APPENDIX 4D

REVIEWED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 AUGUST 2024

RENERGEN LIMITED
Incorporated in the Republic of South Africa
(Registration number: 2014/195093/06)
JSE and A2X share code: REN ISIN: ZAE000202610
LEI: 378900B1512179F35A69
ASX share code: RLT Australian Business Number ABN: 93998352675
(“Renergen” or “the Company” or together with its subsidiaries “the Group”)

Reporting period	Six months ended 31 August 2024 (“Aug 24”)
Previous period	Six months ended 31 August 2023 (“Aug 23”)

RESULTS ANNOUNCEMENT TO THE MARKET

		Reviewed Aug 24 R millions	Reviewed Aug 23 R millions	Change R millions	Change %
Revenue from ordinary activities	↑	25.6	23.8	1.8	7.7%
Loss after tax attributable to owners of Renergen	↑	67.5	43.5	24.0	55.2%
Total comprehensive loss attributable to owners of Renergen	↑	67.6	43.5	24.1	55.4%
		R Cents	R Cents	R Cents	Change %
Basic and diluted loss per ordinary share	↑	45.73	29.91	15.82	52.9%

- Liquefied natural gas (“LNG”) production during the period totalled 2388 tonnes relative to 2386 in the prior period. The resulting increase of 7.7% in the reported revenue for the Group mainly related to LNG price increases.
- The loss after tax and total comprehensive loss after tax attributable to ordinary shareholders increased by R24.0 million (or 55.2%) and R24.1 million (or 55.4%), respectively, broadly as a result of the reduction in gross profit contribution, higher operating costs[1] (employee costs, depreciation and amortization, professional fees, insurance cost and repairs and maintenance expenses), higher interest expenses[1], lower deferred tax credit, which were offset by a higher other operating income mainly consisting of foreign exchange gains and lower share-based payment expenses. A further analysis of the financial performance of the Group for the period under review is contained in the financial performance review accompanying this announcement.

[1] Following commissioning of Phase 1, certain employee costs, foreign exchange differences and interest expenses, among others, no longer qualify to be capitalised under IFRS Accounting Standards and were therefore recorded in the statement of profit or loss and other comprehensive loss resulting in increases in operating and interest costs of the Group for the period under review compared to the prior comparative periods. For clarity the Group will continue to capitalise qualifying costs directly attributable to segments of the plant that are still under construction including in the near-term qualifying costs associated with the construction of Phase 2.

	Reviewed Aug 24 R Cents	Reviewed Aug 23 R Cents	Change R Cents	Change %
Net tangible asset value per share	830.88	546.26	284.62	52.1

The increase in the Group's tangible net asset value per share is mainly attributable to further investments in property, plant and equipment ("PPE") reflecting advancement of the construction of Phase 1 and early-stage development of Phase 2 of the VGP, an increase in deferred taxation and the transfer of exploration and development costs to PPE due to the commercial viability of extraction of LNG being demonstrable.

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

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Please refer to pages 13 to 40 of this report for the reviewed interim consolidated financial statements of Renergen for the six months ended 31 August 2024 which include the following:

- Reviewed interim consolidated statement of financial position;
- Reviewed interim consolidated statement of profit or loss and other comprehensive loss;
- Reviewed interim consolidated statement of changes in equity;
- Reviewed interim consolidated statement of cash flows; and
- Notes to the reviewed interim consolidated financial statements.

The basis of preparation of the reviewed interim consolidated financial statements for the six months ended 31 August 2024 is outlined in note 1 contained therein on page 18.

BDO South Africa Incorporated ("BDO") has reviewed the interim consolidated financial statements for the six-month period ended 31 August 2024 and their review conclusion is provided on page 12.

OTHER DISCLOSURE REQUIREMENTS

Dividend or distribution reinvestment plans
Renergen did not declare dividends during the six months ended 31 August 2024 (Aug 23: nil).

Entities over which control has been gained or lost during the period
There have been no entities over which control has been gained or lost during the period.

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

Additional Appendix 4D 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 reviewed interim consolidated financial statements accompanying this announcement.

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REVIEWED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 AUGUST 2024

CONTENTS

DIRECTORS' REPORT

Central to the execution of our broader strategy during the six-month period ended 31 August 2024 ("H1 2025"), we achieved several operational milestones with respect to both our liquified natural gas ("LNG") and liquified helium ("LHe") operations, and advanced key strategic relationships with our lenders – the United States Development Finance Corporation ("DFC"), Standard Bank of South Africa ("SBSA") and AIRSOL S.r.L ("AIRSOL"), as well as Mahlako Gas Energy Proprietary Limited ("MGE") our new equity partner in Tetra4 Proprietary Limited ("Tetra4") which operates the Virginia Gas Plant ("VGP"). Key developments during H1 2025 include:

- Took ownership of the helium facility, successfully producing liquid helium ("LHe") at the VGP.
- H1 2025 LNG production totalled 2 388 tonnes (2023: 2 386 tonnes).
- The subscription for the second tranche of Renergen debentures amounting to US$4.0 million (R74.6 million) by AIRSOL S.r.L ("AIRSOL"), a transaction linked to the planned and broader initial public offering of Renergen shares on the Nasdaq Stock Market ("Nasdaq IPO").
- Settlement of the R303.0 million SBSA bridge loan facility and acquisition of a new R155.0 million secured loan facility from SBSA.
- Re-interpretation of legacy 2D and 3D seismic data which provided valuable structural information for the migration of gas at depth as well as providing clear signals for significant gas accumulations at various time and depth slices.

Overview of the Virginia Gas Project ("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, a 94.5% owned subsidiary of Renergen. Based on a Reserve and Evaluation Report as of 28 February 2023, the VGP's Proved Plus Probable Helium and Methane Reserves ("2P Gas Reserves") measured at 372.9 billion cubic feet ("BCF") with a net present value of R42.12 billion. This abundance of methane and helium reserves, which can be extracted at a lower cost relative to our peers, provides the Group with a competitive advantage in meeting the growing demand for LNG and helium worldwide. Further details regarding the VGP are contained in the Integrated Annual Report for the year ended 29 February 2024, which is available on our website at https://renergen.co.za/wp-content/uploads/2024/06/RenergenIntegratedAnnualReport.pdf.

Review and approval of financial results

The interim consolidated financial statements for the six months ended 31 August 2024 have been reviewed by BDO South Africa Incorporated, and the review conclusion is included on page 12.

The reviewed interim consolidated financial statements presented have been reviewed and approved by Renergen's board of directors on the recommendation of the Audit, Risk and IT Committee.

Operations review

Phase 1

In August 2024, the Company took over complete operational control of the Phase 1 plant from the original equipment manufacturer who has since departed South Africa. Key developments with respect to our LNG and helium operations during H1 2025 are outlined below.

LNG

The H1 2025 strategic intent regarding the LNG operations was to ramp up production from the plant following the operational challenges experienced in the last half of the prior financial year. Contextually, production averaged 274 tonnes per month and 521 tonnes per month during the first and second quarters of the 2024 financial year, respectively, and closed at 294 tonnes per month in February 2024.

LNG production averaged 455 tonnes per month during the first quarter ended 31 May 2024 ("Q1 2025") of the current financial year before a decline to an average of 341 tonnes per month in the second quarter, impacted by commissioning activities related to the LHe modules which necessitated multiple shutdowns of the system to complete the integration, as well as disparate maintenance of some equipment resulting in lower efficiency of the plant in June and July 2024. Following the resolution of these commissioning-related activities in August 2024, production increased to 426 tonnes per month, which was closer to the Q1 2025 average production of 455 tonnes per month. Due to the extended annual maintenance from the prior year, the plant only resumed operation in February 2024 and combined with the commissioning activities during June and July 2024, overall LNG production during H1 2025 remained relatively unchanged relative to the prior comparative period at 2 388 tonnes (2023: 2 386 tonnes). The plant was operating at approximately 35% nameplate capacity.

