt that has been drawn down as at the reporting date, together with any additional guaranteed amounts expected to be drawn down by the borrower in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

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

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 the 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 investment's revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is not reclassified to profit or loss but is transferred to retained earnings.

2.12 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.

2.13 Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

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

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.

2.14 Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

2.15 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.16 Cash and non-cash distribution to shareholders of the parent

The Company recognises a liability to make cash or non-cash distributions to shareholders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value remeasurement recognised directly in equity. Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit or loss.

2.17 Impairment of non-financial assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. Impairment losses of continuing operations are recognised in the statement of profit or loss and other comprehensive income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group makes an estimate of the recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount.

That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss and other comprehensive income.

After the reversal, depreciation charge is adjusted in future periods to allocate the revised carrying amount, less any residual value, on a systematic basis over the remaining useful life.

2.18 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as deduction, net of tax, from proceeds.

2.19 Borrowings

Borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position.

For the purposes of each financial liability, interest expense includes initial transaction costs as well as any interest payable while the liability is outstanding. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

2.20 Comparatives

Where necessary comparative figures have been amended to conform with changes in presentation or in accounting policies in the current year.

2.21 Standards, Amendments to Published Standards and Interpretations effective in the Reporting Period

Standards and interpretations effective and adopted in the current year but with no material effect on the financial statements. In the current year, the group has adopted the following standards and interpretations that are effective for the current financial year. The expected impact of these amendments on the Group's financial statements is not material.

	Effective date: Years beginning on or after
Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	1 January 2023
Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2.	1 January 2023
Definition of accounting estimates: Amendments to IAS 8	1 January 2023
IFRS 17 *Insurance Contracts*	1 January 2023
International Tax Reform – Pillar Two Model Rules - Amendments to IAS 12	Issued on 23 May 2023 with immediate effectiveness

2.22 Standards, Amendments to Published Standards and Interpretations: Issued but Not Yet Effective

The Group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2024 or later periods:

	Effective date: Years beginning on or after
Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1	1 January 2024
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	1 January 2024
Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	1 January 2024
Lack of exchangeability – Amendments to IAS 21	1 January 2025
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Postponed indefinitely
IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information*	1 January 2024
IFRS S2 *Climate-related disclosures*	1 January 2024
IFRS 18 *Presentation and Disclosure in Financial Statements*	1 January 2027
IFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027

The directors do not expect that the adoption of the standards listed above will have a material impact on the financial statements of the company in future periods.

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.

3. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, the disclosure of contingent liabilities. Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Determination of functional currency

The primary objective of the Group is to generate returns in USD, its capital-raising currency. The liquidity of the Group is managed on a day-to-day basis in USD. The Group's performance is evaluated in USD. Therefore, management considers USD as the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions.

b) Going concern

The Group's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

c) Financial assets at fair value through profit or loss

The Group has financial assets designated as fair value through profit or loss. The valuation of financial assets is determined by the Group through quoted prices on an active market which involve the use of judgement. Changes in judgement about these factors could affect the reported fair value of investments.

Estimates and assumptions

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

d) Goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.3. These calculations require the use of estimates (see note 7).

e) Impairment of investments in subsidiaries

The Company follows the guidance of IAS 36 on determining when an investment is other-than-temporarily impaired. The recoverable amounts of investment in subsidiaries are determined by the Company using discounted cash flow valuation which involves the use of judgement and estimates or adjusted net asset.

Changes in assumptions about these factors could affect the reported fair value of investments. In making this judgement, the Company further evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

f) Impairment of assets

Property, plant and equipment, investment properties and intangible assets are considered for impairment if there is a reason to believe that impairment may be necessary. Factors taken into consideration in reaching such a decision include the economic viability of the asset itself and where it is a component of a larger economic unit, the viability of that unit itself. Future cash flows expected to be generated by the assets or cash-generating units are projected, taking into account market conditions and the expected useful lives of the assets. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current net asset value and, if lower, the assets are impaired to the present value. Cash flows which are utilised in these assessments are extracted from the yearly budget.

g) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

h) Limitation of sensitivity analysis

Sensitivity analysis in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the Company's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Company's view of possible near-term market changes that cannot be predicted with any certainty.

4. (a) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

At 30 June, the following instruments were classified as financial assets at fair value through profit or loss and were carried at fair value in the statement of financial position.

	THE GROUP	
	2024	2023
	USD	USD
At 1 July	**10,622,463**	9,394,979
At acquisition	**54,604**	-
Additions	**937,511**	4,991,012
Disposal	**(4,243,731)**	(5,008,697)
Fair value gain	**929,316**	1,224,466
Realised gain on investments	**-**	20,703
Exchange difference	**741**	-
At 30 June	**8,300,904**	10,622,463

	THE COMPANY	
	2024	2023
	USD	USD
At 1 July	**10,609,029**	-
Dividend in species (i)	**-**	1,429,920
Additions in consideration for capital reduction in subsidiary (i)	**-**	8,473,884
Transfer of cash Balances to from Portfolio (i)	**-**	(553,277)
Disposal	**(4,043,731)**	(4,087,460)
Additions	**474,473**	4,307,318
Fair value gain	**929,316**	1,038,644
At 30 June	**7,969,087**	10,609,029

Transfer of Investment Portfolio from Afriswitch Ltd

(i) During the prior year, the year ended 30 June 2023, AfriSwitch Ltd, a wholly-owned subsidiary, transferred its equity portfolios held with each Anchor Capital (Mauritius) Ltd and PSG Asset Management to its parent company, Trans Switch Africa Holdings Ltd. The consideration for this transfer constituted a capital reduction, as well as a dividend in species. Please refer to note 6 for the effect of the capital reduction on investment in subsidiary.

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

THE GROUP

Name of the company	Country of incorporation	Number of units 30 June 2024	Price as at 30 June 2024	2024 USD
PSG Wealth Global Flexible FOF (USD) Sub Fund A Class	Guernsey	**781,389**	**2.79**	**2,178,670**
PSG Wealth Global Creator Fund of Funds (USD) A Class	Guernsey	**986,240**	**2.67**	**2,633,459**
Anchor Capital (Mauritius) Ltd *	Mauritius	**-**	**-**	**3,156,958**
Old Mutual Duration Fund	Mauritius	**2,765**	**100**	**276,472**
Other financial investments - Square Peppers Management	South Africa	**-**	**-**	**55,345**
				8,300,904

Name of the company	Country of incorporation	Number of units 30 June 2023	Price as at 30 June 2023	2023 USD
PSG Wealth Global Flexible FOF (USD) IC Limited Aberdeen Standard Physical	Guernsey	1,162,020	2.59	3,011,608
PSG Wealth Global Creator Fund of Funds (USD) A Class	Guernsey	1,412,727	2.30	3,249,272
Anchor Capital (Mauritius) Ltd *	Mauritius	-	-	4,348,149
Old Mutual Duration Fund	Mauritius	134	100.00	13,434
				10,622,463

* These are investments in various listed shares which are held through a broker Anchor Capital (Mauritius) Ltd and is regulated and licenced under the FSC.

THE COMPANY

Name of the company	Country of incorporation	Number of units 30 June 2024	Price as at 30 June 2024	2024 USD
PSG Wealth Global Flexible FOF (USD) Sub Fund A Class	Guernsey	**781,389**	**2.79**	**2,178,670**
PSG Wealth Global Creator Fund of Funds (USD) A Class	Guernsey	**986,240**	**2.67**	**2,633,459**
Anchor Capital (Mauritius) Ltd *	Mauritius	**-**	**-**	**3,156,958**
				7,969,087

Name of the company	Country of incorporation	Number of units 30 June 2023	Price as at 30 June 2023	2023 USD
PSG Wealth Global Flexible FOF (USD) IC Limited Aberdeen Standard Physical	Guernsey	1,162,020	2.59	3,011,608
PSG Wealth Global Creator Fund of Funds (USD) A Class	Guernsey	1,412,727	2.30	3,249,272
Anchor Capital (Mauritius) Ltd *	Mauritius	-	-	4,348,149
				10,609,029

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) **Fair value hierarchy**

Fair value measurements are classified into a fair value hierarchy by reference to the observability and significance of the inputs used in measuring fair value. The hierarchy prioritises the inputs to valuation techniques used to measure fair value based on their observable or unobservable nature. The three levels are as follows:

Level 1: Valued using quoted price in active markets for identical assets.

