



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" or the "company" or the "Group")



ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS AND SIX MONTHS ENDED 31 DECEMBER 2020

DIRECTORS' COMMENTARY

Results

We present the unaudited consolidated financial statements for the three months and six months ended 31 December 2020.

These results are in line with the expectations of Management. Our business activities continue to be affected by the impact of Covid-19, particularly our project in Kenya. We are moving forward with land selection, crop planting and, feasibility study in Uganda.

We are currently investigating several projects in Africa in early development stage to projects that have reached financial close and require equity partners.

Since the publication of the September 2020 financial results, the Covid-19 pandemic is still persisting resulting in travel restrictions to many countries.

As a result, the projects in Uganda and Kenya have been delayed. Bidding on the IPP program in Botswana was submitted for 10 MW of solar and the bid selections are expected early in the second quarter of 2021.

The ACES group has commenced the installation of energy solutions in commercial buildings in South Africa and has produced a number of successful quotations, with installations commencing in the first quarter of 2021.

Management is optimistic that the short and long term strategies can be achieved, although it is aware of the challenges the company is facing in light of the pandemic. Management is of the view that business must continue, and opportunities have been identified to position the Group for growth over the next two years.

During the first half of the financial year 2020/2021, the Company embarked on an investor roadshow seeking to raise c.US\$6.3 million through the issue of c.7 million new shares. The issue and listing of the new shares will be subject to receipt of the relevant Exchange and Regulatory approvals. Further developments regarding the investor roadshow and the capital raise shall be communicated to shareholders in due course.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited as at 31 December 2020	Audited as at 30 June 2020
	US\$	US\$
ASSETS		
Non Current Assets		
Investments in projects	1,269,613	1,071,580
Goodwill	11,283	11,283
Property, plant and equipment	1,323	870
Other receivables	2,149,213	1,779,596
Total non current assets	3,431,432	2,863,329
Current Assets		
Other receivables	57,937	44,235
Cash and cash equivalents	14,038	26,844
Total current assets	71,975	71,079
Total assets	3,503,407	2,934,408
EQUITY AND LIABILITIES		
Equity		
Stated capital	3,407,721	3,247,721
Equity component of convertible loan	31,838	32,995
Subscription monies received in advance	-	140,000
Foreign Currency translation reserve	42,817	5,479
Accumulated loss	(1,597,167)	(1,745,607)
Equity attributable to owners of the parent	1,885,209	1,680,588
Non-controlling interest	(60,682)	(67,824)
Total equity	1,824,527	1,612,764
Liabilities		
Borrowings	15,920	13,621
Accruals and payables	1,449,024	1,128,841
Amounts payable to related parties	213,936	179,182
Total liabilities	1,678,880	1,321,644
Total equity and liabilities	3,503,407	2,934,408
Number of shares in issue	29,275,770	29,115,770
Net asset value per share	0.0644	0.0577

