APPENDIX 4D

REVIEWED INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 AUGUST 2023

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 2023 ("Aug 23")
Previous period	Six months ended 31 August 2022 ("Aug 22")

RESULTS ANNOUNCEMENT TO THE MARKET

	Reviewed Aug 23 R millions	Reviewed Aug 22 R millions	Change R millions	Change %
Revenue from ordinary activities	23.8	1.2	22.6	1 833.3%
Loss after tax from ordinary activities[1]	43.5	24.5	19.0	77.6%
	Cents	**Cents**	**Cents**	**Change %**
Basic and diluted loss per ordinary share	29.91	19.31	10.6	54.9%

[1] The loss after tax from ordinary activities is the same as the total comprehensive loss after tax attributable to ordinary shareholders.

- The Group's revenue increased by R22.6 million, or 1 833.3% during the past twelve months, due to the commissioning of the Virginia Gas Project ("VGP") in the Company's wholly owned subsidiary Tetra4 (Pty) Limited ("Tetra4"), when it transitioned to a liquefied natural gas ("LNG") production company in September 2022. Revenue in the prior comparative period comprised proceeds solely from the sale of compressed natural gas ("CNG") in which operations ceased in September 2022.
- Gross Profit contribution from LNG operations increased by R11.1 million supported by increases from interest income and a reduction in the Groups share-based payment expenses. This was offset by costs attributable to assets under construction which could not be capitalised due to bringing completed components into operation. This led to an increase in the loss after tax and total comprehensive loss after tax attributable to ordinary shareholders by R19 million or 77.6%.
- The first half of FY2024 saw a total production of 119 309 GJ versus a comparative first half of FY2023 of 2 755GJ, representing a 4231% increase in methane production. This comparison is not entirely representative given that CNG Production facility was initially planned and built to operate for a period of 5 years specifically to support 10 buses at the Megabus depot in the Free State, as has successfully been the case for the entire duration of the CNG Pilot Phase. A more valid metric for comparative purposes is quarterly LNG production. There was a 90 % increase in LNG production in the second quarter compared to the first quarter of FY2024.

	Reviewed Aug 23 Cents	Reviewed Aug 22 Cents	Change Cents	Change %
Net tangible asset value per share	546.26	305.46	240.80	78.8

- The increase in the Group's tangible net asset value per share is mainly attributable to:
  - further investments in property, plant and equipment ("PPE") to complete Phase 1 of the VGP and early investment in the development of Phase 2 of the project; and
  - an increase in restricted and unrestricted cash balances.
- The Group's investment in PPE and the increase in cash balances were funded from capital raised during the prior period (August 2022 to August 2023) which amounted to R255.8 million from various placements on the Australian Securities Exchange ("ASX") and the Johannesburg Stock Exchange ("JSE"), and additional debt totalling R374.0 million secured during this same period.
- The tangible net asset value per share also reflects the impact of 12.2 million additional shares issued during the same period and the transfer of exploration and development costs to PPE due to the commercial viability of extraction of LNG being demonstrable.
- An analysis of the financial performance of the Group is further outlined on page 7 of this interim results announcement.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Please refer to pages 11 to 32 of this report for the reviewed interim consolidated financial statements of Renergen for the six months ended 31 August 2023 which include the following:

- Reviewed interim consolidated statement of profit or loss and other comprehensive income;
- Reviewed interim consolidated statement of financial position;
- 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 2023 is outlined in note 1 contained therein on page 15.

BDO South Africa Incorporated ("BDO") has reviewed the interim consolidated financial statements for the six-month period ended 31 August 2023 and the review conclusion is provided on page 10.

OTHER DISCLOSURE REQUIREMENTS

Dividend or distribution reinvestment plans
Renergen did not declare dividends during the six months ended 31 August 2023 (Aug 22: 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.

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")

REVIEWED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 AUGUST 2023

CONTENTS

DIRECTORS' REPORT

Herein we present Renergen's interim results for the six months ended 31 August 2023 ("H1 2024"). The period saw the Group achieve many goals in the progression of Phase 2 of the VGP, bringing us closer to realising our ambitions of becoming a global helium player. In this regard, the VGP retains its status as a strategic integrated project as designated by the South African government as previously reported, and the Group continues to benefit from the support of the United States Development Finance Corporation ("DFC") alongside our new lending partner Standard Bank of South Africa ("SBSA").

The first six months of FY2024 saw continued growth as we cemented our place as a significant player in the local LNG market. Our strategic intent during H1 2024 was to ramp up LNG production from Phase 1 of the VGP and to secure funding for the development of Phase 2 of the project. The Group had several wins in these areas, and also experienced a few challenges. We will continue to apply the learnings from these challenges to maximise the opportunities that exist for our current operations and for the development of Phase 2 of the VGP. Overall, we are pleased with the progress achieved to date and our key highlights for H1 2024 are summarised below:

- 2 386 tonnes of LNG produced during the period.
- Approval of senior debt funding by the DFC (US$500.0 million) and SBSA (US$250.0 million), subject to conditions precedent.
- Acquisition of a bridge loan amounting to R303.0 million from SBSA and the subscription for Renergen debentures amounting to US$3.0 million (R56.0 million) by AIRSOL SRL ("AIRSOL"), a transaction linked to the planned and broader initial public offering of Renergen shares on the Nasdaq Stock Market ("Proposed IPO").
- Conclusion of an LNG offtake agreement with Time Link Cargo ("Time Link") with supply expected to commence from the first quarter of the next financial year, produced from the remaining Phase 1 capacity.
- The start of an additional gas drilling campaign of approximately 15 wells. The first well was successfully drilled, showing, a helium concentration above 3% and a flow rate of 70 000 cubic feet per day. After spudding additional wells, these new wells are showing early signs of gas and are being assessed and tested.
- Identification of additional gas reservoirs from the analysis of completed gravity and aeromagnetic surveys.
- Granting of the Phase 2 environmental authorisation by the Department of Mineral Resources and Energy ("DMRE").

