ANNUAL REPORT 2023

TRANS SWITCH AFRICA HOLDINGS LIMITED

Trans Switch Africa

Content


01 Retention
Customer Service 02
03 Profitability

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 anticipates that there are significant opportunities on the African continent, and increasingly further abroad, to provide high-end business process, outsourced services specifically for Financial Service providers such as banks and other institutions. With the last decades growth of financial services, the expansive distribution of internet access combined with accelerated reliance on new technologies, we believe there to be a significant market to consolidate good quality service providers to provide a range of diversified, bespoke products and services to customers.

STRATEGY

The Company's strategy is to invest in the consolidation of niche businesses providing managed outsourced account hosting, electronic transaction processing and ancillary services to the financial services industry. In particular, the Company aims 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 host of these services through a single platform the end customer.

To emerge as a leading outsourced services provider to the Financial Services Industry by focusing on consolidating fragmented businesses with high growth in Africa and abroad.

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 the SAFYR Group and its network of partners to achieve enterprise growth.

Vision, Mission, Values

VISION

To emerge as a leading outsourced services provider to the Financial Services Industry by focusing on synergizing businesses with high growth potential in Africa and abroad.

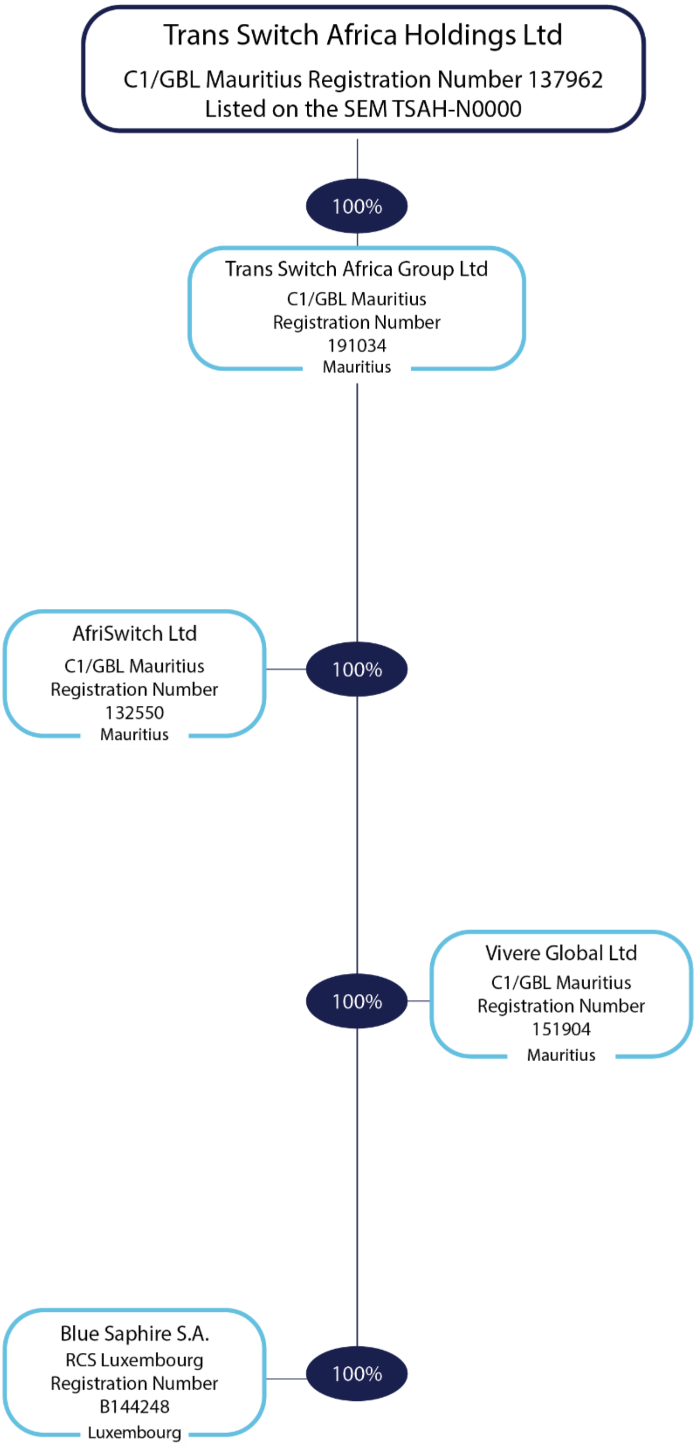
MISSION

To create sustainable growth for all stakeholders by building up and investing into a portfolio of selective 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.

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



Chairman's Report

Dear Stakeholders,

Thank you for taking the time to read the Trans Switch Africa Holdings Annual Report for the year ended 30 June 2023.

Post the unprecedented Covid Pandemic now behind us, there have been other worldwide challenges, negatively impacting on global economies and equity markets, such as the ongoing Ukrainian/ Russian conflict. Despite this, Trans Switch Africa Holdings' financial year was very encouraging, with equity markets rallying significantly. This had an overall positive effect on our equity investment portfolio, the 30 June closing valuation of which having increased in value by USD 1,2 million from the prior year.

Operationally, the Group has had a good year in line with expectations, by consistently providing a quality, niche service to our customers.

In order to reposition the equity portfolio and align intercompany transactional flows, the Group underwent a restructuring on a subsidiary level, which was completed in January 2023. A new intermediary investment holding company, namely Trans Switch Africa Group Ltd was registered.

The development and licensing of software forged ahead throughout the year under the auspices of Blue Saphire S.A.; most of the income and spend centered around the Global Currency Card project. The Group also employed additional staff to support this initiative being launched through Vivere, as well as grow our existing customer base within AfriSwitch.

Trans Switch Africa remains well capitalized as at the year end, with almost zero debt. Of great future significance, the acquisition of the South African based Direct Transact Group (Pty) Ltd (Please take note of Note 26 in the Annual Financial Statements: Post Balance Sheet Event) was finalized after our year end. We are excited about the resultant synergies and prospects for the year ahead!

In summary, 2023 was a year of development and group consolidation, gearing up for the launch of our new products in the year ahead. Further details on our financial results can be seen as they are set out in the accompanying financial statements.

DIRECTORATE

During the year in review, Trans Switch Africa Holdings did not make any changes to the Board composition, although there will be due consideration given to this in the 2024 financial year, considering the acquisition of the South African based Direct Transact Group (Pty) Ltd. We strive to maintain an objective and diversely skilled Board which conscientiously considers the needs of all our stakeholders, both new and existing.

IN CONCLUSION

On behalf of the Board, thank you to all our Stakeholders, specifically our Business Partners and Shareholders involved, for your contributions during the year. We are very positive about the financial year ahead and the continued implementation of our strategy to diversify our income base through several initiatives.

As Chairman, I extend my appreciation to my fellow Directors, as well as Non- Executive Directors, for your commitment and meaningful contributions to the Groups affairs consistently throughout the 2023 year. I look forward to the year ahead which, I believe, will be an exciting one.

Deva Marianen
CHAIRMAN OF THE BOARD
Date: 9 October 2023

Board of Directors

Mr. Deva Marianen
Non-Executive Director

Deva Marianen is an entrepreneur in the financial sector in Mauritius. With over 20 years of experience, he founded Safyr Capital Partners in 2017, a prominent investment banking group focused on promoting Mauritius as the capital market platform for Africa. Safyr Capital Partners has facilitated close to USD 1 b of capital market transactions for large African groups in the last two years. Before founding Safyr Capital Partners, Deva Marianen was an executive member of the listing committee of the Stock Exchange of Mauritius for nine years, where he contributed to the development of the Mauritian capital market. His extensive experience and commitment to excellence have made him a recognised figure in global business. Additionally, he holds the position of Vice-Chairman at Falcon Healthcare Group. Deva Marianen's contributions continue to set industry standards in financial services.

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, the Chairman of the Old Mutual US Dollar Money Market Fund, Director of Grindrod Mauritius Ltd and a member of the Listing Committee of the Stock Exchange of Mauritius. He was previously the CEO of Cim Group, a listed, diversified financial services group located in Mauritius with offices in Singapore, Australia, the UK and South Africa. The Cim Group included consumer finance, insurance, asset management, stock broking, technology, and international administration services with a local and international institutional client base. Prior to relocating to Mauritius, he was Director, Southern & East Africa, of Barclays International & Private Banking, where he grew these operations to become two of the biggest contributors to the Barclays International and Private Banking businesses. He was CEO of Ansbacher South Africa, the Private Banking arm of FirstRand Bank Limited. Vaughan has in excess of 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. He currently resides and work 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 serve) 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).