Level 2: Valued by reference to valuation techniques using observable inputs other than quoted prices included within level.

Level 3: Valued by reference to valuation techniques using inputs that are not based on observable market data.

THE GROUP

		2024	
	Level 1	**Level 3**	**Total**
	USD	**USD**	**USD**
Financial assets at fair value through profit or loss	**7,969,087**	**331,817**	**8,300,904**

		2023	
	Level 1	Level 3	Total
	USD	USD	USD
Financial assets at fair value through profit or loss	10,609,029	13,434	10,622,463

THE COMPANY

		2024	
	Level 1	**Level 3**	**Total**
	USD	**USD**	**USD**
Financial assets at fair value through profit or loss	**7,969,087**	-	**7,969,087**

		2023	
	Level 1	Level 3	Total
	USD	USD	USD
Financial assets at fair value through profit or loss	10,609,029	-	10,609,029

The Old Duration Mutual Fund Investment and investment in Square Peppers Management are not quoted and therefore classified as Level 3 for disclosure purposes.

	2024	2023
THE GROUP	**Level 3**	Level 3
Movement in level 3 is as follows:	**USD**	USD
Opening balance	**13,434**	151,057
At acquisition	**54,604**	**-**
Additions	**463,038**	2,377
Disposal	**(200,000)**	(140,000)
Exchange difference	**741**	**-**
Closing balance	**331,817**	13,434

(c) Changes in fair values of financial assets at fair value through profit or loss are recorded in profit or loss.

5. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investment in equity instruments designated at FVTOCI	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	USD	USD	**USD**	USD
Opening balance	**624,818**	309,673	**624,818**	309,673
Change in fair value	**66,655**	315,145	**66,655**	315,145
Closing balance at 30 June	**691,473**	624,818	**691,473**	624,818

The Group participates in insurance activities through cell captive insurance company. Trans Switch Africa Holdings Ltd owns 100% of the issued share capital of cell created by Guardrisk International Limited PCC (GIL).

The Group has an investment with Guardrisk International Limited PCC (GIL), a licensed insurance company, in insurance cell within Mauritius. These "cell" issue certain contracts that transfer the insurance of financial risk. The risks and rewards associated with these contracts are transferred to the Group through a cell agreement.

The Group entered into a shareholders' agreement for insurance cell domiciled in Mauritius. On the basis that the Mauritius cell is protected and the substance of the arrangements in Mauritius, the cell meets the definition of a "deemed separate entity" per IFRS 10.

In accordance with IFRS 10 an investor controls a deemed separate entity/investee if and only if the investor has all of the following elements:

(a) Power over the investee;

(b) Exposure, or rights to variable returns from its involvement with the investee; and

(c) The ability to use its power over the investee to affect the amount of the investor's return.

An investor has power over a deemed separate entity when the investor has existing substantive rights that give it the current ability to direct the relevant activities of the investee and that the party which practically direct the relevant activities is not an agent of the investor.

The Group has made an assessment of whether it controls the investee as follows:

(a) The Group does not have any existing rights to direct the relevant activities of the cell. The rights to direct the relevant activities of the cell (being the underwriting and managing of insurance of financial risk) vests with the Board of Directors of Guardrisk and their decisions will affect the amount of variable returns that the Group are exposed to as a consequence of the investment.

(b) GIL does not act as an agent on behalf of the Group in directing the relevant activities of the cell as the Group doesn't have the practical ability to direct the relevant activities of the cell.

(c) The Group does not have the practical ability or is in any way involved with the appointment of the Guardrisk Board of Directors, any key management or any members of the governing bodies of the cell. None of the Board members, key management or members of the governing bodies of the cell are related parties to the Group.

(d) The Group has no practical ability to direct the cell to enter into or veto any changes to significant transactions for the benefit of the Group.

(e) The shareholders agreement provides both parties the right to terminate the cell arrangement without cause.

On the basis of the above facts and circumstances, the Group has determined that its involvement with the cell does not meet the definition of control per IFRS 10 and consequently the investments in the insurance cell captive are classified as an investment in equity instruments and measured at fair value through other comprehensive income in line with IFRS 9.

Fair value hierarchy

Fair value measurements are classified into a fair value hierarchy by reference to the observability and significance of the inputs used in measuring fair value. The hierarchy prioritises the inputs to valuation techniques used to measure fair value based on their observable or unobservable nature. The three levels are as follows:

Level 1: Valued using quoted price in active markets for identical assets.

Level 2: Valued by reference to valuation techniques using observable inputs other than quoted prices included within level.

Level 3: Valued by reference to valuation techniques using inputs that are not based on observable market data.

	Level 3	**Total**
	USD	**USD**
Financial assets at fair value through other comprehensive income	**691,473**	**691,473**

	2023	
	Level 3	Total
	USD	USD
Financial assets at fair value through other comprehensive income	624,818	624,818

THE GROUP AND THE COMPANY	**2024**	2023
	Level 3	Level 3
Movement in level 3 is as follows:	**USD**	USD
Opening balance	**624,818**	309,673
Fair value gain	**66,655**	315,145
Closing balance	**691,473**	624,818

The investment in cell is measured at fair value by discounting future cash flows. During 2023 the fair value measurement methodology was changed from net asset value to discounted cash flows to better reflect the value of the financial asset. In addition, a terminal value beyond 5-years forecast period was included at arriving at the valuation and thus classified as level 3 under IFRS 13 fair value Measurement hierarchy. Unobservable input include discount rate and premium income. More details about the valuations are disclosed below:

The investment in cell is measured at fair value by discounting future cash flows. During 2023 the fair value measurement methodology was changed from net asset value to discounted cash flows to better reflect the value of the financial asset. In addition, a terminal value beyond 5-years forecast period was included at arriving at the valuation and thus classified as level 3 under IFRS 13 fair value Measurement hierarchy. Unobservable input includes discount rate and premium income.

More details about the valuations are disclosed below:

Fair value of Cell captive	Significant unobservable inputs	Relationship of unobservable inputs to Fair value	**2024**	
			10% higher	10% lower
Investment in cell	Discount rate at 18.17%	The higher the discount rate the lower the fair value	(61,742)	77,681
	Premium income from USD 110k to USD 165k	The higher the premium income the higher the fair value	55,662	(55,662)
	Claims incurred ranging from USD30k to USD35k per annum	The higher the claim the lower the fair value.	(29,027)	29,027

Fair value of Cell captive	Significant unobservable inputs	Relationship of unobservable inputs to Fair value	2023	
			10% higher	10% lower
Investment in cell	Discount rate at 19%	The higher the discount rate the lower the fair value	(53,300)	66,103
	Premium income from USD 165k to USD 220k	The higher the premium income the higher the fair value	79,574	(79,575)
	Claims incurred ranging from USD40k to USD60k per annum	The higher the claim the lower the fair value.	(25,500)	25,500

6. INVESTMENT IN SUBSIDIARIES

	THE COMPANY	
	2024	2023
Unquoted - at cost	**USD**	USD
At 1 July	**2,067,771**	16,007,710
Capital reduction by subsidiary (i), (note 4)	**-**	(8,473,884)
Disposal (i)	**-**	(7,533,826)
Addition (i), (ii)	**18,197,777**	7,533,926
Impairment	**-**	(5,466,155)
At 30 June	**20,265,548**	2,067,771

(a) Details pertaining to the investment in subsidiaries are as follows:

