

**PLATINUM GRAPHITE INTERNATIONAL COMPANY  
LIMITED**

**AUDITED FINANCIAL STATEMENTS FOR THE PERIOD  
ENDED 31<sup>ST</sup> DECEMBER, 2021**

**M/S JOM ASSOCIATES  
CERTIFIED PUBLIC ACCOUNTANTS & AUDITORS**

**P.O.BOX 13857  
ARUSHA  
TANZANIA**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31ST DECEMBER, 2021**

The Management presents its report together with the audited financial statements for the year ended 31<sup>st</sup> December, 2019 which disclose the state of affairs of the Institution.

**REGISTRATION**

PLATINUM GRAPHITE INTERNATIONAL CO. LIMITED is registered in the United Republic of Tanzania as a Private Limited Company. It had been granted a Certificate of Registration to operate in Tanzania after it has complied with the provisions of Section 321 of the then Companies Ordinance.

**PRINCIPAL ACTIVITIES**

The Institution is a Private Limited Company, involved in among other things; mining and extraction.

**OPERATIONAL RESULTS**

The Institution is in full operation effective and its operational results are shown in statement of comprehensive income. The company's going concern has already been assessed and the operations will continue for the foreseeable future.

**MANAGEMENT**

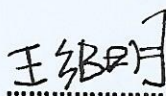
PLATINUM GRAPHITE INTERNATIONAL CO. LIMITED is managed by a Board of Directors based in the Tanzania, while management of the day-to-day activities is vested in the Company's director. The Management team who served the Company since 1<sup>st</sup> January 2021 to 31<sup>st</sup> December, 2021 except as otherwise stated were:-

	<b>Name</b>	<b>Position</b>	<b>Nationality</b>
<b>1.</b>	Mr. GAO DEGUO	Director	Chinese
<b>2.</b>	Mr. WANG SHAOMING	Director	Chinese

**AUDITORS**

The auditors, JOM Associates, were appointed as auditors to carry out the audit for the year ended 31<sup>st</sup> December, 2021, and have expressed their willingness to continue in office.

**BY ORDERS OF THE BOARD**

  
.....

**DIRECTOR**

DATE 24/4/2022.....

**STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED  
31<sup>ST</sup> DECEMBER, 2021**

The Companies Act requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Institution as at the end of the financial year and of its operational results for that year. It also requires the directors to ensure that the Institution maintains proper accounting records that disclose, with reasonable accuracy, the financial position of the Institution.

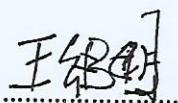
The Directors accepts responsibility for the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error. It also accepts responsibility for;

- i) Designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements;
- ii) Selecting and applying appropriate accounting policies; and
- iii) Making accounting estimates and judgments that are reasonable in the circumstances.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of PLATINUM GRAPHITE INTERNATIONAL CO. LIMITED as at 31<sup>st</sup> December, 2021 and of its profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act.

Nothing has come to the attention of the Directors to indicate that the Institution will not remain a going concern for at least twelve months from the date of this statement.

Approved by the Management on .....4/24.....2022 and signed on its behalf by:



Director



# ASSOCIATES

## CERTIFIED PUBLIC ACCOUNTANTS AND AUDITORS

Box 7000 Arusha:Email:jom.audit@gmail.com

### REPORT OF THE AUDITORS

We have audited the financial statements of PLATINUM GRAPHITE INTERNATIONAL CO. LIMITED for the year ended 31st December, 2021, Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flows and Statement of changes in net Assets/ Equity for the year ended on that date and Notes set out in the report.

#### RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

The directors are responsible for the preparation of the financial statements. Our responsibility as auditors is to express an opinion on these financial statements based on our audit.

#### BASIS OF OPINION

We conducted our audit in accordance with approved auditing standards. We planned and performed our audit so as to obtain a reasonable assurance that the financial statements are free from material misstatement. An audit includes examination on test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes assessment of significant estimates and judgments made by the directors in the preparation of the financial statements and whether the accounting policies are appropriate and have been consistently applied and adequately disclosed in the accounts.

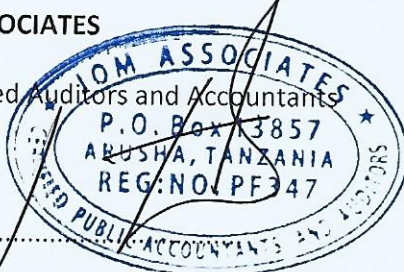
#### OPINION

Proper books of accounts were maintained by the entity for the whole of this period and the financial statements prepared therefrom are in agreement with such books.