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Unaudited for the three months to 31 December 2020	Unaudited for the six months to 31 December 2020	Unaudited for the three months to 31 December 2019	Unaudited for the six months to 31 December 2019
INCOME	US\$	US\$	US\$	US\$
Interest on loan	41,297	79,847	6,243	12,128
Management fees	-	25,761	-	-
Exchange gains	281,327	383,517	-	-
Gain on partial disposal of associated company	-	182,587	-	-
	322,624	671,712	6,243	12,128
EXPENSES				
Professional fees	(18,393)	(33,859)	(32,084)	(57,363)
Audit fees	(14,284)	(28,984)	(6,264)	(14,463)
Directors' fees	(80,500)	(161,000)	(7,667)	(11,333)
Licence fees	(113)	(225)	(650)	(1,300)
Accounting fees	(19,248)	(37,195)	(339)	(4,551)
Legal fees	-	(3,914)	(26,496)	(26,496)
Interest expenses	(3,102)	(5,998)	(5,787)	(11,624)
Bank charges	(448)	(619)	(1,023)	(2,758)
Consulting fees	(6,503)	(27,337)	(38,700)	(47,400)
Exchange losses	-	-	(179)	(353)
Other operating expenses	(228,213)	(235,216)	(2,927)	(24,573)
	(370,804)	(534,347)	(122,116)	(202,214)
Profit (loss) before taxation	(48,180)	137,365	(115,873)	(190,086)
Taxation	-	-	-	-
Profit (loss) for the period	(48,180)	137,365	(115,873)	(190,086)
Other comprehensive gain for the period	(8,284)	55,555	(6,796)	(4,137)
Total comprehensive gain (loss) for the period	(56,464)	192,920	(122,669)	(194,223)
Profit (loss) attributable to:				
Non-controlling interests	(5,843)	(11,075)	(30,754)	(39,741)
Owners of the company	(42,337)	148,440	(85,110)	(150,345)
	(48,180)	137,365	(115,864)	(190,086)
Total comprehensive gain (loss) attributable to:				
Non-controlling interests	(7,203)	7,142	(30,754)	(39,741)
Owners of the company	(49,260)	185,778	(91,915)	(154,482)
	(56,464)	192,920	(122,669)	(194,223)
Weighted average number of shares	29,225,227	29,225,227	26,099,042	26,099,042
Basic gain (loss) per share	(0.0014)	0.0051	(0.0033)	(0.0058)

CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited for the six months to 31 December 2020	Unaudited for the six months to 31 December 2019
	US\$	US\$
Net cash used in operating activities	(12,042)	(206,313)
Net cash flows used in investing activities	(764)	(65,479)
Net cash flows generated from financing activities	-	293,749
Net increase/ (decrease) in cash and cash equivalents	(12,806)	21,957
Cash and cash equivalents at beginning of period	26,844	4,549
Cash and cash equivalents at end of period	14,038	26,506

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

2019	Stated capital	Equity component of convertible loan	Foreign currency translation reserves	Retained earnings	Equity attributable to owners of the company	Non-controlling interest	Total equity
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Balance at 01 July 2019	938,635	32,083	1,288	(871,198)	100,808	(168,384)	(67,576)
Loss for the period	-	-	-	(150,345)	(150,345)	(39,741)	(190,086)
Foreign currency translation reserves	-	-	(4,137)	-	(4,137)	-	(4,137)
Total comprehensive loss for the period	-	-	(4,137)	(150,345)	(154,482)	(39,741)	(194,223)
Non controlling interest on sale of investment	-	-	-	-	-	3,860	3,860
Equity component of convertible loan	-	894	-	-	894	-	894
Balance at 31 December 2019	938,635	32,977	(2,849)	(1,021,543)	(52,780)	(204,265)	(257,045)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

2020	Stated capital	Equity component of convertible loan	Foreign currency translation reserves	Retained earnings	Equity attributable to owners of the company	Non-controlling interest	Total equity
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Balance at 01 July 2020	3,247,721	32,995	5,479	(1,745,607)	1,680,588	(67,824)	1,612,764
Profit for the period	-	-	-	148,440	148,440	(11,075)	137,365
Foreign currency translation reserves	-	-	37,338	-	37,338	18,217	55,555
Total comprehensive profit for the period	-	-	37,338	148,440	185,778	7,142	192,920
Issue of shares	160,000	-	-	-	20,000	-	20,000
Equity component of convertible loan	-	(1,157)	-	-	(1,157)	-	(1,157)
Balance at 31 December 2020	3,407,721	31,838	42,817	(1,597,167)	1,885,209	(60,682)	1,824,527

NOTES:

- 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 six months ended 31 December 2020 (“**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, the SEM Listing Rules and the Securities Act 2005, using the same accounting policies as those of the audited consolidated financial statements for the year ended 30 June 2020.
- 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 09 February 2021.
- Copies of the abridged unaudited consolidated financial statements and the Statement of direct and indirect interests of each officer of the company, pursuant to rule 8(2) (m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, 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. Smitha Algoo- Bissonauth.

By order of the Board

Intercontinental Trust Limited
Company Secretary

10 February 2021

For further information, please contact:

**SEM Authorised Representative &
Sponsor**



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Company Secretary



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