MIDWEST AFRICA LDA

Audited Financials

2024-25

PBPARTNERS

Independent Auditor´s Report

To the Board of Directors of
MIDWEST AFRICA, LDA.

Opinion

We have audited the financial statements of MIDWEST AFRICA, LDA (the "Institution"), which comprise the financial position from April 01, 2024 to March 31, 2025, the financial performance, the statement of changes in liquid assets and the cash flow statement for the period in question, and notes, including a summary of significant accounting policies.

In our opinion, the financial statements of the Institution for the period in question ended March 31, 2025 are prepared, in all material respects, in accordance with the financial reporting standards applicable in Mozambique (PGC - PE) as described in the explanatory notes.

Basis for Opinion

We carry out our audit in accordance with the International Audit Standards (ISAs). Our responsibilities under these standards are described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are independent of the Institution in accordance with the ethical requirements of the Code of Ethics for Professional Accountants, issued by the Order of Accountants and Auditors of Mozambique (OCAM) that are relevant to our audit of the financial statements, and we comply with other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis on Matter - Basis of Accounting and Restriction of Use

We draw attention to note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on a voluntary basis for the purpose of complying with the Financial Regulation of MIDWEST AFRICA, LDA. As a result, financial statements can be used for Accounts consolidation purpose of holding company, regulatory purpose, but it may not be suitable for another purpose. Our opinion has not been changed in relation to this matter.

Responsibilities of the Administration and Those Charged with of Governance for the Financial Statements

The administration is responsible for the preparation and fair presentation of the financial statements according to the accounting basis described in the explanatory notes and for the internal control that the administration determines is necessary to allow the preparation of financial statements that are free of material distortions, whether due to fraud or error.

The administration is responsible for assessing the Institution's ability to continue as a continuity company, disclosing, as applicable, issues related to the continuity company and using the accounting continuity basis, unless the administration intends to liquidate the Institution or cease operations or has no realistic alternative but to do so.

Those in charge of governance are responsible for overseeing the Institution's financial reporting process.

Auditor´s Responsibilities for the Audit of Financial Statements

Our objectives are to obtain a reasonable assurance on whether the financial statements as a whole are free from material distortions, whether due to fraud or error, and to issue an auditor's report that includes our opinion. The reasonable guarantee is a high level of guarantee, but it is not a guarantee that an audit carried out in accordance with the International Audit Standards (ISAs) will always detect a material error when it exists. The distortions may arise from fraud or error and are considered relevant if, individually or in aggregate form, they can reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As part of an audit in accordance with the International Audit Standards (ISAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material distortion of financial statements, whether due to fraud or error, design and execute audit procedures responsive to these risks, and obtain sufficient and appropriate audit evidence to provide a basis for our opinion. The risk of not detecting an incorrect statement material resulting from fraud is greater than for one resulting from error, as fraud may involve collusion, falsification, intentional omissions.

• Obtain an understanding of the 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 Institution's internal control.

- Evaluate the adequacy of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by the administration;

- Conclude on the adequacy of the administration's use of the accounting continuity base and, based on the audit evidence obtained, whether there is a material uncertainty related to events or conditions that may raise significant doubts about the Institution's ability to continue as a continuity company. If we conclude that there is material uncertainty, we are obliged to draw attention in our auditor's report to the disclosures related to the financial statements or, if such disclosures are inappropriate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institution to cease to continue as a continuous company.

We communicate with those in charge of governance about, among other issues, the planned scope and timing of the audit and the significant findings of the audit, including any significant deficiencies in internal control that we identified during our audit.

Maputo, July 29, 2025

Bemat, Z. H - (The Auditor)

BALANCE SHEET AS AT 31 MARCH, 2025
(Amounts expressed in Meticais)

Description	Notes	31-Mar-25	31-Mar-24
ASSETS			
Non-current assets			
Tangible assets	5	766,447	815,688
Intangible assets	6	838,319,505	829,462,964
		839,085,952	**830,278,652**
Current assets			
Clients		-	-
Other current assets	7	18,625,774	17,963,343
Cash and cash equivalents	8	269,632	727,792
		18,895,406	**18,691,135**
Total Assets		**857,981,358**	**848,969,786**
Equity and liabilities			
Share Capital	9	2,550,000	2,550,000
Retained earnings		(1,764,955)	(1,764,955)
Net result for the year			
Total Equity		**785,045**	**785,045**
Liabilities			
Non-Current liabilities			
Intercompany loans	10	772,410,121	765,502,507
Current liabilities			
Suppliers	11	41,743,284	41,833,259
Unpaid tax		-	-
Other current liabilities	12	43,042,908	40,848,975
Total Liabilities		**857,196,313**	**848,184,741**
Total Equity and Liabilities		**857,981,358**	**848,969,786**

INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

(Amounts expressed in Meticais)

Description	Notes	31-Mar-25	31-Mar-24
Sales			
Other income			
Total operating income...............................		-	-
Personnel costs		-	-
Supplies and external services		-	-
Taxation		-	-
Amortization and depreciation for the year		-	-
Other operating gains and losses			
Total operating costs...		-	-
Operating results..(a)		-	-
Financial income		-	-
Financial expenses		-	-
Financial results...(b)		-	-
Loss before tax.......................(c) = + (a) + (b)		-	-
Income tax expense (d)			
Net loss for the year......................... (e) = (c) - (d)		-	-

NOTES TO THE FINANCIAL STATEMENTS

1. Introduction

Designation of the entity	MIDWEST AFRICA, LDA		
Head Office	Av. 25 de Setembro, nº 1230		
Object	Exploration and Trade of Minerals and Metals		
Date of constitution	March 30, 2007		
Legal entity registration number	100017881		
NUIT - Tax registration number	400171807		
	Description	***Value***	***%***
Structure of Partners	Maven Holdings Limited	2.500.000,00	98
	Midwest Holdings Limited	50.000,00	2
		2.550.000,00	**100**

1.1 Bases of preparation and declaration of compliance

These financial statements, which refer to the date of April 01, 2024 to March 31, 2025, were prepared in accordance with the General Accounting Plan for Small and Other Enterprises (PGC-PE), as a result, based on the principle of historical cost. The financial statements were also prepared on the basis of the principles of increase and continuity.

In the preparation of these financial statements, no provision of the PGC-PE has been derogated and there are no situations that affect the comparability of the various accounting items.

2. Accounting Principles

2.1 Tangible assets

Tangible assets are recorded at the acquisition cost deducted from accumulated amortization and any accumulated impairment losses.

The acquisition cost includes the price paid for the ownership of the asset and all costs directly incurred to put it in the operating state. Subsequent costs are recognized as a separate asset only if they are likely to result in future economic benefits for the entity.

Amortization is calculated by the method of constant quotas and recorded by twelfths, from the date on which the goods come into operation, in return for the heading "Amortization and depreciation" of the income statement.

The impairment losses detected in the realization value of tangible assets are recorded in the year in which they are estimated, in return for the item "Other operational gains and losses" of the income statement.

The annual rates used correspond to the estimated useful life of the goods, which are as follows:

Tangible assets	Expected service life (In years)	Method of Accounting
Transport equipment	4-5	Straight-Line
Social and Administrative Furniture	6	Straight-Line
Basic Equipment	4-6	Straight-Line
Tools	4	Straight-Line

The entity regularly carries out the adequacy analysis of the estimated useful life of its tangible assets. Changes in the expected useful life of assets are recorded by changing the depreciation period or method, as appropriate, being treated as changes in accounting estimates.

Current expenses for the repair and maintenance of tangible assets are recorded as cost in the year in which they occur. Gains of a significant amount that increase the estimated period of use of the respective goods, are capitalized and amortized according to the remaining useful life of the corresponding goods.

Analyses are periodically carried out to identify evidence of impairment in tangible assets. Whenever the net book value of tangible assets exceeds their recoverable value, an impairment loss is recognized, reflected in the results of the year. The entity reverses the impairment losses in the results of the period if, subsequently, there is an increase in the recoverable value of the asset.

The recoverable value is determined as the highest between the net sale price and the use value, which is calculated on the basis of the estimated cash flows that are expected to be obtained from the continued use of the asset and its disposal at the end of its useful life.

An item of tangible asset ceases to be recognized at the time of its disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss resulting from the cancellation of the recognition of the asset (calculated as the difference between the income from the sale and the carrying amount of the asset) is recognized in the results of the period at the time of its cancellation of the recognition.

2.2 Intangible assets

The entity's intangible assets in the course of its activity are recorded at the acquisition cost, deducted from depreciation and accumulated impairment losses.

All expenses till the date of Commencement of or ready to use of the Mine are capitalized.