Tetra4 retained its customer base relative to the prior comparative period and continues to sell all of the LNG produced to two local customers.

Helium

Renergen's various updates issued on the Stock Exchange News Service of the Johannesburg Stock Exchange and the Australian Securities Exchange with respect to our helium operations, the last of which was issued on 9 August 2024, highlighted the following developments during H1 2025:

- The plant commenced LHe on 19 July 2024, initially utilising the output to cool the vacuum jacketed pipelines and the inline helium storage tank to ~ 4.5 kelvin, a prerequisite to ensure that LHe from the helium separator once sent to storage remains liquid.
- The optimisation efforts during the commissioning phase yielded impressive results, evidenced by a significant reduction in timelines for the plant start up and cooldown processes. For context, the initial startup and cooldown of the integrated LNG/LHe plant took over 65 days, while the most recent cooldown was accomplished in just nine days.
- Tetra4 appointed two helium specialists/consultants one of whom was on site and collectively assisted us during the helium commissioning and startup process by advising and guiding our project, operations, and engineering teams on performance optimisation, fine-tuning production operations and control methodologies. Their experience with several cryogenic helium plants has helped our team greatly shorten what is typically accepted as an iterative process to optimal performance. Their service beyond this phase has been extended into ongoing support, and will also encompass LHe elements of our Phase 2 project.
  The consultants' collective experience spans several decades of commissioning and running liquid helium plants worldwide, in countries including Algeria, Australia, Poland, Qatar, Russia, and the United States.

The operational milestones above included bringing the helium cold box to the appropriate temperature to liquify helium in batches from its wells. This process involved the purification of the helium to a level greater than 99.9990% purity, which an independent third-party laboratory validated. In achieving these milestones, we have undertaken multiple shutdowns of the facility and start up's of the plant from ambient conditions, demonstrating repeatability while undertaking system checks, calibrations, and addressing possible corrective actions.

We acknowledge it has taken longer than initially planned to reach this step, but ensuring the safe operation of the plant remains a key priority. The Company is now focused on ensuring reliable and stable operations while it continues to ramp up the facility towards name-plate production.

Phase 2

Phase 2 is an expansion of the VGP and is expected to produce 684 tonnes of LNG per day and 4.2 tonnes of LHe per day. Several take-or-pay agreements (10–15 years) have been concluded with several top-tier global industrial companies for just over 50% of the anticipated Phase 2 LHe production. The balance of the LHe is earmarked for sales in the international spot market and/or to strategic customers that will allow the Company to participate in the existing LHe commodity price upside as we begin to participate further downstream in the value chain. We reiterate that the Phase 2 expansion will not impact the Phase 1 operations.

As mentioned in the Annual Financial Statements for the year ended 29 February 2024 ("2024 AFS"), the initial development stages for Phase 2 are progressing well, and to date, the Group has completed the feasibility studies and front-end engineering design, appointed an engineer, obtained environmental authorisation from the Department of Mineral Resources and Energy ("DMRE") and confirmed the water usage registration for the Phase 2 expansion project. Tetra4 has also commenced the competitive bidding procurement processes to appoint the primary contractors for execution of the key packages for drilling and exploration, gas gathering pipelines (both fixed and variable scope), the LNG/LHe process plant including balance of plant, and lastly the overhead line and substation connection. The approval of senior debt funding by the DFC (US$535.0 million) and SBSA (US$260.0 million), which includes US$45.0 million refinancing of the existing Phase 1 debt, remains in place subject to the fulfilment of conditions precedent. Phase 2 total project costs are estimated at US$1.2 billion.

Environmental authorisation status

On 15 August 2024, the Company announced that the positive Phase 2 Environmental Authorisation ("EA") was 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. The Minister dismissed five of their seven grounds of appeal.

On the advice of the Minister's supporting technical advisory team, the Minister requested that Tetra4 expand upon the Impact Assessment Reports to address areas for improvement observed in the report and in relation to the first and second grounds of appeal. This process involves appointing independent consultants to undertake the specialist studies who will be responsible for updating the reports with the findings from these studies. Once the additional information has been incorporated a revised report is to be submitted to registered interested and affected parties for a further review and commenting period of 30 days and thereafter re-submitted to the DMRE for approval. We are pleased with the progress and believe that the remaining information to be provided will satisfy the requirements to obtain a positive EA.

Exploration

Legacy seismic data (2D and 3D) covering approximately 100 hectares has been reinterpreted using advanced seismic attributes, including edge detection and ant-tracking. This exercise provided valuable structural information for the migration of gas at depth and clear signals for significant gas accumulations at various time and depth slices. This information has been incorporated into the updated geological model and will be used for future targeting.

Based on data from the seismic reinterpretation, two new wells were drilled, both above-average blowers, and were completed in July 2024. Initial samples indicate helium concentrations of over 3% in the wells and flow rates each in excess of 100,000 standard cubic feet per day.

This positive development signals that the re-interpretation of the seismic data has indeed identified several gas bearing structures associated with gas anomalies at depth and will not only reduce the error in drilling dry wells in future but can be used to accurately identify target areas with higher flow rates.

Finance review

Fundraising

Subscription of tranche 2 debentures by 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"), which debentures are convertible into Renergen shares upon the completion of the Nasdaq IPO. 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 (R132.9 million).

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 liquefied natural gas experience to the table, complementing Renergen's overall offering.

Settlement of the SBSA bridge loan facility, acquisition of new secured loan and appointment of SBSA as joint underwriter of the Nasdaq IPO

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 Nasdaq IPO or when the Project Investor Agreement ("PIA") became unconditional. The PIA became unconditional on 27 February 2024 following the completion of the MGE's 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 will draw down on the remaining R51.7 million when the requisite conditions precedent are met. Transactions and security arrangements relating to the SBSA Loan are disclosed in note 10 of the accompanying reviewed interim consolidated financial statements for the six months ended 31 August 2024.

On 2 September 2024, Renergen announced the appointment of SBSA as joint underwriter of the Nasdaq IPO, which cements SBSA's long-standing support of the Renergen story as it enters the next critical phase of the development of the VGP.

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Financial performance

The financial results for H1 2025 primarily reflect the impact of a reduction in the gross profit contribution from the Group's operations, higher other operating costs arising from commissioning of the helium system using utilities and power while not generating associated revenue during the commissioning phase, higher interest expenses and a lower deferred tax credit, which were positively offset by higher other operating income, and lower share-based payments expenses. Overall, the Group reported a loss after taxation of R70.7 million (2023: R43.5 million), an increase of R27.2 million for the six months ended 31 August 2024.

Gross profit contribution

LNG production during the period totalled 2 388 tonnes relative to 2 386 tonnes in the prior comparative period, resulting in reported revenues totalling R25.6 million (2023: R23.8 million) – an increase of 7.7%% in revenue mainly reflecting the impact of LNG price increases.

The commissioning of additional assets led to an increase in the cost of sales, which negatively impacted our gross profit. However, as production levels continue to rise, we expect improved operational efficiencies that will enhance gross profitability over time.

Other operating costs

The Group's other operating cost base totalled R80.6 million during H1 2025 (2023: R67.4 million), an increase of R13.2 million arising mainly due to increases in employee costs (R11.1 million), depreciation and amortisation (R8.5 million), professional fees (R2.9 million), insurance costs (R2.1 million) and repairs and maintenance expenses (R1.6 million), which were offset by decreases in net foreign exchange losses (R9.1 million) and office expenses (R4.2 million).

