APPENDIX 4E
PRELIMINARY FINAL REPORT

ENTITY NAME: RENERGEN LIMITED
Incorporated in the Republic of South Africa
(Registration number: 2014/195093/06)
JSE Share Code: REN, A2X Share Code: REN, ISIN: ZAE000202610
LEI: 378900B1512179F35A69
Australian Business Number (ABN): 93998352675, ASX Share Code: RLT
("Renergen" or "the Company" or together with its subsidiaries "the Group")

Current reporting period	Year ended 28 February 2025 (2025)
Previous period	Year ended 29 February 2024 (2024)

RESULTS ANNOUNCEMENT TO THE MARKET

	2025 Rm	2024 Rm	Change Rm	Change %
Revenue	52.1	29.0	23.1	79.7%
Loss after tax attributable to owners of Renergen	236.1	110.3	125.8	114.1%
Total comprehensive loss attributable to owners of Renergen	235.8	110.2	125.6	114.0%
	Cents	Cents	Change Cents	Change %
Basic and diluted loss per share	159.10	75.10	84.0	111.9%

- The overall increase in revenue of R23.1 million (or 79.7%) is due to higher liquefied natural gas ("LNG") production volumes and higher LNG prices achieved during the year. LNG sales volumes increased from 2 660 tonnes in 2024 to 4 633 in 2025. LNG prices averaged R225/gigajoule in 2025 compared to the R217/gigajoule in 2024.
- The total comprehensive loss attributable to ordinary shareholders increased from R110.2 million in 2024 to R235.8 million in 2025, or by 114.0%, broadly impacted by the following:
  - The implementation of our operational strategy which required the Group to incur costs (fuel and lubricant, utilities and labour) associated with commissioning the helium production train without generating any associated LHe during the commissioning phase. This contributed to the Group generating a gross loss for the year.
  - The balance of plant and the LNG/LHe process plant were brought into use in July 2024 and August 2024, respectively, which increased the recognition of expenses in the income statement. Prior to this, certain expenses (borrowing costs, salaries, insurance, etc.) qualified for capitalisation during the construction phase and were therefore not recorded in the income statement. Resultantly, these expenses did not impact the reported profit or loss during the construction phase.
  - The increase in assets brought into use during the year had a significant impact on the depreciation charges recognised by the Group. Year-on-year, depreciation increased by R41.8 million.

	2025 R	2024 R	Change R	Change %
Tangible net asset value per share	7.03	8.40	(1.37)	(16.3%)
	Rm	Rm	Change Rm	Change %
Total assets	2 349.2	2 709.1	(359.9)	(13.3%)

The decrease in the Group's tangible net asset value per share is largely due to decreases in cash and cash equivalents and restricted cash, and operational losses incurred by the Group. The cash utilisation on the operations and other activities of the Group is provided in the consolidated statement of cash flows accompanying this announcement.

Further commentary on the Group's assets and liabilities is provided in the financial position review accompanying this announcement.

PRELIMINARY FINAL FINANCIAL STATEMENTS

Please refer to pages 10 to 36 of this report wherein the following are provided:

- Consolidated statement of profit or loss and other comprehensive loss for the year ended 28 February 2025;
- Consolidated statement of financial position as at 28 February 2025;
- Consolidated statement of changes in equity for the year ended 28 February 2025;
- Consolidated statement of cash flows for the year ended 28 February 2025; and
- Notes to the consolidated financial statements.

The consolidated financial statements presented have not been audited or subject to a review by the external auditors. The audit of the Group's financial statements for the year ended 28 February 2025 is in progress.

OTHER DISCLOSURE REQUIREMENTS

Dividend or distribution reinvestment plans
Renergen did not declare dividends during the year ended 28 February 2025 (2024: nil).

Entities over which control has been gained or lost during the year
There was no acquisition or loss of controlling interest during the year ended 28 February 2025.

Details of associates and joint ventures
The Group does not have associates or joint ventures.

Additional Appendix 4E disclosure requirements and commentary on significant features of the operating performance, results of segments, trends in performance and other factors affecting the results for the period are contained in the financial report accompanying this announcement.

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PRELIMINARY FINAL REPORT

RESULTS COMMENTARY

During the year ended 28 February 2025 (“FY2025”), and up to the date of this report, the Company has advanced its strategic objectives pertaining to the ongoing construction of the Virginia Gas Project (“VGP”) and the progression of LNG and LHe operations. Key developments during FY2025 and up to the date of this report include:

- Completion of system integration and final commissioning of the LHe production train at the VGP.
- Selling first LHe from the VGP.
- Took over complete operational control of the Phase 1 plant from the Original Equipment Manufacturer (“OEM”) from July 2024.
- Successfully implemented mitigation measures to produce LHe and sell the first Dewar container of LHe, post the reporting period.
- FY2025 LNG production totalled 4 885 tonnes (2024: 2 876 tonnes).
- Two exploration wells with high helium concentrations completed and converted to production-ready status.

Operationally, we faced delays in obtaining ISO containers for our LHe operations, experienced system shutdowns relating to the final commissioning of the helium system and recorded minor efficiency losses with respect to our LNG operations which were rectified during the annual maintenance. Despite these setbacks, LNG production was stable over the course of the year and in March 2025 the Group filled and sold its first LHe delivery for a customer. We continue to optimise our operations to ensure the longer-term expansion, stability and efficiency of both our LNG and LHe operations.

Operations review

VGP

The VGP comprises exploration and production rights over 187 000 hectares of gas fields across Welkom, Virginia and Theunissen, in the Free State Province in South Africa. Exploration, development and production activities of the VGP are undertaken on behalf of the Group by Tetra4 Proprietary Limited (“Tetra4”), a 94.5%-owned subsidiary of Renergen. Further details regarding the VGP are available on the Company’s website at https://www.renergen.co.za/virginia-gas-project/.

LNG

The FY2025 strategic intent with respect to the LNG operations was to stabilise production given the operational challenges experienced in the prior year – the extended annual maintenance between September 2023 and February 2024 and multiple nonroutine shutdowns. Interventions introduced by management since these developments led to improved plant performance and shorter maintenance cycles during FY2025 which resulted in steady LNG production averaging approximately 407 tonnes per month (2024: 232 tonnes per month). Overall, LNG production for FY2025 totalled 4 885 tonnes (2024: 2 876 tonnes), an increase of 70% year on year. Through our continuous improvement programme we have identified several initiatives that will improve current efficiencies and overall system reliability. The initiatives are planned to be implemented during the year ending 28 February 2026 and, when combined with the additional gas from the upcoming drilling campaign, will see the plant trend towards higher availability and more efficient recovery. Tetra4 retained its customer base and continues to sell all of the LNG produced to two local customers. Now our focus is on increasing gas flow to the plant to achieve nameplate capacity on Phase 1.

Helium

As previously announced on the Stock Exchange News Service of the JSE and the Australian Securities Exchange the critical milestone of completing LHe commissioning and integration was achieved in the latter part of Q2 of FY2025 and the first LHe delivery took place in March 2025. Now our focus is on increasing gas flow to the plant to reach nameplate capacity.

Environmental Authorisation status

On 15 August 2024 the Company announced that the positive Phase 2 Environmental Authorisation ("EA") which was granted in July 2023 for its Phase 2 operations was unsuccessfully appealed by the Centre for Environmental Rights ("CER") on behalf of the Mining and Environmental Justice Community Network of South Africa and Mining Affected Communities United in Action. Seven grounds of appeal were submitted and, following the Minister's review of the merits of the appeals, the Minister dismissed five out of the seven grounds of appeal. The Minister directed the Company to expand on the Climate Impact Assessment Reports to address identified areas of improvement in relation to the remaining two appeals which will then be submitted to registered Interested and Affected Parties for a further 30-day review. The report will then be submitted to the Department of Mineral Resources for approval.

Tetra4 is actively engaged with its environmental specialist to address the specific concerns outlined by the Minister regarding the Climate Impact Assessment Reports. This collaborative effort aims to thoroughly evaluate and enhance the reports in relation to the impacts of the exploration and climate change aspects as identified in the appeal process.

Exploration

The interpretation of legacy 2D and 3D seismic data in the prior year provided useful information for the FY2025 drilling campaign. Two new wells were drilled during the year – wells T4KK011 and T4KK011 REV.

The first exploration well (T4KK011) was drilled with an aim to intersect a known fault located within the Western Structural Margin ("WSM"), an area of intense shearing and fracturing and magnetic low. Once drilled to depth, cased and cemented T4KK011 was successfully flow tested and sampled, resulting in a helium concentration of 3.32% with a flow rate of 106 000 standard cubic feet per day.

Based on lithological and geophysical data obtained from T4KK011 an additional well, T4KK011 REV, was planned to intersect a newly discovered fault, east of T4KK011. T4KK011 REV was drilled to depth, cased and cemented but during the drilling process a series of rods were lost downhole. Fortunately, the well was recovered but almost 300 metres of rods remain downhole. T4KK011 REV confirmed the existence of an additional gas-bearing fault with helium-rich (2.68%) gas. Future drilling campaigns will aim to further define this fault and its gas-bearing

Financial review

Fund raising

Subscription of tranche 2 debentures by AIRSOL S.r.L ("AIRSOL")

In March 2024 Renergen announced the fulfilment of conditions precedent to the subscription of the second tranche of unsecured convertible debentures with a value of US$4.0 million by AIRSOL, a wholly-owned subsidiary of SOL S.p.A ("SOL"). Pursuant to the fulfilment of the conditions precedent, AIRSOL subscribed for the second tranche of convertible debentures (US$4.0 million (R74.6 million)), bringing SOL's total investment in Renergen to US$7.0 million (R137.6 million). The debentures initially had a maturity date of 28 February 2025, which has been extended to 31 August 2025. Further terms and conditions attributable to the debentures are outlined in note 8 of the accompanying audited consolidated financial statements for FY2025.

AIRSOL's investment in Renergen is a strategic one for both companies in that AIRSOL is not only investing in Renergen but also brings a wealth of knowledge and expertise to the Company. The SOL group was founded in Italy in 1927 and operates in 32 countries with more than 6 000 employees. The SOL group has a significant presence in the industrial gases market, including helium, across the world. SOL also brings significant LNG experience to the table, complementing Renergen's overall offering.