							Proportion of ownership interest			
		Class of	Year		Stated	Country of	2024		2023	
Name of company	Principal activities	share held	end	FCY	Capital	incorporation	Direct	Indirect	Direct	Indirect
Trans Switch Africa Group Ltd	Investment holding	Ordinary	30 June	USD	**7,533,927**	Mauritius	**100%**	-	**100%**	-
Direct Transact Group (Pty) Ltd	Account hosting service for retail and corporate banking products	Ordinary	30 June	ZAR	100	South Africa	**100%**	-	-	-
DirectDevco (Pty) Ltd	Software solutions, development and implementation	Ordinary	30 June	ZAR	100	South Africa	-	**100%**	-	-
Direct Processing (Pty) Ltd	Reconciliation of card, ATM and EFT transactions	Ordinary	30 June	ZAR	100	South Africa	-	**100%**	-	-
Direct Transact Support Services (Pty) Ltd	General management and IT support services	Ordinary	30 June	ZAR	120	South Africa	-	**100%**	-	-
Tripawize (Pty) Ltd	Investment holding	Ordinary	30 June	ZAR	1,000	South Africa	-	**90%**	-	-
Direct Transact (Pty) Ltd	Information technology	Ordinary	30 June	ZAR	100	South Africa	-	**90%**	-	-
AfriSwitch Ltd	Investment holding	Ordinary	30 June	USD	7,520,325	Mauritius	-	**100%**	-	**100%**
Vivere Global Ltd	Currency Card Offering	Ordinary	30 June	USD	13,501	Mauritius	-	**100%**	-	**100%**
Blue Saphire SA.	Intellectual property rights	Ordinary	30 June	EUR	1	Mauritius	-	**100%**	-	**100%**

(i) During a resturcture in the prior year,Trans Switch Africa Holdings Ltd incorporated a new wholly owned subsidiary, Trans Switch Africa Group Limited. All the previosuly exisiting wholly owned subsidiares of Trans Switch Africa Holdings Ltd (namely AfriSwitch Ltd, Vivere Global Ltd, Blue Saphire SA.) were then transferred to Trans Switch Africa Group Limited. Consequently, all the direct subsidiaries of Trans Switch Africa Holdings Ltd became indirect subsidiaries in 2023, with Trans Switch Africa Group Limited being the only direct subsidiary.

(ii) The Company concluded a share purchase agreement effective on the 31st of July 2023. The Company acquired a 100% shareholding of the South African based Direct Transact Group (Pty) Ltd for an anticiapted purchase price of USD 18,2 million on an earn out basis, of which the initial first two tranches totaling USD 5,875 million have been settled. A loan facility of USD 2 million was raised to facilitate the initial payment; together with a sale of a portion of the investment portfolio.

7. INTANGIBLE ASSETS

THE GROUP

2024	Customer Contracts	Goodwill	Software	Licenses	Total
COST	**USD**	**USD**	**USD**	**USD**	**USD**
At 1 July 2023	-	12,974,486	686,243	-	13,660,729
Business combination (note 25)	3,405,096	656,221	-	9,612,451	13,673,768
At acquisition (note 25)	-	-	-	1,407,318	1,407,318
Additions	-	-	494,572	-	494,572
Disposals	-	-	-	(4,648)	(4,648)
Consolidation adjustments	-	-	-	(825,000)	(825,000)
Exchange difference	46,267	8,915	(11,379)	139,510	183,313
At 30 June 2024	3,451,363	13,639,622	1,169,436	10,329,631	28,590,052
AMORTISATION AND IMPAIRMENT	**USD**	**USD**	**USD**	**USD**	**USD**
At 1 July 2023	-	11,436,814	108,061	-	11,544,875
Charge for the year	312,134	-	192,905	51,274	556,313
Impairment loss	-	-	-	216,980	216,980
Exchange difference	-	-	(3,251)	-	(3,251)
At 30 June 2024	312,134	11,436,814	297,715	268,254	12,314,917
NET BOOK VALUE					
At 30 June 2024	3,139,229	2,202,808	871,721	10,061,377	16,275,135

THE GROUP

2023	Goodwill	Software	Total
COST	**USD**	**USD**	**USD**
At 1 July 2022	12,974,486	-	12,974,486
Addition	-	686,243	686,243
At 30 June 2023	12,974,486	686,243	13,660,729
AMORTISATION AND IMPAIRMENT	**USD**	**USD**	**USD**
At 1 July 2022	9,206,105	-	9,206,105
Charge for the year	-	108,061	108,061
Impairment	2,230,709	-	2,230,709
At 30 June 2023	11,436,814	108,061	11,544,875
NET BOOK VALUE			
At 30 June 2023	1,537,672	578,182	2,115,854

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

The Group performs impairment tests on goodwill using the discounted cash flow model on an annual basis or more frequently, if there are indications that goodwill might be impaired.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gains and losses on disposal.

(b) The goodwill in the Group is attributable to both AfriSwitch Ltd, an indirect subsidiary (2023: indirect subsidiary), which arose on acquisition in 31 October 2016; as well as to the Direct Transact Group, the acquisition of which took place as at 1 August 2023. Goodwill on both is assessed to have an indefinite useful life.

AfriSwitch Ltd -CGU

The recoverable amount is determined based on discounted cash flow valuation as per the Group valuation method approved by the Board of Directors. The valuation was performed on an enterprise value basis. The value in use calculation took into consideration the following key assumptions:

Growth rate

Growth rate of 5.62% (2023: 6%) used on current business and zero applied on future business. The rate is based on forecast inflation, country specific risk factors and forecast GDP growth.

Terminal growth rate

Terminal growth rate of 1.50% (2023: 1.50%) was used for current business with zero growth forecast for future business due to prospective business contracts being yet unsigned at year end. The growth rate is considered a steady state of growth to expediate revenue beyond the forecast period cash flows.

Discount rate

The discount rate applied as at 30 June 2024 is conservatively applied at 18.97% for current business operations (2023: 19%). The discount rate reflects both the time value of money and other specific risk relating to the entity. The discount rate was calculated based on updated industry data for company and country specific risk at a premium.

Cashflow projection

These calculations use cash flow projections based on projections by management covering a five-year span.

Sensitivity to change in assumptions.

The recoverable amount is most sensitive to the discount rate.

The resultant net present value as indicated by applying the discounted cash flow model indicates that there is no impairment on the goodwill valuation.

Direct Transact Group -CGU

The recalculated amount at year end is determined based on discounted cash flow valuation as per the Group valuation method approved by the Board of Directors.

The valuation was performed on an enterprise value basis.

The value in use calculation took into consideration the following key assumptions:

Licensing, royalty and standstill agreements having an indefinite life; therefore, no amortization is required.

Customer contracts being based on a 10-year cycle (two - five-year back-to-back contracts).

Growth rate

The risk-free growth rate of 5.035% was used for current business. The growth rate is considered a steady state of growth to expediate revenue beyond the forecast period cash flows.

Discount rate

The weighted average cost of capital discount rate applied as at 30 June 2024 is 18.12% for current Direct Transact Group operations. The discount rate reflects both the time value of money and other specific risk relating to the entity. The discount rate was calculated based on updated industry data for company and country specific risk at a premium.

Cashflow projection

These calculations use cash flow projections based on projections by management covering a ten-year span.

Sensitivity to change in assumption.

The recoverable amount is most sensitive to the discount rate.

The resultant net present value as indicated by applying the discounted cash flow model indicates that there is no impairment on the goodwill valuation.

Value in use

The key assumption on which management has based its cash flow projections for the period includes, but is not limited to, the following:

(i) Annual growth rate of between 5% and 6%

(ii) Period of 5 years based on the service agreement

(iii) The risk-free rate as a 10-year government bond rate

(iv) The company Beta is based on the current risk profile, taking into consideration that the entity has limited forex transactions and limited debt

(v) Specific adjustments to the WACC used, based on a diversified customer base, concentration risk in terms of specific customers or uncertainty regarding banking clients and economic conditions

Management's approach to determining the value assigned to each key assumption, were mainly based on past experience as well as current market research and are found to be consistent with external sources of information.

Management has projected cash flows based on financial budgets/forecasts over a period of 5 years. The growth rate used to extrapolate cash flow projections beyond the period covered by the most recent budgets/forecasts was set at between 5% and 6%. The discount rate(s) applied to the cash flow projections was 19% (2023: 19%).

Sensitivity of key assumptions

The annual growth of the contracts is fixed as per the contracts and therefore no material impact is expected.

The risk-free rate is based on a fixed 10-year rate and any impact and therefore no material impact is expected.

The company beta might deviate by a few points, but no material impact is expected.

Adjustments to the WACC that might be impacted by several circumstances regarding the client base of the entity. These might have an impact on the value in use, but they are closely monitored by management.