As previously reported in the 2024 AFS, the Group capitalises costs (employee costs, interest expenses, insurance costs and foreign exchange differences, amongst others) attributable to the construction of qualifying assets and ceases this capitalisation once such qualifying assets are brought into use. During H1 2025, the Group brought into use assets totalling R949.0 million (2023: R250.9 million). As a result of this, employee costs recognised in the H1 2025 statement of profit or loss and other comprehensive income are higher relative to prior comparative periods during which the respective assets were under construction. Assets brought into use during the period under review further resulted in an increase in depreciation and amortisation expenses.

Increases in professional fees and repairs and maintenance expenses reflect the increase in the Group's operational activities. Cost containment will remain central to the Group's overall strategy and will continue to be a key focus area for management.

Interest expense and imputed interest

The H1 2025 interest expense totalled R25.2 million (2023: R8.9 million), an increase of R16.3 million, which primarily reflects the impact of the Group ceasing to capitalise interest expenses because of the assets brought into use during the period as outlined above. An increase in assets brought into use during any period decreases the capitalization rate of interest expenses attributable to debt acquired to construct qualifying assets.

Other operating income

The Group recorded other operating income of R16.4 million for the period, primarily driven by net foreign exchange gains. These gains arose from the translation of US dollar-denominated foreign debt, benefiting from the strengthening of the US dollar against the Rand during the period. This compares favourably to the prior period where net foreign exchange losses of R9.1 million were incurred due to the weakening US dollar/Rand exchange rate and were recognised within other operating expenses.

Share-based payments expenses

Share-based payment expenses recognised during the period totalled R1.7 million, compared to R4.6 million in the prior comparative period, a decrease of R2.9 million. No new awards were made during the period, and the decrease reflects the reduction in awarded shares that are still within vesting periods.

Taxation

Taxation for H1 2025 amounted to R14.2 million (2023: R21.6 million) and decreased by R7.4 million due to a reduction in capital expenditures that qualify for special allowances applicable to oil and gas companies.

Financial position

The Group's total asset base totalled R2 455.4 million as at 31 August 2024 (2023: R2 709.1 million), a net decrease of R253.7 million arising from:

- An increase in property, plant and equipment ("PPE") and intangible assets totalling R133.7 million[1] reflecting further advancement of the construction of Phase 1 of the VGP and early-stage development of Phase 2 of the project;
- A decrease of R28.2 million in restricted cash balances used to service the long-term debt;
- A decrease of R370.4 million in cash and cash equivalents due to expenditure on operations (R42.5 million), investments in PPE and intangible assets (R91.7 million) and net repayments of borrowings and lease liabilities (R236.2 million) as shown in the statement of cash flows; and
- A net increase of R11.2 million in the other assets of the Group mainly arising from an increase in the deferred tax asset.

[1] Inclusive of non-cash increases to PPE and intangible assets. Cash investments in PPE and intangible assets totalled R91.7 million for the period.

The Group's total liabilities amounted to R1 203.3 million as at 31 August 2024 (2023: R1 388.0 million), a net decrease of R184.7 million mainly arising from:

- A net decrease of R243.0 million in borrowings arising from repayments of capital and interest totalling R411.9 million and foreign exchange gains amounting to R52.6 million, offset by new borrowings acquired during the period from SBSA and AIRSOL totalling R178.0 million and interest accrued amounting to R43.5 million.
- An increase in trade and other payables of R58.6 million, reflecting heightened operational activity.

Overall, these factors contributed to the Group's net asset value decline of R69.1 million during this reported period.

Change 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

Legal proceedings involving EPCM Bonisana Proprietary Limited

In December 2019, Tetra4 entered into a contract with EPCM Bonisana Proprietary Limited (the "Contractor") for the development of the Phase 1 Liquefied Natural Gas/Liquid Helium Process Plant.

Disputes have arisen primarily regarding the Contractor's failure to complete the works within the agreed timeframe, amongst others, and the Contractor's assertion of a change to payment conditions. A Dispute Adjudication Board (DAB) process concluded on 26 February 2024, during which the DAB made a favourable decision in favour of the majority of Tetra4's claims. However, the Contractor subsequently submitted a notice of dissatisfaction to the outcome of the DAB.

The parties undertook efforts to resolve the issues amicably, however, those discussions did not yield a resolution. An Arbitrator has been appointed, with the arbitration proceedings currently underway and are anticipated to be heard in the first half of 2026.

Legal proceedings involving Springbok Solar Proprietary Limited (RF) ("Solar Developer").

A dispute has arisen in relation to the actions of a Solar Developer who has initiated construction activities on a parcel of land subject to Tetra4's existing Production Right. On or about 26 September 2024, Tetra4 instituted urgent legal proceedings in the High Court of South Africa, Free State Division, Bloemfontein, seeking an interim urgent interdict to, amongst others, restrain the Solar Developer from proceeding with construction activities on land subject to Tetra4's existing Production Right. These proceedings arise from the Solar Developer's failure to obtain the necessary Section 53 consent as required by the Mineral and Petroleum Resources Development Act, despite numerous attempts by Tetra4 to engage with the Solar Developer to resolve the matter amicably. Notwithstanding these efforts, the Solar Developer has continued with construction.

There have been no material developments relating to other matters contained in the audited annual financial statements for the year ended 29 February 2024 published by the Company on 28 June 2024.

Outlook

Looking ahead, the key priorities of the Group are as follows:

- Delivering the first container of liquid helium to our customer;
- Completing the Nasdaq IPO and progressing the construction of Phase 2 of the VGP;
- Appointment of the Phase 2 plant contractor; and
- Ramping up LNG and LHe production and increasing the efficiency and reliability of operations.

Post period key developments

- Completion of the first maintenance cycle, unassisted by third parties and completed within 15 days.
- The two wells drilled during July 2024 were tied into the Plant following the end of the reporting period.
- Appointment of SBSA as joint underwriter of the Nasdaq IPO.

Independent Auditor's Review Report on Interim Financial Results

To the shareholders of

Renergen Limited and its subsidiaries

We have reviewed the interim consolidated financial results of Renergen Limited and its subsidiaries ("the Group"), contained in the accompanying interim report, which comprise the consolidated statement of financial position as at 31 August 2024 and the consolidated statements of comprehensive income, changes in equity and cash flows for the 6 months period then ended, and selected explanatory notes.

Directors' Responsibility for the Interim Financial Statements

The directors are responsible for the preparation and presentation of these interim consolidated financial statements in accordance with the IFRS Accounting Standard as issued by the International Accounting Standards Board, (IAS) 34 Interim Financial Reporting, the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa, and for such internal controls as the directors determine is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these interim consolidated financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim consolidated financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of interim consolidated financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Material uncertainty related to going concern

We draw attention to note 21 to the interim consolidated financial statements, which indicates that the regulatory and other approvals and the completion of the funding Initiatives during the assessment period ending 30 September 2025, represent material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern and therefore, that it may not be able to realise its assets and discharge its liabilities in the normal course of business. Our review conclusion is not modified in respect of this matter.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements of Renergen Limited and its subsidiaries for the 6 months period ended 31 August 2024 are not prepared, in all material respects, in accordance with the IFRS Accounting Standard as issued by the International Accounting Standards Board, (IAS) 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

BDO South Africa Inc.