Settlement of the Standard Bank of South Africa ("SBSA") bridge loan facility and acquisition of new secured loan

On 18 March 2024 Renergen fully settled the R303.0 million SBSA bridge loan facility ("SBSA Bridge Loan Facility") previously raised on 30 June 2023. Under the terms of the SBSA Bridge Loan Facility the loan was payable either on or before 30 June 2025 or on the earlier of the receipt of proceeds from the proposed Nasdaq IPO or when the Project Investor Agreement ("PIA") became unconditional. The PIA became unconditional on 27 February 2024 following the completion of the Mahlako Gas Energy Proprietary Limited ("MGE") acquisition of a 5.5% stake in the VGP for R550.0 million. The SBSA Bridge Loan Facility was used to fund the expansionary capital expenditure of the VGP.

On 30 August 2024 Renergen acquired a new R155.0 million secured loan from SBSA ("SBSA Loan") to fund the VGP's working capital and capital expenditures. Renergen drew down R103.3 million of the facility on the loan's inception and drew down the remaining R51.7 million in October 2024. Transactions and security arrangements relating to the SBSA Loan are disclosed in note 8 of the accompanying audited consolidated financial statements for the year ended 28 February 2025.

Issuance of Renergen ordinary shares

On 28 January 2025 Renergen issued and listed 7 376 433 Renergen ordinary shares pursuant to a private placement undertaken by the Company at an issue price of R5.33 per share ("Additional Shares"). These Additional Shares, which represented 5% of Renergen's shares in issue on 28 January 2025, were issued under the general authority to issue shares for cash at a discount of 10% to the 30-day weighted average traded price. The proceeds from this share issue amounted to R39.3 million and were used as part of a multi-step plan to secure the required capital to complete Phase 1C, in turn to fund the expansion of the VGP as well as to bolster general working capital. The Additional Shares rank pari passu with existing listed Renergen ordinary shares. Following the issue of the Additional Shares, the total issued and listed share capital of Renergen has increased to 155 047 410 ordinary shares. capacity.

Financial performance

Several key developments impacted the overall financial performance of the Group for FY2025 as outlined below:

- Firstly, the implementation of our operational strategy required the Group to incur costs (fuel and lubricant, utilities and labour) associated with commissioning the helium production train without generating any associated LHe revenue during the commissioning phase. This contributed to the Group generating a gross loss for the year under review.
- Secondly, the balance of plant and the LNG/LHe process plant were brought into use in July 2024 and August 2024, respectively, which increased the recognition of expenses in the income statement. Prior to this, certain expenses (borrowing costs, salaries, insurance, etc.) qualified for capitalisation during the construction phase and were therefore not recorded in the income statement. Resultantly, these expenses did not impact the reported profit or loss during the construction phase.
- And finally, an increase in assets brought into use during the year had a significant impact on the depreciation charges recognised by the Group. Year on year, depreciation increased by R41.8 million[1].

1. Depreciation charges are recorded within cost of sales and other operating expenses in the audited financial statements.

Against the backdrop of the key developments outlined above, the Group reported a loss after tax of R246.9 million (2024: R109.8 million), an increase of R137.1 million, underpinned primarily by the following:

- a gross loss of R28.1 million (2024: gross profit of R10.1 million);
- an increase in operating costs of R49.9 million to R196.8 million (2024: R146.9 million); and
- an increase in interest expense of R58.4 million to R81.1 million (2024: R22.7 million), off-set by,
- an increase in the deferred tax credit of R14.0 million to R51.2 million (2024: R37.2 million).

Notwithstanding the financial loss, the Group made significant progress in achieving operational milestones. The plant's FY2025 operations were marked by low-capacity utilisation resulting in a significant fixed cost burden. As we continue to ramp up production and achieve nameplate capacity, we expect our financial performance to improve significantly. The fixed cost base will be spread over a larger revenue base, leading to improved profitability.

Despite reporting a higher loss after tax, the Group achieved several favourable financial outcomes during the year under review. These positive results include:

- an increase in revenue of R23.1 million to R52.1 million (2024: R29.0 million) driven by higher production and higher LNG prices. FY2025 LNG sales volumes totalled 4 633 tonnes (2024: 2 660 tonnes) and LNG prices averaged R225/gigajoule for the year (2024: R217/gigajoule);
- lower foreign exchange losses which decreased by R4.8 million to R9.9 million (2024: R14.7 million) due to an improvement in the Rand/US Dollar exchange rate relative to the prior year; and
- lower ancillary costs, which decreased by R4.1 million due to cost optimisation initiatives.

Gross loss

Factors which contributed to the R23.1 million increase in revenue are outlined above. FY2025 cost of sales increased by R61.3 million to R80.2 million (2024: R18.9 million) mainly due to increases in the following:

- depreciation by R32.7 million due to an increased asset base;
- fuel and lubricants usage by R9.7 million due to increased machine hours; and
- utilities by R14.7 million impacted by increased machine hours and the commissioning of the LHe process plant.

Overall, the Group recorded a gross loss of R28.1 million for FY2025. With the commencement of LHe sales in March 2025 the Group expects an improvement in performance over time as the plant reaches nameplate capacity.

Other operating costs

Other operating costs increased by R49.9 million to R196.8 million (2024: R146.9 million) due to the following:

- an increase in depreciation of R9.9 million to R28.3 million (2024: R18.4 million) due to a higher asset base relative to the prior year;
- an increase in repairs and maintenance costs of R12.1 million to R29.1 million (2024: R17.0 million) attributable to an increase in machine uptime and machine hours;
- an increase of R5.5 million in security, and selling and distribution expenses to R20.9 million (2024: R15.4 million) due to an increase in operational activity;
- an increase of R6.2 million in legal and professional fees to R12.1 million (2024: R5.9 million) due to advisory fees for the Nasdaq IPO and for the legal matters outlined in the Litigation section below; and
- increases in remuneration and insurance costs by R21.8 million to R53.3 million (2024: R31.5 million) due to the Group ceasing to capitalise these expenses for assets brought into use during the year.

Interest expenses and imputed interest

Interest expense and imputed interest increased by R58.4 million to R81.1 million (2024: R22.7 million) impacted mainly by the decrease in the capitalisation rate of borrowing costs attributable to assets under construction. As highlighted earlier, the balance of plant and LNG/LHe processing plant were transferred from assets under construction and brought into use during the year under review, which decreased the overall capitalisation rate for borrowing costs. The current year capitalisation rate for borrowing costs decreased to 19% from 79% in the prior year.

Deferred taxation credit

The increase in the deferred tax credit by R14.0 million to R51.2 million (2024: R37.2 million) primarily reflects the increase in unutilised tax losses available to the Group.

Financial position

The Group's total assets amounted to R2 349.2 million as at 28 February 2025 (2024: R2 709.1 million), a net decrease of R359.9 million arising mainly from:

- a net increase of R74.3 million[2] in property, plant and equipment ("PPE") and intangible assets reflecting further advancement of the construction of Phase 1 of the VGP and early-stage development of Phase 2 of the project;
- an increase of R51.2 million in the deferred tax asset to R141.6 million (2024: R90.4 million) mainly due to an increase in unutilised tax losses available to the Group;
- a decrease of R32.0 million in restricted cash balances used to service the long-term debt of the Group; and
- a decrease of R442.8 million in cash and cash equivalents to R28.3 million (2024: R471.1 million) due to expenditure on operations (R139.9 million), investments in PPE and intangible assets totalling R131.9 million, and net repayments of borrowings and lease liabilities totalling R242.3 million, off-set by proceeds from share issue totalling R39.3 million and the movement in restricted cash of R32.0 million.

[2.] Net movement is inclusive of non-cash additions to PPE and intangible assets. Cash investments in PPE and intangible assets totalled R131.9 million for the year.

To preserve cash resources prior to completing the fundraising for Phase 1C, the Company engaged with the United States Development Finance Corporation ("DFC") and sought their approval beforehand to not remit the quarterly instalment due on 15 February 2025 which would have covered principal, interest and guarantee payments. Furthermore, the Company requested the DFC for exemption from maintaining the required funds in the Debt Service Reserve Account ("DSRA"). The non-payment of the quarterly repayment, deviation from the DSRA requirements and failure to make required notifications therefore resulted in default events under the terms of the loan agreement. Whilst the DFC was agreeable to the requests made by the Company and subsequently provided a default waiver after the reporting period (see notes 14 and 35), effectively resolving cross-default issues related to the SBSA and IDC loan, the DFC default events existed as at 28 February 2025. Under IFRS Accounting Standards liabilities must be classified as current if an entity lacks an unconditional right to defer settlement for at least 12 months after the reporting period (see waiver conditions in note 8). As such, both the DFC and IDC loans were classified as current as at 28 February 2025.

The Molopo litigation and the need to procure the requisite equity injection by 24 January 2025 resulted in events of default with respect to the SBSA loan agreement. SBSA provided a waiver for the Molopo litigation default event but reserves all its rights with respect to the equity injection. To date, no further remedies have been requested by SBSA owing to the positive momentum on the Group's long term funding strategies.

The Group's total liabilities amounted to R1 234.6 million (2024: R1 388.0 million), a net decrease of R153.4 million mainly due to the following:

- a net decrease of R169.2 million in borrowings arising from repayments of capital and interest totalling R467.4 million and foreign exchange gains totalling R29.3 million, off-set by new borrowings acquired during the year from SBSA and AIRSOL totalling R229.6 million and interest accrued amounting to R97.9 million; and
- an increase of R14.1 million in trade and other payables reflecting increased operational activity.

Overall, these factors contributed to a decrease in the net asset value of the Group by R206.5 million for the year under review.

Changes in directorate

Thembisa Skweyiya resigned as a Non-executive Director, effective 10 April 2024. Luigi Matteucci retired as a Non-executive Director and Chairman of the Audit, Risk and IT Committee, effective 26 July 2024. There were no other changes in the directorate up until the date of this report.

