

ABRIDGED AUDITED REPORTS FOR YEAR ENDED 30 JUNE 2021

STATEMENT OF FINANCIAL POSITION

	As at 30 Jun 2021	As at 30 Jun 2020
	Audited	Audited
	USD	USD
ASSETS		
Non-current assets	14,330,114	10,850,983
Current assets	2,927,297	8,633,658
Total assets	17,257,411	19,484,641
EQUITY		
Stated capital	22,000,100	22,000,100
Accumulated losses	(4,961,758)	(2,741,406)
Equity holder interest	17,038,342	19,258,694
Non-controlling interest	(9,993)	(6,581)
Total equity	17,028,349	19,252,113
LIABILITIES		
Non-current liabilities	145,175	176,075
Current liabilities	83,887	56,453
Total liabilities	229,062	232,528
Total equity and liabilities	17,257,411	19,484,641

STATEMENT OF CHANGES IN EQUITY

Stated Capital	Accumulated losses	Total equity attributable to equity holders	Non-controlling interest	Total
USD	USD	USD	USD	USD
22,000,100	3,273,880	25,273,980	(9,769)	25,264,211
-	-	-	-	-
-	(9,840)	(9,840)	9,840	-
-	(6,005,446)	(6,005,446)	(6,652)	(6,012,098)
22,000,100	(2,741,406)	19,258,694	(6,581)	19,252,113
22,000,100	(2,741,406)	19,258,694	(6,581)	19,252,113
-	(2,220,352)	(2,220,352)	(3,412)	(2,223,764)
22,000,100	(4,961,758)	17,038,342	(9,993)	17,028,349

At 1 July 2019
Issue of share to minority
Change in shareholding not resulting in loss of control
Profit/Total comprehensive income for the year
At 30 June 2020
At 1 July 2020
Change in shareholding not resulting in loss of control
Total comprehensive loss for the year
At 30 June 2021

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Year ended 30 Jun 2021	Year ended 30 Jun 2020
	Audited	Audited
	USD	USD
Revenue from services	499,471	488,561
Dividend income	24,713	-
Expenses	(740,274)	(317,999)
Operating (loss)/profit	(216,092)	170,562
Fair value gain/(loss) on investments	1,051,904	(120,367)
Impairment on Goodwill	(3,200,314)	(6,058,719)
Other income	152,252	6,026
Finance cost	(2,593)	-
Loss before tax	(2,214,843)	(6,002,498)
Income tax expense	(8,221)	(9,600)
Loss for the year	(2,223,764)	(6,012,098)
Attributable to:		
Owners of the parent	(2,220,352)	(6,005,446)
Non-controlling interest	(3,412)	(6,652)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(2,223,764)	(6,012,098)
Loss per share	(0.10)	(0.27)

COMMENTS

1. LEGAL STATUS AND BUSINESS ACTIVITY

Trans Switch Africa Holdings Ltd is a Public Company, incorporated on 21 April 2016, holding a Global Business Licence Category 1 and was listed on the SEM on 06 February 2018. The Company's registered office is c/o SAFYR UTILIS FUND SERVICES LTD, 7th Floor, Tower 1, NeXTeracom, Cybercity, Ebene, 72201, Mauritius. The principal activity of the Company is that of an investment holding company.

2. NET ASSET VALUE ("NAV")

The NAV per share at 30 June 2021 decreased to USD 0.77 (at 30 June 2020 USD 0.87).

3. DIVIDEND

No dividend has been declared nor recommended for the year under review.

4. COMMENTARY

The loss for the year decreased from USD 6 million in the previous year to USD 2.2 million in the current year predominantly as a result of a lower impairment of goodwill in the current year. The Group operational (loss)/profit for the year decreased mainly as a result of increased expenditure incurred in investigating new market opportunities. The fair value movement in the market value of the portfolio of investments increased to USD 1 million compared to a loss last year as a result of the performance in the general equity market to which the portfolio is exposed. The Group tested for the impairment of goodwill, inclusive of the effects of Covid-19, and an impaired loss of USD 3.2 million was recognised for the year under review.

COVID-19

As at June 30, 2021, a great number of cases of the Covid-19 virus had been reported to the World Health Organisation. Following the widespread global outbreak of the virus, on March 11, 2020, the World Health Organisation declared the COVID-19 outbreak to be a pandemic. The identification of the virus post March 2020 and its subsequent spread, is considered an event with much uncertainty and the real impact world wide. There are meaningful direct and indirect effects developing with companies across multiple industries around the world.

As at the date of this report, it is not possible to reliably estimate the full financial effect (if any) of the virus on the company's operations. The Board of Directors will continue to monitor the impact COVID-19 has on the Group and reflect the consequences as appropriate in the subsequent accounting and reporting periods.

Going Concern

Covid-19 does have an impact on the trading environments of the Group customers with the Group continuously assessing the situation. The Group's solvency and liquidity basis is sound with a portion of the assets still in cash with nearly no liabilities. There is no indication that the Group will not be able to pay its liabilities as they fall due and that the going concern status will change in the foreseeable future.

With regards to the Company, dividends are expected to be received from a subsidiary company. As such management believe that the company will be able to settle its liabilities as they fall due. The Company currently holds 100% equity in Afriswitch Limited ('Afriswitch'), 100% equity in Blue Sapphire S.A. ('Blue Sapphire') and 80% equity in Identity International Ltd ('Identity').

Business Activity of Afriswitch

The principal activity of Afriswitch is an investment holding and it also provide services to the banking, retail and corporate industry, offering a turnkey solution relating to any form of electronic transaction processing and account hosting services.

Business Activity of Blue Sapphire

Blue Sapphire holds the intellectual property rights to certain software used in the financial services industry. This software is licenced to Afriswitch that uses the software in rendering its services.

Business Activity of Identity

The principal activity of Identity is that of providing solutions for personal and commercial Information Management and Verification Service, to serve both consumers and business entities.

Others:

The reports have been prepared in accordance with International Financial Reporting Standards. The reports have been prepared on the same basis as the accounting policies and methods of computation set out in the audited Financial Statements of the Company for the year ended 30 June 2020, except for the adoption of relevant amendments to published Standards, Standards and Interpretations issued and effective for accounting period starting on or after 1 July 2020.

By Order of the Board

SAFYR UTILIS FUND SERVICES LTD

Company Secretary
24 September 2021

STATEMENT OF CASH FLOWS

	Year ended 30 Jun 2021	Year ended 30 Jun 2020
	Audited	Audited
	USD	USD
Net cash flows from/(used in) operating activities	201,533	(156,310)
Net cash flows (used in)/from investing activities	(5,602,782)	7,776,483
Net cash used in financing activities	(30,900)	(32,688)
(Decrease)/increase in cash and cash equivalents	(5,432,149)	7,587,285
Opening cash and cash equivalents	8,176,925	589,640
Closing cash and cash equivalents	2,744,776	8,176,925

Any reference to future financial information included in the financial statements for the year ended 30 June 2021 is the responsibility of the Board. The forecast growth is based on assumptions, including assumptions that a stable regional, political and economic environment as well as the stable global macro-economic environment will prevail.

The Board of Directors of Trans Switch Africa Holdings Ltd accepts full responsibility for the accuracy of the information contained in this report issued pursuant to Listing Rule 12.14 of the Stock Exchange of Mauritius and to Section 88 of the Securities Act 2005.

The statement of direct and indirect interests of insiders required under rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request and copies of this report are available to the public, free of charge, at the registered office of the Company, in Ebene, Republic of Mauritius.

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