The entity performs impairment tests whenever events or circumstances indicate that the book value exceeds the recoverable value, and the difference, if any, is recognized in results. The recoverable value is determined as the highest between its net selling price and its use value, which is calculated on the basis of the current value of the estimated future cash flows that are expected to be obtained from the continued use of the asset and its disposal at the end of its useful life.

2.3 Inventories

Raw materials, auxiliaries and materials are valued at the cost of acquisition, which includes the expenses attributable to the purchase. Warehouse outputs are valued to the FEFO method (First expire First out).

The accumulated impairment losses for stock depreciation reflect the difference between the acquisition cost and the net market achievable value of stocks, as well as the estimate of impairment losses due to low rotation, obsolescence and deterioration.

2.4 Customers and third-party debts

They are recognized initially for fair value and subsequently for the amortized cost, deducted from the provision for impairment in order to reflect their achievable value.

2.5 Cash and Cash equivalents

The amounts included in the item "Cash and cash equivalents" correspond to cash values, current and term bank deposits and other treasury investments due less than three months and for which the risk of change in value is not significant.

2.6 Loans

Loans are recorded in liabilities at their nominal value. Any expenses with the issuance of these loans are recorded in other current or non-current assets. Loans are initially recognized at their fair value deducted from transaction costs, after initial recognition for the amortized cost using the effective interest method.

Loans are classified as current liabilities, unless the entity has an unconditional right to defer the settlement of the liability for more than 12 months after the balance sheet date.

2.7 Cost of loans obtained

Financial charges related to loans obtained are generally recognized as cost as they are incurred. The financial charges of loans obtained directly related to the acquisition, construction or production of fixed assets is capitalized as part of eligible assets. The capitalization of these charges begins with the preparation of the construction or development activities of the asset and is interrupted after the start of use or at the end of production or construction of the asset or when the project in question is in a suspension phase.

2.8 Provisions

The provisions are recognized when, and only when, the entity has a present obligation (legal or implicit) resulting from a past event and it is likely that, for the resolution of this obligation, an outflow of resources will occur and that the amount of the obligation can be reasonably estimated. The provisions are reviewed on the date of each balance sheet and are adjusted to reflect the best estimate at that date.

2.9 Income Tax

The current tax is the tax expected to be paid on the taxable revenues of the year, using the tax rates stipulated by law or substantially stipulated by law on the balance sheet date and any adjustment to the tax payable for previous years.

Deferred taxes are calculated on the basis of the balance sheet liability method and reflect the temporary differences between the amount of assets and liabilities for accounting reporting purposes and their respective amounts for taxation purposes.

Deferred active taxes are recognized only when there are reasonable expectations of sufficient future tax profits to use these deferred active taxes. At the end of each financial year, a review of deferred taxes recorded, as well as unrecognized taxes is carried out, and they are reduced whenever their future use or registered is no longer likely, provided that, and to the extent that, it becomes likely to generate taxable profits in the future that will allow their recovery.

2.10 Specialization of exercises and income

Expenses and Income are accounted for in the year to which they relate, regardless of the date of their payment or receipt. The Expenses and the Income whose real value is not known is accounted for by estimate.

In the headings of "Other current assets" and "Other current liabilities" are recorded the Expenses and Income attributable to the current year and whose expenses and revenues will only occur in future exercises, as well as the expenses and revenues that have already occurred, but that relate to future years and that will be imputed to the results of each of these years, by the amount that corresponds to them.

The revenues from the services provided are recognized in the period in which they occur. The billing of these services is made on a monthly basis.

Income from sales is recognized in the income statement when the significant risks and advantages inherent in the ownership of the assets are transferred to the buyer and the amount of income can be reasonably quantified. Sales are recognized net of taxes and discounts.

2.11 Rentals

The classification of financial or operational leases is carried out according to the substance of the contracts in question and not their form.

Lease agreements are classified as: (i) financial leases if through them substantially all the risks and advantages inherent in possession are transferred, or as (ii) operational leases if through them substantially all the risks and advantages inherent in possession are transferred.

In leases considered as operational, the rents due relating to goods acquired under this regime are recognized as cost in the statement of the results of the year to which they relate.

2.12 Balances and transactions expressed in foreign currency

All assets and liabilities expressed in foreign currency (other than the functional currency) were converted to Meticais, using the exchange rates in force on the balance sheet date.

Exchange differences, favorable and unfavorable, caused by the differences between the exchange rates in force on the date of the transactions and those in force on the date of collections, payments or on the date of the balance sheet, are recorded as Income and Expenditure in the income statement for the year.

