

ABRIDGED AUDITED REPORTS FOR YEAR ENDED 30 JUNE 2020

| | STATEMENT OF FINANCIAL POSITION | | STATEMENT OF CHANGES IN EQUITY | | | | |
|-------------------------------------|---------------------------------|---------------------------------|--------------------------------|-----------------------------|---|---------------------------------|------------|
| | As at 30 Jun 2020 Audited | As at 30 Jun 2019 Audited | Stated Capital | Retained (loss)/earnings | Total equity attributable to equity holders | Non- controlling interest | Total |
| | USD | USD | USD | USD | USD | USD | USD |
| ASSETS | | | | | | | |
| Non-current assets | 10,850,983 | 24,748,402 | | | | | |
| Current assets | 8,633,658 | 762,161 | | | | | |
| Total assets | 19,484,641 | 25,510,563 | 22,000,100 | 2,376,188 | 24,376,288 | - | 24,376,288 |
| EQUITY | | | | | | | |
| Stated capital | 22,000,100 | 22,000,100 | | | | | |
| Retained (loss)/earnings | (2,741,406) | 3,273,880 | | | | | |
| Equity holder interest | 19,258,694 | 25,273,980 | | | | | |
| Non-controlling interest | (6,581) | (9,769) | | | | | |
| Total equity | 19,252,113 | 25,264,211 | 22,000,100 | 3,273,880 | 25,273,980 | (9,769) | 25,264,211 |
| LIABILITIES | | | | | | | |
| Non-current liabilities | 174,075 | 208,763 | | | | | |
| Current liabilities | 56,453 | 37,589 | | | | | |
| Total liabilities | 232,528 | 246,352 | | | | | |
| Total equity and liabilities | 19,484,641 | 25,510,563 | 22,000,100 | (2,741,406) | 19,258,694 | (6,581) | 19,252,113 |

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | Year ended 30 Jun 2020 Audited | Year ended 30 Jun 2019 Audited | |
|--|--------------------------------------|--------------------------------------|------|
| | USD | USD | |
| Turnover | 488,561 | 556,329 | |
| Administrative expenses | (317,999) | (351,145) | |
| Operating profit | 170,562 | 205,184 | |
| Net (loss)/gain on financial asset at fair value through profit and loss | (120,367) | 704,570 | |
| Impairment on Goodwill | (6,058,719) | - | |
| Finance income | 6,026 | 2,752 | |
| Finance cost | - | (16,849) | |
| (Loss)/profit before tax | (6,002,498) | 893,657 | |
| Income tax expense | (9,600) | (11,067) | |
| (Loss)/profit for the year | (6,012,098) | 884,590 | |
| | | | 0.04 |
| Attributable to: | | | |
| Owners of the parent | (6,005,444) | 886,877 | |
| Non-controlling interest | (6,652) | (2,287) | |
| TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR | (6,012,098) | 884,590 | |
| (Loss)/earnings per share | (0.27) | | |

STATEMENT OF CASH FLOWS

| | Year ended 30 Jun 2020 Audited | Year ended 30 Jun 2019 Audited |
|--|--------------------------------------|--------------------------------------|
| | USD | USD |
| Net cash flows (used in)/from operating activities | (156,510) | 262,817 |
| Net cash flows from investing activities | 7,776,483 | (2,752) |
| Net cash used in financing activities | (32,488) | (85,150) |
| Increase in cash and cash equivalents | 7,587,285 | 210,417 |
| Opening cash and cash equivalents | 589,640 | 379,223 |
| Closing cash and cash equivalents | 8,176,925 | 589,640 |

Non-cash transactions:
On 05 June 2020, Identity International Ltd converted its loan of USD 8,500 to investment.

Any reference to future financial information included in the financial statements for the year ended 30 June 2020 is the responsibility of the Board and has been reviewed or reported on by the Group's external auditors. 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.


By Order of the Board
SAFYR UTILIS FUND SERVICES LTD

Company Secretary
23 September 2020

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, NexTecom, 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 2020 decreased to USD 0.88 (at 30 June 2019 USD 1.15).

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

4. COMMENTARY
Turnover decreased compared to last year with a decrease in expenses resulting in a decrease in operating profit. Whilst the Group operational profit decreased, the reported result was also negatively impacted due to the fair value movement in the market value of its portfolio of investments, mainly due to an adverse performance in the general equity market to which such portfolio is exposed to. The Group tested for the impairment of goodwill and included the effects of Covid-19 and an impaired loss of USD 6 million was recognised for the year under review.

Covid-19
As at June 30, 2020, a great number of cases of 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 11, 2020 and its subsequent spread, is considered as an event with much uncertainty on the real impact worldwide. There are meaningful direct and indirect effects developing with companies across multiple industries across 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 and management are continuously assessing the situation. Covid-19 impacted severely on the equity markets in March 2020 and investments were exposed to the equity markets in general. Management adopted a very conservative approach and exited the investments relating most of the funds in cash. The Group's solvency and liquidity basis is sound with a substantial portion of the assets now 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
The interest in Blue Sapphire was acquired in the last quarter of this financial year. Blue Sapphire holds the intellectual property rights to certain software used in the financial services industry. This software is licensed 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.