

MOZAMBIQUE RECYCLERS, LIMITADA

Company Registration Number 100 900 793

Financial Statements for the year ended 31 March 2024

INDEPENDENT AUDITOR S REPORT

To the Board Members of

MOZAMBIQUE RECYCLERS, LIMITADA

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of MOZAMBIQUE RECYCLERS, LIMITADA (the company), which comprise the balance sheet at 31 March, 2024 and the Income Statement, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and the notes to the financial statements, including a summary of significant accounting policies,

In our opinion, the accompanying financial statements of the entity were prepared, in all material respects, in accordance with the General Accounting Plan based on International Financial Reporting Standards (PGC-NIRF).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the financial statements section of our report. We are independent of the entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Mozambique, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion,

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with the PGC-NIRF, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the entity'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 management either intends to liquidate the entity or cease operation or has no realistic alternative but to do so.

The board of directors is responsible for overseeing the entity's financial reporting process.

MOZAMBIQUE RECYCLERS, LIMITADA

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Auditor's responsibilities for the audit of the financial statements

our objectives are to obtain reasonable assurance about whether free from material misstatement the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes a opinion. Reasonable assurance is high level of assurance but is not a guarantee that an audit in accordance with ISA will always detect material mistakes 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 on the basis of the financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and asses the risks of material misstatement of the fraud or error, design and perform audit financial statements, whether due to 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 misrepresentation or the overriding 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 entity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

Conclude on the appropriateness of the Board 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 entity's ability to continue as a going- concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the entity to cease to continue as a going concern.

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

MOZAMBIQUE RECYCLERS, LIMITADA

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Financial Statements for the year ended 31 March 2024

We communicate with the Board of Directors 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 the Board of Directors with a statement that we have complied with relevant ethical requirement regarding independent and independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where possible, related safeguards.

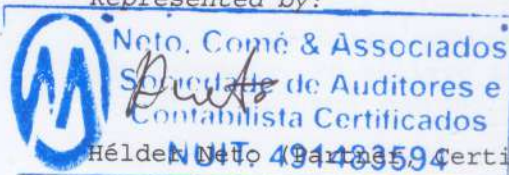
From the matters communicated to the board of directors, we determined those matters that were of the most significance in the financial statements of the current period and are therefore the key audit matters.

The engagement partner on the audit resulting in this independent auditor's report is Hélder Neto.

NCA - Sociedade de Auditores e Contabilistas Certificados, Lda

(Registered Company No. 29/SAC/OCAM/2022)

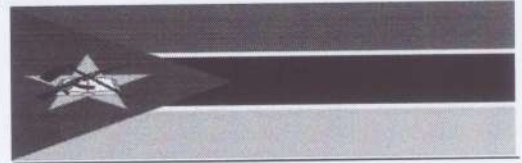
Represented by:



Hélder Neto 494483594 Certified Auditor nr.24/CA/OCAM/2012)

Maputo, 22 April 2024

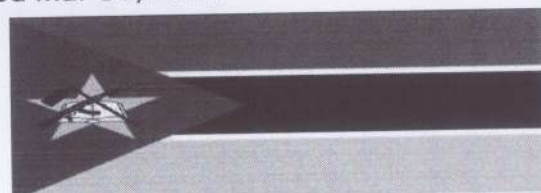
Recyclers Mozambique LDA
Balance sheet As at Mar 31, 2024