8. RIGHT-OF-USE ASSETS

The Group leases the premises used for the operations of a subsidiary, Direct Transact Group, from Festiglo investments (Rf) Proprietary Limited. The lease terms is 7 years with an option to extend for 3 years. It is fairly certain that the group will exercise the option to extend and therefor the lease term for the purposes of measuring the lease liability and right of use asset is 10 years.

The breakdown of rights of use assets for the year ended is as follows:

	2024
THE GROUP	**Buildings**
	USD
COST	
At 1 July	**-**
At acquisition	**1,863,843**
Exchange difference	**25,325**
At 30 June	**1,889,168**
DEPRECIATION	
At 1 July	**-**
At acquisition	**334,909**
Charge for the year	**156,489**
Exchange difference	**10,412**
At 30 June	**501,810**
NET BOOK VALUE	**1,387,357**

9. LEASE LIABILITIES

The breakdown of lease liabilities for the Group is as follows:

	THE GROUP	
	2024	2023
	USD	USD
At 1 July	**-**	-
At acquisition date	**1,932,492**	-
Interest expense	**275,699**	-
Lease payment	**(324,243)**	-
Exchange difference	**80,366**	-
At 30 June	**1,964,314**	-
Made up of:		
Current	**83,936**	-
Non-Current	**1,880,378**	-
	1,964,314	-
The gross payments of lease liabilties are analysed as follows:		
Within one year	**360,230**	-
After one year and before five years	**1,642,985**	-
After five years	**1,406,991**	-
Total lease liabilities at year end	**3,410,206**	-
Interest	**(1,445,892)**	-
Discounted lease liabilities	**1,964,314**	-
(i) Amounts recognised in Statement of Profit or Loss		
Interest on lease liabilities	**275,699**	-
(ii) Amounts recognised in Statement of Cash Flows		
Total cash outflow on leases other than short term and low-value leases (principal and interest)	**324,243**	-

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10. PROPERTY, PLANT AND EQUIPMENT

THE GROUP

2024	Leasehold Improvements	Furniture and fittings	Office equipment	Motor vehicles	Computer equipment	Total
COST	**USD**	**USD**	**USD**	**USD**	**USD**	**USD**
At 1 July 2023	-	-	-	-	1,522	1,522
At acquisition	423,618	181,777	127,809	565,222	1,143,265	2,441,691
Additions	-	3,980	12,031	52,063	86,747	154,821
Disposals	-	(6,711)	(7,744)	-	-	(14,455)
Exchange difference	5,756	(7,193)	1,8973	9,630	18,783	28,873
At 30 June 2024	**429,374**	**171,853**	**133,993**	**626,915**	**1,250,317**	**2,612,452**
AMORTISATION AND IMPAIRMENT	**USD**	**USD**	**USD**	**USD**	**USD**	**USD**
At 1 July 2023	-	-	-	-	714	714
At acquisition	70,317	61,376	47,882	183,050	392,230	754,855
Charge for the year	54,198	13,859	29,209	58,239	217,651	373,156
Exchange difference	2,985	1,353	1,745	4,668	12,383	23,134
At 30 June 2024	**127,500**	**76,588**	**78,836**	**245,957**	**622,978**	**1,151,859**
NET BOOK VALUE						
At 30 June 2024	**301,874**	**95,265**	**55,157**	**380,958**	**627,339**	**1,460,593**
2023						
COST	**USD**	**USD**	**USD**	**USD**	**USD**	**USD**
At 1 July 2022	-	-	-	-	1,522	1,522
Additions	-	-	-	-	-	-
At 30 June 2023	**-**	**-**	**-**	**-**	**1,522**	**1,522**
AMORTISATION AND IMPAIRMENT	**USD**	**USD**	**USD**	**USD**	**USD**	**USD**
At 1 July 2022	-	-	-	-	210	210
Charge for the year	-	-	-	-	504	504
NET BOOK VALUE	**-**	**-**	**-**	**-**	**714**	**714**
At 30 June 2023	**-**	**-**	**-**	**-**	**808**	**808**

11. TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	USD	USD	**USD**	USD
Trade receivables	**2,983,751**	235,135	**54,424**	-
Loss allowance	**(36,141)**	-	**-**	-
Write-off as uncollectible	**(54,424)**	-	**(54,424)**	-
Trade receivables at amortised cost	**2,893,186**	235,135	**-**	-
Receivable from related party (Note 27)	**-**	40,338	**28,941**	48,888
Other receivables	**316,541**	-	**-**	-
Prepayments	**916,009**	35,382	**15,923**	15,421
	4,125,736	310,855	**44,864**	64,309

(a) The amount receivable from related party relates to expenses paid on behalf of Trans Switch Africa Group Ltd. The amount is interest free, unsecured and repayable upon demand. The company adopt a general approach to compute expected credit loss (ECL). The ECL as at 30 June 2024 is insignificant.

(b) Exposure to credit risk: The Group and the Company

The Group applies the IFRS 9 general approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

Trade receivables inherently expose the group to credit risk, being the risk that the group will incur financial loss if customers fail to make payments as they fall due.

In order to mitigate the risk of financial loss from defaults, the group only deals with reputable customers with consistent payment histories. Each customer is analyzed individually for creditworthiness before terms and conditions are offered. These models make use of information submitted by the customers as well as external bureau data (where available). Customer credit limits are in place and are reviewed and approved by credit management committees. The exposure to credit risk and the creditworthiness of customers, is continuously monitored.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The expected loss rates are based on the payment profiles of sales and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The group's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles. The loss allowance provision is determined as follows:

THE GROUP	2024	2024	2023	2023
	Estimated gross carrying amount at default	**Loss allowance (Lifetime expected credit loss)**	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:	**USD**	**USD**	USD	USD
Not past due	**1,741,095**	**-**	-	-
Less than 30 days past due	**961,892**	**-**	118,811	-
31-60 days past due	**48,572**	**-**	-	-
61 - 120 days past due	**96,313**	**-**	-	-
More than 120 days past due	**81,455**	**36,141**	116,324	-
Total	**2,929,327**	**36,141**	235,135	-

Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade receivables:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	USD	USD	**USD**	USD
At acquisition	**86,308**	-	**-**	-
Amounts written off	**(50,166)**	-	**-**	-
At 30 June	**36,141**	-	**-**	-

Fair value of trade and other receivables

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

11A FINANCIAL ASSETS AT AMORTISED COST

The loans receivable are presented at amortised cost, which is net of loss allowance, as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
Non-current	**USD**	USD	**USD**	USD
Other receivables (Note (i))	**202,655**	-	**-**	-
	202,655	**-**	**-**	-
Current				
Loans to related parties (Note (ii) and 27)	**-**	**-**	**164,300**	137,975
	-	-	**164,300**	137,975

Note (i)

The loans are unsecured, interest free and receivable from dtMercury Proprietary Limited, The Direct Transact Foundation Trust and TouchTone Trading 59 respectively. Except for an amount of USD 163,000 that has no fixed repayment terms, the other loans are repayable at the discretion of management.

Note (ii)

The loans receivable from related parties relate to expense paid on behalf of Trans Switch Africa Group Ltd., are interest free, unsecured and repayable upon demand. The company adopt a general approach to compute expected credit loss (ECL). The ECL as at 30 June 2024 is insignificant.

Exposure to credit risk

Loans receivable inherently exposes the group to credit risk, being the risk that the group will incur financial loss if counterparties fail to make payments as they fall due. The maximum exposure to credit risk is the gross carrying amount of the loans as presented above.

No expected credit loss allowance has been recognised as the counterparties would be able to repay the loans should it be called on.

Fair value of loans receivable

The fair value of the loans receivable approximates their carrying amounts.

12. CASH AND CASH EQUIVALENTS

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	USD	USD	**USD**	USD
Cash at bank	**3,762,341**	570,335	**2,688,354**	233,183
Short term investments*	**32,805**	100,631	**32,805**	100,631
	3,795,146	670,966	**2,721,159**	333,814

* This relates to the cash held by the brokers.

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash at bank and short-term investments.