Mrs. Kim Tracy Setzkorn
Independent Non-Executive Director

Kim Setzkorn has been with Geneva Management Group, a multifaceted global financial services group, since 2008. She is based in the Mauritius offices and presently holds the position of Chief Operations Officer at TrustQore. Kim holds LLB and BA degrees, both from the University of South Africa and after successfully completing the attorney admissions requirements was admitted as an attorney of the High Court of South Africa in 2002. She started her career as a professional assistant at a general law practice in South Africa where she gained experience in diverse areas of the law, including drafting of corporate and commercial contracts and active participation in commercial and corporate arbitration and litigation matters. In 2004, and after deciding to leave legal practice, Kim joined Sentinel International Advisory Services (Pty) Ltd to specialise in trusts and corporate affairs as well as tax and structuring. At the time of leaving Sentinel in 2008, Kim had been appointed as legal counsel and was responsible for the overall management of a portfolio of high-net-worth clients (both domestic and foreign). Kim is registered with the Law Society of the Northern Provinces on the roll of non-practicing attorneys.

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, African Innovations 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)	Trans Switch Africa Holdings Ltd, Tadvest Limited, DMS Corporate Services Limited, Ict Africa Ventures Ltd, It Novate Ltd, Safyr Africa Holdings Ltd, Safyr Utilis Fund Services Ltd, Safyr Utilis Management Services Ltd, Safyr Utilis Corporate and Trust Services Ltd, Safyr Utilis Holdings Ltd, Safyr Group Holdings Ltd, Safyr International Ltd, Safyr Capital Partners Ltd, Safyr Utilis Nominees Ltd, Safefin Management Services Ltd, Falcon Healthcare Group Ltd, Safyr Health Investments Ltd
Mrs. Kim Setzkorn (Female)	TrustQore (Mauritius) Ltd, TrustQore (BVI) Ltd,TrustQore Corporate Services Ltd, Advenco Holdings (Pty) Ltd, Control Services Corp, Custody Investment Services Ltd, Securities House Nominees Inc., A.A Logistics Ltd, Marix Ltd, West African Plastics 1 (WAP1) Ltd, DNS Africa Ltd, SunBet Africa Holdings, AfriSwitch Ltd, L'Eau D'Or Limited, Ninth BIT Limited, Mauveland Holding Limited, Voucher Activation Services Ltd, Renven Investment Holding Ltd, Cibecs International, LLC, Socium-A Limited, AV Technology Limited, Denesta Limited, Transatlantic Investments Limited, Total Profit (HK) Limited, Enderle International Ltd, Inline Services Corp, Mozhold, Smile Telecoms Holdings Limited, Smile Telecoms IP Limited, Platcorp Holdings Ltd, Global Equity Investments 16 Limited, Global Equity Investments 17 Limited, Global Equity Investments 18 Limited, Afrosuez Investments Ltd, Africa Infrastructure Company (AIC) Ltd, Grouper Group Ltd, ADvTECH (Mauritius) Ltd, Schole (Mauritius) Limited, Vivere Global Ltd, Taurum International Ltd, Business Intelligence Solutions Ltd, TPF International Limited, KAI Group Ltd, CapitalN Africa Ltd, Solid African Logistics, Estel Holdings Ltd, Sema Holdings Ltd, Lions Resources Holding Limited, Lions Resources Ltd, Reload-ASI Africa Limited, TrustQore Ltd, The Greenway PCC, Olia Commodities Ltd, TrustQore Services Ltd

PORTFOLIO

Portfolio Overview

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 14.3 million. Trans Switch Africa Holdings is in the process of diversifying its asset base.

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, Blue Saphire S.A. and Vivere Global Ltd;

Investments and Cash.

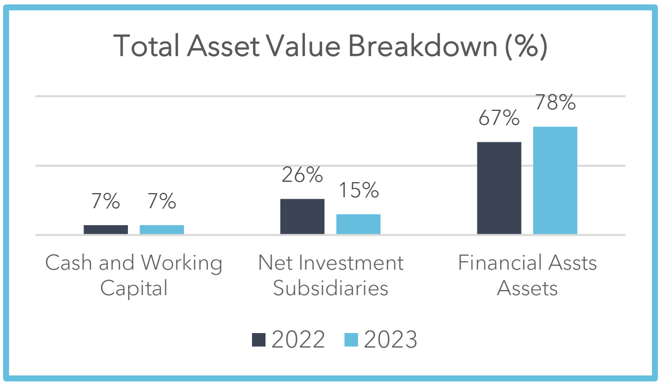
OBJECTIVE

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 Limited

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 · Application Process Interfaces

Banking as a Service	Payments as a Service	Acquiring as a Service	Support Services

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
	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
		Merchant Management
		• Merchant Settlement
		• Merchant Fees/Commission
		• Interchange Split
		
		Terminal Monitoring
		• Device and Consumables
		  • Point of Sale Devices
		  • ATM Devices
		
		E-commerce
			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. It is expected that potential future acquisition targets will be integrated into the Trans Switch Africa Holdings Group. The Company will seek to capitalize on its existing know-how and networks that it has access to with the view of potential revenue growth.

Vivere Global Limited

OVERVIEW

Vivere is developing a Global Multi Currency Card solution, which includes the creation of a fully integrated and highly developed web application and mobile application, which will allow users to manage their finances seamlessly.

A global multi-currency offering 'Vivere' is in development stage 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.

VIVERE
TO LIVE

Blue Saphire S.A.

Blue Saphire indirectly through its Intellectual Property provides innovative service offerings, focusing on flexibility, security, compliancy and most importantly the specific customer requirements, keeping within the framework of the regulations of Central Banks and the Card Associations.

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).

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.
- Call Accounts.
- Personal Loans.
- Home loans.
- Gift Cards.
- Corporate Purchase Cards.
- Business Banking.
- Global multi-Currency Card

THE 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.

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 actioning.

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.

INTERACTIVE VOICE RECOGNITION providing a secure method of call center to back-end interaction between the client and the retail banking system for the use of PIN selection and PIN changes.

AN E-COMMERCE PAYMENTS GATEWAY for on-line shopping which enables merchants to provide a channel to sell goods or services via the internet with cards of the various Card associations, including both Visa and MasterCard.

Investments and Cash

No major additions nor disposals were made to the group's diversified investment portfolio during the year. However, the positive rebound in the markets post Covid resulted in the portfolio valuation of USD 10. 6 million, USD 1.2 million more than the prior year.

(2022: USD 9.4 million)

2023	USD	%
PSG Wealth	6,210,610	58%
Old Mutual	13,434	1%
Anchor Capital	4,398,418	41%
Total	**10,622,463**	**100%**

The Group's cash slightly reduced by USD 67K for 2023 and 2M in the year ended 2022.

Financial Review

STATEMENT OF PROFIT AND LOSS:

REVENUE

The Trans Switch Africa Holdings realized a significant increase in turnover in the current financial year, directly attributable to the USD 667k license fee income generated by Blue Saphire. Revenue from services to customers showed an increase in line with the annual fee increase.

The impact of the movement in the valuation of the Group's equities portfolio was also material, resulting in an unrealized fair value gain of USD 1,2 million for the year. This as a result of the post Covid upward turn in global equity markets, specifically during the first half of the current financial year. The Group's total income increased to USD 2,6 million compared to a USD 2,4 million loss in 2022.

EXPENSES

Normal operational and business expenditure increased by approximately 15% compared to 2022. However, the USD 2,2 million impairment of goodwill resulted in total expenditure increasing to USD2,9 million vs the USD 647k from 2022.

LOSS BEFORE TAX

Trans Switch Africa Holdings has reportable loss before tax of USD 344k compared to the previous year's loss of USD 3 million.

STATEMENT OF FINANCIAL POSITION

Total assets remained largely unchanged with USD 14,3 million compared to USD 14,4 million in 2022.

Trans Switch Africa maintains a strong balance sheet with virtually no debt outstanding and will continually actively pursue acquisition opportunities as a driver of shareholder value creation. Goodwill of USD 1,5 million remains on the balance sheet in relation to Afriswitch.