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. As of 28 February 2023, the VGP's proved plus probable ("2P") helium and methane reserves totalled 420.5 BCF. 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.

Review and approval of financial results

The interim consolidated financial statements for the six months ended 31 August 2023 have been reviewed by BDO and the review conclusion is included on page 10.

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

Operations review

VGP – Phase 1

LNG production capacity saw substantial quarterly increases in volume over the period in question as flow rates were ramped up and operations increased in efficiency. The leak in the helium cold box, as previously reported and referred to below, necessitated its removal for repair with a corresponding return and reintegration back into the plant. This requires down time, and so we took the decision to bring forward the annual maintenance to coincide with this reintergration. While it means longer commissioning, it correspondingly also means less interruptions, once operational. The next quarterly production figures will represent reduced LNG production due to the downtime associated with the repairs, reintegration and scheduled maintenance, which will have an impact on the remaining year's operational efficiency.

LNG

During the period under review LNG production totalled 2 386 tonnes at an average rate of 17 tonnes per day of which 92% was sold to the Group's two local customers with the balance remaining as closing inventory. Tetra4 expects to increase LNG production over the coming months and plans to reach the maximum nameplate capacity of 50 tonnes per day by H1 2024, as the drilling campaign progresses along with the connection and tie into the existing gas gathering pipeline infrastructure.

In May 2023, Tetra4 concluded an LNG offtake agreement with Time Link, a domestic logistics company. The agreement will see Time Link transition their fleet from exclusive diesel operation to a dual-fuel LNG alternative, reducing cost and improving their overall emissions footprint. The LNG will be dispensed from an LNG filling station based in Time Link's depot.

LHe

Renergen reported the identification of a leak in the helium cold box which ultimately needed to be repaired before production of LHe could commence. Commissioning is on track to commence production of LHe before the end of this calendar year.

VGP – Phase 2

H1 FY2024 has seen the Company achieve its planned milestones to date in the progression of Phase 2 of the VGP. The full extent of the project amounts to a total capex spend of up to US$ 1.2bn, with US$ 750mn of debt already secured from our lenders, the US DFC and Standard Bank of South Africa. The equity for Phase 2 is intended to be raised in two tranches with the primary tranche being sufficient to see the Company bring a 30 million standard cubic feet plant into operation. A plant of this size is sufficient to cover all debt payments while still producing healthy profits. The remaining equity tranche will see the plant expanded to a 45 million standard cubic feet per day plant which is capable of producing the previously announced estimated EBITDA of between R5.7bn and R6.2bn per annum, once the plant is in full production, which we expect to occur in the financial year after construction has been completed but not anticipated to be before FY2027.

This approach will not delay the intended turn-on of the Phase 2 plant and will ensure that capital is raised in an orderly manner to minimise equity dilution and risk to shareholders. We will secure the balance of the funding in US capital markets amid peers in the transition energy sector.

With respect to the acquisition of debt, in June 2023, Renergen secured approvals from the DFC and SBSA for funding amounting to US$500.0 million and US$250.0 million, respectively. This debt funding is subject to the fulfilment of conditions precedent – mainly the completion of a first equity tranche – and other conditions which are standard for loans of this nature and similar to those for Phase 1 funding.

The Phase 2 expansion will not impact Phase 1 operations and Renergen's goal is to achieve commercial operation of Phase 2 during the 2027 calendar year. Phase 2 will produce 688 tonnes of LNG per day and 4.2 tonnes of LHe per day once fully ramped up to name plate capacity is achieved. To date Renergen has completed feasibility studies and front-end engineering design for Phase 2. Worley RSA Proprietary Limited has been selected for the scope of the owners engineer role. More recently, the Phase 2 environmental authorisation was granted by the DMRE. Renergen has also secured multiple 10 to 15-year take-or-pay offtake agreements with several top-tier global industrial companies for just over 50% of the anticipated LHe production. The balance of the LHe is earmarked for sales in the international spot market and will allow the Company to participate in the existing LHe commodity price upside. All LHe sales agreements are denominated in US Dollars with pricing increasing annually at the rate of growth of the United States Consumer Price Index.

With respect to Phase 2, Renergen expects to contract a majority of the Phase 2 LNG on 5 to 8 year take-or-pay agreements, servicing the industrial, logistics and gas-to-power industries. A significant gas shortage described as a "gas cliff" by local media is expected to occur in South Africa forecast from H2 2026. The timing of the perceived gas cliff and the forecast early startup of our Phase 2 operation is coincidental but also opportune. The Company has been engaged in many discussions with large consumers of natural gas since the anticipated shortage was announced earlier this year. The Company foresees the scarcity of energy sources in South Africa to positively impact modelled revenues as energy prices have historically escalated at levels above those of domestic inflation rates.