Reconciliation of liabilities arising from financial activities

	THE GROUP		
	Lease liabilities	**Borrowings**	**Total**
	USD	**USD**	**USD**
At 1 July 2023	-	122,365	122,365
At acquisition	1,932,492	574,869	2,507,361
Repayment of subsidiary's loan	-	-	-
Proceeds from borrowings	-	2,000,000	2,000,000
Payments on borrowings	-	(941,940)	(941,940)
Payments on lease liabilities	(324,243)	-	(324,243)
Interest accrued	275,699	239,462	515,161
Exchange difference	80,366	18,007	98,373
At 30 June 2024	**1,964,314**	**2,012,763**	**3,977,077**

	THE GROUP		
	Lease liabilities	**Borrowings**	**Total**
	USD	**USD**	**USD**
At 1 July 2022	-	131,306	131,306
Repayment of loan from subsidiary	-	(8,941)	(8,941)
Proceeds from borrowings	-	-	-
Payments on borrowings	-	-	-
Payments on lease liabilities	-	-	-
At 30 June 2023	-	122,365	122,365

	THE COMPANY		
	Subsidiary's loan	Borrowings	Total
	USD	USD	USD
At 1 July 2023	8,500	-	8,500
Proceeds of loan from subsidiary	-	-	-
Repayment of loan from subsidiary	(8,500)	-	(8,500)
Proceeds from borrowings	-	2,000,000	2,000,000
Payments on borrowings	-	(656,800)	(656,800)
Interest accrued	-	156,800	156,800
At 30 June 2024	**-**	**1,500,000**	**1,500,000**

	THE COMPANY		
	Subsidiary's loan	Borrowings	Total
	USD	USD	USD
At 1 July 2022	-	-	-
Proceeds of loan from subsidiary	8,500	-	8,500
Repayment of loan from subsidiary	-	-	-
Payments on borrowings	-	-	-
At 30 June 2023	8,500	-	8,500

13. SHARE CAPITAL

	THE GROUP AND THE COMPANY	
	2024	2023
Issue of shares:	**USD**	USD
Unpaid shares	**100**	100
Fully paid shares	**22,000,000**	22,000,000
	22,000,100	22,000,100

A reconciliation of the number of shares outstanding at the beginning and end of the period is shown below:1

Ordinary shares

	Number of shares	
	2024	2023
At 1 July	**22,000,100**	22,000,100
At 30 June	**22,000,100**	22,000,100

Issued shares are at no par value.

The holders of the ordinary shares shall have the following rights:

(i) The right to one vote on a poll at a meeting of the Company on any resolution;

(ii) The right to an equal share in dividends authorised by the Board;

(iii) The right to an equal share in the distribution of the surplus assets of the Company.

14. EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing the profit or loss attributable to owners of the Company by the number of ordinary shares during the period.

	THE GROUP	
	2024	2023
	USD	USD
Profit/(Loss) for the year	**2,875,748**	(529,770)
Number of shares in issue	**22,000,100**	22,000,100
Basic earnings/(loss) per share	**0.13**	(0.02)

15. BORROWINGS

	THE GROUP	
	2024	2023
Non-current	**USD**	USD
Bank loan (i)	**286,590**	-
Bank loan (ii)	**1,000,000**	-
Other loan (iii)	**109,957**	122,365
	1,396,547	122,365
Current		
Bank loan (i)	**116,216**	-
Bank loan (ii)	**500,000**	-
	616,216	-

	THE COMPANY	
	2024	2023
Non-current	**USD**	USD
Bank loan (ii)	**1,000,000**	-
	1,000,000	-
Current		
Bank loan (ii)	**500,000**	8,500
	500,000	8,500

(i) The loans from Standard Bank Limited are secured over property, plant and equipment and bear interest a rates that vary between prime and prime plus 0.5%. Prime at year end was 11.75%.

(ii) The Mauritius Commercial Bank loan facility, which bears interest at SOFR plus 3,25%, is secured by the Anchor Equity portfolio. Interest is payable quarterly. The remaining balance due is USD 1,500,000 of which USD 500,000 was paid in August 2024 and the remaining USD 1,000,000 will be repaid in bullet repayment in August 2025.

(iii) The loan is interest free, unsecured and without fixed repayment period.

16. OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
Current	**USD**	USD	**USD**	USD
Payable to Shareholders of Direct Transact Group Proprietary Limited (note (i) below)	**2,400,000**	-	**2,400,000**	-
Other payables	**1,247,071**	82,675	**82,017**	23,268
Accruals	**-**	32,093	**15,108**	16,424
	3,647,071	114,768	**2,497,125**	39,692
Non-Current				
Payable to Shareholders of Direct Transact Group Proprietary Limited (note (i) below)	**9,922,777**	-	**9,922,777**	-
Provisions	**720,210**	-	**-**	-
	10,642,987	-	**9,922,777**	-

(i) The Company concluded a share purchase agreement effective on the 31st of July 2023. The Company acquired a 100% shareholding of the South African based Direct Transact Group (Pty) Ltd for an anticipated purchase price of USD 18,197,777 on an earn out basis. According to the Share Purchase agreement, the purchase price is payable in tranches, of which USD 5,000,000 as initial upfront payment and one subsequent payment totalling USD 875,000 have been settled. The balance of USD 12,322,777 will be settled over 5 years. As at the year end, USD 2,400,000 is shown under current payable and balance of USD 9,922,777 is shown under non-current payable respectively.

17. DEFERRED TAX ASSETS

Deferred income taxes are calculated on all temporary differences under the liability method at 27% (2023: nil) because only the Group's South African operations are impacted where the prevailing corporation tax rate is 27%.

There is a legally enforceable right to offset current tax assets against current tax liabilities and deferred income tax assets and liabilities when the deferred income taxes relate to the same fiscal authority on the same entity.

The following amounts are shown in the statements of financial position:

	THE GROUP	
	2024	2023
	USD	USD
Deferred tax asset	**124,818**	-

(a) The movement on the deferred income tax account is as follows:

	THE GROUP	
	2024	2023
	USD	USD
At 1 July	-	-
At acquisition	**185,644**	
Credit to profit and loss	**(60,826)**	-
At 30 June	**124,818**	-

(b) No deferred tax asset has been recognised in respect of the unused tax losses. The tax losses expire on a rolling basis of 5 years.

(c) The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same fiscal authority on the same entity, is as follows:

	At 01 July 2023	At acquisition	Movement in profit or loss	At 30 June 2024
	USD	USD	USD	USD
Deferred tax assets:				
Provisions	-	220,507	(20,195)	**200,312**
Lease liabilities and right of use assets	-	119,927	35,851	**155,778**
Tax losses	-	11,640	(11,640)	**-**
	-	352,074	4,016	**356,090**
Deferred tax liabilities:				
Property, plant and equipment	-	(100,740)	(36,944)	**(137,684)**
Intangible assets	-	(65,690)	(893)	**(66,583)**
Prepaid expenses	-	-	(27,005)	**(27,005)**
	-	(166,430)	(64,842)	**(231,272)**
Net deferred tax assets	-	185,644	(60,826)	**124,818**

18. INCOME TAX

Republic of Mauritius

The Company, being the holder of a Global Business Licence, is liable to pay income tax in Mauritius on its taxable profit arising from its world-wide income at the rate of 15%. The Company may deduct any foreign taxes suffered on the foreign sourced income to the extent it does not exceed the Mauritian tax on the foreign income. Alternatively, the Company may claim an 80% partial exemption on specific sources of income such as foreign-sourced dividend income, as prescribed under the Income Tax Act 1995.

Capital gains are outside the scope of the Mauritian tax net while trading profits made by the Company from the sale of shares are exempt from tax. As at 30 June 2024, there was no chargeable income for the Company (2023: Nil).

The foregoing is based on applicable tax laws and practices in force which may be subject to changes.

Republic of South Africa

The profit of the companies incorporated in South-Africa, as adjusted for tax purposes, is subject to income tax at the rate of 27%. Local dividend income in South Africa is exempt from tax. Unused tax losses do not lapse.

Luxembourg

The profit of the company incorporated in Luxembourg, as adjusted for tax purposes, is subject to income tax at the rate of 17% for companies with taxable income in excess of EUR 200,001 leading to an overall tax rate of 24.94%.