Litigation update

- As African Carbon Energy Proprietary Limited has applied for a mining right to conduct underground coal gasification on areas that overlap with Tetra4's production right. Tetra4 has objected to the application. The proposed method of mining (underground coal gasification) may reduce Tetra4's ability to produce gas in a portion of the production right where the overlap occurs. Tetra4 is confident that this mining right will not be granted as Tetra4 is first in right, and existing case law having set precedent further supports its legal position.

- On 1 December 2021, Tetra4 instituted motion proceedings in the High Court of South Africa to clarify the National Energy Regulator of South Africa's jurisdiction over certain operating activities. Tetra4 maintains that these activities are regulated under its production right granted under the Mineral and Petroleum Resources Development Act 28 of 2002 ("MPRDA"). The order seeks to resolve legal ambiguities, with Tetra4 holding all required licenses for its current operations. The matter was heard on 6 March 2025, and judgment has been reserved. The Court is expected to deliver its ruling in due course, following careful consideration of the arguments and evidence presented.

- A dispute has arisen between Tetra4 and Springbok Solar Proprietary Limited (RF) ("Solar Developer") regarding a solar development encroaching upon Tetra4's production right. On 26 September 2024, Tetra4 instituted urgent motion proceedings in the High Court of South Africa, Free State Division, seeking an interim interdict restraining the Solar Developer from proceeding with construction activities. The dispute arises from the Solar Developer's failure to obtain the requisite Section 53 consent under the MPRDA. The matter was heard on 20 February 2025, and judgment has been reserved. The Court is expected to deliver its ruling in due course, following careful consideration of the arguments and evidence presented.

  Tetra4 appealed under Section 96(1) of the MPRDA, challenging the Regional Manager's grant of Section 53 consent without the required approvals, and the appeal was upheld on the 9th of April 2025. This renders the Section 53 consent void and solar construction unlawful. Tetra4 remains committed to negotiating a coexistence agreement with Solar Developer in good faith.

- Molopo has purported to cancel the loan agreement for an alleged breach of a condition during the execution of the MGE investment. As Tetra4 did not breach such condition, the purported termination of the loan agreement is a repudiation of the loan agreement, which Tetra4 is entitled to accept or reject. Tetra4 has elected to reject the repudiation and to continue with the loan agreement, which means the loan amount is not due, owing, and payable. Molopo has issued summons for payment which Tetra4 is defending. Until such time as a court finally determines the dispute in favour of Molopo, the loan amount is not due. According to the Lead Times Bulletin for the High Court roll in Gauteng the soonest hearing date is estimated to only take place in 4 years and 9 months.

- Tetra4 and EPCM Bonisana (Pty) Ltd ("EPCM") entered into a contract in December 2019 for the development of an LNG/LHe Process Plant. Disputes arose and were referred to a Dispute Adjudication Board ("DAB"), which has subsequently issued its decisions. Arbitration proceedings have commenced, with key submissions completed and the hearing currently scheduled for the last quarter of 2025. Tetra4 seeks R34.0 million in delay damages, while EPCM has lodged a counterclaim of R59.2 million.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The Consolidated Statement of Financial Position of the Group as at 28 February 2025 is set out below:

R'000	Notes	2025	2024
ASSETS			
Non-current assets		**2 236 021**	**2 110 001**
Property, plant and equipment	2	2 009 373	1 877 132
Intangible assets	3	24 300	82 212
Deferred taxation	14.2	141 586	90 435
Restricted cash	4	23 079	17 243
Finance lease receivables		37 683	42 979
Current assets		**113 153**	**599 126**
Inventory		3 198	2 073
Restricted cash	4	49 497	87 300
Finance lease receivables		6 116	5 969
Trade and other receivables		26 025	32 709
Cash and cash equivalents	5	28 317	471 075
TOTAL ASSETS		**2 349 174**	**2 709 127**
EQUITY AND LIABILITIES			
Stated capital	6	1 210 302	1 170 059
Share-based payments reserve		26 318	26 445
Other reserves		946	628
Accumulated (loss)/profit		(189 605)	46 515
Equity attributable to equity holders of Renergen		**1 047 961**	**1 243 647**
Non-controlling interest	7	66 648	77 456
TOTAL EQUITY		**1 114 609**	**1 321 103**
LIABILITIES			
Non-current liabilities		**122 646**	**816 467**
Borrowings	8	53 205	748 659
Lease liabilities		10 011	11 613
Deferred revenue		15 095	15 743
Provisions		44 335	40 452
Current liabilities		**1 111 919**	**571 557**
Borrowings	8	1 013 737	487 470
Trade and other payables	9	96 413	82 272
Lease liabilities		1 769	1 815
TOTAL LIABILITIES		**1 234 565**	**1 388 024**
TOTAL EQUITY AND LIABILITIES		**2 349 174**	**2 709 127**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE LOSS

The Consolidated Statement of Profit and Loss and Other Comprehensive Loss of the Group for the 12-month period ended 28 February 2025 is set out below:

R'000	Notes	2025	2024
Revenue	11	52 113	28 952
Cost of sales		(80 173)	(18 885)
Gross (loss)/profit		**(28 060)**	**10 067**
Other operating income		227	9 778
Share-based payments expense		(3 115)	(8 074)
Other operating expenses	12	(196 796)	(146 868)
Operating loss		**(227 744)**	**(135 097)**
Interest income		10 784	10 853
Interest expense and imputed interest	13	(81 119)	(22 747)
Loss before taxation		**(298 079)**	**(146 991)**
Taxation	14.1	51 151	37 199
LOSS FOR THE YEAR		**(246 928)**	**(109 792)**
Other comprehensive income:			
Items that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operation		318	(74)
Items that may not be reclassified to profit or loss in subsequent periods:			
Revaluation of properties		-	110
OTHER COMPREHENSIVE INCOME FOR THE YEAR		**318**	**36**
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(246 610)**	**(109 756)**
Loss attributable to:			
Owners of Renergen		(236 120)	(110 273)
Non-controlling interest		(10 808)	481
LOSS FOR THE YEAR		**(246 928)**	**(109 792)**
Total comprehensive loss attributable to:			
Owners of Renergen		(235 802)	(110 243)
Non-controlling interest		(10 808)	487
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(246 610)**	**(109 756)**
Loss per ordinary share			
Basic and diluted loss per share (cents)	15	(159.10)	(75.10)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

The Consolidated Statement of Changes in Equity of the Group for the 12-month period ended 28 February 2025 is set out below:

R'000	Share capital	Share-based payments reserve	Revaluation reserve	Foreign currency translation reserve	Accumu-lated (loss)/profit	Total equity attributable to equity holders of Renergen	Non-controlling interest ("NCI")	Total equity
BALANCE AT 28 FEBRUARY 2023	**1 134 750**	**21 099**	**598**	**-**	**(316 243)**	**840 204**	**-**	**840 204**
Loss for the year	-	-	-	-	(110 273)	(110 273)	481	(109 792)
Other comprehensive income for the year	-	-	104	(74)	-	30	6	36
Total comprehensive loss for the year	-	-	104	(74)	(110 273)	(110 243)	487	(109 756)
Sale of interest in Tetra4	-	-	-	-	473 031	473 031	76 969	550 000
Issue of shares	35 309	(2 728)	-	-	-	32 581	-	32 581
Share-based payments expense	-	8 074	-	-	-	8 074	-	8 074
BALANCE AT 29 FEBRUARY 2024	**1 170 059**	**26 445**	**702**	**(74)**	**46 515**	**1 243 647**	**77 456**	**1 321 103**
Loss for the year	-	-	-	-	(236 120)	(236 120)	(10 808)	(246 928)
Other comprehensive income for the year	-	-	-	318	-	318	-	318
Total comprehensive loss for the year	-	-	-	318	(236 120)	(235 802)	(10 808)	(246 610)
Issue of shares	42 558	(3 242)	-	-	-	39 316	-	39 316
Share issue costs	(2 315)	-	-	-	-	(2 315)	-	(2 315)
Share-based payments expense	-	3 115	-	-	-	3 115	-	3 115
BALANCE AT 28 FEBRUARY 2025	**1 210 302**	**26 318**	**702**	**244**	**(189 605)**	**1 047 961**	**66 648**	**1 114 609**
Notes	6						7	

CONSOLIDATED STATEMENT OF CASH FLOWS

The Consolidated Statement of Cash Flows of the Group for the 12- month period ended 28 February 2025 is set out below:

R'000	Notes	2025	2024
Cash flows used in operating activities		**(139 854)**	**(41 291)**
Cash used in operations	16.1	(150 638)	(52 144)
Interest received		10 784	10 853
Cash flows used in investing activities		**(99 936)**	**(316 296)**
Investment in property, plant and equipment	2	(105 481)	(221 874)
Disposal of property, plant and equipment	2	220	-
Investment in intangible assets	3	(26 642)	(81 866)
Movement in restricted cash		31 967	(12 556)
Cash flows (used in)/from financing activities		**(202 956)**	**773 717**
Ordinary shares issued for cash	6	39 316	32 581
Share issue costs	6	-	(2 208)
Proceeds from part-disposal of interest in Tetra4		-	550 000
Repayment of borrowings – capital	8	(375 311)	(105 245)
Repayment of interest on borrowings	8	(92 156)	(69 999)
Interest paid on leasing and other arrangements	13	(2 797)	(3 683)
Proceeds from borrowings	8	229 640	373 972
Payment of lease liabilities – capital		(1 648)	(1 701)
TOTAL CASH MOVEMENT FOR THE YEAR		**(442 746)**	**416 130**
Cash and cash equivalents at the beginning of the year	5	471 075	55 705
Effects of exchange rate changes on cash and cash equivalents		(12)	(760)
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5	**28 317**	**471 075**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation

The consolidated financial statements for the year ended 28 February 2025 have been prepared in accordance with IFRS Accounting Standards and in accordance with and containing the information required by IAS 34: Interim Financial Reporting, the South African Financial Reporting Requirements, the JSE Listings Requirements and in a manner required by the Companies Act. The consolidated financial statements have been prepared on the historical cost basis except for land that is carried at a revalued amount. Significant accounting policies applied in the preparation of the consolidated financial statements are in terms of IFRS and are consistent with those applied in the previous consolidated financial statements. Amendments to accounting standards and new accounting pronouncements which came into effect for the first time during the financial year did not have a material impact on the Group.