Finance review

Financial performance

The commencement of Phase 1 LNG operations in September 2022 had a significant and two-fold impact on the financial performance of the Group for H1 2024. First, the Group generated a higher gross profit contribution from the sale of LNG relative to the prior comparative period and second, the Group's operating and interest expenses increased significantly as Tetra4 ceased to capitalise certain expenses and borrowing costs following the commissioning of Phase 1 of the VGP. The capitalisation of costs attributable to the construction of qualifying assets is permissible under International Financial Reporting Standards, however this capitalisation is required to cease once these assets are brought into use hence the impact reflected as an increase in other operating and interest expenses in the statement of profit or loss and other comprehensive income. In relation to operational expenditures, certain costs associated with the plant are fixed. As production continues to increase, operational efficiency and profitability will improve. Whilst these outcomes were the major contributors to the Group's overall performance for the period under review there was also a marginal increase in interest income and a marginal decrease in share-based payment expenses. These gains were offset by net foreign exchange losses and a marginal decrease in other operating income as further outlined below. Overall, the Group reported a loss after tax of R43.5 million for H1 2024 compared to a loss of R24.5 million in the prior comparative period, an increase of R19.0 million.

Gross profit contribution

The Group generated revenue totalling R23.8 million (Aug 22: R1.2 million) and a gross profit of R10.8 million (Aug 22: gross loss of R0.3 million) from the sale of 2 198 tonnes of LNG during the period under review, resulting in increases of R22.5 million and R11.1 million, respectively. Revenue in the prior comparative period comprised sales of CNG which ceased in September 2022.

Other operating expenses

H1 2024 other operating expenses totalled R67.4 million compared to R26.8 million in the prior comparative period, an increase of R40.6 million. The increase in other operating expenses can be attributed mainly to:

- A change in accounting treatment as outlined above which resulted in higher employee costs being expensed in the statement of profit and loss and other comprehensive income. H1 2024 employee costs were R9.7 million higher than the prior comparative period without a significant change in the Group's headcount. Employee, security, and other costs directly attributable to the construction of Phase 1 of the VGP were previously capitalised to assets under construction within PPE prior to components of the plant being brought into use during the period under review.
- Net foreign exchange losses totalling R9.1 million mainly attributable to the Group’s foreign debt and creditors. In the prior comparative period, the Group recognised net foreign exchange gains totalling R3.7 million within operating income. Overall, exchange differences recognised in the statement of comprehensive income were higher and were also impacted by the assets brought into use during the period under review for which exchange differences were previously capitalised.
- An increase of R5.5 million in selling and distribution expenses due to the increase in LNG operations during the period under review.
- An increase of R4.8 million in depreciation attributable to assets brought into use during the period, as well as an increase in repairs and maintenance costs by R3.0 million.
- A net increase of R7.2 million in the Group’s remaining cost base brought about by ongoing capital raising initiatives, new leasing arrangements and a general increase in operating activities following the commissioning of Phase 1.

Interest expense and imputed interest

Interest expense and imputed interest recognised during H1 2024 totalled R8.9 million compared to R2.6 million in the prior comparative period, an increase of R6.3 million. The Group’s interest expense was largely impacted by the change in accounting treatment outlined above which resulted in the recognition of higher borrowing costs in the statement of profit or loss and other comprehensive during the period under review.

Other operating income and interest income

- Other operating income decreased by R3.8 million to R0.2 million as of 31 August 2023 (Aug 23: R4.0 million). Other operating income in the prior comparative period primarily comprised foreign exchange gains as outlined above.
- The interest income earned by the Group increased by R3.9 million to R4.9 million (Aug 22: R1.0 million) impacted by higher cash balances from the various fund-raising activities undertaken during the period.

Financial position

The Group’s total asset base increased to R2.2 billion as at 31 August 2023 compared to R1.9 billion as at 28 February 2023, an increase of R0.3 billion. The growth in the asset base can be attributed mainly to:

- Further investments in the Group’s PPE and intangible assets aided mostly by equity proceeds and debt raised during the period. As mentioned in the operational review, the Group completed the construction of Phase 1 of the VGP and drilled an exploratory well during the period. The increase in PPE and intangible assets amounted to R137.5 million which includes capitalised borrowing costs and foreign exchange differences after considering annual depreciation of PPE. The additions outlined in notes 4 and 5 of the reviewed interim consolidated financial statements presented reflect expenditure on PPE and intangible assets exclusive of capitalized borrowing costs and foreign exchange differences.

Increases in the Group's assets were broadly offset by the following:

- A net increase in borrowings totalling R336.6 million arising from new debt acquired during the period, foreign exchange losses due to the weakening of the Rand against the US Dollar and interest charged on borrowings, offset by payments made during the period as fully set out in note 8 of the reviewed interim consolidated financial statements presented. The Group secured a bridge loan amounting to R303.0 million from SBSA and received proceeds totalling R56.0 million from the subscription of Renergen debentures by AIRSOL. Terms of the loan and debentures are set out in note 8.

The Group's trade and other payables also decreased by R44.4 million as creditors were higher in the prior comparative period due to ongoing construction activities to finalise Phase 1 of the VGP.

Change in directorate

There have been no changes to the directorate.

Litigation update

There have been no further developments since our last update contained in the audited annual financial statements for the year ended 28 February 2023 published by the Group on 31 May 2023.

