

AFRICA CLEAN ENERGY SOLUTIONS LIMITED

Incorporated in the Republic of Mauritius
Registration number: 152282 C1/GBL
Having its registered office address at
c/o Intercontinental Trust Ltd, Level 3, Alexander House
35 Cybercity, Ebene 72201, Mauritius
SEM share code: ACES.N0000
ISIN: MU0620N00008
("ACES Renewables" or the "Company")
(ACES Renewables and its subsidiaries collectively referred to as the "Group")



ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS AND NINE MONTHS ENDED 31 MARCH 2023

We present the unaudited consolidated financial statements for the three months and nine months ended 31 March 2023.

These results are in line with the expectations of Management.

OVERVIEW

Andrew Cox, Chief Executive Officer, reports that the Group has been busy in the first six months of the new financial year. The continuing and worsening energy crisis in South Africa has resulted in a continued major mind-shift change with corporate decision makers in South Africa.

Our subsidiary company, SACE Projects, has been approached by a number of corporates, schools and a hospital group regarding the implementation of renewable energy solutions on their premises, in particular their roof-spaces. Although SACE Projects receive a number of enquiries, the competitive nature of the market has resulted in SACE Projects completing a roof top installation in the period under review and being appointed for two others to be completed in the current financial year.

The need for renewable energy has become the number one priority for many individuals and corporates in South Africa.

Since the previous announcement regarding our revised strategy to enter the ground-mounted solar space, SACE Projects have secured agreements for six parcels of land with energy connectivity on the sites to build solar plants of between 10MW and 100MW.

We have received interest from two large institutions, and a number of corporates and mining companies with the intention of forming partnerships. One of the interested parties has a trading license and would buy energy from our solar plants. The other financial institution requires the Group to develop the land to financial closure. The interest from the corporates and mining company is to enter into a 20 to 25 year power purchase agreement. In addition to any development fee income, SACE Projects would receive, by developing each of these sites, commercial interest in each project.

The enquiry received from the partners in Zambia to resuscitate the Zambian project is ongoing with positive responses are being received from Zesco.

The projects in Kenya and Uganda are on hold pending certain decisions by the authorities in those countries. Although enquiries were received to quote on three projects in Kenya, these opportunities are still some way off before conclusion.

Although it was expected to complete the Ugandan feasibility study by the second quarter of 2023 it does seem that the feasibility study will be delayed.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited as at 31 March 2023	Audited as at 30 June 2022
	US\$	US\$
ASSETS		
Non Current Assets		
Property, plant and equipment	106	297
Investment in associated company	321,820	321,820
Loans to related parties	1,732,249	1,785,542
Total non current assets	2,054,177	2,107,659
Current Assets		
Trade and other receivables	39,373	22,535
Loans to related parties	133,757	156,579
Cash and cash equivalents	15,369	4,238
Total current assets	188,499	183,352
Total assets	2,242,675	2,291,011
EQUITY AND LIABILITIES		
Equity		
Stated capital	3,407,721	3,407,721
Equity component of convertible loan	40,000	40,000
Foreign currency translation reserve	15,655	17,102
Accumulated loss	(2,921,222)	(2,568,352)
Equity attributable to owners of the parent	542,153	896,471
Non-controlling interest	(249,881)	(234,455)
Total equity	292,272	662,016
Non Current Liabilities		
Amounts payable to related parties	42,693	41,236
Current Liabilities		
Accruals and payables	1,781,906	1,549,006
Subscriptions paid in advance	101,307	-
Amounts payable to related parties	24,496	38,753
Total liabilities	1,950,403	1,628,995
Total equity and liabilities	2,242,675	2,291,011
Number of shares in issue	29,315,770	29,275,770
Net asset value per share	0.0185	0.0306

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Unaudited for the three months to 31 March 2023	Unaudited for the nine months to 31 March 2023	Unaudited for the three months to 31 March 2022	Unaudited for the nine months to 31 March 2022
	US\$	US\$	US\$	US\$
INCOME				
Interest on loan	43,898	124,674	45,410	138,088
Dividend income and management fees	58,746	180,102	11,891	35,593
Other income	-	-	3,785	3,850
Exchange gains	-	-	168,402	-
	102,644	304,775	229,487	177,531
EXPENSES				
Professional fees	(14,525)	(56,025)	4,963	(41,754)
Audit fees	(5,545)	(38,435)	(12,614)	(38,219)
Directors' fees	(132,750)	(367,250)	(80,500)	(241,500)
Dividends paid	-	-	-	(118,670)
Accounting fees	(14,707)	(42,906)	(15,829)	(50,490)
Legal fees	-	(3,298)	(5,394)	(8,779)
Interest expenses	(5,152)	(6,278)	(770)	(6,168)
Consulting fees	(73)	(214)	(80)	(24,214)
Bank charges	(533)	(2,027)	(568)	(2,584)
Loss on disposal of subsidiary	-	-	(23,807)	(23,807)
Exchanges loss	(56,683)	(143,925)	-	(81,200)
Other operating expenses	(1,359)	(12,716)	(14,899)	(19,397)
	(231,327)	(673,074)	(149,498)	(656,783)
Loss before taxation	(128,682)	(368,298)	79,989	(479,252)
Taxation	-	-	-	(16,332)
Loss for the period	(128,682)	(368,298)	79,989	(495,585)
Other comprehensive gain (loss) for the period	(7,838)	(1,447)	69,882	153,695
Total comprehensive loss for the period	(136,521)	(369,745)	149,871	(341,890)
Loss attributable to:				
Non-controlling interests	(5,227)	(15,427)	4,023	(124,790)
Owners of the company	(123,455)	(352,871)	75,966	(370,795)
	(128,682)	(368,298)	79,989	(495,585)
Total comprehensive gain (loss) attributable to:				
Non-controlling interests	-	-	18,641	253,695
Owners of the company	(136,521)	(369,745)	131,230	(595,585)
	(136,521)	(369,745)	149,870	(341,890)
Weighted average number of shares	29,282,437	29,282,437	29,275,770	29,275,770
Basic loss per share	(0.0047)	(0.0126)	0.0051	(0.0117)

CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited for the nine months to 31 March 2023	Unaudited for the nine months to 31 March 2022
	US\$	US\$
Net cash used in operating activities	(211,398)	(357,955)
Net cash flows from investing activities	164,297	846,095
Net cash flows used in financing activities	58,231	(580,844)
Net increase in cash and cash equivalents	11,130	(92,704)
Cash and cash equivalents at beginning of period	4,239	111,751
Cash and cash equivalents at end of period	15,369	19,047

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

2022	Stated capital	Equity component of convertible loan	Foreign currency translation reserves	Financial assets at fair value through other comprehensive income reserve	Accumulated loss	Equity attributable to owners of the company	Non-controlling interest	Total equity
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Balance at 01 July 2021	3,407,721	31,286	79,764	(93,066)	(1,654,286)	1,771,419	(48,346)	1,723,074
Loss for the period	-	-	-	-	(370,795)	(370,795)	(124,790)	(495,585)
Other comprehensive income	-	-	42,360	-	(142,360)	(100,000)	253,695	153,695
Total comprehensive gain (loss) for the period	-	-	42,360	-	(513,155)	(470,795)	128,905	(341,890)
Transfer to accumulated loss from financial assets at fair value through other comprehensive income	-	-	-	93,066	-	93,066	-	93,066
Equity component of convertible loan stock	-	8,714	-	-	-	8,714	-	8,714
Adjustment arising on disposal of subsidiary Equity investments	-	-	(39,570)	-	(84,013)	(123,583)	(310,096)	(433,679)
	-	-	-	-	13	13	-	13
Balance at 31 March 2022	3,407,721	40,000	82,554	-	(2,251,441)	1,278,834	(229,537)	1,049,297

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

2023	Stated capital	Equity component of convertible loan	Foreign currency translation reserves	Accumulated loss	Equity attributable to owners of the company	Non-controlling interest	Total equity
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Balance at 01 July 2022	3,407,721	40,000	17,102	(2,568,352)	896,471	(234,455)	662,016
Loss for the period	-	-	-	(352,871)	(352,871)	(15,427)	(368,298)
Other comprehensive income	-	-	(1,447)	-	(1,447)	-	(1,447)
Total comprehensive income for the period	-	-	(1,447)	(352,871)	(354,318)	(15,427)	(369,745)
Balance at 31 March 2023	3,407,721	40,000	15,655	(2,921,223)	542,153	(249,882)	292,271

NOTES:

- As at date of the present communique, the Company has 30,577,544 ordinary shares in issue. An additional 1,261,774 new ordinary shares were issued on 5 May 2023 by way of private placement.
- The Company is required to publish interim quarterly consolidated unaudited financial results in terms of the SEM Listing Rule 12.19.
- The abridged unaudited consolidated financial statements for the three months and nine months ended 31 March 2023 (“**abridged unaudited consolidated financial statements**”) have been prepared in accordance with the measurement and recognition requirements of IFRS, the information contained in IAS 34: Interim Financial Reporting, and the SEM Listing Rules using the same accounting policies as those of the audited consolidated financial statements for the year ended 30 June 2022.
- The abridged unaudited consolidated financial statements have not been reviewed or reported on by the Company’s external auditors. These abridged unaudited consolidated financial statements were approved by the Board of Directors on 04 May 2023.
- Copies of the abridged unaudited consolidated financial statements are available free of charge, upon request at the Registered Office of the Company at c/o Intercontinental Trust Limited, Level 3, Alexander House, 35 Cybercity, Ebene 72201, Mauritius.
- This communiqué is issued pursuant to SEM Listing Rules 11.3 and 12.20. The Board accepts full responsibility for the accuracy of the information contained in this communiqué. Contact person: Mrs. Toorisha Nakey-Kurnauth.

By order of the Board

Intercontinental Trust Limited
Company Secretary

05 May 2023

For further information, please contact:

SEM Authorised Representative & Sponsor



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Company Secretary



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