DIVIDEND

No dividend was declared nor recommended as our strategy is to preserve cash for our operations and future expansion.

CORPORATE GOVERNANCE REPORT

Statement of Compliance

As confirmed in the Corporate Governance statement which formed part of the Company's listing particulars of January 2018, Trans Switch Africa Holdings Ltd (Hereinafter "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 recognize 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 Risk and Audit, 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), Mr. Deva Marianen 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.

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 during the financial year reported.

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 internal 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. • 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. • 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 auditor since its initial appointment on 29 November 2017.

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

	2023	*2022*
	USD	*USD*
Audit fee- Company	12,350	9,500
Audit fee - Group	14,125	6,300
	26,475	**15,800**

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. • 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. 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.

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

1.1.4.1 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.

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

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

1.1.4.4 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 below table sets out the number of meetings attended by the directors for the period from 01 July 2022 to 30 June 2023:

No of Meetings held		**Board Meeting**	**Risk and Audit Committee**	**Investment Committee**
Category	**Directors**	**4**	**4**	**5**
Non-Executive Director	**Deva Marianen**	**4**	**4**	**3**
Independent Non-Executive Director	Vaughan Heberden	**4**	**-**	**-**
Independent Non-Executive Director	**Hendrik Petrus Barnhoorn**	**4**	**4**	**-**
Independent Non-Executive Director	**Kim Tracy Setzkorn**	**4**	**-**	**4**

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 2021.

8. THE BOARD OF DIRECTORS

The Board of directors comprises of Mr. Deva Marianen, Mr. Vaughan Heberden, Mr. Hendrik Petrus Barnhoorn and Mrs. Kim Tracy Setzkorn. 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 four 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 Ltd 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 a listed entity 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 19 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 has 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	2018	2019	2020	2021	2022	2023
	USD	USD	USD	USD	USD	USD
Vaughan Heberden	10,000	10,000	10,000	10,000	10,000	**10,000**
Deva Marianen	1,200	1,200	1,200	1,200	1,200	**1,200**
Hendrik Petrus Barnhoorn	10,000	10,000	10,000 (*2,000 – other	10,000 (*2,000 – other	10,000	**10,000**
Kim Tracy Setzkorn	-	-	10,000	10,000	10,000	**6,000**

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 maintaining adequate internal control procedures with a view of safeguarding the assets of the Group.

The Board has instructed 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.

Over the financial years, the members of the Committee recommended that an internal Control Policy and Framework be implemented. The policy stresses on the importance of the following:

- Responsibilities of entities of the Group to ensure adequacy and regular monitoring of the Internal Control System within their business operations.
- How the internal control is operated at all levels of the Group and is embedded in its daily activities.
- The independent assessment of the internal control environment by the Internal Audit division of Trans Switch, as the Third Line of Defense; and
- The assessment of the information, information technology and information security policy in place.

15. SHAREHOLDER COMMUNICATIONS

It will be the policy 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 a 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 2022:

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 maintaining 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.

Statement of Compliance to Code

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

Name of Public Interest Entity ('PIE'):	Trans Switch Africa Holdings Ltd
Reporting Period:	1 July 2022 to 30 June 2023

For the year under review, We, the directors of Trans Switch Africa Ltd, confirm that the company has complied with the Code of Corporate Governance of Mauritius in most respects, save that:

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 Board of directors has advised that the reason why the role of the chairperson is not separate from that of the CEO is on the grounds that the Company is a holding company, the latter 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.

The Board of directors has advised that as the Company has only one active major subsidiary, with a small professional team, as at today's date, it intends to develop robust whistle-blowing rules and procedures as soon as it develops further, either through growth or acquisition, and intends to develop this in future reporting periods. The Board will also consider the implementation of an internal control policy framework.

Principle 6: Reporting with integrity
Statement that the annual report is published in full on the organisation's website.
As disclosed in the Corporate Governance Report, the Company has a website as at today's date and all such information is available both at the registered office and on the website.

Vaughan Heberden
Chairperson
Date: **9 October 2023**

AUDITED FINANCIAL STATEMENTS


OCT NOV DEC
JUL JUN MAY APR

Corporate Information

		Date appointed
DIRECTORS	Deva Marianen	21-Apr-16
	Edward Vaughan Heberden	01-Jul-16
	Hendrik Petrus Barnhoorn	21-Oct-16
	Kim Tracy Setzkom	25-Feb-20
	Junaid Udhim (Resigned 08 Feb-22)	23-Sep-20

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

BDO & Co

10, Frere Felix De Valois 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 2023.

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 dividends for the year under review, (2022: Nil).

DIRECTORS

The directors in office during the period were as stated on page 29.

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 of the separate financial statements of the Company and the consolidated financial statements of the Group. These financial statements comprise of the statements of financial position at 30 June 2023, the statements of profit or loss and other comprehensive income, the statements of changes in equity and statements of cash flows for the period then ended and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and Companies Act 2021. The directors' responsibilities include designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of the consolidated and separate 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.

By order of the board

Director
Date: 9 October 2023

Secretary 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 2023.

SAFYR UTILIS CORPORATE AND TRUST SERVICES LTD
Company Secretary

Date: 9 October 2023

Independent Auditor’s Report

To the Shareholders of Trans Switch Africa Holdings Ltd

Report on the Audit of the Consolidated and Separate Financial Statements

OPINION

We have audited the consolidated financial statements of Trans Switch Africa Holdings Ltd and its subsidiaries (the "Group"), and the Company’s separate financial statements on pages 40 to 88 which comprise the consolidated and separate statements of financial position as at June 30, 2023, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements on pages 40 to 88 give a true and fair view of the financial position of the Group and of the Company as at June 30, 2023, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Mauritian Companies Act 2001.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the financial statements section of our report, including in relation to these matters.

KEY AUDIT MATTER	AUDIT RESPONSE
1 The Company - Assessment of impairment of investments in subsidiaries	
The Company carries its investments in subsidiaries at cost less impairment. At 30 June 2023, total investments amounted to USD 2,067,771 net of impairment. During the year, an impairment loss of USD (5,466,155) was recognised in profit or loss. In accordance with the requirements of AS 36 *Impairment of Assets,* Management assess at the end of each reporting period whether there is any indication that the investments in subsidiary companies reported in the separate financial statements may be impaired. If any such indication exists, management estimates the recoverable amount of the investments in subsidiary companies. The determination of the recoverable amount of the investment in subsidiary companies was one of the key judgmental areas in preparing the financial statements due to a combination of the significance of the investments and the inherent uncertainty in the assumptions supporting the recoverable amount of these investments. We therefore considered this to be a key audit matter.	Our audit procedures included amongst other the following: (a) We understood, assessed, and challenged management's process and methodology for assessing the indication for impairment, including gaining an understanding of the key controls around the impairment assessment process. (b) With the support of our Corporate Finance Team, we challenged the appropriateness of the impairment valuation method and assumptions used such as discount rates and growth rates, in deriving the discounted cash flow by comparing these assumptions to our internally derived expectations based on historical performance of the businesses as well as industry benchmark. (c) We verified the completeness, adequacy and relevance of the information presented to us. (d) We checked the mathematical accuracy of the model. (e) We performed sensitivity analysis on the main assumptions used to ensure the valuation arrived at is fair and reasonable. (f) We also reviewed and assessed the completeness of the disclosure in the financial statements for compliance with International Financial Reporting Standards.

Related Disclosures

Refer to note 6 (Investments in subsidiaries) and note 2.3(e) (accounting policy) of the accompanying financial statements.