Tel: +27 011 488 1700
Fax: +27 010 060 7000
www.bdo.co.za

Wanderers Office Park
52 Corlett Drive
Illovo, 2196

Private Bag X60500
Houghton, 2041
South Africa

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 2023 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 International Financial Reporting Standard, (IAS) 34 *Interim Financial Reporting*, the SA financial reporting requirements 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 17 to the interim consolidated financial statements, which indicates that the regulatory and other approvals in note 17, and the completion of the funding Initiatives highlighted in note 17 during the period ending 31 August 2023, represent material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern and therefore, that it may be unable 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 2023 are not prepared, in all material respects, in accordance with the International Financial Reporting Standard, (IAS) 34 *Interim Financial Reporting*, the SA financial reporting requirements 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
30 October 2023
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 2023 is set out below:

R'000	Notes	Reviewed 31 August 2023	Audited 28 February 2023
ASSETS			
NON-CURRENT ASSETS		**1 879 916**	**1 729 356**
Property, plant and equipment	4	1 723 047	1 371 748
Intangible assets	5	28 023	241 842
Deferred taxation	6.2	75 119	53 236
Restricted cash		7 294	14 435
Finance lease receivables		46 433	48 095
CURRENT ASSETS		**305 740**	**171 525**
Inventory		1 496	147
Finance lease receivables		4 885	6 464
Trade and other receivables		21 509	31 657
Restricted cash		91 346	77 552
Cash and cash equivalents		186 504	55 705
TOTAL ASSETS		**2 185 656**	**1 900 881**
EQUITY AND LIABILITIES			
EQUITY		**833 903**	**840 204**
Stated capital	7	1 170 059	1 134 750
Share based payments reserve		22 993	21 099
Revaluation reserve		598	598
Accumulated loss		(359 747)	(316 243)
LIABILITIES			
NON-CURRENT LIABILITIES		**844 797**	**860 323**
Borrowings	8	789 352	806 558
Lease liabilities		178	1 108
Deferred revenue		15 303	15 093
Provisions		39 964	37 564
CURRENT LIABILITIES		**506 956**	**200 354**
Borrowings	8	458 305	104 457
Trade and other payables	9	47 960	92 313
Lease liabilities		691	1 184
Provisions		-	2 400
TOTAL LIABILITIES		**1 351 753**	**1 060 677**
TOTAL EQUITY AND LIABILITIES		**2 185 656**	**1 900 881**

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The Interim Consolidated Statement of Profit and Loss and Other Comprehensive Income of the Group for the six months ended 31 August 2023 is set out below:

R'000	Notes	Reviewed 31 August 2023	Reviewed 31 August 2022
Revenue	10	23 757	1 234
Cost of sales		(12 997)	(1 567)
Gross profit/(loss)		**10 760**	**(333)**
Other operating income		150	3 973
Share-based payments expense		(4 622)	(5 192)
Other operating expenses	11	(67 428)	(26 831)
Operating loss		**(61 140)**	**(28 383)**
Interest income		4 888	1 013
Interest expense and imputed interest		(8 892)	(2 618)
Loss before taxation		**(65 144)**	**(29 988)**
Taxation	6.1	21 640	5 455
Loss for the period		**(43 504)**	**(24 533)**
Total comprehensive loss for the period		**(43 504)**	**(24 533)**
Loss attributable to:			
Owners of Renergen		(**43 504**)	(24 533)
Loss for the period		**(43 504)**	**(24 533)**
Total comprehensive loss attributable to:			
Owners of Renergen		(**43 504**)	(24 533)
Total comprehensive loss for the period		**(43 504)**	**(24 533)**
LOSS PER ORDINARY SHARE			
Basic and diluted (cents)	12	(29.91)	(19.31)

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 2023 is set out below:

		Reviewed				
R'000	**Notes**	**Share capital**	**Share-based payments reserve**	**Revaluation reserve**	**Accumulated loss**	**Total equity attributable to equity holders of Renergen**
For the six months ended 31 August 2023						
Balance at 28 February 2023[1]		**1 134 750**	**21 099**	**598**	**(316 243)**	**840 204**
Loss for the period		-	-	-	(43 504)	(43 504)
Total comprehensive loss for the period		-	-	-	(43 504)	(43 504)
Issue of shares	7	35 309	(2 728)	-	-	32 581
Share-based payments expense		-	4 622	-	-	4 622
Balance at 31 August 2023		**1 170 059**	**22 993**	**598**	**(359 747)**	**833 903**
For the six months ended 31 August 2022						
Balance at 28 February 2022[1]		**563 878**	**11 354**	**598**	**(289 518)**	**286 312**
Loss for the period		-	-	-	(24 533)	(24 533)
Total comprehensive loss for the period		-	-	-	(24 533)	(24 533)
Issue of shares		351 278	(533)	-	-	350 745
Share issue costs		(1 367)	-	-	-	(1 367)
Share-based payments expense		-	5 192	-	-	5 192
Balance at 31 August 2022		**913 789**	**16 013**	**598**	**(314 051)**	**616 349**

[1] Audited for the relevant year.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

The Interim Consolidated Statement of Cash Flows of the Group for the six months ended 31 August 2023 is set out below:

R'000		Reviewed 31 August 2023	Reviewed 31 August 2022
Cash flows used in operating activities		**(12 974)**	**(6 256)**
Cash used in operations	13.1	(14 692)	(7 110)
Interest income		1 961	1 013
Interest paid		-	(138)
Taxation paid		(243)	(21)
Cash flows used in investing activities		**(169 688)**	**(306 732)**
Investment in property, plant and equipment	4	(137 315)	(226 322)
Investment in intangible assets	5	(25 720)	(49 821)
Investment in restricted cash		(6 653)	(30 589)
Cash flows from financing activities		**313 512**	**311 799**
Proceeds from share issue	7	32 581	350 745
Share issue costs		-	(1 367)
Proceeds from borrowings	8	373 972	-
Repayment of borrowings - capital	8	(58 653)	(18 095)
Repayment of interest on borrowings	8	(33 655)	(18 065)
Interest paid on leasing and other arrangements		(141)	-
Lease liabilities - lease payments		(592)	(1 419)
TOTAL CASH MOVEMENT FOR THE PERIOD		**130 850**	**(1 189)**
Cash and cash equivalents at the beginning of the period		55 705	95 088
Effects of exchange rate changes on cash and cash equivalents		(51)	4 360
Total cash and cash equivalents at the end of the period		**186 504**	**98 259**