Currency	*31-March-25*	*31-March-24*
American Dollar (USD)	64,53	64,53
Euro (EUR)	69,72	69,78

2.13 Employee benefits

The contributions defined for the Social Security System are usually financed by employees (in 3% of gross salary) and by the company (in 4% of gross salary). The company has no additional obligations whenever the contributions have been paid. Contributions are recognized as expenses with employee benefits when they are due.

2.14 Impairments of assets

An impairment assessment is carried out at the balance sheet date and whenever an event or change in circumstances is identified that indicates that the amount for which an asset is registered may not be recovered. Whenever the amount for which an asset is registered is greater than its recoverable amount, an impairment loss is recognized, recorded in the profit and loss account under the heading "Other operating costs". The recoverable amount is the highest of the net selling price and the use value. The net selling price is the amount that would be obtained from the disposal of the asset in a transaction within the reach of the parties involved, deducted from the costs directly attributable to the disposal. The use value is the present value of the estimated future cash flows that are expected to arise from the continued use of the asset and its disposal at the end of its useful life. The recoverable and estimated amount for each asset, individually or, if not possible, for the cash generating unit to which the asset belongs.

The reversal of impairment losses recognized in previous years is recorded when there is evidence that the recognized impairment losses no longer exist or have decreased. The reversal of impairment losses is recognized in the income statement as operating results. However, the reversal of an impairment loss is made up to the limit of the amount that would be recognized (net of amortization or depreciation) if the impairment loss had not been recorded in previous years.

2.15 Contingencies

Contingent liabilities are not recognized in the financial statements and are disclosed in the annex, unless the possibility of an outflow of funds affecting future economic benefits is remote. A contingent asset is not recognized in the financial statements, but disclosed in the annex when the existence of a future economic benefit is likely.

2.16 Subsequent events

Events occurring after the balance sheet date that provide additional information on conditions that existed at the balance sheet date ("adjusting events") are reflected in the financial statements. Events after the balance sheet date that provide information on conditions that occur after the balance sheet date ("non-adjusting events"), if material, is disclosed in the annex to the financial statements.

3. Main judgments, estimates and accounting assumptions

In the preparation of the consolidated financial statements, in accordance with the SCE, the Board of Directors of the entity adopted certain assumptions and estimates that affect the reported assets and liabilities, as well as the Income and Expenses incurred for the reported periods. All estimates and assumptions made by the Board of Directors were made on the basis of its best existing knowledge, on the date of approval of the financial statements, events and ongoing transactions. The most significant accounting estimates reflected in the financial statements include:

a) *Useful life of tangible and intangible assets*

The entity continuously reassesses its estimates of the useful life of tangible and intangible assets. The remaining useful life estimates are based on the experience, state and operating condition of the asset. If deemed necessary, these estimates are supported by technical opinions issued by independent experts.

Impairment of tangible and intangible assets

Tangible and intangible assets are reviewed for impairment purposes whenever there are facts or circumstances that indicate that their recorded amount exceeds the recoverable amount.

b) *Provisions*

The provisions constituted to deal with probable losses in judicial proceedings in which the entity is an interested party are constituted, given the expectation of loss of the Administration, based on the information provided by its legal advisors, being the subject of an annual review.

c) *Taxes*

Income taxes (current and deferred) are determined by the entity on the basis of the rules defined by the tax framework. However, in some situations, tax legislation is not sufficiently clear and objective and may give rise to different interpretations. In these cases, the recorded values result from the entity's better understanding of the proper framework of its operations, which is likely to be questioned by the Tax Authorities.

On the other hand, the Tax Authorities have the power to review the tax position of the entity for a period of 10 years, which may result, due to the different interpretations and/or non-compliance with the tax legislation, namely in the area of IRPC and VAT, possible corrections.

The Administration believes it has complied with all the tax obligations to which the entity is subject, so any corrections to the declared tax base, arising from these revisions, they are not expected to have a significant effect on the financial statements.

The estimates were determined on the basis of the best information available at the time of the preparation of the financial statements and based on the best knowledge and experience of past and/or current events. However, situations may occur in subsequent periods that, not being predictable to date, have not been considered in these estimates. Changes to these estimates, which occur after the date of the financial statements, will be corrected in the income statement in a prospective manner, as provided by NCRF4 - Accounting Policies, Changes in Accounting Estimates and Mistakes.