KEY AUDIT MATTER	AUDIT RESPONSE
2 The Group - Goodwill impairment assessment	
The carrying value of goodwill is USD 1,537,672 net of impairment as at 30 June 2023. During the year, an impairment of USD (2,230,709) was recognised in profit or loss. Under IAS 36 Impairment of Assets, the Group is required to annually test the amount of goodwill for impairment. The recoverability of the carrying value of goodwill is determined with reference to its value-in-use, based on the cash flow forecasts for each cash-generating unit. There is estimation and judgement involved in the forecasting and discounting of future cash flows, with the future cash flows, growth rate and discount rates being the most significant assumptions influencing the valuation to determine if any impairment is required in terms of IFRS. As the goodwill balance is material to the Group and significant judgement is exercised by the directors in evaluating the valuation of the goodwill, the evaluation of goodwill for possible impairment is considered to be a key audit matter. **Related Disclosures** Refer to note 7 (Intangible assets) and note 2.3(a) (accounting policy) of the accompanying financial statements.	In evaluating goodwill for impairment, we reviewed the impairment assessment, as prepared by management with our internal expert. We performed various procedures, including the following: (a) evaluated the Group's valuation models and the principles and integrity of the models. (b) With the support of our Corporate Finance Team, we challenged the appropriateness of the impairment valuation method and assumptions used such as discount rates and growth rates, in deriving the discounted cash flow by comparing these assumptions to our internally derived expectations based on historical performance of the businesses as well as industry benchmark. (c) tested of inputs into the cash flow forecast against historical performance and in comparison, to the Group's strategic plans. (d) compared the growth rates used to historical performance. (e) tested the assumptions used to calculate the discount rates and recalculating those rates taking into account external market factors. (f) tested the integrity and mathematical accuracy of the impairment model. (g) considered the sensitivity of the impairment testing model to changes in key assumptions. (h) assessed the adequacy of the Group's disclosures in respect of goodwill with reference to applicable accounting standards. Based on the results of the above procedures, we consider the assumptions used in the valuation models to be appropriate and the disclosures in relation to the goodwill balance to be appropriate

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated and separate financial statements and our auditor's report thereon.

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

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

Responsibilities of Directors and Those Charged with Governance for the Consolidated and Separate Financial Statements

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

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

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 based on these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment 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 and the Company's internal control.

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS MAURITIAN COMPANIES ACT 2001

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

We have no relationship with, or interests in, the Company and its subsidiaries, other than in our capacity as auditor, business advisers and dealings in the ordinary course of business.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Other Matter

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

BDO &Co

BDO & CO
Chartered Accountants
Port Louis,
Mauritius.

Date: 9 October 2023

Rookaya Ghanty, FCCA
Licensed by FRC

Statements of Profit or Loss and Other Comprehensive Income

		THE GROUP		THE COMPANY	
	Notes	**2023**	2022	**2023**	2022
		USD	USD	**USD**	USD
Income					
Dividend income	16	**34,607**	64,267	**1,502,176**	350,000
Revenue from services	16	**1,278,031**	523,217	**-**	-
Other income	17	**22,411**	6,260	**16,767**	-
Total income		**1,335,049**	593,744	**1,518,943**	350,000
Fair value gain/(loss) on investments	4	**1,224,466**	(2,964,939)	**1,038,644**	-
Expenses	19				
Other expenses		**199,660**	238,415	**57,380**	42,606
Administrative expenses		**473,255**	409,546	**121,170**	69,403
Total expenses		**672,915**	647,961	**178,550**	112,009
Impairment on goodwill	7	**(2,230,709)**	-	**-**	-
Impairment of investment in subsidiary	6	**-**	-	**(5,466,155)**	-
Finance cost	18	**-**	(8,457)	**-**	-
(Loss)/profit before tax		**(344,109)**	(3,027,613)	**(3,087,118)**	237,991
Income tax expense	15	**(185,661)**	(50,603)	**(6,094)**	-
(Loss)/profit for the year		**(529,770)**	(3,078,216)	**(3,093,212)**	237,991
Other comprehensive income					
Fair value gain	5	**315,145**	209,673	**315,145**	209,673
Currency translation difference		**(6,828)**	-	**-**	-
Other comprehensive income		**308,317**	209,673	**315,145**	209,673
Total comprehensive (loss)/income for the year		**(221,453)**	(2,868,543)	**(2,778,067)**	447,664
Loss per share	12	**(0.02)**	(0.14)		

The notes on pages 50 to 87 form an integral part of these financial statements.

Auditor's report on pages 40 to 45.

Statement of Financial Position

	Notes	THE GROUP 2023 USD	THE GROUP 2022 USD	THE COMPANY 2023 USD	THE COMPANY 2022 USD
ASSETS					
Non-current assets					
Financial assets at fair value through profit or loss	4	**10,622,463**	9,394,979	**10,609,029**	-
Equipment	8	**808**	1,312	**-**	-
Financial assets at fair value through other comprehensive income	5	**624,818**	309,673	**624,818**	309,673
Investment in subsidiaries	6	**-**	-	**2,067,771**	16,007,710
Intangible assets	7	**2,115,854**	3,768,381	**-**	-
		13,363,943	**13,474,345**	**13,301,618**	**16,317,383**
Current assets					
Trade and other receivables	9	**310,855**	198,224	**64,309**	37,679
Financial assets at amortised cost	9A	**-**	-	**137,975**	127,975
Cash and cash equivalents	10	**670,966**	738,813	**333,814**	94,175
		981,821	937,037	**536,098**	259,829
Total assets		**14,345,764**	14,411,382	**13,837,716**	16,577,212
EQUITY AND LIABILITIES					
Equity					
Share capital	11	**22,000,100**	22,000,100	**22,000,100**	22,000,100
Retained loss		**(8,579,737)**	(8,049,967)	**(8,735,394)**	(5,642,182)
Currency translation reserves		**(6,828)**	-	**-**	-
Other reserves		**524,818**	209,673	**524,818**	209,673
Total equity		**13,938,353**	14,159,806	**13,789,524**	16,567,591
Non-current liabilities					
Borrowings	13	**122,365**	131,306	**-**	-
Current liabilities					
Borrowings	13	**-**	-	**8,500**	-
Other payables	14	**114,768**	94,955	**39,692**	9,621
Current tax liabilities	15	**170,278**	25,313	**-**	-
		285,046	120,270	**48,192**	9,621
Total equity and liabilities		**14,345,764**	14,411,382	**13,837,716**	16,577,212

The notes on pages 50 to 87 form an integral part of these financial statements.
Auditor's report on pages 40 to 45.
Signed on behalf of the Board

Director
Deva Marianen
Date: 9 October 2023

Henk Barnhoorn
Director
Hendrik Petrus Barnhoorn

Statement of Changes in Equity

THE GROUP	Stated capital	Retained loss	Currency translation reserves	Other reserves	Total equity Attributable to equity holders	NCI	Total
	USD	USD	USD	USD	USD	USD	USD
At 1 July 2021	22,000,100	(4,961,758)	-	-	17,038,342	(9,993)	17,028,349
Change in shareholding not resulting in loss of control	-	(9,993)	-	-	(9,993)	9,993	-
Other comprehensive income	-	-	-	209,673	209,673	-	209,673
Loss for the year	-	(3,078,216)	-	-	(3,078,216)	-	(3,078,216)
At 30 June 2022	22,000,100	(8,049,967)	-	209,673	14,159,806	-	14,159,806
At 1 July 2022	**22,000,100**	**(8,049,967)**	**-**	**209,673**	**14,159,806**	-	**14,159,806**
Other comprehensive income		**-**	**(6,828)**	**315,145**	**308,317**	-	**308,317**
Loss for the period	**-**	**(529,770)**	**-**	**-**	**(529,770)**	-	**(529,770)**
At 30 June 2023	**22,000,100**	**(8,579,737)**	**(6,828)**	**524,818**	**13,938,353**	-	**13,938,353**

THE COMPANY	Stated capital	Retained loss	Other reserves	Total
	USD	USD	USD	USD
At 1 July 2021	22,000,100	(5,404,191)	-	16,595,909
Loss for the year	-	(237,991)	-	(237,991)
Other comprehensive income	-	-	209,673	209,673
At 30 June 2022	22,000,100	(5,642,182)	209,673	16,567,591
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	**-**	**-**	**315,145**	**315,145**
At 30 June 2023	**22,000,100**	**(8,735,394)**	**524,818**	**13,789,524**