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 2023 have been prepared and presented in accordance with the requirements of the JSE Limited ("JSE Listings Requirements") and the ASX Limited ("ASX Listing Rules"), as well as the requirements of the South African Companies Act 71 of 2008, as amended. The JSE Listings Requirements require interim results to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations as issued by the Financial Reporting Interpretations Committee, the South African Financial Reporting Requirements, and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting. The accounting policies used in the preparation of the interim consolidated financial statements are in terms of IFRS.

The directors take full responsibility for the preparation of the interim consolidated financial statements. 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 17 for further disclosures relating to going concern.

The reviewed 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 has reviewed the interim consolidated financial statements for the six-month period ended 31 August 2023. The auditor's review conclusion is provided on page 10.

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 2023 are consistent with those followed in the preparation of the Group's consolidated annual financial statements for the year ended 28 February 2023 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.

4. Property, plant and equipment

	Reviewed 31 August 2023			Audited 28 February 2023		
R'000	Cost or valuation	Accumulated depreciation	Net book value	Cost or valuation	Accumulated depreciation	Net book value
Assets under construction	1 211 984	-	1 211 984	1 342 450	-	1 342 450
Plant and machinery	267 017	(18 036)	248 981	23 164	(13 504)	9 660
Development asset	238 962	(673)	238 289	-	-	-
Right-of-use assets - motor vehicles	4 688	(2 943)	1 745	5 603	(2 488)	3 115
Right-of-use assets - head office building	-	-	-	2 243	(2 243)	-
Land - at revalued amount	3 473	-	3 473	3 473	-	3 473
Motor vehicles	17 385	(3 065)	14 320	10 375	(1 924)	8 451
Office building	2 065	(786)	1 279	2 065	(682)	1 383
Furniture and fixtures	1 240	(913)	327	1 240	(846)	394
IT equipment	1 148	(880)	268	1 148	(772)	376
Office equipment	243	(147)	96	243	(135)	108
Leasehold improvements:						
Furniture and fixtures	3 064	(779)	2 285	3 064	(728)	2 336
Office equipment	142	(142)	-	142	(140)	2
	1 751 411	**(28 364)**	**1 723 047**	**1 395 210**	**(23 462)**	**1 371 748**

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 28 February 2023	Additions	Disposal	Transfers	Depreciation	At 31 August 2023
Assets under construction	1 342 450	120 397	-	(250 863)	-	1 211 984
Plant and machinery	9 660	-	-	243 853	(4 532)	248 981
Development asset	-	-	-	238 962	(673)	238 289
Right-of-use assets - motor vehicles	3 115	-	(915)	-	(455)	1 745
Land - at revalued amount	3 473	-	-	-	-	3 473
Motor vehicles	8 451	-	-	7 010	(1 141)	14 320
Office building	1 383	-	-	-	(104)	1 279
Furniture and fixtures	394	-	-	-	(67)	327
IT equipment	376	-	-	-	(108)	268
Office equipment	108	-	-	-	(12)	96
Leasehold improvements:						
Furniture and fixtures	2 336	-	-	-	(51)	2 285
Office equipment	2	-	-	-	(2)	-
Total	**1 371 748**	**120 397**	**(915)**	**238 962**	**(7 145)**	**1 723 047**

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		120 397
Capitalised borrowing costs attributable to the DFC loan	8	(18 058)
Capitalised borrowing costs attributable to the IDC loan	8	(12 872)
Capitalised borrowing costs attributable to the SBSA loan	8	(7 583)
Unrealised foreign exchange losses attributable to the DFC loan	8	(3 398)
Payments attributable to additions to assets under construction previously accrued for as at 28 February 2023		68 888
Accruals attributable to assets under construction as at 31 August 2023		(10 059)
Additions as reflected in the cash flow statement		**137 315**

5. Intangible assets

R'000	Reviewed 31 August 2023 Cost	Reviewed 31 August 2023 Accumulated amortisation and impairment	Reviewed 31 August 2023 Net book value	Audited 28 February 2023 Cost	Audited 28 February 2023 Accumulated amortisation and impairment	Audited 28 February 2023 Net book value
Acquired intangible assets	**9 453**	**(1 982)**	**7 471**	**224 106**	**(1 405)**	**222 701**
Exploration and development costs	1 323	(32)	1 291	217 459	(32)	217 427
Computer software	8 130	(1 950)	6 180	6 647	(1 373)	5 274
Internally developed intangible assets	**20 552**	**-**	**20 552**	**19 141**	**-**	**19 141**
Development costs - Cryo-Vacc™	17 070	-	17 070	15 666	-	15 666
Development costs - Helium Tokens System	3 482	-	3 482	3 475	-	3 475
	30 005	**(1 982)**	**28 023**	**243 247**	**(1 405)**	**241 842**