BDO South Africa Incorporated
Registered Auditors

J Barradas
Director
Registered Auditor

31 October 2024

Wanderers Office Park,
52 Corlett Drive, Illovo 2196

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The Interim Consolidated Statement of Financial Position of the Group as at 31 August 2024 is set out below:

R'000	Notes	Reviewed 31 August 2024	Audited 29 February 2024
ASSETS			
NON-CURRENT ASSETS		**2 258 896**	**2 110 001**
Property, plant and equipment	4	2 066 740	1 877 132
Intangible assets	5	26 259	82 212
Deferred taxation	6.2	104 850	90 435
Restricted cash	7	20 884	17 243
Finance lease receivables		40 163	42 979
CURRENT ASSETS		**196 488**	**599 126**
Inventory		1 765	2 073
Restricted cash	7	55 404	87 300
Finance lease receivables		6 296	5 969
Trade and other receivables		32 378	32 709
Cash and cash equivalents	8	100 645	471 075
TOTAL ASSETS		**2 455 384**	**2 709 127**
EQUITY AND LIABILITIES			
EQUITY		**1 252 042**	**1 321 103**
Stated capital	9	1 170 059	1 170 059
Share based payments reserve		28 193	26 445
Other reserves		532	628
Accumulated (loss)/profit		(20 957)	46 515
Equity attributable to equity holders of Renergen		**1 177 827**	**1 243 647**
Non-controlling interest		74 215	77 456
LIABILITIES			
NON-CURRENT LIABILITIES		**733 712**	**816 467**
Borrowings	10	666 154	748 659
Lease liabilities		10 755	11 613
Deferred revenue		14 579	15 743
Provisions		42 224	40 452
CURRENT LIABILITIES		**469 630**	**571 557**
Borrowings	10	326 975	487 470
Trade and other payables	11	140 875	82 272
Lease liabilities		1 780	1 815
TOTAL LIABILITIES		**1 203 342**	**1 388 024**
TOTAL EQUITY AND LIABILITIES		**2 455 384**	**2 709 127**

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE LOSS

The Interim Consolidated Statement of Profit and Loss and Other Comprehensive Loss of the Group for the six months ended 31 August 2024 is set out below:

R'000	Notes	Reviewed 31 August 2024	Reviewed 31 August 2023
Revenue	12	25 609	23 757
Cost of sales		(24 727)	(12 997)
Gross profit		**882**	**10 760**
Other operating income	13	16 383	150
Share-based payments expense		(1 748)	(4 622)
Other operating expenses	14	(80 643)	(67 428)
Operating loss		**(65 126)**	**(61 140)**
Interest income		5 450	4 888
Interest expense and imputed interest	15	(25 198)	(8 892)
Loss before taxation		**(84 874)**	**(65 144)**
Taxation	6.1	14 161	21 640
Loss for the period		**(70 713)**	**(43 504)**
Other comprehensive loss:			
Items that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operation		(96)	-
Other comprehensive loss for the period		**(96)**	**-**
Total comprehensive loss for the period		**(70 809)**	**(43 504)**
Loss attributable to:			
Owners of Renergen		(67 472)	(43 504)
Non-controlling interest		(3 241)	-
Loss for the period		**(70 713)**	**(43 504)**
Total comprehensive loss attributable to:			
Owners of Renergen		(67 568)	(43 504)
Non-controlling interest		(3 241)	-
Total comprehensive loss for the period		**(70 809)**	**(43 504)**
LOSS PER ORDINARY SHARE			
Basic and diluted loss per share (R cents)	16	(45.73)	(29.91)

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

The Interim Consolidated Statement of Changes in Equity of the Group for the six months ended 31 August 2024 is set out below:

	Audited								
R'000	**Share capital**	**Share-based payments reserve**	**Reval-uation reserve**	**Foreign currency translation reserve**	**Other reserves**	**Accumu-lated (loss)/profit**	**Total equity attributable to equity holders of Renergen**	**Non-controlling interest ("NCI")**	**Total equity**
For the six months ended 31 August 2023									
Balance at 28 February 2023	**1 134 750**	**21 099**	**598**	**-**	**598**	**(316 243)**	**840 204**	**-**	**840 204**
Loss for the period	-	-	-	-	-	(43 504)	(43 504)	-	(43 504)
Total comprehensive loss for the period	-	-	-	-	-	(43 504)	(43 504)	-	(43 504)
Issue of shares	35 309	(2 728)	-	-	-	-	32 581	-	32 581
Share-based payments expense	-	4 622	-	-	-	-	4 622	-	4 622
Balance at 31 August 2023	**1 170 059**	**22 993**	**598**	**-**	**598**	**(359 747)**	**833 903**	**-**	**833 903**
For the six months ended 29 February 2024									
Balance at 1 September 2023	**1 170 059**	**22 993**	**598**	**-**	**598**	**(359 747)**	**833 903**	**-**	**833 903**
Loss for the period	-	-	-	-	-	(66 769)	(66 769)	481	(66 288)
Other comprehensive income for the period	-	-	104	(74)	30	-	30	6	36
Total comprehensive loss for the period	-	-	104	(74)	30	(66 769)	(66 739)	487	(66 252)
Sale of interest in Tetra4	-	-	-	-	-	473 031	473 031	76 969	550 000
Share-based payments expense	-	3 452	-	-	-	-	3 452	-	3 452
Balance at 29 February 2024	**1 170 059**	**26 445**	**702**	**(74)**	**628**	**46 515**	**1 243 647**	**77 456**	**1 321 103**

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

	Reviewed								
R'000	**Share capital**	**Share-based payments reserve**	**Reval-uation reserve**	**Foreign currency translation reserve**	**Other reserves**	**Accumu-lated (loss)/profit**	**Total equity attributable to equity holders of Renergen**	**NCI**	**Total equity**
For the six months ended 31 August 2024									
Balance at 29 February 2024	**1 170 059**	**26 445**	**702**	**(74)**	**628**	**46 515**	**1 243 647**	**77 456**	**1 321 103**
Loss for the period	-	-	-	-	-	(67 472)	(67 472)	(3 241)	(70 713)
Other comprehensive loss for the period	-	-	-	(96)	(96)	-	(96)	-	(96)
Total comprehensive loss for the period	-	-	-	(96)	(96)	(67 472)	(67 568)	(3 241)	(70 809)
Share-based payments expense	-	1 748	-	-	-	-	1 748	-	1 748
Balance at 31 August 2024	**1 170 059**	**28 193**	**702**	**(170)**	**532**	**(20 957)**	**1 177 827**	**74 215**	**1 252 042**

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

The Interim Consolidated Statement of Cash Flows of the Group for the six months ended 31 August 2024 is set out below:

R'000		Reviewed 31 August 2024	Reviewed 31 August 2023
Cash flows used in operating activities		**(42 549)**	**(12 974)**
Cash used in operations	17.1	(47 745)	(14 692)
Interest received		5 450	1 961
Taxation paid		(254)	(243)
Cash flows used in investing activities		**(91 696)**	**(169 688)**
Investment in property, plant and equipment	4	(69 703)	(137 315)
Investment in intangible assets	5	(21 993)	(25 720)
Investment in restricted cash		-	(6 653)
Cash flows (used in)/from financing activities		**(236 176)**	**313 512**
Ordinary shares issued for cash		-	32 581
Proceeds from borrowings	10	177 973	373 972
Repayment of borrowings - capital	10	(348 720)	(58 653)
Repayment of interest on borrowings	10	(63 198)	(33 655)
Interest paid on leasing and other arrangements	15	(1 338)	(141)
Payment of lease liabilities - capital		(893)	(592)
TOTAL CASH MOVEMENT FOR THE PERIOD		**(370 421)**	**130 850**
Cash and cash equivalents at the beginning of the period		471 075	55 705
Effects of exchange rate changes on cash and cash equivalents		(9)	(51)
Total cash and cash equivalents at the end of the period		**100 645**	**186 504**

NOTES TO THE REVIEWED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation

The reviewed interim consolidated financial statements for the six months ended 31 August 2024 have been prepared and presented in accordance with IFRS Accounting Standards, the South African Financial Reporting Requirements, the JSE Listings Requirements and in a manner required by the South African Companies Act 71 of 2008, as amended, and as a minimum contain the information required by IAS 34 Interim Financial Reporting. The accounting policies used in the preparation of these interim consolidated financial statements are in terms of IFRS Accounting Standards.