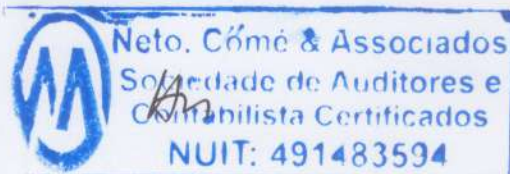
(MZN In lacs)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
I. ASSETS			
Non - current assets			
Property, Plant and Equipment	2	209.02	216.39
Capital work-in-progress		16.84	22.48
		227.18	240.07
Current assets			
Inventories	4	738.95	760.65
Financial Assets			
Trade receivables	5	1,270.13	2,016.04
Cash and cash equivalents	6	534.43	13.52
(i) Bank balances other than (iv) above		603.92	-
(ii) Others	7(b)	10.55	0.90
Other current assets	7(a)	25.91	211.21
		3,183.89	3,002.32
Total Assets		3,411.07	3,242.39
II. EQUITY AND LIABILITIES			
Equity			
Equity share capital		6.09	6.09
Other equity		3,235.64	2,653.21
Equity attributable to owners of the Company		3,241.72	2,659.29
Liabilities			
Non - current liabilities			
Financial Liabilities			
Borrowings		-	0.85
Lease Liabilities		-	4.65
		1.35	7.84
Current liabilities			
Financial Liabilities			
(i) Borrowings		-	505.56
Trade payables	8	105.31	24.85
(i) Other financial liabilities	9	62.68	44.42
Other current liabilities		0.00	0.44
		167.99	575.26
		169.34	583.10
Total Equity and Liabilities		3,411.07	3,242.39

Recyclers Mozambique LDA
Statement of profit and loss For the year ended Mar 31, 2024



		(MZN In lacs)	
Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
I Revenue from operations	12	5,860.15	8,231.90
II Other income	19	101.49	3.48
III Total income		5,961.63	8,235.38
IV Expenses:			
(a) Cost of materials consumed	13	4,476.37	5,150.03
(b) Changes in inventories of finished goods, Stock-in-trade and work-in-progress	14	53.61	-
(c) Employee benefits expense	15	221.14	185.31
(d) Finance costs	16	8.12	25.47
(e) Depreciation and amortisation expense	17	64.29	54.00
(f) Other expenses	18	555.67	712.60
Total expenses (IV)		5,379.20	6,127.41
V Share of profit of associates			
VI Profit before tax (III - IV + V)		582.43	2,107.97
VII Tax expense:			
VIII Profit for the year (VI - VII)		582.43	2,107.97



Note 2 - Property, Plant and Equipment

Neto, Come & Asociados
Sociedad de Auditores e
Contabilistas Certificados
NUIF: 491483594

Note 4 - Inventories

Particulars	(MZN In lacs)	
	As at March 31, 2024	As at March 31, 2023
(a) Raw materials and bought out components	108.07	56.69
Goods-in-transit	31.23	-
(b) Work-in-progress	190.09	323.05
(c) Finished goods (other than those acquired for trading)	158.34	55.09
Goods-in-transit	175.65	199.55
(d) Stock-in-trade (in respect of goods acquired for trading)	-	-
(e) Stores and spares	16.54	50.53
(f) Consumables	59.02	75.74
Total	738.94	760.65

Note 5 - Trade receivables

Particulars	(MZN In lacs)	
	As at March 31, 2024	As at March 31, 2023
Secured (Considered good)	-	-
Unsecured, considered good	1,270.13	2,016.04
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
Total	1,270.13	2,016.04
Current	1,270.13	2,016.04
Non-current	-	-

Note 6 - Cash and cash equivalents

Particulars	(MZN In lacs)	
	As at March 31, 2024	As at March 31, 2023
(a) Cash and cash equivalents		
Balances with banks		
-on current accounts	533.07	11.55
Unpaid matured debentures	-	-
Cash on hand	1.36	1.97
Cheques on hand	-	-
Total	534.43	13.52
(b) Bank balances Other than (a) above		
Other bank balances		
(i) In earmarked accounts		
Balances held as margin money against borrowings	603.92	-
Total (b)	603.92	-

Note 08 - Trade payables

Particulars	(MZN In lacs)	
	As at March 31, 2024	As at March 31, 2023
Outstanding dues to parties other than Micro and Small enterprises	105.31	24.85
Sundry creditors	63.98	6.61
Sundry creditors Related Party	52.81	10.31
Expenses payable	(11.48)	8
	105.31	24.85