These consolidated financial statements have been prepared on a going concern basis. The consolidated financial statements are presented in South African Rand which is the Company's functional and presentation currency. All monetary information is rounded to the nearest thousand (R'000), except where otherwise stated.

JSE shareholders should note that this form does not meet the JSE reporting requirements as this information is issued in line with the ASX Listing Rules. The extracted summarised consolidated financial statements presented in this report have not been audited or reviewed by the Group's external auditor.

2. Property, plant and equipment

	2025			2024		
R'000	Cost or valuation	Accumulated depreciation	Net book value	Cost or valuation	Accumulated depreciation	Net book value
Assets under construction	432 594	-	432 594	1 284 461	-	1 284 461
Development asset	321 930	(4 545)	317 385	238 962	(997)	237 965
Rehabilitation asset	36 909	(1 986)	34 923	-	-	-
Right-of-use asset – head office building	12 684	(3 305)	9 379	12 684	(1 101)	11 583
Land – at revalued amount	3 600	-	3 600	3 600	-	3 600
Plant and machinery	1 105 820	(61 637)	1 044 183	338 216	(24 446)	313 770
Furniture and fixtures	1 582	(1 147)	435	1 582	(982)	600
Motor vehicles	17 124	(7 586)	9 538	17 224	(4 458)	12 766
Office equipment	287	(193)	94	287	(162)	125
IT equipment	1 187	(1 132)	55	1 148	(986)	162
Right-of-use assets – motor vehicles	5 671	(4 546)	1 125	5 671	(3 475)	2 196
Office building	157 594	(10 258)	147 336	2 065	(888)	1 177
Lease hold improvements:						
Office equipment	-	-	-	142	(142)	-
Furniture and fixtures	12 124	(3 398)	8 726	10 321	(1 594)	8 727
TOTAL	**2 109 106**	**(99 733)**	**2 009 373**	**1 916 363**	**(39 231)**	**1 877 132**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. Property, plant and equipment (continued)

2025 R'000	At 1 March 2024	Derecog-nition[1]	Transfers[2]	Additions	Depreciation	At 28 February 2025
Assets under construction	1 284 461	-	(960 042)	108 175	-	432 594
Development asset[3]	237 965	-	82 968	-	(3 548)	317 385
Rehabilitation asset	-	-	36 909	-	(1 986)	34 923
Right-of-use asset – head office building	11 583	-	-	-	(2 204)	9 379
Land – at revalued amount	3 600	-	-	-	-	3 600
Plant and machinery	313 770	-	767 604	-	(37 191)	1 044 183
Furniture and fixtures	600	-	-	-	(165)	435
Motor vehicles	12 766	(100)	-	-	(3 128)	9 538
Office equipment	125	-	-	-	(31)	94
IT equipment	162	-	-	39	(146)	55
Right-of-use assets – motor vehicles	2 196	-	-	-	(1 071)	1 125
Office building	1 177	-	155 529	-	(9 370)	147 336
Lease hold improvements:						
Furniture and fixtures	8 727	-	-	1 803	(1 804)	8 726
TOTAL	**1 877 132**	**(100)**	**82 968**	**110 017**	**(60 644)**	**2 009 373**

1 – The Group sold a motor vehicle with a book value of R0.1 million for R0.2 million.
2 – Plant and machinery and an office building totalling R923.1 million were brought into use during the year under review resulting in transfers out of assets under construction to plant and machinery (R767.6 million) and the office building (R155.5 million). A rehabilitation asset totalling R36.9 million was also transferred for assets under construction during the year under review.
3 – Costs amounting to R83.0 million were transferred from exploration and development costs due to the commercial viability of the extraction of LNG being demonstrable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. Property, plant and equipment (continued)

Pledge of assets

Tetra4 concluded finance agreements with the DFC on 20 August 2019 and the IDC on 17 December 2021 (see note 8). All physical assets are held as security for the debt under these agreements. Physical assets have a carrying amount of R1.6 billion as at 28 February 2025 (2024: prior year security comprised assets under construction and land totalling R1.3 billion), representing 100% (2024: 100%) of each of these asset categories.

Additions and borrowing costs

Additions include foreign exchange differences attributable to the DFC loan and interest capitalised as part of borrowing costs in line with the Group's policy. These costs and exchange differences were capitalised within assets under construction. In the prior year additions also included non-cash additions to right-of-use assets. The Group's borrowings are disclosed in note 8.

A reconciliation of additions to exclude the impact of capitalised borrowing costs (inclusive of foreign exchange differences) and non-cash additions to right-of-use assets is provided below:

R'000	2025	2024
Additions as shown above	110 017	288 439
Capitalised interest attributable to the DFC loan (note 8)	(13 512)	(32 927)
Unrealised foreign exchange gains/(losses) attributable to the DFC loan (note 8)	36 704	(16 548)
Capitalised interest attributable to the IDC loan (note 8)	(9 979)	(23 398)
Capitalised interest attributable to the SBSA bridge loan (note 8)	-	(30 798)
Capitalised interest attributable to the AIRSOL debentures (note 8)	-	(3 648)
Net movement in accruals attributable to assets under construction	(17 749)	54 422
Non-cash additions to right-of-use assets	-	(13 668)
Additions as reflected in the cash flow statement	**105 481**	**221 874**

Capital commitments

Capital commitments attributable to assets under construction are disclosed in note 17.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. Intangible assets

R'000	2025 Cost	2025 Accumulated amortisation and impairment	2025 Net book value	2024 Cost	2024 Accumulated amortisation and impairment	2024 Cost
Acquired intangible assets						
Exploration and development costs	-	-	-	56 031	(32)	55 999
Computer software	9 568	(5 820)	3 748	9 568	(3 907)	5 661
Internally developed intangible assets						
Development costs – Cryo-Vacc™	17 070	-	17 070	17 070	-	17 070
Development costs – Helium Tokens System	3 482	-	3 482	3 482	-	3 482
TOTAL	**30 120**	**(5 820)**	**24 300**	**86 151**	**(3 939)**	**82 212**

2025 R'000	At 1 March 2024	Additions-separately acquired	Transfers[1]	Amorti-sation	At 28 February 2025
Exploration and development costs	55 999	26 969	(82 968)	-	-
Computer software	5 661	-	-	(1 913)	3 748
Development costs – Cryo-Vacc™	17 070	-	-	-	17 070
Development costs – Helium Tokens System	3 482	-	-	-	3 482
Total	**82 212**	**26 969**	**(82 968)**	**(1 913)**	**24 300**

1- Costs amounting to R83.0 million were transferred to property, plant and equipment due to the commercial viability of the extraction of LNG being demonstrable.

A reconciliation of additions to exclude the impact of accruals is provided below:

R'000	2025	2024
Additions as shown above	26 969	81 866
Net movement in accruals	(327)	-
Additions as reflected in the cash flow statement	**26 642**	**81 866**

4. Restricted cash

R'000	2025	2024
Non-current:	**23 079**	**17 243**
Environmental rehabilitation cash guarantee	15 086	8 838
Eskom Holdings SOC Limited cash guarantee	7 993	8 405
Current:	**49 497**	**87 300**
Debt Service Reserve Accounts	49 497	87 300
DFC	29 824	66 969
IDC	19 673	20 331
TOTAL	**72 576**	**104 543**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. Cash and cash equivalents

Cash and cash equivalents consist of:

R'000	2025	2024
Cash at banks and on hand	11 152	24 711
Short-term deposits	17 165	446 364
TOTAL	**28 317**	**471 075**

Cash at banks earns interest at floating rates. Short-term deposits are made for varying periods (less than three months) depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. The Group's cash and cash equivalents are primarily denominated in South African Rands. The amounts denominated in Australian Dollars at 28 February 2025 are immaterial (2024: R0.3 million). The amounts denominated in US Dollars at 28 February 2025 are immaterial (2024: immaterial). The Group banks with financial institutions with a ba2 Moody's standalone credit rating.

6. Stated capital

	2025	2024
Authorised number of shares	**'000**	**'000**
500 000 000 no par value shares	500 000	500 000
Reconciliation of number of shares issued:		
Balance at 1 March	147 529	144 748
Issue of shares – ordinary shares issued for cash	7 376	2 580
Issue of shares – share incentive scheme, non-cash	142	201
BALANCE AT 28/29 FEBRUARY	**155 047**	**147 529**
Reconciliation of issued stated capital:	**R'000**	**R'000**
Balance at 1 March	1 170 059	1 134 750
Issue of shares	42 558	35 309
Issue of shares – ordinary shares issued for cash	39 316	32 581
Issue of shares – share incentive scheme, non-cash	3 242	2 728
Share issue costs [1]	(2 315)	-
BALANCE AT 28/29 FEBRUARY	**1 210 302**	**1 170 059**

[1] Share issue costs for the year were unpaid as at 28 February 2025.

Shares issued for cash during the year under review comprise:

2025 Nature	Date	Number of shares issued '000	Issue price Rand	Value of shares issued R'000[1]
Issue of shares on the Johannesburg Stock Exchange	28 January 2025	7 376	5.33	39 316
Total		**7 376**		**39 316**

[1]- The value of shares issued is impacted by rounding.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. Non-controlling interest

Tetra4, a 94.5% owned subsidiary of the Company, has a material NCI. Tetra4 is the only subsidiary of the Company with a NCI.

Tetra4's summarised financial information, before intra-group eliminations, is presented below together with amounts attributable to NCI.