In our opinion, the financial statements give a true and fair view of the Financial Position of PLATINUM GRAPHITE INTERNATIONAL CO. LIMITED as at 31st December 2021, Statement of Financial Performance, Statement of Cash Flows and Statement of changes in net Assets/ Equity for the year ended, and are prepared in accordance with International Financial Reporting Standards.

#### JOM ASSOCIATES

Authorized Auditors and Accountants



CPA Oswald J. Msigalla, PP (ACPA 811),

MANAGING PARTNER

Date 24/4/2023

**PLATINUM GRAPHITE INTERNATIONAL CO. LIMITED**  
**STATEMENT OF COMPEHENSIVE INCOME FOR THE YEAR ENDED 31st DECEMBER 2021**

	Note	2021 <u>TSHS</u>	2020 <u>TSHS</u>
<b>REVENUE</b>			
Sales	3	-	-
<b>Total Revenue</b>		-	-
Direct costs	4	-	-
<b>Gross Profit</b>		-	-
<b>Operating expenses</b>			
Administrative expenses	5	-	-
Depreciation	2	166,182,734.38	219,060,625.00
Finance Costs	6	-	-
<b>Total Operating Expenses</b>		166,182,734.38	219,060,625.00
Profit or (Loss) before Tax		(166,182,734.38)	(219,060,625.00)
Income Tax expenses	13	-	-
<b>Net profit or (loss) for after tax</b>		<b>(166,182,734.38)</b>	<b>(219,060,625.00)</b>

*E. USAH*

.....  
 Managing Director

.....  
 Director

Date: 24/4/2023

**PLATINUM GRAPHITE INTERNATIONAL CO. LIMITED**  
**STATEMENT OF FINANCIAL POSITION AS AT 31st DECEMBER 2021**

ASSET	Note	2021 <u>TSHS</u>	2020 <u>TSHS</u>
<b>Non current assets</b>			
PPE	2	649,104,140.63	815,286,875.00
I.T Equipment		-	-
<b>Total Non current assets</b>		<u>649,104,140.63</u>	<u>815,286,875.00</u>
<b>Current assets</b>			
Inventory	7	-	-
Trade and other receivable	8	-	-
Cash and cash equivalents	9	-	-
<b>Total current asset</b>		<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>		<u><b>649,104,140.63</b></u>	<u><b>815,286,875.00</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share Capital	10	1,323,840,000.00	1,323,840,000.00
Retained Earnings	11	(674,735,859.38)	(508,553,125.00)
<b>Total Equity</b>		<u>649,104,140.63</u>	<u>815,286,875.00</u>
<b>Non Current liabilities</b>			
		-	-
<b>Current liabilities</b>			
Trade and other payables	12	-	-
<b>Total current liabilities</b>		<u>-</u>	<u>-</u>
<b>Total liabilities</b>		<u>-</u>	<u>-</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>649,104,140.63</b></u>	<u><b>815,286,875.00</b></u>

王红明

.....  
 Managing Director

.....  
 Director

Date: 24/4/2022 .....

**PLATINUM GRAPHITE INTERNATIONAL CO. LIMITED**  
**CASHFLOW STATEMENT FOR THE PERIOD ENDED 31st DECEMBER 2021**

	<u>2021</u> <u>TSHS</u>	<u>2020</u> <u>TSHS</u>
<b>OPERATING ACTIVITIES</b>		
Profit or (Loss) before tax	(166,182,734.38)	(219,060,625.00)
<i>Non cash adjustment</i>		
Depreciation	166,182,734.38	219,060,625.00
Other adjustments	-	-
<b>Cash flow before changes in level of working capital items</b>	-	-
<b>Working capital adjustment</b>		
(Increase) / decrease in Trade and other receivables	-	-
Increase/ (decrease) in Trade and other payables	-	-
(Increase) /decrease prepaid Tax	-	-
<b>Net changes in level of working capital items</b>	-	-
Taxation	-	-
<b>Net flow generated from operations</b>	-	-
	A	
<b>INVESTING ACTIVITIES</b>		
Aquisition of Non current assets	-	-
Disposal of Non current assets	-	-
<b>Net cash flow used in Investing activities</b>	-	-
	B	
<b>FINANCING ACTIVITIES</b>		
Share capital	-	-
Loan	-	-
<b>Net cash flow from financial activities</b>	-	-
	C	
Net Increase or Decrease in cash and cash equivalent A+B+C	-	-
Cash and cash equivalent at the beginning	-	-
<b>Cash and cash equivalent at the 31.12.2021</b>	-	-

王红明

.....  
 Managing Director

Date: 24/4/2022 .....