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

R'000	At 28 February 2023	Additions	Transfers	Amortisation	At 31 August 2023
Acquired intangible assets					
Exploration and development costs	217 427	22 826	(238 962)	-	1 291
Computer software	5 274	1 483	-	(577)	6 180
Internally developed intangible assets					
Development costs - Cryo-Vacc™	15 666	1 404	-	-	17 070
Development costs - Helium Tokens System	3 475	7	-	-	3 482
Total	**241 842**	**25 720**	**(238 962)**	**(577)**	**28 023**

6. Taxation

6.1. Major components of tax income

R'000	Note	Reviewed 31 August 2023	Reviewed 31 August 2022
Deferred tax			
- Originating and reversing temporary differences	6.2	21 883	5 455
Carbon tax		(243)	-
		21 640	**5 455**

6.2. Deferred taxation

	Reviewed				
R'000	At 1 March 2023	Recognised in profit or loss	At 31 August 2023	Deferred tax asset	Deferred tax liability
Property, plant and equipment	(186 700)	(21 629)	(208 329)	-	(208 329)
Intangible assets	(41 473)	(6 894)	(48 367)	-	(48 367)
Lease liabilities	(223)	123	(100)	-	(100)
Finance lease receivables	(1 827)	(483)	(2 310)	-	(2 310)
Provisions	12 773	183	12 956	12 956	-
Deferred revenue	4 075	57	4 132	4 132	-
Debentures	-	(384)	(384)	-	(384)
S24c Allowance	(716)	-	(716)	-	(716)
Unutilised tax losses	267 327	50 910	318 237	318 237	-
	53 236	**21 883**	**75 119**	**335 325**	**(260 206)**

As at 31 August 2023 the Group's estimated tax losses were R1 628.8 million (February 2023: R1 450.9 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. 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. A Group net deferred taxation asset of R75.1 million (February 2023: R53.2 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 and the leasing of storage and related infrastructure to customers under 8-year contracts which came into effect during the prior financial year. Expected future profits are also reflected in the valuation of the exploration and development assets amounting to R31.0 billion. This valuation was disclosed in the audited annual financial statements of the Company for the year ended 28 February 2023 issued on 31 May 2023.

7. Stated capital

Authorised (000's):	Reviewed 31 August 2023	Audited 28 February 2023
500 million shares of no par value	500 000	500 000

Reconciliation of number of issued shares (000's):	Reviewed 31 August 2023	Audited 28 February 2023
At 1 March 2023/2022	144 748	123 934
Issue of shares - ordinary shares issued for cash	2 579	20 777
Issue of shares - share incentive scheme, non-cash	201	37
Balance at 31 August 2023/28 February 2023	**147 528**	**144 748**

Reconciliation of issued stated capital (R'000):	Reviewed 31 August 2023	Audited 28 February 2023
At 1 March 2023/2022	1 134 750	563 878
Issue of shares - ordinary shares issued for cash	32 581	573 914
Issue of shares - share incentive scheme, non-cash	2 728	533
Share issue costs	-	(3 575)
Balance at 31 August 2023/28 February 2023	**1 170 059**	**1 134 750**

Shares issued for cash during the period under review comprise:

Description	Date	Number of shares 000's	Issue price Rand	Value R'000
Issue of shares on the Johannesburg Stock Exchange[1]	17 May 2023	546	18.32	10 000
Exercise of share options[2]	Various	2 033	11.11	22 581
		2 579		**32 581**

[1] Issue of shares to a South African investor.

[2] Issue price represents the average exercise price of the options exercised during the period.

There were no dividends declared during the period (28 February 2023: nil).

8. Borrowings

Borrowings held at amortised cost comprise:	Reviewed 31 August 2023	Audited 28 February 2023
Non-current:	**789 352**	**806 558**
Molopo	54 615	51 036
DFC	566 296	598 394
IDC	168 441	157 128
Current:	**458 305**	**104 457**
DFC	80 900	79 786
IDC	10 698	24 671
SBSA	310 583	-
AIRSOL	56 124	-
Total	**1 247 657**	**911 015**

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

R'000	At 28 February 2023	Additions	Foreign exchange losses[1]	Interest	Repayments - capital	Repayments - interest [2]	At 31 August 2023
Molopo	51 036	-	-	3 579	-	-	54 615
DFC	678 180	-	10 009	19 753	(40 993)	(19 753)	647 196
IDC	181 799	-	-	13 673	(2 660)	(13 673)	179 139
MaxiConcepts	-	15 000	-	229	(15 000)	(229)	-
SBSA	-	303 000	-	7 583	-	-	310 583
AIRSOL	-	55 972	152	-	-	-	56 124
	911 015	**373 972**	**10 161**	**44 817**	**(58 653)**	**(33 655)**	**1 247 657**

[1] Foreign exchange losses reflect the impact of the weakening of the Rand against the US Dollar. Qualifying foreign exchange losses amounting to R3.4 million were capitalised to assets under construction within property, plant and equipment (see note 4). Foreign exchange losses 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 R18.1 million and R12.9 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.

8. Borrowings (continued)

Molopo, DFC and IDC loan terms, security and debt covenants

The terms of the Molopo, DFC and IDC loans are as presented in the Group annual financial statements for the year ended 28 February 2023, and remained unchanged for the period under review. The DFC and IDC loans are secured by a pledge of Tetra4's assets under construction, land and the Debt Service Reserve Account. Assets under construction and land are disclosed in note 4.

Debt covenants attributable to the DFC and IDC loans are also consistent with those disclosed at 28 February 2023, however the covenants relating to the financial and reserve tail ratios applicable to the IDC loan were amended to apply from [15 August 2025]. Tetra4 complied with debt covenants that were effective during the period under review with regards the DSRA.