R'000	2025	2024
Summarised statement of profit or loss and other comprehensive loss (100%)		
Revenue	52 113	28 952
Cost of sales	(80 173)	(18 885)
Gross (loss)/profit	**(28 060)**	**10 067**
Other operating income	227	9 778
Share-based payments expense	(717)	(1 767)
Other operating expenses	(171 352)	(109 787)
Operating loss	**(199 902)**	**(91 709)**
Interest income	9 802	9 074
Interest expense and imputed interest	(46 315)	(21 697)
Taxation	39 907	33 335
Loss for the year	**(196 508)**	**(70 997)**
Other comprehensive loss for the year	-	110
Total comprehensive loss for the year	**(196 508)**	**(70 887)**
Summarised statement of financial position (100%)		
Non-current assets	2 181 907	2 064 920
Current assets	98 390	309 423
Non-current liabilities	(113 235)	(805 632)
Current liabilities	(785 653)	(145 511)
Summarised cash flows (100%)		
Cash flows used in operating activities	(100 105)	(14 560)
Cash flows used in investing activities	(99 936)	(307 633)
Cash flows generated from financing activities	29 249	470 219
Net (decrease)/increase in cash and cash equivalents	**(170 792)**	**148 026**

Tetra4 did not declare a dividend during the year under review (2024: Rnil). Tetra4's operations are included under the Tetra4 segment (see note 10).

The comprehensive loss attributed to the NCI is outlined below:

	NCI in subsidiary %	2025 Total comprehensive income allocated to NCI R'000	Accumulated NCI R'000	NCI in subsidiary %	2024 Total comprehensive income allocated to NCI R'000	Accumulated NCI R'000
Tetra4	5.5	10 808	66 648	5.5	(487)	77 456

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

8. Borrowings

R'000	2025	2024
Non-current liabilities at amortised cost	**53 205**	**748 659**
Molopo Energy Limited ("Molopo")	53 205	46 960
DFC	-	540 957
IDC	-	160 742
Current liabilities at amortised cost	**1 013 737**	**487 470**
DFC	546 393	83 224
IDC	160 590	12 695
SBSA	169 159	333 798
AIRSOL	137 595	57 753
Total	**1 066 942**	**1 236 129**

The movement in borrowings for the year under review is as follows:

		Non-cash movements		Cash movements			
R'000	At 1 March 2024	Interest[1]	Foreign exchange gains[2]	Additions	Repay-ments-capital[3]	Repay-ments-interest[3]	At 28 February 2025
Molopo	46 960	6 245	-	-	-	-	53 205
DFC	624 181	33 196	(26 072)	-	(59 464)	(25 448)	546 393
IDC	173 437	25 470	-	-	(12 847)	(25 470)	160 590
SBSA	333 798	16 491	-	155 000	(303 000)	(33 130)	169 159
AIRSOL	57 753	16 528	(3 218)	74 640	-	(8 108)	137 595
Total	**1 236 129**	**97 930**	**(29 290)**	**229 640**	**(375 311)**	**(92 156)**	**1 066 942**

[1]- The Group capitalises interest which qualifies as borrowing costs attributable to the construction of qualifying assets. The interest presented above will therefore not correspond to amounts shown within the additions reconciliation for cash flow purposes as shown in note 2.

[2]- Foreign exchange gains reflect the impact of the strengthening of the Rand against the US Dollar. Qualifying foreign exchange gains amounting to R36.7 million were capitalised to assets under construction within PPE (see note 2). Foreign exchange gains presented above therefore will not correspond to amounts shown within the additions reconciliation for cash flow statement purposes as shown in note 2.

[3]- Repayments of capital, interest and fees attributable to the DFC loan, IDC loan, SBSA loan and AIRSOL debentures are in line with loan terms. The Group shows repayments of interest under financing activities.

Molopo

Tetra4 entered into a R50.0 million loan agreement with Molopo on 11 April 2014. The loan term was for a period of 10 financial years and six months commencing on 1 July 2014 (repayable on 31 August 2024). During this period the loan was unsecured and is interest free. The loan was discounted on initial recognition and the unwinding of the discount applied on initial recognition was recognised in borrowing costs as imputed interest.

As the loan was not repaid on 31 August 2024 it now accrues interest at the prime lending rate plus 2% (13.00% on 28 February 2025). The loan can only be repaid when Tetra4 declares a dividend and utilises a maximum of 36% of the distributable profits in order to pay the dividend. It is not expected that the loan or interest will be repaid in the next 12 months given the unavailability of distributable profits based on Tetra4's most recent forecasts. As such, the loan is classified as long term. The loan accrued interest amounting to R6.2 million for the year (at an average rate of 13.33%) (2024: R4.0 million (at an average rate of 12.75%)). The Molopo loan outstanding on 28 February 2025 amounted to R53.2 million (2024: R47.0 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

8. Borrowings (continued)

On 14 November 2024 Molopo initiated legal proceedings against Tetra4 in the High Court of South Africa, Gauteng Local Division, Johannesburg, by issuing a summons alleging a breach of contract when Renergen sold the 5.5% stake in Tetra4 to MGE. The claim pertains to a written loan agreement concluded between Molopo, as the lender, and Tetra4, as the borrower, on or about 11 April 2014. As a consequence, Molopo has purported to cancel the loan agreement, which cancellation is disputed by Tetra4 on the basis that the investment by MGE did not constitute a payment by Tetra4 to its parent in the sale. According to the Lead Times Bulletin for the High Court in Gauteng the soonest hearing date is estimated to only take place in four years and nine months, hence the loan continues to be classified as non-current.

DFC

Tetra4 entered into a US$40.0 million finance agreement with the DFC on 20 August 2019 ("Facility Agreement"). The first drawdown of US$20.0 million took place in September 2019, the second drawdown of US$12.5 million in June 2020 and the final drawdown of US$7.5 million on 28 September 2021. Tetra4 shall repay the loan in equal quarterly instalments of US$1.08 million (R19.9 million using the rate at 28 February 2025) on each payment date which began on 1 August 2022 and will end on 15 August 2031. The loan is secured by a pledge of the Group's assets under construction (see note 2), land and the Debt Service Reserve Account ("DSRA").

Interest

The first drawdown of $20.0 million attracts interest of 2.11% per annum. Interest on the second and final drawdowns is 1.49% and 1.24% per annum, respectively.

Interest is payable by Tetra4 to the DFC quarterly on 15 February, 15 May, 15 August and 15 November of each year (repayment dates) for the duration of the loan. Qualifying interest attributable to assets under construction, within PPE, is capitalised in line with the Group policy. Interest incurred during the year totalled US$0.5 million (R9.9 million) (2024: US$0.6 million (R11.7 million)).

Guarantee fee

A guarantee fee of 4% per annum is payable by Tetra4 to the DFC on any outstanding loan balance. The guarantee fee is payable quarterly on the repayment dates. Tetra4 incurred guarantee fees totalling US$1.2 million (R22.6 million) during the year under review (2024: US$1.4 million (R26.6 million)).

Commitment fees

A commitment fee of 0.5% per annum is payable by Tetra4 to the DFC on any undisbursed amounts under the Facility Agreement. Commitment fees were payable quarterly on the repayment dates. Tetra4 did not pay any commitment fees as there were no undrawn amounts during the year under review (2024: Rnil).

Facility fee

A once-off facility fee of US$0.4 million (R4.8 million) was paid by Tetra4 to the DFC prior to its first drawdown on 26 September 2019.

Maintenance fee

An annual maintenance fee of US$0.04 million is payable by Tetra4 to the DFC for the duration of the loan term and is payable on 15 November of each year (commenced on 15 November 2020). The maintenance fee covers administrative costs relating to the loan. Tetra4 incurred maintenance fees amounting to US$0.04 million (R0.6 million) during the year under review (2024: US$0.04 million (R0.7 million)).

8. Borrowings (continued)

Non-payment of quarterly DFC repayments
To preserve cash resources prior to completing the fundraising for Phase 1C, the Company engaged with the DFC and sought their approval beforehand to not remit the quarterly instalment due on 15 February 2025 which would have covered principal, interest and guarantee payments. Furthermore, the Company requested the DFC for exemption from maintaining the required funds in the DSRA. The non-payment of the quarterly repayment, deviation from the DSRA requirements and failure to make required notifications therefore resulted in default events under the terms of the loan agreement. Whilst the DFC was agreeable to the requests made by the Company and subsequently provided a default waiver after the reporting period (see note 18), effectively resolving cross-default issues related to the SBSA and IDC loan, the default event existed as at 28 February 2025. Under IFRS Accounting Standards liabilities must be classified as current if an entity lacks an unconditional right to defer settlement for at least 12 months after the reporting period (see waiver conditions below). As such, both the DFC and IDC loans were classified as current as at 28 February 2025. Other default events on the DFC loan as at 28 February 2025 included the following:

- reporting defaults arising from changes of ownership and changes in material contracts; and
- the reporting default arising from the Molopo litigation. The Group's response to the Molopo litigation is outlined on page 8.

The conditional waiver provided by the DFC on 9 April 2025 (see note 18) stipulates the following:
- Settlement of the outstanding quarterly repayment and remediation of the DSRA requirements by 31 May 2025.
- No action or judgment is taken against Tetra4 with respect to the Molopo litigation.
- Successful completion of the construction of the VGP within agreed timelines.
- Sufficient equity contributions by Renergen to Tetra4 within the agreed timelines.
- Successful verification of the change in ownership.

The default on the DFC loan resulted in cross-defaults on the IDC and SBSA loans. As highlighted above, the Company secured waivers from the DFC, effectively resolving cross-default issues related to the SBSA and IDC loan. Like the DFC loan, the IDC loan was classified as current as at 28 February 2025. The SBSA loan, which is due within 12 months, was already classified as current.

Debt covenants
The following debt covenants apply to the DFC loan:

a) Tetra4 is required to maintain at all times (i) a ratio of all interest-bearing debt to EBITDA of not more than 3.0 to 1; (ii) a ratio of current assets to current liabilities of not less than 1 to 1; and (iii) a reserve tail ratio of not less than 25%.
b) Tetra4 is required to maintain at all times (i) a ratio of cash flow for the most recently completed four consecutive full fiscal quarters, taken as a single accounting period, to debt service for the most recently completed four (4) consecutive full fiscal quarters, taken as a single accounting period, of not less than 1.30 to 1; and (ii) a ratio of cash flow for the most recently completed four (4) consecutive full fiscal quarters, taken as a single accounting period, to debt service for the next succeeding four consecutive full fiscal quarters of not less than 1.3 to 1.
c) Tetra4 is required to ensure that the DSRA is funded in the aggregate of all amounts due to the DFC within the next 6 months.