Amount recognised in Statement of Profit or Loss:	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
Income tax expense	**USD**	USD	**USD**	USD
Current tax on the adjusted profit for the year at 15% (2023: 15%)	**1,365,199**	177,030	**-**	-
Withholding tax	**8,512**	8,631	**8,512**	6,094
Deferred tax movement	**(60,826)**	-	**-**	-
	1,312,885	185,661	**8,512**	6,094

A reconciliation between income tax credit and the product of accounting loss multiplied by the Company's tax rate for the year ended 30 June 2024 is as follows:

	THE GROUP		THE COMPANY	
Tax reconciliation:	**2024**	2023	**2024**	2023
	USD	USD	**USD**	USD
Profit/(Loss) before tax	**4,245,097**	(344,109)	**4,088,862**	(3,087,118)
Income tax calculated at domestic tax rate	**636,765**	(51,616)	**613,330**	(463,068)
Impairment on investment	**-**	-	**-**	819,923
Income not subject to tax	**(162,843)**	(189,415)	**(140,661)**	(382,668)
Expenses not allowable	**89,285**	376,764	**14,788**	26,783
Tax credit	**-**	(3,507)	**-**	(970)
Withholding tax	**8,512**	8,631	**8,512**	6,094
Unutilised tax losses	**-**	1,761	**-**	-
Underlying tax suffered	**(573,945)**	-	**(573,945)**	-
Utilisation of tax losses	**-**	(57,037)	**-**	-
Effect of different tax rates	**1,269,734**	100,080	**-**	-
Adjustment for prior periods	**19,715**	-	**-**	-
Climate Corporate Responsibility	**86,488**	-	**86,488**	-
Income tax expense	**1,373,711**	185,661	**8,512**	6,094

Amount recognised in Statement of Financial Position:	THE GROUP	
	2024	2023
	USD	USD
At start	**(170,278)**	(25,315)
Tax charge for the year	**(1,373,711)**	(177,030)
Tax paid during the year	**1,297,223**	40,696
APS paid during the year	**-**	(8,629)
Exchange differences	**(286,525)**	-
At end	**(533,291)**	(170,278)

19 REVENUE

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	USD	USD	**USD**	USD
Dividend income	**45,175**	34,607	**3,632,845**	1,502,176
Revenue from contracts with customers	**15,098,116**	1,278,031	**-**	-
	15,143,291	1,312,638	**3,632,845**	1,502,176

Revenue from contracts with customers is categorised as follows:

	THE GROUP	
	2024	2023
	USD	USD
Over-time	**15,098,116**	1,278,031
At a point in time	**-**	-
	15,098,116	1,278,031

20. OTHER INCOME

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	USD	USD	**USD**	USD
Interest income	**130,436**	7,304	**23,989**	6,469
Gain on disposal of financial asset at fair value through profit or loss	**8,379**	-	**8,379**	-
Other income	**5,494,824**	-	**-**	-
Foreign exchange gain	**54,978**	15,107	**-**	10,298
	5,688,617	22,411	**32,368**	16,767

21. FINANCE COST

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
Interest expense:	**USD**	USD	**USD**	USD
Loans	**239,462**	-	**156,800**	-
Lease liabilities	**275,699**	-	**-**	-
	515,161	-	**156,800**	-

22. EXPENSES

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	USD	USD	**USD**	USD
Cost of sales	**111,300**	-	**-**	-
Other expenses				
Bank charges	**16,436**	6,060	**2,983**	662
Other expenses	**-**	-	**74**	2,999
Foreign exchange loss	**-**	-	**1,557**	2
	16,436	6,060	**4,614**	3,663

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	USD	USD	**USD**	USD
Professional fees				
Licence fees	**9,570**	4,925	**2,675**	2,625
Audit fees	**60,431**	36,516	**19,268**	13,755
Legal and professional fees	**591,925**	146,309	**36,672**	32,237
Accounting fees	**15,306**	5,850	**5,100**	5,100
	677,232	193,600	**63,715**	53,717
Total other expenses	**693,668**	199,660	**68,329**	57,380
Administrative expenses				
Administration fee	**31,594**	24,550	**23,121**	22,950
Directors' fee	**85,411**	28,495	**58,039**	28,495
Secretarial fee	**-**	-	**1,365**	1,300
Amortisation and impairment of intangible assets	**773,293**	108,061	**-**	-
Management fees	**14,384**	22,763	**-**	-
Annuity fees	**3,792**	14,662	**-**	-
Custodian fees	**48,894**	-	**-**	-
Service fees	**86,832**	99,452	**65,016**	-
Insurance expenses	**13,170**	2,100	**5,020**	5,648
Salaries	**13,013,921**	145,254	**-**	-
Listing fees	**20,453**	-	**12,953**	-
Loans written off	**54,424**	-	**54,424**	-
Depreciation of Property, plant and equipment	**373,156**	504	**-**	-
Depreciation of Right-of-use asset	**156,489**	-	**-**	-
Other services	**1,276,354**	27,414	**60,600**	62,777
Rental expenses	**243,831**	-	**-**	-
Total administration expenses	**16,195,998**	473,255	**280,538**	121,170
Total expenses	**17,000,966**	672,915	**348,867**	178,550

23 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's and the Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's and the Company's overall risk management programme focus on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's and the Company's financial performance.

The currency profile of the Group's financial assets and liabilities are summarised as follows:

(a)Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The types of risk that the Group is exposed in relation to market prices are foreign currency risk.

(i) Currency risk

The group subsidiary companies deal in foreign currency transactions and are exposed to foreign exchange risk arising from currency exposures, primarily with respect to ZAR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

THE GROUP

	2024		2023	
	Financial assets	**Financial liabilities**	Financial assets	Financial liabilities
	USD	**USD**	USD	USD
USD	**11,955,539**	**14,583,241**	11,983,211	189,887
EUR	**435,342**	**130,646**	210,509	47,246
ZAR	**3,809,024**	**3,553,248**	-	-
	16,199,905	**18,267,135**	12,193,720	237,133

Financial assets comprise:

THE GROUP - 2024	**USD**	**EUR**	**ZAR**	**TOTAL**
Financial assets at fair value through profit or loss	**8,245,559**	**-**	**55,345**	**8,300,904**
Financial assets at fair value through other comprehensive income	**691,473**	**-**	**-**	**691,473**
<u>At amortised cost</u>				
Trade and other receivables	**192,325**	**2,853**	**3,014,549**	**3,209,727**
Loans receivable	**-**	**-**	**202,655**	**202,655**
Cash and cash equivalents	**2,826,182**	**432,489**	**536,475**	**3,795,146**
	11,955,539	**435,342**	**3,809,024**	**16,199,905**

The above table excludes prepayments of USD 757,336 and current tax receivable of USD 158,672.

THE GROUP - 2023	USD	EUR	ZAR	TOTAL
Financial assets at fair value through profit or loss	10,622,463	-	-	10,622,463
Financial assets at fair value through other comprehensive income	624,818	-	-	624,818
At amortised cost				
Trade and other receivables	201,636	73,837	-	275,473
Cash and cash equivalents	534,294	136,672	-	670,966
	11,983,211	210,509	-	12,193,720

The above table excludes prepayments of USD 35,382.

	2024			
Financial liabilities comprise:	**USD**	**EUR**	**ZAR**	**TOTAL**
Borrowings	**1,500,000**	**109,957**	**402,806**	**2,012,763**
Lease liabilities	**-**	**-**	**1,964,314**	**1,964,314**
Other payables	**13,083,241**	**20,689**	**1,186,128**	**14,290,058**
	14,583,241	**130,646**	**3,553,248**	**18,267,135**

	2023		
Financial liabilities comprise:	USD	EUR	TOTAL
Borrowings	122,365	-	122,365
Other payables	67,522	47,246	114,768
	189,887	47,246	237,133

(ii) Sensitivity Analysis

Foreign currency sensitivity analysis

At 30 June 2024, if the ZAR and EUR had strengthened/weakened by 5% (based on historical observations) against the US dollar, with all other variables held constant, the effect on post-tax profit for the year would be as follows:

	THE GROUP		**THE COMPANY**	
	2024	2023	**2024**	2023
	USD	USD	**USD**	USD
Increase in EUR/USD	**12,591**	12,176	-	-
Decrease in EUR/USD	**(13,916)**	(13,458)	-	-

	THE GROUP		**THE COMPANY**	
	2024	2023	**2024**	2023
	USD	USD	**USD**	USD
Increase in ZAR/USD	**12,180**	-	-	-
Decrease in ZAR/USD	**(13,462)**	-	-	-

The Company is not exposed to any currency risk.