4. Changes in accounting policies, estimates and errors

In the years ended March 31, 2025 and 2024, there were no changes in accounting policies that had an effect on the comparability of these exercises.

5. Tangible assets

This heading has the following breakdown:

Description	31-Mar-25	Additions	Disposals	31-Mar-24
Cost				
Buildings	1,038,214	-		1,038,214
Furniture and office equipment	434,682	-		434,682
Transport equipment	5,980,040	-	-	5,980,040
Containers	1,369,473	-		1,369,473
Tools	876,323	-		876,323
	9,698,732	-	-	**9,698,732**
Amortization				
Buildings	276,857	*20,764*		256,093
Furniture and office equipment	429,592	*28,477*		401,115
Transport equipment	5,980,040	-	-	5,980,040
Containers	1,369,473	-		1,369,473
Tools	876,323	-		876,323
	8,932,285	**49,241**	-	**8,883,044**
Net book value	**766,447**			**815,688**

6. Intangible assets

This heading has the following breakdown:

Description	31-Mar-25	Additions	Disposals	31-Mar-24
Cost				
Development Cost	821,665,487	8,856,541		812,808,946
License fees				
Others works means				
Work in progress	16,862,239			16,862,239
	838,527,726	**8,856,541**	-	**829,671,185**
Amortisation				
Development Cost	208,221			208,221
License Fee				
Other works means				
	208,221	-	-	**208,221**
Net book value	**838,319,505**			**829,462,964**

7. Trade and other debtors

This heading has the following breakdown:

Description	Note	31-Mar-25	31-Mar-24
Advance to Suppliers		895,300	895,300
State Debtors	**3.1**	15,914,681	15,711,599
Other receivables		1,815,793	1,356,443
		18,625,774	**17,963,343**

7.1 State debtors

This heading has the following breakdown:

Description	Note	31-Mar-25	31-Mar-24
Income Tax		-	-
IRPS		90,000	90,000
VAT receivable		15,824,681	15,621,599
		15,914,681	**15,711,599**

8. Cash and Cash equivalent

This heading has the following breakdown:

Description	Currency	31-Mar-25	31-Mar-24
Cash			
Petty Cash	MZN	95,589	112,448
Petty Cash	USD	-	
		95,589	**112,448**
Banks			
Current Account			
Local Currency			
S.B n 105 266875 1001	MZN	73,133	253,611
FNB n 2206177 10 001	MZN	71,762	316,452
ICB n 2 02 005422 05	MZN	2,364	2,364
		147,259	**572,427**
Foreign currency			
S.B N 105 266 875 1028	USD	1,141	1,141
FNB n 2206177 15 001	USD	5,709	5,709
ICB n 020 054 2308	USD	19,934	36,068
		26,784	**42,917**
		269,632	**727,792**

9. Equity

This heading has the following breakdown:

Description	Capital	Reserves	Retained earnings	Total Equity
Balance at 31 March 2023	2,550,000	-	(1,764,955)	785,045
Addition	-	-	-	-
Loss for the period	-	-	-	-
Balance at 31 March 2024	**2,550,000**	-	**(1,764,955)**	**785,045**
Addition	-	-		-
Loss for the period	-	-	-	-
Balance at 31 March 2025	**2,550,000**	-	**(1,764,955)**	**785,045**

10. Intercompany loans

This heading has the following breakdown:

Description	31-Mar-25	31-Mar-24
Midwest Holdings Limited	655,208,412	655,208,412
Maven Holdings Limited	117,201,709	110,294,095
	772,410,121	**765,502,507**

11. Suppliers

This heading has the following breakdown:

Description	31-Mar-25	31-Mar-24
Local suppliers	41,312,828	41,402,804
Foreign suppliers	430,456	430,456
	41,743,284	**41,833,259**

12. Other current liabilities

This heading has the following breakdown:

Description	Notes	31-Mar-25	31-Mar-24
Other creditors		42,947,906	40,725,229
Accrued of income and deferred cost		95,002	123,745
		43,042,908	**40,848,975**

13. Responsibilities and contingencies

The entity has no contingency or liability to report the balance sheet date.

14. Subsequent events

After the balance sheet date and until the date on which the financial statements were authorized for issuance, there were no favorable or unfavorable events for the entity that affect these financial statements or that require disclosure in them.

15. Approval of the financial statements

The financial statements were approved by the Board of Directors in 29th of July 2025.

Ramachandra Kollareddy - Director

MIDWEST AFRICA LIMITADA
Mozambique