The covenants in (a) and (b) will apply from 15 August 2025. As of 28 February 2025 Tetra4 did not meet covenant (c). On 9 April 2025 the DFC provided a waiver to address this default as set out above. Tetra4, however, believes that it will be able to comply with the covenants throughout the tenure of the loan.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

8. Borrowings (continued)

“Reserve tail ratio” means, for any calculation date, the quotient obtained by dividing (a) all of the borrower’s remaining proved reserves as of such calculation date by (b) all of the borrower’s proved reserves as of the date of this agreement.

IDC

Tetra4 entered into a R160.7 million loan agreement with the IDC on 17 December 2021. An amount of R158.8 million was drawn down on 22 December 2021 and is repayable in 102 equal monthly payments which commenced in July 2023. The loan terms included a 12-month interest capitalisation and an 18-month capital repayment moratorium. The loan accrues interest at the prime lending rate plus 3.5% (14.5% on 28 February 2025) and is secured by a pledge of Tetra4’s assets under construction (see note 2), land and the DSRA. The IDC loan outstanding on 28 February 2025 amounted to R160.6 million (2024: R173.4 million) and interest accrued during the year amounted to R25.5 million (2024: R27.2 million). Qualifying interest attributable to assets under construction, within PPE, is capitalised in line with the policy of the Group.

The following debt covenants apply to the IDC loan.

a) Tetra4 is required to maintain the following the same financial and reserve tail ratios, and a DSRA as mentioned under the DFC loan.
b) In addition, Tetra4 shall not make any shareholder dividend distribution, repay any shareholders’ loans and/or pay any interest on shareholders’ loans or make any payments whatsoever to its shareholders without the IDC’s prior written consent, if:
   i. Tetra4 is in breach of any term of the loan agreement; or
   ii. the making of such payment would result in a breach of any one or more of the financial ratios above.

The covenants in (a) will apply from 15 August 2025. Tetra4 was in compliance with the covenant under (b) above for the year and believes that it will be able to comply with the covenants throughout the tenure of the loan. Tetra4 maintains a DSRA with respect to the IDC loan.

SBSA

Renergen obtained a R155.0 million secured loan from SBSA on 30 August 2024 (“SBSA Loan”). The first drawdown of R103.3 million occurred on 31 August 2024 and the second drawdown of R51.7 million occurred on 17 October 2024. Proceeds were used to fund the working capital and expansion of the VGP. Part of the proceeds of the SBSA Loan were also used to pay transaction costs attributable to the loan arrangement.

The SBSA Loan accrues interest at a rate linked to three-month JIBAR plus a variable margin (JIBAR plus the margin equated to 20.70% on 28 February 2025). Interest is compounded and capitalised to the principal amount owing. The SBSA Loan is repayable on the earlier of the receipt of proceeds from the proposed Renergen Nasdaq IPO or 30 August 2025.

The SBSA Loan is secured by a third ranking pledge of Tetra4’s assets under construction, land, the global business account and shares held by Renergen in Tetra4. In addition, CRT Investments Proprietary Limited (“CRT”) an associate of Mr Nicholas Mitchell, and MATC Investments Holdings Proprietary Limited (“MATC”) an associate of Mr Stefano Marani, have entered into cession and pledge agreements (“Pledges”) with SBSA, in terms of which CRT and MATC have pledged and ceded as security, which remains in CRT and MATC’s possession unless called, collectively 17 314 575 Renergen ordinary shares (“Pledged Shares”), to and in favour of SBSA. CRT and MATC’s potential liability under the security given in respect of such financial obligation is capped at the lower of the value of the Pledged Shares or R155.0 million.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

8. Borrowings (continued)

The Molopo litigation and the need to procure the requisite equity injection by 24 January 2025 resulted in events of default with respect to the SBSA loan agreement. SBSA provided a waiver for the Molopo litigation default event but reserves all its rights with respect to the default on the equity injection. To date, no further remedies have been requested by SBSA due to the progress achieved in securing funding for the VGP. The SBSA Loan outstanding on 28 February 2025 amounted to R169.2 million (2024: R333.8 million) and interest accrued during the year amounted to R16.5 million (2024: R30.8 million). In light of the agreed forbearance of the DFC payment for the quarterly instalment for February 2025, a waiver was sought from SBSA and was issued to Tetra4 on 28 February 2025 in respect of the technical cross default provisions.

AIRSOL

Renergen entered into a US$7.0 million unsecured convertible debenture subscription agreement (“Subscription Agreement”) with AIRSOL, an Italian wholly-owned subsidiary of SOL S.p.A, on 30 August 2023 for the subscription by AIRSOL in Renergen debentures in two tranches of US$3.0 million (“Tranche 1”) and US$4.0 million (“Tranche 2”). Tranche 1 proceeds were received on 30 August 2023 and on 18 March 2024 AIRSOL subscribed for Tranche 2 debentures and Renergen received US$4.0 million (R74.6 million). This transaction is linked to the Nasdaq IPO.

The debentures initially had a maturity date of 28 February 2025, which has been extended to 31 August 2025, and accrue interest at a rate of 13% per annum, calculated and compounded semi-annually on the outstanding principal amount. Interest is payable on 28 February and 31 August of each year during the term of the debentures.

On maturity, the debentures can be settled in cash or converted to shares in Renergen at a conversion rate to be determined by dividing the outstanding principal amount by the conversion price. The conversion price has been agreed as follows:

- If the Nasdaq IPO has not been completed before the maturity date of the debentures, the conversion price will be 90% of the 30-day volume weighted average traded price of Renergen shares on the Johannesburg Stock Exchange.
- If the Nasdaq IPO has occurred before the maturity date of the debentures, and the shares to be issued are Renergen shares admitted to trading on the JSE, the conversion price with be 90% of the Rand equivalent of the deemed US$ price per share applicable in the IPO.
- If the Nasdaq IPO has occurred before the maturity date of the debentures and the shares to be issued are Renergen American Depositary Shares (“ADSs”), the conversion price with be 90% of the Rand equivalent of the US$ issue price per ADS.

Debentures outstanding on 28 February 2025 amounted to US$7.5 million (R137.6 million) (2024: US$3.0 million (R57.8 million)) and interest accrued during the year amounted to US$0.9 million (R16.5 million) (2024: US$0.2 million (R3.6 million)).

The debentures have been classified as short term as they have a maturity date of 31 August 2025. They do not have an equity component as they are convertible into variable number of shares.

The carrying values of the Molopo, IDC, DFC, SBSA and AIRSOL loans closely approximate fair values.

9. Trade and other payables

R'000	2025	2024
Financial instruments:	**92 241**	**73 285**
Trade payables	70 206	53 367
Accrued expenses	22 035	19 918
Non-financial instruments:	**4 172**	**8 987**
Accrued leave pay	4 172	3 995
Accrued bonuses	-	4 445
Other	-	547
TOTAL	**96 413**	**82 272**

10. Segmental analysis

The Group has identified reportable segments that are used by the Group Executive Committee (chief operating decision-maker) to make key operating decisions, allocate resources and assess performance. For management purposes the Group is organised and analysed as follows:

a) Corporate head office

Corporate head office is a segment where all investment decisions are made. Renergen is an investment holding company focussed on investing in prospective green projects. Green projects entail pursuing knowledge and practices that can lead to more environmentally friendly and ecologically responsible decisions and lifestyles which can help protect the environment and sustain its natural resources for current and future generations.

b) Tetra4

Tetra4 explores for, produces and sells LNG and, subsequent to year end, it also commenced selling LHe. It operates in the Gauteng Province, Free State Province and Mpumalanga Province in the town of Evander. Tetra4's current customer base is in South Africa.

c) Cryovation

Cryovation developed the ground-breaking Cryo-VaccTM technology, which enables the safe transportation of vaccines and biologics at extremely low temperatures without the need for electrical power. The Cryovation business model is undergoing refinement and further development with insights from experts from various fields with the intention of exploring several modifications that will improve the overall concept and operational performance to enhance its appeal for the more niche biologics and gene-therapy market internationally.

d) Renergen US

Renergen US was incorporated on 16 August 2022 and assists with various fundraising and business development activities of the Group in the US market. Renergen US commenced operations in the prior year.

With the exception of Renergen US which carries out its operations in the United States of America ("USA"), all of the Group's segments are in South Africa. Therefore no additional geographical information is provided. For the year under review all sales of the Group were made by Tetra4 to two South African customers (2024: three South African customers).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

10. Segmental analysis (continued)

The analysis of reportable segments as at 28 February 2025 is set out below:

2025 R'000	Corporate Head Office	Tetra4	Cryovation	Renergen US	Total	Eliminations	Consolidated
Revenue	**-**	**52 113**	**-**	**-**	**52 113**	**-**	**52 113**
External	-	52 113	-	-	52 113	-	52 113
Depreciation and amortisation	(4 015)	(58 542)	-	-	(62 557)	-	(62 557)
Share-based payment expenses	(2 398)	(717)	-	-	(3 115)	-	(3 115)
Employee costs	(7 065)	(19 813)	-	(7 397)	(34 275)	6 786	(27 489)
Consulting and advisory fees	(9 642)	(3 513)	(77)	(73)	(13 305)	362	(12 943)
Listing costs	(3 184)	-	-	-	(3 184)	-	(3 184)
Computer and IT expenses	(1 006)	(5 609)	-	-	(6 615)	913	(5 702)
Legal and professional fees	(7 404)	(4 888)	(49)	-	(12 341)	267	(12 074)
Security	-	(9 990)	-	-	(9 990)	-	(9 990)
Selling and distribution expenses	-	(10 942)	-	-	(10 942)	-	(10 942)
Repairs and maintenance	(153)	(28 928)	-	-	(29 081)	3	(29 078)
Insurance	-	(12 257)	-	-	(12 257)	-	(12 257)
Management fees charged to Tetra4	32 634	-	-	-	32 634	(32 634)	-
Management fees charged by Renergen US	(10 950)	(22 646)	-	-	(33 596)	33 596	-
Net foreign exchange gains/(losses)	2 701	(12 558)	-	-	(9 857)	-	(9 857)
Interest income	982	9 802	-	-	10 784		10 784
Imputed interest	-	(6 245)	-	-	(6 245)	-	(6 245)
Interest expense	(34 804)	(40 070)	-	-	(74 874)	-	(74 874)
Taxation	11 244	39 907	-	-	51 151	-	51 151
LOSS FOR THE YEAR	**(50 268)**	**(196 508)**	**(220)**	**260**	**(246 736)**	**(192)**	**(246 928)**
TOTAL ASSETS	**2 023 518**	**2 280 297**	**16 824**	**4 405**	**4 325 044**	**(1 975 870)**	**2 349 174**
TOTAL LIABILITIES	**(342 700)**	**(898 888)**	**(5 927)**	**(747)**	**(1 248 262)**	**13 697**	**(1 234 565)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