The directors take full responsibility for the preparation of the interim consolidated financial statements presented. These interim consolidated financial statements have been prepared on a going concern basis and on a historical cost basis, except for land which is carried at revalued amounts. The going concern basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent liabilities and commitments will occur in the ordinary course of business. Refer to note 21 for further disclosures relating to going concern.

These interim consolidated financial statements are presented in South African Rand which is the Company's functional currency and the presentation currency of the Group. All monetary information is rounded to the nearest thousand (R'000); except where otherwise stated.

These interim consolidated financial statements have been reviewed by the Company’s auditor and were prepared under the supervision of the Chief Financial Officer, Mr Brian Harvey CA(SA).

2. Auditor's review

BDO South Africa Incorporated has reviewed the interim consolidated financial statements for the six-month period ended 31 August 2024. The auditor's reviewed conclusion is provided on Page 12.

Any reference to future financial performance included in this announcement has not been reviewed or reported on by the Company's auditor.

3. Accounting policies

The accounting policies adopted in the preparation of the interim consolidated financial statements for the six months ended 31 August 2024 are consistent with those followed in the preparation of the Group’s consolidated financial statements for the year ended 29 February 2024 which are available on the Company's website. Amendments to accounting standards and new accounting pronouncements which came into effect for the first time during the financial year to date did not have a material impact on the Group.

NOTES TO THE REVIEWED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Property, plant and equipment

	Reviewed 31 August 2024			Audited 29 February 2024		
R'000	**Cost or valuation**	**Accumulated depreciation**	**Net book value**	**Cost or valuation**	**Accumulated depreciation**	**Net book value**
Assets under construction ("AUC")	461 274	(993)	460 281	1 284 461	-	1 284 461
Plant and machinery	1 131 687	(34 307)	1 097 380	338 216	(24 446)	313 770
Development asset	319 738	(2 721)	317 017	238 962	(997)	237 965
Right-of-use asset - motor vehicles	5 671	(4 065)	1 606	5 671	(3 475)	2 196
Right-of-use asset - head office building	12 684	(2 212)	10 472	12 684	(1 101)	11 583
Land - at revalued amount	3 600	-	3 600	3 600	-	3 600
Motor vehicles	17 224	(5 999)	11 225	17 224	(4 458)	12 766
Office building	157 594	(2 359)	155 235	2 065	(888)	1 177
Furniture and fixtures	1 723	(1 065)	658	1 582	(982)	600
IT equipment	1 208	(1 078)	130	1 148	(986)	162
Office equipment	287	(178)	109	287	(162)	125
Leasehold improvements:						
Furniture and fixtures	11 473	(2 446)	9 027	10 321	(1 594)	8 727
Office equipment	142	(142)	-	142	(142)	-
Total	**2 124 305**	**(57 565)**	**2 066 740**	**1 916 363**	**(39 231)**	**1 877 132**

NOTES TO THE REVIEWED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Property, plant and equipment (continued)

The movement in property, plant and equipment for the period under review is outlined below:

R'000	At 29 February 2024	Additions	Transfers from AUC	Transfers from intangible assets	Depreciation	At 31 August 2024
AUC	1 284 461	125 813	(949 000)	-	(993)	460 281
Plant and machinery	313 770	-	793 471	-	(9 861)	1 097 380
Development asset	237 965	-	-	80 776	(1 724)	317 017
Right-of-use asset - motor vehicles	2 196	-	-	-	(590)	1 606
Right-of-use asset - head office building	11 583	-	-	-	(1 111)	10 472
Land - at revalued amount	3 600	-	-	-	-	3 600
Motor vehicles	12 766	-	-	-	(1 541)	11 225
Office building	1 177	-	155 529	-	(1 471)	155 235
Furniture and fixtures	600	141	-	-	(83)	658
IT equipment	162	60	-	-	(92)	130
Office equipment	125	-	-	-	(16)	109
Leasehold improvements:						
Furniture and fixtures	8 727	1 152	-	-	(852)	9 027
Total	**1 877 132**	**127 166**	**-**	**80 776**	**(18 334)**	**2 066 740**

4. Property, plant and equipment (continued)

A reconciliation of additions to exclude the impact of capitalised borrowing costs, foreign exchange differences and accruals is provided below:

	Note	R'000
Additions as shown above		127 166
Capitalised interest attributable to the DFC loan	10	(11 585)
Unrealised foreign exchange gains attributable to the DFC loan	10	32 876
Capitalised interest attributable to the IDC loan	10	(9 875)
Net movement in accruals attributable to assets under construction		(68 879)
Additions as reflected in the cash flow statement		**69 703**

Pledged assets

Pledged assets are as disclosed in note 10.

Commitments

Commitments attributable to assets under construction are disclosed in note 18.

5. Intangible assets

R'000	Reviewed 31 August 2024			Audited 29 February 2024		
	Cost	Accumulated amortisation and impairment	Net book value	Cost	Accumulated amortisation and impairment	Net book value
Acquired intangible assets	**10 611**	**(4 904)**	**5 707**	**65 599**	**(3 939)**	**61 660**
Exploration and development costs	1 043	(32)	1 011	56 031	(32)	55 999
Computer software	9 568	(4 872)	4 696	9 568	(3 907)	5 661
Internally developed intangible assets	**20 552**	**-**	**20 552**	**20 552**	**-**	**20 552**
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	**31 163**	**(4 904)**	**26 259**	**86 151**	**(3 939)**	**82 212**

The movement in intangible assets for the period under review is outlined below:

R'000	At 29 February 2024	Additions	Transfers[1]	Amortisation	At 31 August 2024
Acquired intangible assets					
Exploration and development costs	55 999	25 788	(80 776)	-	1 011
Computer software	5 661	-	-	(965)	4 696
Internally developed intangible assets					
Development costs - Cryo-Vacc™	17 070	-	-	-	17 070
Development costs - Helium Tokens System	3 482	-	-	-	3 482
Total	**82 212**	**25 788**	**(80 776)**	**(965)**	**26 259**

[1] Costs amounting to R80.8 million were transferred to property, plant and equipment due to the commercial viability of the extraction of LNG being demonstrable.

5. Intangible assets (continued)

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

R'000	R'000
Additions as shown above	25 788
Net movement in accruals	(3 795)
Additions as reflected in the cash flow statement	**21 993**

6. Taxation

6.1. Major components of tax income

R'000	Note	Reviewed 31 August 2024	Reviewed 31 August 2023
Deferred tax			
- Originating and reversing temporary differences	6.2	14 415	21 883
Carbon tax		(254)	(243)
Total		**14 161**	**21 640**

6.2. Deferred taxation

	Reviewed				
R'000	At 1 March 2024	Recognised in profit or loss	At 31 August 2024	Deferred tax asset	Deferred tax liability
Property, plant and equipment	(305 723)	(50 726)	(356 449)	-	(356 449)
Intangible assets	2 089	14 945	17 034	17 034	-
Lease liabilities	(117)	182	65	65	-
Finance lease receivables	(3 029)	(686)	(3 715)	-	(3 715)
Provisions	12 989	446	13 435	13 435	-
Deferred revenue	4 251	(314)	3 937	3 937	-
S24c allowance (future expenditure)	(716)	-	(716)	-	(716)
Unutilised tax losses	380 691	50 568	431 259	431 259	-
Total	**90 435**	**14 415**	**104 850**	**465 730**	**(360 880)**

The losses incurred by the Group are mainly attributable to its subsidiary, Tetra4. Phase 1 of the plant is now operating at approximately 35% nameplate and Tetra4 is producing and selling LNG under long-term contracts.