SBSA Bridge Loan terms and security

Renergen entered into a R303.0 million secured bridge loan facility agreement with SBSA on 30 June 2023 (“SBSA Bridge Loan”). The SBSA Bridge Loan was fully drawn by Renergen on 30 June 2023 and proceeds will be used to fund expansionary capital expenditure. Part of the proceeds of the SBSA Bridge Loan were also used to pay transaction costs attributable to the loan arrangement.

The loan is repayable on or before 30 June 2025 and accrues interest at a rate equivalent to JIBAR plus a variable margin (JIBAR plus the margin equated to 14.5% on 31 August 2023). Interest is compounded and capitalised quarterly to the principal amount owing. Early settlement of the SBSA Bridge Loan before 30 June 2025 will become due within 5 business days of the earlier of the receipt of proceeds from either the Nasdaq IPO of Renergen or the Project Investor Agreement ("PIA") has become unconditional and Tetra4 has received funds due under the PIA. The PIA sets out terms and conditions for the acquisition of shares in Tetra4 by a selected investor.

The loan has been classified as short term as management is of the view that the SBSA Bridge Loan will be settled within 12 months as it is expected that the Proposed IPO will become unconditional within this timeframe.

AIRSOL 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 for Renergen debentures in two tranches of US$3.0 million (“Tranche 1”) and US$4.0 million (“Tranche 2”). Tranche 1 was received on 30 August 2023 and AIRSOL will subscribe for Tranche 2 when the terms of the PIA have become unconditional and Tetra4 has received funds due under the PIA. This transaction is linked to the Proposed 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.

8. Borrowings (continued)

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.

The loan has been classified as short term as management is of the view that the debentures will be settled within 12 months as it is expected that the terms of the PIA will become unconditional within this timeframe.

9. Trade and other payables

R'000	Reviewed 31 August 2023	Audited 28 February 2023
Financial instruments:	**39 807**	**84 839**
Trade payables	13 803	71 070
Accrued expenses	26 004	13 769
Non-financial instruments:	**8 153**	**7 474**
Accrued leave pay	3 708	3 029
Accrued bonus	4 445	4 445
Total	**47 960**	**92 313**

Trade payables at 28 February 2023 included costs associated with finalising the commissioning of Phase 1 of the VGP. At 31 August 2023, trade payables mainly comprise amounts due for work on the Phase 2 expansion of the VGP.

10. Segment analysis

There is no difference from the last annual financial statements in the basis of segmentation or in the measurement of segment profit or loss.

No geographical information is provided as all operations and assets are situated in South Africa and all sales are made to two South African customers (August 2022: one customer). The analysis of reportable segments as at 31 August 2023 is set out below:

10. Segment analysis (continued)

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)
Share-based payments expense	(2 842)	(1 747)	(33)	(4 622)	-	(4 622)
Depreciation and amortisation[1] (note 4)	(7 654)	(68)	-	(7 722)	-	(7 722)
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)

[1] Includes R1 166 000 which is included in cost of sales.

The analysis of reportable segments as at 31 August 2022 is set out below:

Reviewed R'000	**Corporate head office**	**Tetra4**	**Cryovation**	**Total**	**Elimin-ations**	**Consol-idated**
Revenue	-	1 249	-	1 249	-	1 249
External	-	1 249	-	1 249	-	1 249
Interest income	195	818	-	1 013	-	1 013
Interest expense and imputed interest	(2 612)	(6)		(2 618)	-	(2 618)
Share-based payments expense	(1 199)	(3 993)		(5 192)	-	(5 192)
Depreciation and amortisation	(2 679)	(128)		(2 807)	-	(2 807)
Loss for the year	(13 577)	(10 956)	-	(24 533)	-	(24 533)
Total assets	1 476 514	1 526 438	13 766	3 016 718	(1 443 025)	1 573 693
Total liabilities	(4 268)	(1 753 471)	(1 451)	(1 759 190)	801 846	(957 344)

During the six months ended 31 August 2023, R23.8 million or 100% (2022: R1.2 million or 100%) of the Group’s revenue depended on the sales of LNG to two customers (August 2022: one customer). This revenue is reported under the Tetra4 operating segment. The Group's revenue is solely derived from the sale of LNG (August 2022: from sales of CNG which ceased in September 2022).

Inter-segment revenues and balances are eliminated upon consolidation and are reflected in the ‘eliminations’ column.

11. Other operating expenses

Other operating expenses comprise:

R'000	Notes	Reviewed 31 August 2023	Reviewed 31 August 2022
Professional fees		10 360	8 291
Employee costs		14 928	5 270
IT costs		3 237	2 163
Depreciation and amortisation[1]	4, 5	6 556	1 746
Office expenses		4 788	1 100
Selling and distribution expenses		6 042	566
Repairs and maintenance		3 252	210
Net foreign exchange losses		9 054	-
Other operating expenses[2]		9 211	7 485
Total		**67 428**	**26 831**

[1] Depreciation amounting to R1 166 000 is included in cost of sales.

[2] Mainly comprise marketing and advertising expenses, insurance expenses, security and HSE costs, and other staff costs.

12. Loss per share

Loss per share

Cents	Reviewed 31 August 2023	Reviewed 31 August 2022
Basic and diluted	(29.91)	(19.31)

R'000	Reviewed 31 August 2023	Reviewed 31 August 2022
Loss attributable to equity holders of Renergen used in the calculation of the basic and diluted loss per share:	(43 504)	(24 533)

000's	Reviewed 31 August 2023	Reviewed 31 August 2022
Weighted average number of ordinary shares used in the calculation of basic loss per share:	145 452	127 024
Issued shares at the beginning of the period	144 748	123 934
Effect of shares issued during the period	704	3 090
Add: Dilutive share options	-	-
Weighted average number of ordinary shares used in the calculation of diluted loss per share	**145 452**	**127 024**

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.