.....  
 Director

PLATINUM GRAPHITE INTERNATIONAL CO. LIMITED  
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st DECEMBER 2021

Particulars	Ordinary Share Capital	Advance towards Share Capital	Retained Earnings	Total
	<u>TSHS</u>	<u>TSHS</u>	<u>TSHS</u>	<u>TSHS</u>
Balance as at 1st January 2021	1,323,840,000.00	-	(508,553,125.00)	815,286,875.00
Share Capital	-	-	-	-
Retained Earnings for the year			(166,182,734.38)	(166,182,734.38)
<b>Balance as at 31st December 2021</b>	<b>1,323,840,000.00</b>	<b>-</b>	<b>(674,735,859.38)</b>	<b>649,104,140.63</b>

王强  
.....  
Managing Director

.....  
Director

Date: 24/4/2022  
.....

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1: Significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

**a) Basis of preparation**

These financial statements have been prepared in compliance with International Financial Reporting Standards for Small and Medium Enterprises (SMEs), International Financial Reporting Interpretations Committee (IFRIC) interpretations and those parts of the Companies Act, No. 12 of 2002 applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB). The measurement basis applied is the historical cost basis except where otherwise stated in the accounting policies below. The financial statements are presented in Tanzanian Shillings (TZS).

**b) Revenue recognition**

Revenue is recognized when the proprietorship satisfies a performance obligation by transferring a promised good or service to a customer. The goods or service is considered transferred when the customer obtains control of that good or service. Also, by considering the criteria(s) that a contract has been agreed between the parties (orally or written), the values of goods or service has been established, the product or service has been provided to the buyer and the buyer has indicated willingness to handover or other assets in settlement.

**c) Plant, Property and Equipment**

All property, plant and equipment are stated at cost, less subsequent depreciation and impairment. Cost includes expenditure directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred. For tax purposes, depreciation is calculated using the straight-line method and also reducing balance or diminishing value method, depending on the type of class of which the non-current asset falls to as stated in The Tanzania Income Tax Act, Cap 332 R.E, 3<sup>rd</sup> Schedule.

Non-current asset	Class	Depreciation Rate	Depreciation method
Motor Vehicle	I	37.5%	Reducing Balance
Furniture and Fittings	III	12.5%	Reducing Balance
Computer & Printers	I	37.5%	Reducing Balance
Machinery	II	25%	Reducing Balance

**d) Trade and other receivables**

Trade receivables are amounts due from customers for services performed or products sold in the ordinary course of business. They also include advance deposits and prepayments to suppliers

that render services or goods to the company, and income tax receivable or other tax credits. Trade receivables are recognized initially at fair value.

**e) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, bank deposits payable on demand, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on statement of financial position and are included within cash and cash equivalents on the face of the cash flows as they form an integral part of the Company's cash management. Restricted cash are not included as part of cash and equivalents.

**f) Share capital**

Ordinary shares are classified as equity. Any additions of capital or drawings are added or deducted against the fully paid-up share capital. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**g) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

*Provisions*

Provisions are recognized when there is a present obligation, whether legal or constructive, as a result of a past event for which it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**h) Income tax**

Income tax expense is the aggregate of the charge in profit or loss in respect of current and deferred income tax. Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with The Tanzania Income Tax Act, Cap 332 R.E, 2021.

Deferred income tax is provided in full using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

**i) Comparative figures**

Where necessary, previous year figures have been adjusted or reclassified to conform to changes in presentation in the current year.