6.2. Deferred taxation (continued)

As at 31 August 2024 the Group recognised a deferred tax asset attributable to estimated tax losses totalling R1 597.3 million (February 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 offset against future taxable profits subject to limitations impose by the Income Tax Act 58 of 1962. Tax losses for which no deferred tax asset was recognised as at 31 August 2024 totalled R600.7 million (February 2024: R529.9 million).

A Group net deferred taxation asset of R104.9 million (February 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. These projections reflect expected profits from the sale of LNG, LHe and the leasing of storage and related infrastructure to customers under 8 year contracts which came into effect during the prior years. Expected future profits (based on forecasts to 2037) underpin the valuation of the exploration and development assets amounting to R42.12 billion (February 2024: R42.12 billion). This valuation was disclosed in note 4 in the consolidated financial statements for the year ended 29 February 2024.

7. Restricted cash

R'000	Reviewed 31 August 2024	Audited 29 February 2024
Non-current:	**20 884**	**17 243**
Environmental rehabilitation cash guarantee	12 933	8 838
Eskom Holdings SOC Limited cash guarantee	7 951	8 405
Current:	**55 404**	**87 300**
Debt Service Reserve Accounts	55 404	87 300
DFC	36 000	66 969
IDC	19 404	20 331
Total	**76 288**	**104 543**

8. Cash and cash equivalents

R'000	Reviewed 31 August 2024	Audited 29 February 2024
Cash at banks and on hand	83 462	24 711
Short-term deposits	17 183	446 364
Total	**100 645**	**471 075**

9. Stated capital

There were no movements in stated capital at 31 August 2024.

There were no dividends declared during the period (29 February 2024: nil).

10. Borrowings

Borrowings held at amortised cost comprise:	Reviewed 31 August 2024	Audited 29 February 2024
Non-current:	**666 154**	**748 659**
Molopo	50 000	46 960
DFC	462 427	540 957
IDC	153 727	160 742
Current:	**326 975**	**487 470**
DFC	77 071	83 224
IDC	13 704	12 695
SBSA	103 333	333 798
AIRSOL	132 867	57 753
Total	**993 129**	**1 236 129**

The movement in the Group's borrowings for the period under review is outlined below:

		Non-cash movements		Cash movements			
R'000	At 29 February 2024	Foreign exchange gains[1]	Interest[2]	Additions	Repayments - capital	Repayments - interest	At 31 August 2024
Molopo	46 960	-	3 040	-	-	-	50 000
DFC	624 181	(44 969)	16 855	-	(39 714)	(16 855)	539 498
IDC	173 437	-	13 213	-	(6 006)	(13 213)	167 431
SBSA	333 798	-	2 332	103 333	(303 000)	(33 130)	103 333
AIRSOL	57 753	(7 634)	8 108	74 640	-	-	132 867
Total	**1 236 129**	**(52 603)**	**43 548**	**177 973**	**(348 720)**	**(63 198)**	**993 129**

[1] Foreign exchange gains reflect the impact of the strengthening of the Rand against the US Dollar. Qualifying foreign exchange gains amounting to R32.9 million were capitalised to assets under construction within property, plant and equipment (see note 4). Foreign exchange gains presented above therefore will not correspond to amounts shown within the additions reconciliation for cash flow purposes as shown in note 4.

[2] Interest amounting to R11.6 million and R9.9 million relating to the DFC and IDC loans, respectively, was capitalised to assets under construction (see note 4). Interest presented above will therefore not correspond to amounts shown within the additions reconciliation for cash flow purposes as shown in note 4.

10. Borrowings (continued)

A reconciliation of the interest which has been recognised in the statement of profit or loss and other comprehensive loss is provided below:

R'000	Reviewed 31 August 2024	Reviewed 31 August 2023
Interest as shown above	43 548	44 817
DFC interest capitalised within PPE (note 4)	(11 585)	(18 058)
IDC interest capitalised within PPE (note 4)	(9 875)	(12 872)
SBSA interest capitalised within PPE	-	(7 583)
Interest on borrowings as presented in profit or loss (note 15)	**22 088**	**6 304**

Interest on borrowings which has been recognised in the statement of profit or loss and other comprehensive loss comprises interest on the following borrowings:

R'000	Reviewed 31 August 2024	Reviewed 31 August 2023
Molopo	3 040	3 579
DFC	5 270	1 695
IDC	3 338	801
SBSA	2 332	-
AIRSOL	8 108	-
MaxiConcepts	-	229
Interest on borrowings as presented in profit or loss (note 15)	**22 088**	**6 304**

DFC Loan

Tetra4 entered into a US$40.0 million finance agreement with the DFC on 20 August 2019 ("Facility Agreement"). The first draw down of US$20.0 million took place in September 2019, the second draw down 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 (R19.3 million using the rate at 31 August 2024) 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 Tetra4's assets under construction, land and the Debt Service Reserve Account.

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 property, plant and equipment, is capitalised in line with the Group policy. Interest accrued and paid during the period totalled US$0.28 million (R5.1 million).

10. Borrowings (continued)

DFC Loan (continued)

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 accrued and paid guarantee fees totalling US$0.64 million (R11.7 million) during the period.

A commitment fee of 0.5% per annum was 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 period.

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, and commenced on 15 November 2020. The maintenance fee covers administrative costs relating to the loan. There was no maintenance fee due during the period.

The DFC loan outstanding on 31 August 2024 amounted to US$30.27 million (R539.49 million).

IDC Loan

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 June 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% (15.25% on 31 August 2024) and is secured by a pledge of Tetra4's assets under construction, land and the Debt Service Reserve Account. The IDC loan outstanding on 31 August 2024 amounted to R167.4 million and interest accrued and paid during the period amounted to R13.2 million. Qualifying interest attributable to assets under construction, within property, plant and equipment, is capitalised in line with the policy of the Group.

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 (4) 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 (4) consecutive full fiscal quarters of not less than 1.3 to 1.

(c) Tetra4 is required to ensure that the Debt Service Reserve Account 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. Tetra4 has complied with the covenant under c) above for the period and believes that it will be able to comply with the covenants throughout the tenure of the loan.

10. Borrowings (continued)

The following debt covenants apply to the IDC loan:

a) Tetra4 is required to maintain the same financial and reserve tail ratios, and Debt Service Reserve Account 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:

- Tetra4 is in breach of any term of the loan agreement; or

- 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 has complied with the covenant under b) above for the period and believes that it will be able to comply with the covenants throughout the tenure of the loan. Tetra4 also maintains a Debt Service Reserve Account with respect to the IDC loan.

"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 the Facility Agreement.

Molopo Loan

Tetra4 entered into a R50.0 million loan agreement with Molopo on 11 May 2014. The loan term is for a period of 10 financial years and 6 months which commenced on 1 July 2014 (repayable on 31 August 2024). During this period, the loan is unsecured and interest free. From the period commencing 1 September 2024, to the extent that the loan has not been repaid, it will accrue interest at the prime lending rate plus 2% and will still be unsecured. The loan can only be repaid when Tetra4 declares a dividend and utilising a maximum of 36% of the distributable profits in order to pay the dividend. It is not expected that the loan 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 is recognised at its present value and interest which represents the unwinding of the discount recognised on initial recognition of the loan is included in profit and loss and amounted to R3.0 million for the period (at an average rate of 13.25%). The Molopo loan outstanding on 31 August 2024 amounted to R50.0 million.

Unsecured Convertible Debentures

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 have a maturity date of 28 February 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.

10. Borrowings (continued)

Unsecured Convertible Debentures (continued)

On maturity, the AIRSOL 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 31 August 2024 amounted to US$7.0 million (R132.9 million) and interest for the period amounted to US$0.47 million (R8.1 million).