Statement of Cash Flows

	Note	THE GROUP 2023 USD	THE GROUP 2022 USD	THE COMPANY 2023 USD	THE COMPANY 2022 USD
Operating activities					
Loss before tax		**(344,109)**	(3,027,613)	**(3,087,118)**	237,991
Adjustment for:					
Interest income	17	**(7,304)**	(1,268)	**(6,469)**	-
Dividend income	2.3 (c)	**(34,607)**	(64,267)	**(1,502,173)**	(350,000)
Impairment of goodwill	7	**2,230,709**	-	**-**	-
Impairment of investment in subsidiary	6	**-**	-	**5,466,155**	-
Interest expense	18	**-**	8,457	**-**	-
Depreciation on equipment	8	**504**	210	**-**	-
Amortisation of intangible	7	**108,061**	-	**-**	-
Fair value gain/(loss) on investments	4	**(1,224,466)**	2,964,939	**(1,038,644)**	-
Working capital adjustments:					
Change in trade and other receivables		**(119,461)**	(15,703)	**(36,630)**	(8,560)
Change in other payables		**19,813**	16,777	**29,971**	2,747
Cash generated from/(used in) operating activities		**629,140**	(118,468)	**(174,908)**	(117,823)
Dividend received		**-**	-	**625,532**	350,000
Tax paid	15	**(40,696)**	(30,996)	**(6,094)**	-
Net cash from/ (used in) operating activities		**588,444**	(149,464)	**444,530**	232,177
Investing activities					
Purchase of equipment	8	**-**	(1,522)	**-**	-
Development of software	7	**(686,243)**	-	**-**	-
Addition of financial assets at fair value through profit or loss	4	**(5,011,715)**	5,296,713)	**(4,307,318)**	-
Disposal of financial assets at fair value through profit or loss	4	**5,008,697**	3,498,527	**4,087,460**	-
Acquisition of investment in cell captive	5	**-**	(100,000)	**-**	(100,000)
Dividend received	2.3 (c)	**34,607**	64,267	**-**	-
Interest received	16	**7,304**	1,268	**6,469**	-
Loan to subsidiary		**-**	-	**-**	(70,000)
Net cash used in investing activities		**(647,350)**	(1,834,173)	**(213,389)**	(170,000)
Financing activities					
Loan repaid	13(a)	**(8,941)**	(13,869)	**-**	-
Interest paid		**-**	(8,457)	**-**	-
Loan from subsidiary	13(a)	**-**	-	**8,500**	-
Net cash (used in)/from financing activities		**(8,941)**	(22,326)	**8,500**	-
Net (decrease)/increase in cash and cash equivalents		**(67,847)**	2,005,963	**239,641**	62,177
Cash and cash equivalents at beginning of year	10	**738,813**	2,744,776	**94,175**	31,998
Cash and cash equivalents at 30 June	10	**670,966**	738,813	**333,814**	94,175

The notes on pages 50 to 87 form an integral part of these financial statements.
Auditor's report on pages 40 to 45.

1 LEGAL FORM AND PRINCIPAL ACTIVITY

Trans Switch Africa Holdings Ltd (the "Company") has been 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.

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 Company and its subsidiaries for the year ended 30 June 2023 were authorised for issue on the date the financial statements were approved by the Directors as stamped on the statement of financial position.

2 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 Companies Act 2001.

The financial statements have been prepared on a historical cost basis except that financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss are stated at fair value and relevant financial assets and financial liabilities are carried at amortised cost.

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

The financial statements are prepared on a going concern basis. Where necessary, the comparative figures have been amended to conform with change in presentation in the current year.

2.2. BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Group and its subsidiary as at 30 June 2023. 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) 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.

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.

b) Foreign currencies

The financial statements are presented in USD, which is also the Company's functional 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).

c) Revenue recognition

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.

Revenue from Fraud Management Services, ATM and card transaction services and Management fees and other services

The Group provides electronic payment services with bank institution in Angola. The scope of the

services comprise of card services, account hosting services and fraud management services. Revenue from providing services is recognised overtime in the accounting period in which the services are rendered. Performance obligation is satisfied, and revenue is recognised as and when the service is being provided.

Revenue is computed based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided, because the customer receives and uses the benefits simultaneously. For card account hosting fee, this is determined based on the number of accounts for active, dormant and close cards accounts. For account hosting services and ATM transaction the fee is determined based on the transaction volume. For fraud monitoring services, this is determined based on the monthly usage and administration and fraud event.

Customers are invoiced on a monthly basis and consideration is payable when invoiced. Revenue is recognised overtime.

Licence fee income and software development income

The Group recognizes as income the license fees it receives at the times the initial fees are due (Software development income) and subsequent fees are due (Licence fee income), as stipulated in the license agreements. Software development is recognised at a point in time and licence fees are recognised over-time. For License fee income, invoicing is made monthly and performance obligation is satisfied and revenue is recognised as and when the service is being provided.

License maintenance fee income

The Group recognizes as income the annual license maintenance fees at the end of each financial year, on a pro rata basis for each specific license agreement. For License maintenance fee income, invoicing is made on a monthly basis. Performance obligation is satisfied, and revenue is recognised as and when the service is being provided.

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

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.

d) 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,

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.

e) 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 subsidiary 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.

f) 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 (see (iv) below).

(i) Amortised cost and effective interest method

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

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 investment's 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 amortised cost.
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations.
- An actual or expected significant deterioration in the operating results of the debtor.
- Significant increases in credit risk on other financial instruments of the same debtor.
- 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.

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.

Financial liabilities

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

Financial liabilities measured subsequently at amortised 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.

g) 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.

h) 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.

i) Stated Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new

j) 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.

k) Equipments

Equipments 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 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.

Equipments are initially measured at cost.

Cost includes costs incurred initially to acquire an item of 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 equipment, the carrying amount of the replaced part is derecognised.

Equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the company.

The useful lives of items of equipment have been assessed as follows:

Item	Useful Life
Computer Equipment	3 Years

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

An item of 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 equipments, 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.

2.4. STANDARDS, AMENDMENTS TO PUBLISHED STANDARDS AND INTERPRETATIONS EFFECTIVE IN THE REPORTING PERIOD

IFRS 1 First-time Adoption of International Financial Reporting Standards

Annual Improvements to IFRS Standards 2018-2020: Extension of an optional exemption permitting a subsidiary that becomes a first-time adopter after its parent to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs. A similar election is available to an associate or joint venture. The amendments have no impact on the Group's financial statements.

IFRS 3 Business Combinations

Reference to the Conceptual Framework: The amendment updates a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations. The amendments have no impact on the Group's financial statements.

IFRS 9 Financial Instruments

Annual Improvements to IFRS Standards 2018-2020: The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability. The amendments have no impact on the Group's/Company's financial statements. The amendments have no impact on the Group's financial statements.

IAS 16 Property, Plant and Equipment

Property, Plant and Equipment: Proceeds before Intended Use: The amendments prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss. The amendments have no impact on the Group's financial statements.

IAS 37 Provisions, Contingent Liabilities and Contingent Assets

Onerous Contracts-Cost of Fulfilling a Contract: The amendments specify which costs should be included in an entity's assessment whether a contract will be loss-making. The amendments have no impact on the Group's financial statements.

IAS 41 Agriculture

Annual Improvements to IFRS Standards 2018-2020: The amendment removes the requirement for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. The amendments have no impact on the Group's financial statements.

2.5. STANDARDS, AMENDMENTS TO PUBLISHED STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 1, 2023, or later periods, but which the Company has not early adopted.

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

Effective date January 1, 2023

IFRS 17 Insurance contracts

IFRS 17 creates one accounting model for all insurance contracts in all jurisdictions that apply IFRS. IFRS 17 requires an entity to measure insurance contracts using updated estimates and assumptions that reflect the timing of cash flows and take into account any uncertainty relating to insurance contracts. The financial statements of an entity will reflect the time value of money in estimated payments required to settle incurred claims. Insurance contracts are required to be measured based only on the obligations created by the contracts. An entity will be required to recognise profits as an insurance service is delivered, rather than on receipt of premiums. This standard replaces IFRS 4-Insurance Contracts.

IAS 1 Presentation of Financial Statements

Disclosure of Accounting Policies: The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies, with additional guidance added to the Standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material.

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

Definition of Accounting Estimates: The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The requirements for recognising the effect of change in accounting prospectively remain unchanged.

IAS 12 Income Taxes

Deferred Tax related to Assets and Liabilities arising from a Single Transaction: The amendment clarifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations, by clarifying when the exemption from recognising deferred tax would apply to the initial recognition of such items.

IAS 12 Income Taxes

International Tax Reform — Pillar Two Model Rules: The amendments provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes.

<u>Effective date January1, 2024</u>

IAS 1 Presentation of Financial Statements

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

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

IFRS 16 Leases

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

IAS 7 Statement of Cash Flows & IFRS 7 Financial Instruments: Disclosures

Supplier Finance Arrangements: The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.