Categories of financial instruments

For the Group and the Company, financial assets comprise the following line items: Trade and other receivables (excluding prepayments) (note 11), cash and cash equivalents (note 12) and financial assets at amortised cost (note 11A). The company has also investment in financial assets at fair value through profit or loss (note 4) and financial assets at fair value through other comprehensive income (note 5). Financial liabilities at amortised cost comprise borrowings (note 15) and other payables (note 16).

(iii) Interest rate risk

The Group and the Company are exposed to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The Group's and the Company's interest rate risk arises from borrowings at variable rates. At 30 June 2024, if interest rates on borrowings had been 50 basis points higher/lower with all other variables held constant, pre-tax profit for the year would have been lower/higher mainly as a result of higher/lower interest expense on floating rate borrowings as shown below:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	USD	USD	**USD**	USD
50 basis points higher	**1,197**	-	**784**	-
50 basis points lower	**(1,197)**	-	**(784)**	-

The risk is managed by maintaining an appropriate mix between fixed and floating interest charges on borrowings.

(b) Credit risk

The Group and the Company take on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Group's and the Company's main credit risk concentrations are trade receivables, loan receivables, loans to related party and cash at bank.

The Group's and the Company's exposure to credit risk arises from the default of the counterparties, with a maximum exposure equal to the carrying amounts of these financial assets. The maximum exposure to credit risk at the reporting date was:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	USD	USD	**USD**	USD
Trade and other receivables	**3,209,727**	275,473	**28,941**	48,888
Financial assets at amortised cost	**202,655**	-	**164,300**	137,975
Cash and cash equivalents	**3,795,146**	670,966	**2,721,159**	333,814
	7,207,528	946,439	**2,914,400**	520,677

The Group's cash at bank is maintained with reputable financial institutions.

Receivables from related parties and loans to related parties are deemed low credit risk due to the highly liquid assets available at the counterparty level should the balance demanded at the reporting date outstanding be demanded at the reporting date.

Trade and other receivables exclude prepayments.

(c) Liquidity risk

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility and it monitors its risk to a shortage of funds using cash flow forecasts. Moreover the Group and the Company have various sources of funding including loans from related parties, loans from companies within the Group and capital from shareholders. The related party has undertaken not to recall the balances due until the Group is able to settle part or whole of the amount due.

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at 30 June 2024, based on contractual undiscounted payments:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	USD	USD	**USD**	USD
More than 1 year				
Borrowings	**1,396,547**	122,365	**1,000,000**	-
Lease liabilities	**1,880,378**	-	**-**	-
Other payables	**10,642,987**	-	**9,922,777**	-
	13,919,912	122,365	**10,922,777**	**-**
Less than 1 year				
Borrowings	**616,216**	-	**500,000**	8,500
Lease liabilities	**83,936**	-	**-**	-
Other payables	**3,647,071**	114,768	**2,497,125**	39,692
	4,347,223	114,768	**2,997,125**	48,192

(d) Price risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified as financial assets at fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group. If price increased/(decreased) by 5%, based on historical observation, for financial assets at fair value through profit and loss, post-tax profit would increase/(decrease) by USD 398,454 (2023: USD 530,451).

24. FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

The Group's financial assets and liabilities include trade and other receivables, cash and cash equivalents, financial assets at amortised cost, other payables and borrowings. Except where otherwise stated, the carrying amounts of these assets and liabilities approximate their fair values.

25. BUSINESS COMBINATION

Overview

On 1 August 2023, Trans Switch Africa Holdings Ltd acquired Direct Transact Group Proprietary Limited for an anticipated consideration of USD 18,197,777 on an earn out basis over a five-year period. This transaction was accounted for as a business combination in accordance with IFRS 3: Business Combinations. The acquisition was strategically completed to acquire the following benefits offered by the Direct Transact Group: expansion of digital capabilities, recurring revenue and revenue growth, scalability, data insights and analytics, enhanced security as well as innovation and reduced time to market.

Purchase Consideration	Note	**USD**
Cash consideration already paid		5,875,000
Contingent consideration	15	12,322,777
Total purchase consideration		18,197,777

Identifiable Assets Acquired and Liabilities Assumed		
Asset/ Liability	Fair value at Acquisition	
Other financial investments	214,587	
Property, Plant & equipment	1,686,838	
Right-of-use assets	1,528,934	
Intellectual Property	1,407,318	
Deferred tax asset	212,708	
Debtors	2,974,453	
Other receivables	220,395	
Cash and bank balances	1,840,027	
Loan Payable	(2,407,527)	
Deferred tax liability	(38,704)	
Provisions	(650,097)	
Trade & other payables	(1,568,980)	
Other borrowings	(157,461)	
Current income tax liabilities	(343,311)	
Total identifiable net assets acquired	4,919,180	(4,919,180)
Licensing, Royalty, Standstill Agreements (IP)		(9,612,451)
Customer contracts		(3,405,096)
Fair value of non-controlling interest at acquisition		395,171
Goodwill		656,221
Purchase consideration settled in cash		5,875,000
Less cash and cash equivalents acquired		(1,840,027)
Net cash outflows on acquisition of subsidiary		4,034,973

Conclusion

The business combination has been recognised in accordance with IFRS, reflecting the financial position and performance of the combined entity. The assumptions used in goodwill impairment testing are critical to the ongoing assessment of the recoverable amounts and will be reviewed regularly for potential changes.

26. CAPITAL RISK MANAGEMENT

The Group's and the Company's objectives when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group and the Company's manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company's may adjust dividend payments to shareholders, return capital to shareholders or issue new shares.

26. CAPITAL RISK MANAGEMENT (CONTINUED)

The net debt-to-adjusted capital ratios at 30 June 2024 and at 30 June 2023 were as follows:

	THE GROUP		THE COMPANY	
	2024	2023	**2024**	2023
	USD	USD	**USD**	USD
Borrowings (note 15)	**2,012,763**	122,365	**1,500,000**	8,500
Lease liability (note 9)	**1,964,314**	-	**-**	-
Less: cash and cash equivalents (note 12)	**(3,795,146)**	(670,966)	**(2,721,159)**	(333,814)
Net debt	**181,931**	(548,601)	**(1,221,159)**	(325,314)
Total equity	**17,563,392**	13,938,353	**17,936,529**	13,789,524
Gearing ratio	**1%**	-4%	**-7%**	-2%

27. RELATED PARTY DISCLOSURES

During the year ended 30 June 2024, the Group and the Company transacted with related entities. Details of the nature, volume of transactions and balances with the entities are shown below.