SBSA Loan

Renergen obtained a R155.0 million secured loan from SBSA on 30 August 2024 (“SBSA Loan”). The first draw down of R103.3 million occurred on 31 August 2024 and the second draw down of R51.7 million will occur when the requisite conditions precedent have been fulfilled. Proceeds will be used to fund the working capital and expansion of the Virginia Gas Project. Part of the proceeds of the SBSA Bridge Loan were also used to pay transaction costs attributable to the loan arrangement.

The SBSA Loan accrues interest at a rate linked to 3-month JIBAR plus a variable margin. Interest is compounded and capitalised to the principal amount owing. The SBSA Loan is repayable on the earlier of receipt of proceeds from the Renergen proposed 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 ("MACT") 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 collectively 17 314 575 Renergen ordinary shares ("Pledged Shares"), to and in favour 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.

11. Trade and other payables

R'000	Reviewed 31 August 2024	Audited 29 February 2024
Financial instruments:	**132 619**	**73 285**
Trade payables	89 464	53 367
Accrued expenses	43 155	19 918
Non-financial instruments:	**8 256**	**8 987**
Accrued leave pay	3 811	3 995
Accrued bonus	4 445	4 445
Other	-	547
Total	**140 875**	**82 272**

The increase in trade payables and accrued expenses is attributable to an increase in operations during the period. Relatively, trade payables at 29 February 2024 were impacted by the shutdown of the plant for repairs and maintenance between September 2023 and mid-February 2024.

12. Segment analysis

There is no difference from the last consolidated financial statements for the year ended 29 February 2024 in the basis of segmentation or in the measurement of segment profit or loss.

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. The analysis of reportable segments as at 31 August 2024 is set out below:

NOTES TO THE REVIEWED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Segment analysis (continued)

Reviewed R'000	**Corporate head office**	**Tetra4**	**Cryovation**	**Renergen US**	**Total**	**Elimin-ations**	**Consol-idated**
Revenue	-	25 609	-	-	25 609	-	25 609
External	-	25 609	-	-	25 609	-	25 609
Interest income	754	4 696	-	-	5 450	-	5 450
Interest expense and imputed interest (note 15)	(11 258)	(13 943)	-	-	(25 201)	3	(25 198)
Share-based payments expense	(1 342)	(406)	-	-	(1 748)	-	(1 748)
Professional fees (note 14)	(10 417)	(3 677)	(97)	(14)	(14 205)	934	(13 271)
Employee costs (note 14)	(10 674)	(10 815)	-	(4 943)	(26 432)	423	(26 009)
Depreciation and amortisation[1] (note 14)	(1 966)	(17 332)	-	-	(19 298)	150	(19 148)
Taxation	1 315	12 846	-	-	14 161	-	14 161
Loss for the year	(10 882)	(58 930)	(156)	(837)	(70 805)	92	(70 713)
Total assets	1 954 638	2 384 836	16 881	4 133	4 360 488	(1 905 104)	2 455 384
Total liabilities	(272 807)	(935 166)	(5 918)	(1 700)	(1 215 591)	12 249	(1 203 342)

[1] Includes R4 005 876 (Aug 2023: R1 166 000) which is included in cost of sales.

NOTES TO THE REVIEWED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Segment analysis (continued)

The analysis of reportable segments as at 31 August 2023 is set out below:

Reviewed R'000	Corporate head office	Tetra4	Cryovation	Total	Elimin-ations	Consol-idated
Revenue	-	23 757	-	23 757	-	23 757
External	-	23 757	-	23 757	-	23 757
Interest income	4 665	223	-	4 888	-	4 888
Interest expense and imputed interest	(8 622)	(270)	-	(8 892)	-	(8 892)
Professional fees	(7 457)	(2 873)	(30)	(10 360)	-	(10 360)
Employee costs	(6 096)	(7 864)	(968)	(14 928)	-	(14 928)
Share-based payments expense	(2 842)	(1 747)	(33)	(4 622)	-	(4 622)
Depreciation and amortisation	(7 654)	(68)	-	(7 722)	-	(7 722)
Taxation	1 447	20 193	-	21 640	-	21 640
Loss for the year	(17 415)	(25 015)	(1 074)	(43 504)	-	(43 504)
Total assets	2 096 700	2 081 767	17 073	4 195 540	(2 009 884)	2 185 656
Total liabilities	(390 557)	(2 319 918)	(5 936)	(2 716 411)	1 364 658	(1 351 753)

The disaggregation of revenue by customer for the period ended 31 August 2024 is as follows:

- Customer A: R24.5 million or 95.7% (August 2023: R21.5 million or 90.4%);
- Customer B: R1.1 million or 4.3% (August 2023: R2.1 million or 8.8%);
- Customer C: nil (August 2023: R0.2 million or 0.08%);

Therefore during the six months ended 31 August 2024, R25.6 million or 100% (August 2023: R23.6 million or 99.2%) of the Group's revenue depended on the sales of LNG to two customers. This revenue is reported under the Tetra4 operating segment. The Group's revenue is solely derived from the sale of LNG (August 2023: from sales of LNG).

Inter-segment balances are eliminated upon consolidation and are reflected in the "eliminations" column. There were no inter-segment revenues.

13. Other operating income

R'000	Reviewed 31 August 2024	Reviewed 31 August 2023
Net foreign exchange gains[1]	16 304	-
Other income	79	150
Total	**16 383**	**150**

[1] In the prior period the Group recorded net foreign exchange losses which were classified within other operating expenses. The foreign exchange differences primarily arise from the translation of foreign debt.

14. Other operating expenses

Other operating expenses comprise:

R'000	Notes	Reviewed 31 August 2024	Reviewed 31 August 2023
Professional fees		13 271	10 360
Employee costs		26 009	14 928
IT costs		2 618	3 237
Insurance		3 553	1 463
Depreciation and amortisation[1]	4, 5	15 142	6 556
Health and safety		2 305	1 831
Office expenses		634	4 788
Selling and distribution expenses		5 837	6 042
Repairs and maintenance		4 899	3 252
Net foreign exchange losses[2]		-	9 054
Other operating expenses[3]		6 375	5 917
Total		**80 643**	**67 428**

[1] Depreciation amounting to R4 005 876 (August 2023: R1 166 000) is included in cost of sales.
[2] In the current period the Group recorded net foreign exchange gains which are classified within other operating income. The foreign exchange differences primarily arise from the translation of foreign debt.
[3] Mainly comprise marketing and advertising expenses, travel expenses, motor vehicle costs, leasing expenses and other staff costs.

15. Interest expense and imputed interest

R'000	Note	Reviewed 31 August 2024	Reviewed 31 August 2023
Interest – leasing arrangements		889	68
Interest – borrowings	10	22 088	6 304
Imputed interest – rehabilitation provision		1 772	-
Interest - suppliers		-	2 447
Interest – other		449	73
Total		**25 198**	**8 892**

15. Interest expense and imputed interest (continued)

R'000	Reviewed 31 August 2024	Reviewed 31 August 2023
Interest – leasing arrangements	889	68
Interest – other	449	73
Interest paid on leasing and other arrangements per the statement of cash flows	**1 338**	**141**

16. Loss per share

R Cents	Reviewed 31 August 2024	Reviewed 31 August 2023
Basic and diluted	(45.73)	(29.91)

R'000	Reviewed 31 August 2024	Reviewed 31 August 2023
Loss attributable to equity holders of Renergen used in the calculation of the basic and diluted loss per share:	(67 472)	(43 504)

000's	Reviewed 31 August 2024	Reviewed 31 August 2023
Weighted average number of ordinary shares used in the calculation of basic loss per share:	147 529	145 452
Issued shares at the beginning of the period	147 529	144 748
Effect of shares issued during the period (weighted)	-	704
Add: Dilutive share options	-	-
Weighted average number of ordinary shares used in the calculation of diluted loss per share	**147 529**	**145 452**

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.