<u>The effective date of this amendment has been deferred indefinitely until further notice.</u>

IFRS 10 Consolidated Financial Statements:

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

IAS 28 Investments in Associates and Joint Ventures:

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

Where relevant, the Group 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) Financial assets at fair value through other comprehensive income

The Group has Level 3 financial assets classified as fair value through other comprehensive income. Judgments are involved in the determining the classification of these financial assets. Please refer to note 5 for judgements used in arriving at the current classification as fair value through Other Comprehensive Income.

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.

c) Financial assets at fair value through profit or loss

The Group has some Level 3 financial assets classified as fair value through profit or loss. The valuation of financial assets is determined by the Group based on net asset value.

d) Investment in subsidiary

The fair value of investment in a subsidiary company is determined by the Group using discounted cash flow valuation which involve the use of judgement and estimates and adjusted for net asset. Changes in assumptions about these factors could affect the reported fair value of investments.

e) Goodwill

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

f) Financial assets at fair value through other comprehensive income

The Group has Level 3 financial assets classified as fair value through other comprehensive income. The valuation of these financial assets involves the use of estimates. Please refer to note 5 for estimates used in the valuation.

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) 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.

	2023	2022
	USD	USD
At 1 July	**9,394,979**	10,561,732
Additions	**5,011,715**	5,296,713
Disposal	**(5,008,697)**	(3,498,527)
Fair value gain/(loss)	**1,224,466**	(2,964,939)
At 30 June	**10,622,463**	9,394,979

	THE COMPANY	
	2023	2022
	USD	USD
At 1 July	**-**	-
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	**(4,087,460)**	-
Additions	**4,307,318**	-
Fair value gain	**1,038,644**	-
At 30 June	**10,609,029**	-

Transfer of Investment Portfolio from Afriswitch Ltd

(i) During the year, AfriSwitch Ltd, a wholly-owned subsidiary of Trans Switch Africa Holdings Ltd, made a capital reduction after which the investments held by Trans Switch Africa Holdings Ltd in AfriSwitch Ltd was reduced (but shareholding remained at 100%). In consideration for the capital reduction, AfriSwitch Ltd gave Trans Switch Africa Holdings Ltd its shares held in Anchor Capital (Mauritius) Ltd and PSG Asset Management. Given that the value of the shares given were more than the amount of capital reduction, the excess has been treated as Dividend in species. Please refer to note 6 for the effect of capital reduction on investment in subsidiary.

THE GROUP

Name of the company	Country of incorporation	Number of units 30 June 2023	Price as at 30 June 2023	2023
PSG Wealth Global Flexible FOF (USD) Sub Fund A Class	Guernsey	**1,162,020**	**2.59**	**3,011,608**
PSG Wealth Global Creator FOF (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**	**13,434**
				10,622,463

Name of the company	Country of incorporation	Number of units 30 June 2022	Price as at 30 June 2022	2022
PSG Wealth Global Flexible FOF (USD) IC Limited	Guernsey	2,574,747	2.23	5,736,868
Anchor Capital (Mauritius) Ltd *	Mauritius	395,783	8.86	3,507,054
Old Mutual Duration Fund	Mauritius	1,510	100.53	151,057
				9,394,979

* 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.

(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

		2023	
	USD	**USD**	**USD**
Financial assets at fair value through profit or loss	**10,609,029**	**13,434**	**10,622,463**
		2022	
	USD	USD	USD
Financial assets at fair value through profit or loss	9,243,922	151,057	9,394,979

THE COMPANY

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

The Old Mutual Investment is not quoted and therefore classified as Level 3 for disclosure purposes.

THE GROUP

Movement in level 3 is as follows:	**Level 3**
Opening balance	**USD**
Additions	151,057
Disposal	2,377
Closing balance	(140,000)
	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	
	2023	2022	**2023**	2022
	USD	USD	**USD**	USD
Opening balance	**309,673**	-	**309,673**	-
Acquisition of investment	**-**	100,000	**-**	100,000
Change in fair value	**315,145**	209,673	**315,145**	209,673
Closing balance at 30 June	**624,818**	309,673	**624,818**	309,673

The Group participates in insurance activities through cell captive insurance companies. 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 cells 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.

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.

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

	2022	
	Level 3	Total
	USD	USD
Financial assets at fair value through other comprehensive income	309,673	309,673

The investment in cell is measured at fair value by discounting future cash flows. During 2023 the fair value measurement methodology was amended to better reflect the value of the individual revenue stream at individual discount rate. In addition,a terminal value beyond 5-years forecast period was included at arriving at the valuation and thus classified as level 3 under IFRS13 fair value Measurement hierarchy. Unobservable input include discount rate and premiun income. If all of the unobservable inputs were simultaneously 10% higher/(lower) while other variables were held constant, the carrying amount of investment for the Group would increase/(decrease) by:

Fair value of Cell captive	**Significant unobservable in puts**	**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 ZAR 3 million to ZAR 4 million	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	
	2023	2022
Unquoted - at cost	**USD**	USD
At 1 July	**16,007,710**	16,007,709
Capital reduction by subsidiary (i), (Note 4)	**(8,473,884)**	-
Disposal (i)	**(7,533,826)**	-
Addition (i)	**7,533,926**	1
Impairment	**(5,466,155)**	-
At 30 June	**2,067,771**	16,007,710

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

							Proportion of ownership interest			
		Class of	Year		Stated	Country of	2023		2022	
Name of company	**Principal activities**	**share held**	**end**	**FCY**	**Capital**	**incorporation**	**Direct**	**Indirect**	**Direct**	**Indirect**
Trans Switch Africa Group Limited	Investment Holding	Ordinary	Jun-30	USD	7,533,927	Mauritius	**100%**	**-**	**-**	**-**
AfriSwitch Ltd	Investment Holding	Ordinary	Jun-30	USD	7,520,325	Maurtiius	**-**	**100%**	**100%**	**-**
Vivere Global Ltd	Verification Services	Ordinary	Jun-30	USD	13,501	Mauritius	**-**	**100%**	**100%**	**-**
Blue Saphire SA	Holding the Intellectual Property rights to custom software used in the financial services industry	Ordinary	Jun-30	EUR	1	Luxemborg	**-**	**100%**	**100%**	**-**

(i) There has been a restructuring during the year whereby Trans Switch Africa Holdings Ltd has incorporated a new wholly owned subsidiary, Trans Switch Africa Group Limited. All the wholly owned subsidiary of Trans Switch Africa Holdings Ltd (namely AfriSwitch Ltd, Vivere Global Ltd, Blue Saphire SA) was then transferred to Trans Switch Africa Group Limited in exchange for shares in 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.

7 INTANGIBLE ASSETS

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 June 30, 2023	1,537,672	578,182	2,115,854

2022	Goodwill
COST	**USD**
At 1 July, 2021 and 30 June, 2022	12,974,486
AMORTISATION AND IMPAIRMENT	USD
At 1 July, 2021 and 30 June, 2022	9,206,105
NET BOOK VALUE	
At 1 July, 2021 and 30 June, 2022	3,768,381

(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 AfriSwitch Ltd, an indirect subsidiary (2022: direct subsidiary), which arose on acquisition of the then subsidiary in 31 October 2016 and 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 assumption:

Growth rate

Growth rate of 6% (2022: 6%) used on current business and zero applied on future business. The rate is based on forecasted inflation, country specific risk factors and forecasted GDP growth.

7 INTANGIBLE ASSETS (CONTINUED)

Terminal growth rate

Terminal growth rate of 6% (2022: 6%) 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 June 30, 2023 is conservatively applied at 19% for current business operations (2022: 19 % for current business and 24% for future business). 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 assumption

The recoverable amount is most sensitive to the discount rate.

Following this exercise, impairment of USD 2,230,709 was recognised during the year ended June 30, 2023 (2022 : Nil).

Goodwill was impaired since the current valuation of AfriSwitch Ltd, using the discounted cash flow model, was based on the value of the business in relation to current client, but excludes the value added by future clients since although there are prospects the company plans to pursue, at year end no future contracts were signed.