12. Loss per share (continued)

Headline loss per share

Cents	Reviewed 31 August 2023	Reviewed 31 August 2022
Basic and diluted - Headline	(29.87)	(19.31)

Reconciliation of headline loss:

R'000	Reviewed 31 August 2023	Reviewed 31 August 2022
Loss attributable to equity holders of Renergen	(43 504)	(24 533)
Loss on disposal of property, plant and equipment	84	-
Tax effects	(23)	-
Headline loss	**(43 443)**	**(24 533)**

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

13. Notes to the statement of cash flows

13.1. Cash used in operations

R'000	Notes	Reviewed 31 August 2023	Reviewed 31 August 2022
Loss before taxation		(65 144)	(29 988)
Adjustments for:			
Depreciation and amortisation		7 722	2 807
Interest expense and imputed interest		8 892	2 618
Interest income		(4 888)	(1 013)
Share-based payments expense		4 622	5 192
Increase in payroll accruals		2 159	611
Net foreign exchange losses/(gains)		9 054	(4 360)
Loss on disposal of property, plant and equipment		84	-
Changes in working capital:			
Increase in inventories		(1 349)	-
Decrease in finance lease receivables	13.2.1	7 245	-
Decrease/(increase) in trade and other receivables	13.2.2	5 042	(5 721)
Increase in trade and other payables	13.2.3	11 869	22 744
Cash used in operations		**(14 692)**	**(7 110)**

NOTES TO THE REVIEWED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

13.2. Changes in working capital

13.2.1. Finance lease receivables

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

R'000	Reviewed 31 August 2023
Finance lease receivables at the beginning of the period	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	(51 318)
Movement in finance lease receivables	**7 245**

There were no finance lease receivables in the prior comparative period.

13.2.2. Trade and other receivables

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

R'000	Reviewed 31 August 2023	Reviewed 31 August 2022
Trade and other receivables at the beginning of the period	31 657	27 032
Eliminated in the cashflow statement:		
Value added taxation on finance lease receivables	(1 078)	-
Reclassification of creditors with debit balances	(4 028)	-
Trade and other receivables at the end of the period	(21 509)	(32 753)
Movement in trade and other receivables	**5 042**	**(5 721)**

NOTES TO THE REVIEWED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

13.2.3. Trade and other payables

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

R'000	Note	Reviewed 31 August 2023	Reviewed 31 August 2022
Trade and other payables at the beginning of the period		(92 313)	(21 602)
Eliminated in the cashflow statement:			
Accruals attributable to:			
- leave pay		(679)	(611)
- directors' fees		(1 480)	-
- assets under construction	4	(10 059)	-
- unrealised foreign exchange losses		(2 028)	-
- accrued interest on trade payables		(2 448)	-
Payments attributable to additions to assets under construction previously accrued for as at 28 February 2023	4	68 888	-
Reclassification of debtors with credit balances		4 028	-
Trade and other payables at the end of the period		47 960	44 957
Movement in trade and other payables		**11 869**	**22 744**

14. Contingencies and commitments

Contingent liabilities

The Group had no contingent liabilities at 31 August 2023 (February 2023: nil).

Commitments

R'000	Reviewed 31 August 2023 Spent to date	 Contractual commitments	 Total approved
Capital equipment	328 695	44 690	373 385
Total	**328 695**	**44 690**	**373 385**

R'000	Audited 28 February 2023 Spent to date	 Contractual commitments	 Total approved
Capital equipment	317 020	56 365	373 385
Total	**317 020**	**56 365**	**373 385**

NOTES TO THE REVIEWED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Contingencies and commitments (continued)

The Board approved total project costs for Phase 1 amounting to R1.5 billion relating to the construction of the VGP. The Group has contractual commitments amounting to R44.7 million (Feb 2023: R56.4 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.

15. Related parties

Relationships

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

There were no transactions with companies controlled by the directors during the period under review (August 2022: nil).

Related party balances

There are no related party balances included in the results of the Group as at 31 August 2023.

Key management personnel

There was no change in the determination of key management personnel as compared to the position as at 28 February 2023. Remuneration paid to key management personnel during the six months ended 31 August 2023 is disclosed below:

	Reviewed 31 August 2023	Reviewed 31 August 2022
Fees paid to Non-executive Directors[1]	1 406	999
Remuneration to Executive Directors	7 864	12 830
Remuneration to Prescribed Officers	1 309	6 130
Total	**10 579**	**19 959**

[1] During the period, two non-executive directors receiving no director fees were replaced by two non-executive directors that receive fees.

16. Events after the reporting period

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

17. 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 2024 ("Assessment Period") as it has assessed 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 (40%) and helium (30%) and a 10% increase in operating costs.

17. Going concern (continued)

- The Group has considered volatilities in the exchange rates, interest rates and energy prices in determining the Cash Forecast. Furthermore, based on information available on the assessment date, the Group has concluded that developments with the Russia/Ukraine war and disruptions to global supply chains will not materially impact its operations during the Assessment Period.

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 11 April 2023.
- 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 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.

On behalf of the Board

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

Johannesburg
30 October 2023

Designated Advisor
PSG Capital

PSG CAPITAL