Headline loss per share

R Cents	Reviewed 31 August 2024	Reviewed 31 August 2023
Basic and diluted	(45.73)	(29.87)

16. Loss per share (continued)

Reconciliation of headline loss:

R'000	Reviewed 31 August 2024	Reviewed 31 August 2023
Loss attributable to equity holders of Renergen	(67 472)	(43 504)
Loss on disposal of property, plant and equipment	-	84
Tax effects	-	(23)
Headline loss	**(67 472)**	**(43 443)**

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

17. Notes to the statement of cash flows

17.1. Cash used in operations

R'000	Notes	Reviewed 31 August 2024	Reviewed 31 August 2023
Loss before taxation		(84 874)	(65 144)
Adjustments for:			
Depreciation and amortisation		19 148	7 722
Interest expense and imputed interest	15	25 198	8 892
Interest income		(5 450)	(4 888)
Share-based payments expense		1 748	4 622
Increase in payroll and other accruals		4 883	2 159
Movement in restricted cash	7	28 255	-
Net foreign exchange (gains)/losses		(20 692)	9 054
Loss on disposal of property, plant and equipment		-	84
Changes in working capital:			
Decrease/(increase) in inventories		308	(1 349)
Decrease in finance lease receivables	17.2.1	2 489	7 245
Decrease in trade and other receivables	17.2.2	6 772	5 042
(Decrease)/increase in trade and other payables	17.2.3	(25 530)	11 869
Cash used in operations		**(47 745)**	**(14 692)**

17. Notes to the statement of cash flows (continued)

17.2. Changes in working capital

17.2.1. Finance lease receivables

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

R'000	Reviewed 31 August 2024	Reviewed 31 August 2023
Finance lease receivables at the beginning of the period	48 948	54 559
Eliminated in the cashflow statement:		
Value added taxation on finance lease receivables	-	1 078
Interest on finance lease receivables	-	2 926
Finance lease receivables at the end of the period	(46 459)	(51 318)
Movement in finance lease receivables	**2 489**	**7 245**

17.2.2. Trade and other receivables

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

R'000	Reviewed 31 August 2024	Reviewed 31 August 2023
Trade and other receivables at the beginning of the period	32 709	31 657
Eliminated in the cashflow statement:		
Value added taxation on finance lease receivables	-	(1 078)
Reclassification between trade receivables and trade payables	6 441	(4 028)
Trade and other receivables at the end of the period	(32 378)	(21 509)
Movement in trade and other receivables	**6 772**	**5 042**

17. Notes to the statement of cash flows (continued)

17.2.3. Trade and other payables

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

R'000	Notes	Reviewed 31 August 2024	Reviewed 31 August 2023
Trade and other payables at the beginning of the period		(82 272)	(92 313)
Eliminated in the cashflow statement:			
Accruals attributable to:			
- leave pay and other accruals		276	(679)
- directors fees	19	(1 192)	(1 480)
- production costs		(3 817)	-
- assets under construction	4	(68 879)	58 829
- intangible assets	5	(3 795)	-
- accrued interest on trade payables		-	(2 448)
Net foreign exchange losses		(189)	(2 028)
Exchange differences on translation of foreign operations		(96)	-
Reclassification between trade receivables and trade payables		(6 441)	4 028
Trade and other payables at the end of the period		140 875	47 960
Movement in trade and other payables		**(25 530)**	**11 869**

18. Contingencies and commitments

Contingent liabilities

There are no contingent liabilities as at 31 August 2024 attributable to any of the Group companies (29 February 2024: nil).

Commitments

R'000	Reviewed 31 August 2024 Spent to date	Reviewed 31 August 2024 Contractual commitments	Reviewed 31 August 2024 Total approved
Capital equipment, construction and drilling costs	240 707	97 126	337 833
Total	**240 707**	**97 126**	**337 833**

R'000	Audited 29 February 2024 Spent to date	Audited 29 February 2024 Contractual commitments	Audited 29 February 2024 Total approved
Capital equipment, construction and drilling costs	349 175	122 451	471 626
Total	**349 175**	**122 451**	**471 626**

18. Contingencies and commitments (continued)

The Board approved total project costs amounting to R1.7 billion (February 2024: R1.7 billion) relating to the construction of the Virginia Gas Plant. At 31 August 2024 the Group had contractual commitments totalling R97.1 million (February 2024: R122.5 million) for the procurement of capital equipment. As at the end of the reporting period there were no other material contractual commitments to acquire capital equipment.

19. Related parties

Relationships

There were no changes to the related party relationships during the six months under review.

There were no transactions or balances with companies controlled by Directors or shareholders with significant influence during the period under review except for as disclosed under the SBSA loan in note 10 (August 2023: Rnil).

Related party balances

There are no related party balances included in the results of the Group as at 31 August 2024.

Key management personnel

There was no change in the determination of key management personnel as compared to the position as at 29 February 2024. Remuneration paid to key management personnel during the six months ended 31 August 2024 is disclosed below:

	Reviewed 31 August 2024	Reviewed 31 August 2023
Fees paid to Non-executive Directors[1]	1 192	1 406
Remuneration to Executive Directors	9 596	7 864
Remuneration to Prescribed Officers	1 339	1 309
Total	**12 127**	**10 579**

[1] Luigi Matteucci retired and Thembisa Skweyiya resigned on 26 July 2024 and 10 April 2024, respectively.

20. Events after the reporting period

There are no events after the reporting period as at the date of this report.

21. Going concern

The interim consolidated 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 Group regularly monitors its liquidity position as part of its ongoing risk management programme. In conducting its most recent going concern assessment:

- The Group has considered the period up to 30 September 2025 ("Assessment Period") as it has assessed that key funding initiatives will be concluded during this period.

21. Going concern (continued)

- 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 (40%) and helium (30%) and a 10% increase in operating costs.
- The Group has considered volatilities in the exchange rates, interest rates and energy prices in determining the Cash Forecast.

After consideration of the Cash Forecast and the outcome of the stress testing performed, the Group has concluded that the going concern basis of preparation is appropriate. Various initiatives have come to fruition over the past six months which have resulted in cash inflows as well as increasing the certainty of future cash inflows. These inflows have and will continue to address current liabilities exceeding current assets.

The Cash Forecast base case and stress case scenarios assume the following fund-raising initiatives ("Funding Initiatives") during the Assessment Period:

- The Group plans to list on the Nasdaq Stock Market in the United States of America and anticipates raising R2.6 billion (US$150.0 million) during the Assessment Period. Shareholder approval for the Proposed IPO was obtained on 11 April 2023, however the Proposed IPO is dependent on market conditions which will determine whether it is completed during the Assessment Period. The Proposed IPO is also subject to Securities and Exchange Commission and exchange control approvals.
- Subject to market conditions, the Group is able to raise funding through the issuing of ordinary shares for Phase 2 expansion as approved by shareholders on 26 July 2024.
- The Group plans to draw down on approved debt facilities amounting to R14.25 billion ($750.0 million) from the DFC and SBSA subject to the completion of the Proposed IPO.
- The Group expects to complete the disposal of a minority shareholding in Tetra4 under the terms of the PIA. This disposal remains subject to an approval process by the DFC and IDC which has officially commenced. Once approval is obtained, Renergen will move towards execution of final agreements.

The Board has a reasonable expectation that the approvals will be obtained which would enable the Group to have adequate resources to meet its obligations and continue its operations, but that the regulatory and other approvals highlighted above, and the completion of the Funding Initiatives during the Assessment Period represent material uncertainties which may cast significant doubt on the Company's ability to continue as a going concern and therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

On behalf of the Board

Dr David King	Stefano Marani	Brian Harvey
Chairman	**Chief Executive Officer**	**Chief Financial Officer**

Johannesburg
31 October 2024

Designated Advisor
PSG Capital