8 Equipments

	THE GROUP					
Equipments as follows:	**2023**			**2022**		
	Cost	**Accumulated depreciation**	**Carrying Value**	Cost	Accumulated depreciation	Carrying Value
	USD	**USD**	**USD**	USD	USD	USD
Computer equipment	**1,522**	**714**	**808**	1,522	210	1,312
	1,522	**714**	**808**	1,522	210	1,312

Reconciliation of equipments

	THE GROUP						
	2023			**2022**			
	Opening balance	**Depreciation**	**Closing balance**	**Opening balance**	**Addition**	**Depreciation**	**Closing balance**
Computer equipment	**1,312**	**504**	**808**	-	1,522	(210)	1,312
	1,312	**504**	**808**	**-**	1,522	(210)	1,312

9 TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	USD	USD	**USD**	USD
Trade receivables	**235,135**	169,857	**-**	-
Receivable from related party (Note 23)	**40,338**	14,072	**48,888**	31,044
Prepayments	**35,382**	14,295	**15,421**	6,635
	310,855	198,224	**64,309**	37,679

(a) THE GROUP

Exposure to credit risk

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.

The Company 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. 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 Company 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 loss allowance provision is determined based on the following:

Country rating: CCC+ for Angola and BAA for Mauritius

Probability of default (PD): S&P rating matrix

Loss given for default (LGD): Basel

Long outstanding debt was collected shortly after year end.

	2023	**2023**	2022	2022
	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
Less than 30 days past due	**118,811**	-	44,979	-
31-60 days past due	-	-	44,991	-
61-90 days past due	-	-	-	-
91-120 days past due	-	-	-	-
121-150 days past due	-	-	-	-
151-180 days past due	-	-	-	-
Over 180 days	**116,324**	-	79,887	-
Total	**235,135**	-	169,857	-

(b) THE COMPANY

Exposure to credit risk

The amount receivable from related party (Note 22) relates to expense paid on behalf of holding company. 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 2023 is insignificant.

Other receivables are unsecured, interest free and are receivable on demand.

9A FINANCIAL ASSETS AT AMORTISED COST

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	USD	USD	**USD**	USD
Loans to related parties (Note 23)	**-**	**-**	**137,975**	127,975
	-	-	**137,975**	127,975

All of the financial assets at amortised cost are denominated in USD. The loan is interest free, unsecured and repayable upon demand. As a result, there is no exposure to foreign exchange risk. The company adopt a general approach to compute expected credit loss (ECL). The ECL as at 30 June 2023 is insignificant.

10 CASH AND CASH EQUIVALENTS

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2021
	USD	USD	**USD**	USD
Cash at bank	**570,335**	222,942	**233,183**	94,175
Short term investments*	**100,631**	515,871	**100,631**	-
	670,966	738,813	**333,814**	94,175

* This relates to the cash held by the brokers.

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

11 STATED CAPITAL

	THE GROUP AND THE COMPANY	
	2023	2022
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:

<u>Ordinary shares</u>	Number of shares	
	2023	2022
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 dividens authorised by the Board;

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

12 EARNINGS PER SHARE

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

	THE GROUP	
	2023	2022
	USD	USD
Loss for the year	**(529,770)**	3,078,216
Number of shares in issue	**22,000,100**	22,000,100
Basic loss/profit per share	**(0.02)**	0.14

13 BORROWINGS

	THE GROUP	
	2023	2022
Non-current	**USD**	USD
Loans	**122,365**	131,306

	THE COMPANY	
	2023	2022
	USD	USD
Current		
Loan from subsidiary (Note 23)	**8,500**	-

For the Group, the loans are unsecured, interest free and repayable after more than one year

For the Company, the loan is unsecured, interest free and repayable on demand.

The carrying amount of the borrowings approximates their fair values.

(a) Reconciliation of liabilities arising from financing activities

	THE GROUP		
	2022	Cashflows	**2023**
	USD	USD	**USD**
Borrowings	131,306	(8,941)	122,365

	THE COMPANY		
	2022	Cashflows	**2023**
	USD	USD	**USD**
Borrowings	-	8,500	8,500

14 OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	USD	USD	**USD**	USD
Other payables	**82,675**	76,996	**23,268**	101
Accruals	**32,093**	17,959	**16,424**	9,520
	114,768	94,955	**39,692**	9,621

Other payables are interest free, unsecured and payable on demand.

15 INCOME TAX

The Company, being the holder of a Global Business Licence, is liable to 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 2023, there was no chargeable income for the Company (2022: Nil).

15 INCOME TAX (CONTINUED)

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

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
Income tax expense	**USD**	USD	**USD**	USD
Current tax on the adjusted profit for the year at 15% (2022: 15%)	**177,030**	37,217	**-**	-
Withholding tax	**8,631**	13,386	**6,094**	-
	185,661	50,603	**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 2022 is as follows:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	USD	USD	**USD**	USD
Loss before tax	**(344,109)**	(3,027,613)	**(3,087,118)**	237,991
Income tax calculated at domestic tax rate of 15%	**(51,616)**	(454,142)	**(463,068)**	35,699
Impairment on investment	**-**	-	**819,923**	-
Exempt income	**(189,415)**	(14,322)	**(382,668)**	(52,500)
Expenses not allowable	**376,764**	503,561	**26,783**	16,801
Tax credit	**(3,507)**	(13,386)	**(970)**	-
Withholding tax	**8,631**	13,386	**6,094**	-
Unutilised tax losses	**1,761**	-	**-**	-
Utilisation of tax losses	**(57,037)**	-	**-**	-
Effect of different tax rate	**100,080**	-	**-**	-
TDS paid	**-**	15,506	**-**	-
Income tax expense	**185,661**	50,603	**6,094**	-

Tax liability

	THE GROUP	
	2023	2022
	USD	USD
At start	**(25,315)**	(5,709)
Tax charge for the year	**(177,030)**	(37,217)
Tax paid during the year	**40,696**	10,619
APS paid during the year	**(8,629)**	6,992
At end	**(170,278)**	(25,315)

16 REVENUE

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	USD	USD	**USD**	USD
Dividend income	**34,607**	64,267	**1,502,176**	350,000
Revenue from services:				
Licence fee and licence maintenance services	**654,457**	-	**-**	-
Software development	**74,477**			
Fraud management services	**96,864**	90,865	**-**	-
ATM and card transaction services	**320,553**	315,070	**-**	-
Management fees and other services	**131,680**	117,282	**-**	-
	1,312,638	587,484	**1,502,176**	350,000
Revenue is categorised as follows:				
Over-time	**1,203,554**	523,217	**-**	-
At a point in time	**109,084**	64,267	**1,502,176**	350,000
	1,312,638	587,48	**1,502,176**	350,000

17 OTHER INCOME

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	USD	USD	**USD**	USD
Interest income	**7,304**	1,268	**6,469**	-
Foreign exchange gain	**15,107**	4,992	**10,298**	-
	22,411	6,260	**16,767**	-

18 FINANCE COST

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	USD	USD	**USD**	USD
Interest paid	**-**	8,457	**-**	-
	-	8,457	**-**	-

19 EXPENSES

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
Other expenses	**USD**	USD	**USD**	USD
Bank charges	**6,060**	6,358	**662**	564
Other expenses	**-**	-	**2,999**	4,050
Exchange loss	**-**	71,375	**2**	-
	6,060	77,733	**3,663**	4,614
Professional fees				
Licence fees	**4,925**	2,400	**2,625**	2,400
Audit Fees	**36,516**	20,875	**13,755**	11,106
Legal and professional fees	**146,309**	132,307	**32,237**	19,386
Accounting fees	**5,850**	5,100	**5,100**	5,100
	193,600	160,682	**53,717**	37,992
Total other expenses	**199,660**	238,415	**57,380**	42,606
Administrative expenses				
Administration fee	**24,550**	21,800	**22,950**	21,800
Directors' fee	**28,495**	34,605	**28,495**	34,605
Secretarial fee	**-**	-	**1,300**	-
Amortization cost	**108,061**	-	**-**	-
Management fees	**22,763**	153,364	**-**	-
Annuity fees	**14,662**	14,498	**-**	-
Service fees	**99,452**	97,774	**-**	-
Incorporation fees	**2,100**	-	**-**	-
Insurance expenses	**-**	-	**5,648**	-
Travel expenses	**-**	1,553	**-**	-
Salaries	**145,254**	-	**-**	-
Depreciation	**504**	210	**-**	-
Other services	**27,414**	85,742	**62,777**	12,998
	473,255	409,546	**121,170**	69,403
Total Expenses	**672,915**	647,961	**178,550**	112,009

20 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.

(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.