**NOTE 2; PLANT, PROPERTY AND EQUIPMENT**

<b>PARTICULARS</b>	<b>Land</b>	<b>Buildings (5%)</b>	<b>Machinery &amp; Equipment (25%)</b>	<b>Furnitures, Fittings &amp; Fixtures (12.5%)</b>	<b>Total 2021</b>
<b>Cost</b>					
Balance as at 01.01.2021	55,450,000.00	120,750,000.00	1,120,000,000.00	27,640,000.00	1,323,840,000
Additions / (disposals)	-	-	-	-	-
<b>Balance as at 31.12.2021</b>	<b>55,450,000.00</b>	<b>120,750,000.00</b>	<b>1,120,000,000.00</b>	<b>27,640,000.00</b>	<b>1,323,840,000.00</b>
<b>Depreciation</b>					
Accumulated depreciation	-	12,075,000.00	490,000,000.00	6,478,125.00	508,553,125.00
Charge for the year	-	6,037,500.00	157,500,000.00	2,645,234.38	166,182,734.38
<b>Accum. depreciation as at 31.12.2021</b>	<b>-</b>	<b>18,112,500.00</b>	<b>647,500,000.00</b>	<b>9,123,359.38</b>	<b>674,735,859.38</b>
<b>Net book value as at 31.12.2021</b>	<b>55,450,000.00</b>	<b>102,637,500.00</b>	<b>472,500,000.00</b>	<b>18,516,640.63</b>	<b>649,104,140.63</b>

**NOTES TO THE FINANCIAL STATEMENTS**

	2021 (TSHS)	2020 (TSHS)
<b>NOTE 3 REVENUE</b>		
Sales as per EFD report	-	-
Other income	-	-
<b>Total</b>	<u>-</u>	<u>-</u>
<b>NOTE 4 DIRECT COSTS</b>		
Explosives	-	-
Repairs	-	-
Fuel, Oil and Lubricants	-	-
<b>Total</b>	<u>-</u>	<u>-</u>
<b>NOTE 5 ADMINISTRATIVE EXPENSES</b>		
Salaries	-	-
Licences	-	-
Stationeries	-	-
Professional Service	-	-
<b>Total</b>	<u>-</u>	<u>-</u>
<b>NOTE 6 BANK CHARGES</b>		
Interest on loan	-	-
Bank Charges	-	-
<b>Total</b>	<u>-</u>	<u>-</u>
<b>NOTE 7 INVENTORY</b>		
Closing Stock (Parts and others)	-	-
<b>Total</b>	<u>-</u>	<u>-</u>
<b>NOTE 8 TRADE AND OTHER RECEIVABLES</b>		
Trade receivables	-	-
Other receivables	-	-
<b>Total</b>	<u>-</u>	<u>-</u>
<b>NOTE 9 CASH AND BANK EQUIVALENTS</b>		
Cash at hand	-	-
Bank balance	-	-
<b>Total</b>	<u>-</u>	<u>-</u>
<b>NOTE 10 EQUITY</b>		
Share Capital (Paid up share capital)	1,323,840,000.00	1,323,840,000.00
Additional contributions to share capital	-	-
<b>Total</b>	<u>1,323,840,000.00</u>	<u>1,323,840,000.00</u>
<b>NOTE 11 RETAINED EARNINGS</b>		
Retained Earnings b/f	(508,553,125.00)	(289,492,500.00)
Profit or (Loss) for the year after tax	(166,182,734.38)	(219,060,625.00)
<b>Retained Earnings c/f</b>	<u>(674,735,859.38)</u>	<u>(508,553,125.00)</u>

**NOTES TO THE FINANCIAL STATEMENTS**

	2021 (TSHS)	2020 (TSHS)
<b>NOTE 12 TRADE AND OTHER PAYABLES</b>		
Trade payables	-	-
Other payables	-	-
<b>Total</b>	-	-
 <b>NOTE 13 INCOME TAX COMPUTATION SUMMARY</b>		
Profit (Loss) as per accounts:	(166,182,734.38)	(219,060,625.00)
<b>Add:</b>		
Disallowable items	-	-
Depreciation	166,182,734.38	219,060,625.00
	-	-
<i>Less: Wear &amp; Tear</i>	(166,182,734.38)	(219,060,625.00)
<b>Loss b/f</b>		
Taxable profit for the year	<b>(166,182,734.38)</b>	<b>(219,060,625.00)</b>
<b>Corporate Tax (30%)</b>	-	-
Balance brought forward	-	-
Less: Provision Tax paid through the year	-	-
Less: Tax Deducted at source (WHT Tax)	-	-
<b>Net Tax Payable or (Recievable)</b>	-	-