10. Segmental analysis (continued)

2024 R'000	**Corporate Head Office**	**Tetra4**	**Cryovation**	**Renergen US**	**Total**	**Eliminations**	**Consolidated**
Revenue	**-**	**28 952**	**-**	**-**	**28 952**	**-**	**28 952**
External	-	28 952	-	-	28 952	-	28 952
Depreciation and amortisation	(1 991)	(17 978)	-	-	(19 969)	-	(19 969)
Share-based payment expenses	(6 275)	(1 767)	(32)	-	(8 074)	-	(8 074)
Employee costs	(5 188)	(18 954)	(835)	(704)	(25 681)	-	(25 681)
Consulting and advisory fees	(7 692)	(3 910)	(80)	(82)	(11 764)	-	(11 764)
Listing costs	(1 979)	-	-	-	(1 979)	-	(1 979)
Computer and IT expenses	(291)	(5 118)	(1)	-	(5 410)	-	(5 410)
Marketing and advertising	(3 842)	(602)	-	(62)	(4 506)	-	(4 506)
Legal and professional fees	(3 300)	(2 510)	(50)	-	(5 860)	-	(5 860)
Security	-	(7 459)	-	-	(7 459)	-	(7 459)
Selling and distribution expenses	-	(7 910)	-	-	(7 910)	-	(7 910)
Repairs and maintenance	-	(17 022)	-	-	(17 022)	-	(17 022)
Net foreign exchange losses	(2 998)	(11 732)	-	-	(14 730)	-	(14 730)
Interest income	1 817	9 074	-	-	10 891	(38)	10 853
Imputed interest	-	(5 495)	-	-	(5 495)	-	(5 495)
Interest expense	(1 088)	(16 202)	-	-	(17 290)	38	(17 252)
Taxation	3 864	33 335	-	-	37 199	-	37 199
LOSS FOR THE YEAR	**(36 051)**	**(70 997)**	**(1 092)**	**(1 652)**	**(109 792)**	**-**	**(109 792)**
TOTAL ASSETS	**2 129 216**	**2 374 343**	**16 818**	**5 117**	**4 525 494**	**(1 816 367)**	**2 709 127**
TOTAL LIABILITIES	**(438 246)**	**(951 143)**	**(5 704)**	**(1 848)**	**(1 396 941)**	**8 917**	**(1 388 024)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

10. Segmental analysis (continued)

The disaggregation of revenue by customer for the year ended 28 February 2025 is as follows:

- Customer A: R51.1 million or 98.1% (2024: R26.3 million or 90.7%);
- Customer B: R1.0 million or 1.9% (2024: R2.5 million or 8.6%); and
- Customer C: Rnil (2024: R0.2 million or 0.7%).

Therefore R52.1 million or 100% (2024: R28.8 million or 99.3%) of the Group's revenue depended on the sales of LNG to two customers. This revenue is reported under the Tetra4 operating segment.

Inter-segment balances are eliminated upon consolidation and are reflected in the "eliminations" column. There are no inter-segment revenues. The nature of the Group's revenue and its disaggregation are provided in note 11.

11. Revenue

R'000	2025	2024
REVENUE FROM CONTRACTS WITH CUSTOMERS		
Sale of LNG	52 113	28 952
Total	**52 113**	**28 952**

All of the Group's revenue is recognised when products are delivered to the destination specified by the customer and the customer has gained control of the products through their ability to direct the use of and obtain substantially all the benefits from the products.

This note should be read together with note 10 which provides details on the concentration of revenue.

12. Other operating expenses

R'000	2025	2024
Consulting and advisory fees	12 943	11 764
Listing costs	3 184	1 979
Employee costs[1]	27 489	25 681
Pension costs – defined contribution plans	3 383	1 031
Depreciation and amortisation[2]	28 320	18 447
Computer and IT expenses	5 702	5 410
Security[4]	9 990	7 459
Selling and distribution expense[3]	10 942	7 910
Net foreign exchange losses	9 857	14 730
Loss on derecognition of leasing arrangement	-	74
Loss on remeasurement of finance lease receivables	-	11
Insurance[4]	12 257	3 643
Travel and accommodation	2 292	2 388
Repairs and maintenance[5]	29 078	17 022
Office expenses	3 047	4 343
Health and safety	3 528	3 848
Legal and professional fees[6]	12 074	5 860
Other operating costs	7 574	10 328
Directors fees – Non-executive	1 571	2 793
Executive directors' remuneration[7]	13 565	2 147
	196 796	**146 868**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

12. Other operating expenses (continued)

[1] Excludes employee costs amounting to R5.2 million (2024: R1.7 million) attributable to the processing of gas sold which are included in cost of sales.
[2] Refer to the depreciation reconciliation provided in note 16.1.
[3] Increase attributable to increased LNG operations relative to the prior year.
[4] The increase in insurance is due to assets brought into use during the year for which the insurance expense is no longer capitalised.
[5] The increase in repairs and maintenance costs is attributable to an increase in machine uptime and machine hours.
[6] The increase in legal and professional fees is due to advisory fees for the Nasdaq IPO and for the legal matters outlined in the Litigation section on page 8.
[7] Directors fees amounting to R6.7 million (2024: R15.2 million) were capitalised to assets under construction (note 2) during the year under review.

13. Interest expense and imputed interest

R'000	2025	2024
Interest – leasing arrangements	1 918	998
Interest - borrowings	74 439	15 521
Imputed interest – rehabilitation provision	3 883	3 543
Interest - suppliers	869	2 682
Interest - other	10	3
Total	**81 119**	**22 747**

Interest paid as presented in the statement of cash flows comprises:

R'000	2025	2024
Interest – leasing arrangements	1 918	998
Interest – suppliers and other	879	2 685
Interest paid on leasing and other arrangements per the statement of cash flows	**2 797**	**3 683**

14. Taxation

14.1 Income tax expense

R'000	2025	2024
MAJOR COMPONENTS OF THE TAX INCOME		
Deferred		
Originating and reversing temporary differences	51 151	37 199
Total	**51 151**	**37 199**
RECONCILIATION OF EFFECTIVE TAX RATE		
Accounting loss before taxation	(298 079)	(146 991)
Tax at the applicable tax rate of 27% (2024: 27%)	80 481	39 688
Tax effect of:		
Non-deductible expenses		
- Share-based payments	(841)	(2 180)
- Imputed interest expense	(2 735)	144
- Penalties	(29)	(46)
- Listing fees	(530)	-
- Legal	(3 196)	-
- Bursaries	-	(295)
Current year losses for which no deferred tax asset has been recognised	(38 778)	(25 544)
Special oil and gas allowances	15 731	25 303
Increase in rehabilitation guarantee	1 048	132
Other	-	(3)
Total	**51 151**	**37 199**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

14.2 Deferred taxation

R'000	At 1 March 2024	Recognised in profit or loss	At 28 February 2025	Deferred tax asset	Deferred tax liability
Property, plant and equipment	(305 723)	(53 261)	(358 984)	-	(358 984)
Intangible assets	2 089	(7 109)	(5 020)	-	(5 020)
Lease liabilities	(117)	439	322	322	-
Finance lease receivables	(3 029)	(1 326)	(4 355)	-	(4 355)
Provisions	12 989	(94)	12 895	12 895	-
Deferred revenue	4 251	(175)	4 076	4 076	-
S24c allowance (future expenditure)	(716)	-	(716)	-	(716)
Unutilised tax losses	380 691	112 677	493 368	493 368	-
Total	**90 435**	**51 151**	**141 586**	**510 661**	**(369 075)**

The losses incurred by the Group are mainly attributable to its subsidiary, Tetra4. Phase 1 of the plant is now operating but has not reached nameplate capacity, and Tetra4 is producing and selling LNG under long-term contracts. Tetra4 also commenced selling LHe in March 2025 following the commissioning of the helium facility during the year under review.

As at 28 February 2025 the Group recognised a deferred tax asset attributable to estimated tax losses totalling R1 827.3 million (2024: R1 410.0 million). These tax losses do not expire unless the tax entity concerned ceases to operate for a period longer than a year. The tax losses are available to be off-set against future taxable profits. For tax years ending on or after 31 March 2023 companies with assessed losses will be entitled to set off a maximum of 80% of their assessed losses (subject to a minimum of R1.0 million) against taxable income in a specific year. Tax losses for which no deferred tax asset was recognised as at 28 February 2025 totalled R696.0 million (2024: R529.9 million).)

A Group net deferred taxation asset of R141.6 million (2024: R90.4 million) has been recognised as it is estimated that future profits will be available against which the assessed losses can be utilised based on the latest financial projections prepared by Management. The key assumption used is the Group reaching nameplate capacity in the next financial year. Once achieved, the Group will move into a profitable, self-sustaining position from the revenue generated from the sale of LNG and LHe that will be produced from future operations, and the leasing of storage and related infrastructure to customers under eight-year contracts which came into effect during the 2023 financial year. Expected future profits (based on forecasts to 2043) underpin the valuation of the exploration and development assets amounting to R42.12 billion (2024: R42.12 billion).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

15. Loss per share

	2025	2024
	Cents	**Cents**
Basic and diluted	(159.10)	(75.10)
	R'000	**R'000**
Loss attributed to equity holders of Renergen used in the calculation of basic and diluted loss per share	(236 120)	(110 273)
	000's	**000's**
Weighted average number of ordinary shares used in the calculation of basic loss per share:	**148 412**	**146 833**
Issued shares at the beginning of the year	147 529	144 748
Effect of shares issued during the year (weighted)	883	2 085
Weighted average number of ordinary shares used in the calculation of diluted loss per share	**148 412**	**146 833**

The share options and bonus scheme shares have not been included in the weighted average number of shares used to calculate the diluted loss per share or the diluted headline loss per share as they are anti-dilutive. These options are anti-dilutive because of the loss position of the Group.