THE GROUP

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

	2023		2022	
	Financial assets	**Financial liabilities**	Financial assets	Financial liabilities
	USD	**USD**	USD	USD
USD	**12,062,624**	**229,845**	10,367,250	117,126
EUR	**210,509**	**47,246**	260,079	109,137
CAD	**-**	**-**	65	-
	12,273,133	**277,091**	10,627,394	226,263

Financial assets comprise of:

THE GROUP - 2023	**USD**	**EUR**	**CAD**	**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	**624,819**	**-**	**-**	**624,819**
At amortised cost				
Trade and other receivables	**281,048**	**73,837**	**-**	**354,885**
Cash and cash equivalents	**534,294**	**136,672**	**-**	**670,966**
	12,062,624	**210,509**	**-**	**12,273,133**

THE GROUP - 2022	**USD**	**EUR**	**CAD**	**TOTAL**
Financial assets at fair value through profit or loss	9,394,979	-	-	9,394,979
Financial assets at fair value through other comprehensive income	309,673	-	-	309,673
At amortised cost				
Trade and other receivables	183,929	-	-	183,929
Cash and cash equivalents	478,669	260,079	65	738,813
	10,367,250	260,079	65	10,627,394

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Market risk

THE GROUP - 2022

Trade and other receivables exclude prepayments.

Financial liabilities comprise of:	**2023** USD	EUR	TOTAL
Borrowings	**127,716**	**-**	**127,716**
Other payables	**102,129**	**47,246**	**149,375**
	229,845	**47,246**	**277,091**

Financial liabilities comprise of:	**2022** USD	EUR	TOTAL
Borrowings	117,126	-	117,126
Other payables	-	109,137	109,137
	117,126	109,137	226,263

Sensitivity Analysis

Foreign currency sensitivity analysis

At June 30, 2023, if the Euro had weakened/strengthened by 5% (based on historical observations) against the US dollar, with all other variables held constant, post-tax profit for the year would not have been materially different.

THE COMPANY

All of the Company's financial assets and financial liabilities are denominated in USD.

Categories of financial instruments

For Company, financial assets at amortised cost comprise the following line items: Trade and other receivables (excluding prepayments) (note 9), cash and cash equivalents (note 10) and Financial assets at amortised cost (note 9A). 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).

(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 other receivables 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**	
	2023	2022	**2023**	2022
	USD	USD	**USD**	USD
Trade and other receivables	**275,473**	183,929	**48,888**	31,044
Financial assets at amortised cost	**-**	-	**137,975**	127,975
Cash and cash equivalents	**670,966**	738,813	**333,814**	94,175
	946,439	922,742	**520,677**	253,194

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

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(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 2021, based on contractual undiscounted payments:

	THE GROUP		**THE COMPANY**	
	2023	2022	**2023**	2022
	USD	USD	**USD**	USD
<u>More than 1 year</u>				
Borrowings	**122,365**	131,306	**-**	-
<u>Less than 1 year</u>				
Borrowings	**-**	-	**8,500**	-
Other payables	**114,768**	94,955	**39,692**	9,621
	114,768	94,955	**48,192**	9,621

(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 530k (2022:USD 426K)

21 FAIR VALUES OF FINANCIAL INSTRUMENTS

The Group's financial assets and liabilities include Trade and other receivables, cash and cash equivalents, financial assets at fair value through profit or loss, 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.

22 CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group'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 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 may adjust dividend payments to shareholders, return capital to shareholders or issue new shares.

22 CAPITAL MANAGEMENT (CONT'D)

The net debt-to-adjusted capital ratios at June 30, 2023 and at June 30, 2022 were as follows:

	THE GROUP		THE COMPANY	
	2023	2022	**2023**	2022
	USD	USD	**USD**	USD
Total debt	**122,365**	131,306	**8,500**	-
Less: cash and cash equivalents	**(670,966)**	(738,813)	**(333,814)**	(94,175)
	(548,601)	(607,507)	**(325,314)**	(94,175)
Total equity	**13,938,353**	14,159,806	**13,789,524**	16,567,591
Debt-to-equity ratio	**N/A**	N/A	**N/A**	N/A

23 RELATED PARTY DISCLOSURES

During the year ended 30 June 2023, 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 transaction**		**Amount receivable**		**Borrowings**	
		2023	2022	**2023**	2022	**2023**	2022
		USD	USD	**USD**	USD	**USD**	USD
Shareholder	Unpaid share capital	**-**	-	**100**	100	**-**	-
Shareholder	Expenses paid on behalf	**17,844**	10,454	**47,788**	30,944	**-**	-
Key management personnel	Director fees	**28,495**	34,605	**-**	-	**-**	-
Key management personnel	Service charges	**28,050**	26,900	**-**	-	**-**	-
Subsidiary - Vivere Global Ltd	Loan receivable and expenses paid on behalf	**10,000**	70,000	**137,975**	127,975	**-**	**-**
Subsidiary - AfriSwitch Ltd	Loan Payable	**8,500**	-	**-**	-	8500	**-**

THE GROUP

Relationship	**Nature of transaction**	**Volume of transaction**		**Amount receivable**	
		2023	2022	**2023**	2022
		USD	USD	**USD**	USD
Shareholder	Unpaid share capital	**-**	-	**100**	100
Shareholder	Expenses paid on behalf	**34,816**	13,972	**40,238**	13,972
Key management personnel	Director fees	**28,495**	34,605	**-**	-
Management Company	Service sharges	**28,050**	26,900	**-**	-

Terms and conditions of transactions with related parties

Outstanding balances at period end are unsecured and settlement occurs in cash. There have been no guarantees provided to or received from related parties at year end. For the year ended 30 June 2023, the Group and the Company have not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

24 SEGMENT INFORMATION

At Group level, the Company receives dividend income on its subsidiary which will be eliminated and one of the subsidiaries ("AfriSwitch Ltd") receives dividend income on its financial assets at fair value through profit or loss.

Also, AfriSwitch Ltd and Blue Saphire S.A receive income by the rendering of services. It is recognised at an amount that reflect the consideration to which the Company is expected to be entitled in exchange for transferring services to a customer.

The Company has only one segment and the information reported to the chief operating decision maker for the purpose of resource allocation and assessment is based on this segment. The information presented in the statement of financial position as at 30 June 2023 and in the statement of profit or loss and other comprehensive income for the year ended 30 June 2023 are those of the segment.

25. HOLDING COMPANY

The directors consider IT Novate Ltd, a company incorporated in the Republic of Mauritius as the Company's immediate holding company and Safyr Group Holdings Ltd as ultimate holding company.

26. POST BALANCE SHEET EVENT

Effective 01 August 2023, the Company acquired 100% shares in the South African based, Direct Transact Group Pty) Ltd, for an estimated consideration of USD 25 million. The newly acquired subsidiary is a developer and service provider of bespoke financial software solutions and is expected to significantly increased profits for the Group.

27 FINANCIAL SUMMARY

	2023	2022	2021
	USD	**USD**	**USD**
Statement of profit or loss			
Loss for the year	**(529,770)**	(3,078,216)	(2,223,764)
Loss attributable to owners of the Company	**(221,453)**	(2,868,543)	(2,220,352)
Other comprehensive income for the year	**308,317**	209,673	-
Total comprehensive loss for the year	**(221,453)**	(2,868,543)	(2,223,764)
Statement of financial position			
Non-current assets	**13,363,943**	13,474,345	14,330,114
Cash and cash equivalents	**670,966**	738,813	2,744,776
Other assets	**310,855**	198,224	182,521
Total assets	**14,345,764**	14,411,382	7,257,411
Total equity	**13,938,353**	14,159,806	17,028,349
Total liabilities	**407,411**	251,576	229,062
Total equity and liabilities	**14,345,764**	14,411,382	17,257,411

Administration

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 Tracey Setzkorn
Registered Office	C/o Safyr Utilis Fund Services Ltd 7th Floor, Tower 1 NeXTeracom Cybercity Ebene 72201 Republic of Mauritius
Telephone	+230 403 4250
Country of Incorporation	Republic of Mauritius
Commercial Bankers	Mauritius Commercial Bank Ltd
Auditors	BDO & Co. 10 Frere Felix De Valois Street Port Louis, Republic of Mauritius
Administration and Company Secretary	SAFYR UTILIS FUND SERVICES LTD 7th Floor, Tower 1, NeXTeracom Cybercity Ebene Republic of Mauritius

Note: # Independent Non-Executive Director

SPONSOR

SAFYR CAPITAL PARTNERS LTD
(SEM Authorized Representative)