Note 09 - Other financial liabilities

Particulars	(MZN In lacs)	
	As at March 31, 2024	As at March 31, 2023
(a) Non-Current		
Security Deposits received	-	-
(a) Current		
Contractual payable to related parties	14.78	16.88
Expenses- Employee & Workers payable	47.90	27.54
	62.68	44.42

Note 12 - Revenue from operations

Particulars	(MZN In lacs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products (including excise duty)	5,858.71	5,893.61
Manufactured goods	-	2,338.28
Total	5,858.71	8,231.90
(b) Sale of services		
(c) Other operating revenues		
Scrap Sales	1.44	-
Revenue from operations	5,860.15	8,231.90

Note 13 - Cost of material consumed

Particulars	(MZN In lacs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Raw materials and bought out components consumed	4,476.37	5,150.03
Total	4,476.37	5,150.03

Note 14 - Changes in inventory of finished goods, work-in-progress and stock-in-trade

Particulars	(MZN In lacs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock		
Finished goods	254.64	742.13
Work-in-progress	323.05	40.41
Stock-in-trade	-	275.98
Less: Closing stock		
Finished goods	333.99	254.64
Work-in-progress	190.09	323.05
Stock-in-trade	-	-
Net increase/ (decrease) in inventory of finished goods, work-in-progress and stock-in-trade	53.61	480.83

Note 15 - Employee benefits expense

Particulars	(MZN In lacs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	202.25	167.17
Contribution to provident and other funds	12.68	10.94
Staff welfare expenses	6.22	7.20
Total	221.14	185.31

Note 16 - Finance cost

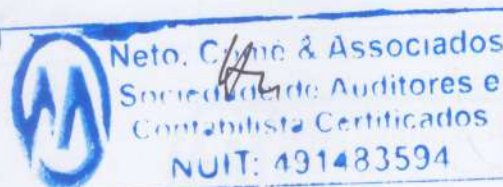
Particulars	(MZN In lacs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest costs on - Borrowings	8.12	25.47
	-	-
Total	8.12	25.47

Note 17 - Depreciation and amortisation expense

Particulars	(MZN In lacs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of Property, Plant and Equipment	64.29	54.00
(b) Amortisation of intangible assets	-	-
Depreciation of Right of use property	-	-
Total	64.29	54.00

Note 18 - Other expenses

Particulars	(MZN in lacs)	
	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
	13.12	0.06
Power and fuel	5.53	2.73
Rates and taxes	16.15	17.40
Legal and professional	20.22	30.08
-Plant & machinery	0.04	1.56
-Buildings	3.52	3.33
-Others	365.48	489.69
Freight and forwarding	8.43	7.73
Travelling and conveyance	1.25	0.68
Insurance	40.33	39.99
Rent	-	5.56
Sales commission	0.02	0.24
Advertising and sales promotion	0.98	0.34
Communication	0.02	0.55
Printing and stationery	0.02	0.00
Donations and contributions	3.60	4.85
Payment to auditors	44.77	87.14
Net loss on foreign currency transactions and translation	-	0.00
Loss on property plant and equipment discarded/scrap/written off	21.24	13.16
Bank charges	0.39	0.07
Vehicle running expenses	10.55	7.43
Miscellaneous expenses	-	-
Total	555.67	712.60



Recyclers Mozambique LDA
Notes forming part of the financial statements

Note 7 (a) Financial assets - Others

Particulars	(MZN In lacs)	
	As at March 31, 2024	As at March 31, 2023
(a) Non Current		
Security Deposits-Non Current	1.32	1.20
Total (a)	1.32	1.20
(b) Current		
Others (amount deposited with Government authorities)-current	1.34	0.24
Expenses- Employee & Workers Receivable	9.21	0.66
Total (b)	10.55	0.90

Note 7 (b) - Other assets

Particulars	(MZN In lacs)	
	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
(a) Non Current		
Capital advances	-	-
Total (a)	-	-
(a) Current		
Advances to related parties (refer note 48)	-	171.32
Advances to vendors	23.03	39.73
Prepaid expenses	2.87	0.15
Total	25.91	211.21