THE COMPANY

Relationship		Volume of Transactions		Amount receivable/(payable)		Borrowings	
		2024 USD	2023 USD	**2024 USD**	2023 USD	**2024 USD**	2023 USD
Shareholder-IT Novate	Unpaid share capital	-	-	**100**	100	-	-
Shareholder-IT Novate	Expenses paid on behalf	**1,050**	17,844	**1,050**	48,788	-	-
Key management personnel	Director fees	**58,039**	28,495	**4,251**	-	-	-
Subsidiary - AfriSwitch Ltd	Shared service charges	**65,016**	28,050	-	-	-	-
Subsidiary - Trans Switch Africa Group Limited	Loan receivable and expenses paid on behalf	-	10,000	**192,091**	137,975	-	-
Subsidiary - AfriSwitch Ltd	Loan Payable	**(8,500)**	8,500	**-**	-	-	8,500
Subsidiary - AfriSwitch Ltd	Shared service fees	**81,816**	16,800	**81,816**	16,800	-	-
Safyr Utilis Corporate and Trust Services Ltd	Management and secretarial fees	**38,650**	41,750	**7,322**	(6,275)	-	-

27. RELATED PARTY DISCLOSURES (CONTINUED)

THE GROUP

Relationship	Nature of transaction	Volume of Transactions		Amount receivable/(payable)		Borrowings	
		2024	2023	**2024**	2023	**2024**	2023
		USD	USD	**USD**	USD	**USD**	USD
Key management personnel	Director fees	**85,411**	28,495	**-**	-	-	-
				-	-		
Safyr Utilis Corporate and Trust Services Limited TrustQore (Mauritius) Limited	Management and secretarial fees	**88,595**	28,050	-	-	-	-
Trans Switch Africa Holdings Limited	Service Charges	**37,363**	28,495	-	-	-	-
Trans Switch Africa Group Limited	Service Charges	**7,250**	2,050	-	-	-	-
AfriSwitch Limited	Service Charges	**25,860**	19,600	-	-	-	-
Vivere Global Limited	Service Charges	**10,172**	-	-	-	-	-
Blue Saphire S.A.	Service Charges	**7,950**	-	-	-	-	-

Terms and conditions of transactions with related parties

Outstanding balances at year end are unsecured and settlement generally occurs in cash. All transactions are conducted on at arm's length basis. Where any conflict of interest arises, the directors or employees involved do not participate in the decision making regarding those transactions. There have been no guarantees provided to or received from related parties at year end, however a letter of support has been provided for Vivere Global Ltd by Trans Switch Africa Holdings Ltd which is applicable for 12 months post-date of signature of the annual financial statements.

28. SEGMENT INFORMATION

The Group's reportable segments are strategic business units defined by geographical areas, each offering different products and services. Management monitors and evaluates these segments separately, as each region requires distinct technology and marketing strategies.

Management has identified the following three main reportable segments by geographical areas:

- Mauritius operations.
- South Africa operations.
- Luxembourg operations.

The accounting policies applied to the operating segments are consistent with those described in the summary of significant accounting policies. The Group's Management reviews performance by analysing profit and loss for each geographic segment, including inter-segment sales and transfers as though they were conducted with third parties at current market prices.

	South Africa Operations	Luxembourg Operations	Mauritius Operations	Consolidation adjustments	Total
2024	USD	USD	USD	USD	USD
Gross revenue	20,274,357	1,114,408	4,517,108		25,905,873
Inter-segment revenue	(934,546)	(324,131)	(3,815,288)		(5,073,965)
Revenue from external customers	19,339,811	790,277	701,820		20,831,908
Earnings Before Interest, Tax, Depreciation, Amortisation, Impairment and fair value changes	3,553,509	617,373	3,085,953	(4,737,210)	2,519,625
Loss allowances on financial assets					
Fair value (loss)/ gain	-	-	929,316	-	929,316
Gain on disposal of financial assets	-	-	8,379	-	8,379
Depreciation, amortisation and impairment	529,645	192,906	268,254	312,133	1,302,938
Profit/(loss) before finance costs	4,083,154	810,279	4,291,902	(4,425,077)	4,760,258
Finance costs	(312,243)	(46,090)	(156,828)	-	(515,161)
Profit/(loss) before taxation	3,770,911	764,189	4,135,074	(4,425,077)	4,245,097
Income tax	(1,058,302)	(189,881)	(64,702)	-	(1,312,885)
Profit/(loss) for the year from continuing operations	2,712,609	574,308	4,070,372	(4,425,077)	2,932,212
Loss for the year from discontinuing operations	-	-	-	-	-
Profit/ (loss) for the year	**2,712,609**	**574,308**	**4,070,372**	**(4,425,077)**	**2,932,212**
Profit/ (loss) attributable to:					
- Owners of the parent	2,656,145	574,308	4,070,372	(4,425,077)	2,875,748
- Non-controlling interests	56,464	-	-	-	56,464
	2,712,609	574,308	4,070,372	(4,425,077)	2,932,212
Segment assets	9,068,401	1,621,670	35,176,412	(11,705,473)	34,161,010
Unallocated assets	-	-	-	2,202,808	2,202,808
Total assets	**9,068,401**	**1,621,670**	**35,176,412**	**(9,502,665)**	**36,363,818**
Segment liabilities	4,991,570	749,000	14,471,066	(1,411,210)	18,800,426
Unallocated liabilities	-	-	-	-	-
Total liabilities	**4,991,570**	**749,000**	**14,471,066**	**(1,411,210)**	**18,800,426**

28. SEGMENT INFORMATION (CONTINUED)

2024 (Continued)	South Africa Operations	Luxembourg Operations	Mauritius Operations	Consolidation adjustments	Total
Other segment items	**USD**	**USD**	**USD**	**USD**	**USD**
Capital expenditure	154,821	494,572	-	-	649,393
Depreciation of PPE	372,652	-	504	-	373,156
Depreciation of ROU assets	156,489	-	-	-	156,489
Amortisation of intangible assets	51,274	192,905	-	312,134	556,313
Impairment of assets	216,980	-	-	-	216,980

	South Africa Operations	Luxembourg Operations	Mauritius Operations	Consolidation adjustments	Total
2023	**USD**	**USD**	**USD**	**USD**	**USD**
Gross revenue	-	688,312	3,311,291		3,999,603
Inter-segment revenue	-	(36,574)	(1,413,748)		(1,450,322)
Revenue from external customers	-	651,738	1,897,543		2,549,281
Earnings Before Interest, Tax, Depreciation, Amortisation, Impairment and fair value changes	**-**	**501,056**	**(2,462,822)**	**(1,996,607)**	**(3,958,373)**
Impairment of investment	-	-	10,917,866	(10,917,866)	-
Fair value (loss)/ gain	-	-	1,224,466	-	1,224,466
Gain on disposal of financial assets	-	-	-	-	-
Impairment of goodwill	-	-	-	2,230,709	2,230,709
Depreciation, amortisation and impairment	-	108,061	504	-	108,565
Profit/(loss) before finance costs	-	609,117	9,680,014	(10,683,764)	(394,633)
Finance costs	-	(10,895)	-	10,895	-
Profit/(loss) before taxation	-	598,222	9,680,014	(10,672,869)	(394,633)
Income tax	-	(135,137)	-	-	(135,137)
Profit/(loss) for the year from continuing operations	-	463,085	9,680,014	(10,672,869)	(529,770)
Loss for the year from discontinuing operations	-	-	-	-	-
Profit/ (loss) for the year	**-**	**463,085**	**9,680,014**	**(10,672,869)**	**(529,770)**
Profit/ (loss) attributable to:					
- Owners of the parent	-	463,085	9,680,014	(10,672,869)	(529,770)
- Non-controlling interests	-	-	-	-	-
	-	463,085	9,680,014	(10,672,869)	(529,770)
Segment assets	-	788,607	16,788,530	(4,769,045)	12,808,092
Unallocated assets	-	-	-	1,537,672	1,537,672
Total assets	**-**	**788,607**	**16,788,530**	**(3,231,373)**	**14,345,764**
Segment liabilities	-	480,796	545,776	(619,161)	407,411
Unallocated liabilities	-	-	-	-	-
Total liabilities	**-**	**480,796**	**545,776**	**(619,161)**	**407,411**

TRANS SWITCH AFRICA HOLDINGS LTD
(Incorporated in the Republic of Mauritius)

SEM Share Code	TSAH-N0000
ISIN	MU 0583N00008
Registration Number	137962 C1/GLOBAL BUSINESS LICENSE
DIRECTORS	Deva Marianen Edward Vaughan Heberden Hendrik Petrus Barnhoorn Kim Tracy Setzkorn Anthony Kelvin de Gray Birch Hendrik Johannes Dreyer Arina Mc Donald
ADMINISTRATOR AND SECRETARY	7th Floor, Tower 1, NeXTeracom Cybercity, Ebene Republic of Mauritius
REGISTERED OFFICE	7th Floor, Tower 1, NeXTeracom Cybercity, Ebene Republic of Mauritius
AUDITORS	**MOORE (Mauritius) LLP** 6th Floor Newton Tower Sir William Newton Street, Port-Louis Republic of Mauritius
Telephone	+230 403 4250

SPONSOR

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