	2025	2024
Headline loss per share	**Cents**	**Cents**
Basic and diluted	(159.15)	(75.07)
Reconciliation of headline loss	**R'000**	**R'000**
Loss attributed to equity holders of Renergen	(236 120)	(110 273)
Loss on derecognition of leasing arrangement	-	74
Profit on disposal of property, plant and equipment	(120)	-
Adjustments attributable to NCI	7	(4)
Tax effect	30	(19)
Headline loss	**(236 203)**	**(110 222)**

The headline loss has been calculated in accordance with Circular 1/2023 issued by the South African Institute of Chartered Accountants.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

16. Notes to the consolidated statement of cash flows

16.1 Cash used in operations

R'000	Notes	2025	2024
Loss after taxation		(246 928)	(109 792)
Cash adjustments:			
Interest income – cash and cash equivalents		(5 574)	(5 107)
Interest income – finance lease receivables		(5 210)	(5 746)
Interest expense – suppliers and other		879	2 685
Interest expense – borrowings		68 194	10 026
Interest expense – leasing arrangements		1 918	998
Non-cash adjustments:			
Taxation		(51 151)	(37 199)
Imputed interest – borrowings		6 245	5 495
Imputed interest – rehabilitation provision		3 883	3 543
Depreciation and amortisation[1]		62 557	20 708
Share-based payments expense		3 115	8 074
Loss on lease remeasurement		-	11
Profit on disposal of property, plant and equipment		(120)	-
Loss on derecognition of leasing arrangement		-	74
Gain on remeasurement of financial liability		-	(9 571)
Increase/(reversal) of audit fee accrual		1 127	(100)
Increase in Non-executive Directors' fees accrual		918	474
Increase in leave pay accrual		209	906
Reversal in bonus accrual		(4 064)	-
Net foreign exchange losses		7 198	17 482
Changes in working capital:			
Inventory		(1 125)	(1 926)
Finance lease receivables	16.2.1	5 149	5 600
Trade and other receivables	16.2.2	9 585	(6 095)
Trade and other payables	16.2.3	(7 443)	47 316
Cash used in operations		**(150 638)**	**(52 144)**

[1] A reconciliation of the depreciation and amortisation charges of the Group is provided below.

Depreciation and amortisation comprises:

	Notes	2025	2024
Depreciation of property, plant and equipment	2	60 644	18 174
Amortisation of intangible assets	3	1 913	2 534
Depreciation and amortisation as shown above		**62 557**	**20 708**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

16.1 Cash used in operations (continued)

Depreciation and amortisation are recorded within these line items in the statement of profit or loss and other comprehensive loss:

	Notes	2025	2024
Operating expenses		28 320	19 186
Depreciation and amortisation	12	28 320	18 447
Repairs and maintenance	12	-	739
Cost of sales		34 237	1 522
Depreciation and amortisation as shown above		**62 557**	**20 708**

16.2 Changes in working capital

16.2.1 Finance lease receivables

For purposes of the cashflow statement the movement in finance lease receivables comprises:

R'000	2025	2024
Finance lease receivables at the beginning of the year	48 948	54 559
Eliminated in the cashflow statement:		
Lease remeasurement	-	(11)
Finance lease receivables at the end of the year	(43 799)	(48 948)
Movement in finance lease receivables	**5 149**	**5 600**

16.2.2 Trade and other receivables

For purposes of the cashflow statement the movement in trade and other receivables comprises:

R'000	2025	2024
Trade and other receivables at the beginning of the year	32 709	31 657
Creditors with debit balances	2 901	(5 043)
Trade and other receivables at the end of the year	(26 025)	(32 709)
Movement in trade and other receivables	**9 585**	**(6 095)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

16.2.3 Trade and other payables

For purposes of the cashflow statement the movement in trade and other payables comprises:

R'000	2025	2024
Trade and other payables at the beginning of the year	(82 272)	(92 313)
Eliminated in the cash flow statement:		
Accruals attributable to – share issue costs	(2 315)	2 208
- leave pay	(209)	(906)
- bonuses	4 064	-
- audit fees	(1 127)	100
- non-executive directors fees	(918)	(474)
- assets under construction	(17 749)	54 422
- intangible assets	(327)	-
Net foreign exchange losses	(420)	(2 962)
Exchange differences on translation of foreign operations	318	(74)
Reclassification between debtors and creditors	(2 901)	5 043
Trade and other payables at the end of the year	96 413	82 272
Movement in trade and other payables	**(7 443)**	**47 316**

17. Contingent liabilities and commitments

Contingent liabilities
Management has assessed the likelihood of outflows in respect of the litigations disclosed in the Directors' Report as remote. Accordingly, there are no contingent liabilities as at 28 February 2025 attributable to any of the Group companies (2024: nil).

Commitments

2025 R'000	Spent to date	Contractual commitments	Total approved
Capital equipment, construction and drilling costs	158 931	81 957	240 888
TOTAL	**158 931**	**81 957**	**240 888**

The Board approved total project costs amounting to R1.9 billion (2024: R1.7 billion) relating to the construction of the Virginia Gas Plant. At 28 February 2025 the Group had contractual commitments totalling R82.0 million (2024: R122.5 million) for the procurement of capital equipment and services. As at the end of the reporting period there were no other material contractual commitments to acquire capital equipment.

18. Events after the reporting period

Commercial liquid helium sales
On 14 March 2025 Renergen announced that Tetra4 had commenced sales of LHe to a customer.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

18. Events after the reporting period (continued)

Fund raising

Renergen has entered into an exclusive arrangement to negotiate a transaction with a third party. As part of those negotiations, Renergen has received an initial inflow of US$10 million - $5 million was received on 1 April 2025 and the balance on 8 April 2025. To the extent the negotiations proceed as planned, additional funding will be extended to Renergen.

DFC waiver

The DFC provided a default waiver to Tetra4 in April 2025 (see note 8).

19. Going concern

The financial statements presented have been prepared on a going concern basis, which assumes the Group will be able to discharge its liabilities as they fall due. The following circumstances existed as at 28 February 2025:

- The Group was in default of the terms of the DFC, IDC and SBSA loan agreements. The default events are outlined in note 8 ("Default Events"). Details pertaining to the waivers granted are also contained in this note.
- The Group's current liabilities exceed its current assets by R998.8 million impacted mainly by the classification of the DFC, IDC and SBSA loans as current liabilities as fully set out in note 8.
- The Group requires funding for the VGP to bolster Phase 1 operations to name plate capacity and for the development of Phase 2 of the VGP.

In conducting its most recent going concern assessment, management has considered the period up to 30 April 2026 ("Assessment Period") as it has assessed that the Default Events will be remedied during the Assessment Period and that key funding initiatives will be concluded during this period. The Group has reviewed its cash flow projections for the Assessment Period ("Cash Forecast") and has performed stress testing of the base case projections. The stress case scenarios include downward variations in the selling prices of LNG and helium (20%), delays in operating at Phase 1 nameplate capacity and a 10% increase in operating costs. Management has also considered volatilities in the exchange rates, interest rates and energy prices in determining the Cash Forecast.

The Cash Forecast is underpinned by the following key assumptions:

- The availability of funding to settle amounts owed to the DFC under the terms of the waiver granted and under the terms of the original agreement. In this regard, to date, the Group has concluded an exclusive arrangement to negotiate a transaction with a third party. As part of those negotiations, in April 2025, the Group received an initial inflow of $10.0 million (see note 18). To the extent the negotiations proceed as planned, additional funding estimated at US$20.0 million will be extended to the Group.
- The Company's plans to complete the Nasdaq IPO have not changed and it still anticipates raising R2.9 billion (US$150.0 million) during the Assessment Period. The production and sale of LHe by Tetra4 were key milestones required to provide new investors with the comfort to proceed with this initiative. Shareholder approval for the issue of shares for the Nasdaq IPO was obtained on 11 April 2023, however the Nasdaq IPO is dependent on market conditions which will determine whether it is completed during the Assessment Period. The Nasdaq IPO is also subject to Securities and Exchange Commission and exchange control approvals, as well as shareholder re-approval in terms of the ASX rules.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

19. Going concern (continued)

- The Group expects to obtain debt funding amounting to $795.0 million from the DFC and SBSA, which includes the refinancing of Phase 1 debt, and is subject to the fulfillment of conditions precedent and other standard conditions. Management are confident that the approvals will be obtained shortly after these conditions are satisfied by the Group.
- The Group is also anticipating funding from various funding initiatives, which involve debt, equity and hybrid instruments. These initiatives are also geared towards both alleviating short-term funding requirements as well as long term commitments.

The Group continues to regularly monitor its liquidity position as part of its ongoing risk management programme. Various initiatives have come to fruition since 28 February 2025 which have resulted in cash inflows as well as increasing the certainty of future cash inflows including but not limited to the receipt of US$10.0 million as highlighted above.

After consideration of the Cash Forecast, the outcome of the stress testing performed and the developments after the reporting date, the Group has concluded that the going concern basis of preparation is appropriate. Management is cognisant of the following material uncertainties that exist which may cast doubt about the Group's ability to continue as a going concern.

- The Group's ability to conclude the funding initiatives outlined above within the Assessment Period.
- The Group's ability to remedy the Default Events within the times set out in the DFC waiver.
- The Group's ability to secure regulatory and other approvals required to conclude the Nasdaq IPO and other funding initiatives.

The Board has a reasonable expectation that funding initiatives and the remediation of Default Events will be concluded within the Assessment Period, and that the approvals required will be obtained. This will enable the Group to have adequate resources to meet its obligations and continue its operations in the normal course of business for the Assessment Period.

Johannesburg
30 April 2025

Authorised by: Stefano Marani
Chief Executive Officer

Designated Advisor
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