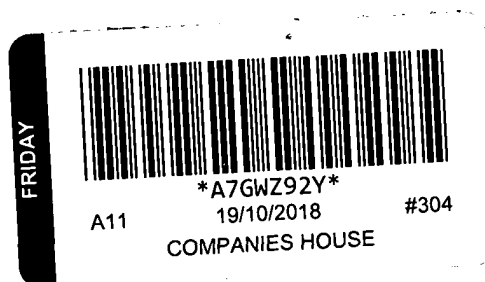


Company Registration No. 02767001 (England and Wales)

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017



AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

COMPANY INFORMATION

Director	Miss J A Kirton (alternate director)
Secretary	St James's Corporate Services Limited
Company number	02767001
Registered office	Suite 31 Second Floor 107 Cheapside London England EC2V 6DN
Auditor	Bruton Charles The Coach House Greys Green Business Centre Henley-on-Thames Oxfordshire RG9 4QG

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

CONTENTS

	Page
Director's report	1
Director's responsibilities statement	2
<i>Independent auditor's report</i>	3 - 4
Profit and loss account	5
Statement of comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Notes to the financial statements	9 - 15

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The director presents her annual report and financial statements for the year ended 31 December 2017.

Principal activities

The company is an investment holding company. The Directors have the present intention of maintaining the business in its current form for the foreseeable future. The Group is involved in the manufacture and sale of explosives and explosives accessories.

During the year, management disposed of 5% shares in AEL Zambia Plc (2016: Nil), which were floating on the Lusaka Securities Exchange, the proceeds on the sale was USD815,552 (2016: USD Nil). Dividends declared to the shareholder was USD5,000,000 (2016: USD48,075,846).

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Miss J A Kirton (alternate director)

Mr M J P Bierman

(Resigned 1 September 2018)

Auditor

Bruton Charles were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Miss J A Kirton (alternate director)

Director

15 October 2018

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2017

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless she is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. She is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

Opinion

We have audited the financial statements of African Explosives International Limited (the 'company') for the year ended 31 December 2017 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the director's report has been prepared in accordance with applicable legal requirements.

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the director's report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the director's report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Lawrence-Archer (Senior Statutory Auditor)

for and on behalf of Bruton Charles

15 October 2018

**Chartered Accountants
Statutory Auditor**

The Coach House
Greys Green Business Centre
Henley-on-Thames
Oxfordshire
RG9 4QG

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2017

		2017	2016
	Notes	\$	\$
Administrative expenses		165,155	(12,921)
Income from shares in group undertakings	3	9,617,705	15,278,955
Gain on sale of fixed asset investments	4	707,871	-
Profit before taxation		10,490,731	15,266,034
Tax on profit	5	(826,551)	(862,172)
Profit for the financial year		9,664,180	14,403,862

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2017

	2017	2016
	\$	\$
Profit for the year	9,664,180	14,403,862
Other comprehensive income	-	-
Total comprehensive income for the year	<u>9,664,180</u>	<u>14,403,862</u>

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

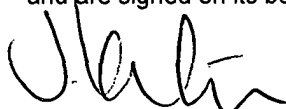
BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 \$	\$	2016 \$	\$
Fixed assets					
Investments	7	12,062,233		11,504,236	
Current assets					
Debtors	10	4,787,448		-	
Cash at bank and in hand		-		665,511	
		<u>4,787,448</u>		<u>665,511</u>	
Creditors: amounts falling due within one year	11	<u>(11,271,432)</u>		<u>(11,255,678)</u>	
Net current liabilities			(6,483,984)		(10,590,167)
Total assets less current liabilities			<u>5,578,249</u>		<u>914,069</u>
Capital and reserves					
Called up share capital	13		151		151
Profit and loss reserves			5,578,098		913,918
Total equity			<u>5,578,249</u>		<u>914,069</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 15 October 2018 and are signed on its behalf by:



Miss J A Kirton (alternate director)
Director

Company Registration No. 02767001

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Share capital \$	Profit and loss reserves \$	Total \$
Balance at 1 January 2016		151	34,585,892	34,586,043
Year ended 31 December 2016:				
Profit and total comprehensive income for the year		-	14,403,862	14,403,862
Dividends	6	-	(48,075,836)	(48,075,836)
Balance at 31 December 2016		151	913,918	914,069
Year ended 31 December 2017:				
Profit and total comprehensive income for the year		-	9,664,180	9,664,180
Dividends	6	-	(5,000,000)	(5,000,000)
Balance at 31 December 2017		151	5,578,098	5,578,249

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

Company information

African Explosives International Limited is a private company limited by shares incorporated in England and Wales. The registered office is Suite 31 Second Floor, 107 Cheapside, London, England, EC2V 6DN.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest \$.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of AECL Limited which is incorporated in the Republic of South Africa. These consolidated financial statements are available from its registered office, AECL Place, 24 The Woodlands, Woodlands Drive, Woodmead, Sandton, South Africa.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.4 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

1.8 Taxation

The tax charge disclosed in the financial statements represents the notional foreign withholding tax suffered on investment income received from overseas subsidiary companies which is in line with section 29.19 of FRS 102. There is no taxation in respect of trading as all income is derived from dividends from subsidiaries and associated undertakings.

2 Operating profit/(loss)

	2017	2016
	\$	\$
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(181,392)	921

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to \$181,392 (2016 - \$921).

3 Interest receivable and similar income

	2017	2016
	\$	\$
Income from fixed asset investments		
Income from shares in group undertakings	9,617,705	15,278,955
Disclosed on the profit and loss account as follows:		
Income from shares in group undertakings	9,617,705	15,278,955

Investment income includes the following:

AECI Ghana Limited - Dividend - \$5,789,473 (2016: \$13,684,211)
AEL Zambia Plc - Dividend - \$3,828,232 (2016: \$369,744)
African Explosives (Tanzania) Limited - Dividend - \$Nil (2016: \$1,225,000)

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

4 Gains/ losses on disposal of fixed asset investments

	2017 \$	2016 \$
Sale of shares in subsidiary company	707,871	-

5 Taxation

	2017 \$	2016 \$
Current tax		
Foreign current tax on profits for the current period	863,708	862,172
Deferred tax		
Origination and reversal of timing differences	(37,157)	-
Total tax charge	826,551	862,172

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2017 \$	2016 \$
Profit before taxation	10,490,731	15,266,034
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2016: 20.00%)	1,993,239	3,053,207
Change in unrecognised deferred tax assets	(37,877)	-
Withholding tax paid	863,708	862,172
Foreign dividends income not subject to UK tax	(1,827,364)	(3,055,791)
Tax losses not recognised - management expenses	(165,155)	2,584
Taxation charge for the year	826,551	862,172

6 Dividends

	2017 \$	2016 \$
Interim paid	5,000,000	48,075,836

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

7 Fixed asset investments

	Notes	2017 \$	2016 \$
Investments in subsidiaries	8	9,615,218	9,722,899
Loans to associates		2,447,015	1,781,337
		<u>12,062,233</u>	<u>11,504,236</u>

Fixed asset investments not carried at market value

The investments in subsidiaries above are represented by the cost of shares in the following:

100% shareholding in AECI Ghana Limited. Ordinary shares, company is incorporated in Ghana.

75% (2016: 80%), shareholding in AEL Zambia PLC. Ordinary shares, company is incorporated in Zambia.

50% shareholding in African Explosives (Tanzania) Limited. Ordinary shares, company is incorporated in Tanzania.

The above loans to group companies is represented by a loan to AEL (Mauritius) Ltd, a fellow group subsidiary company. It is interest free, unsecured and is effectively repayable on demand.

Movements in fixed asset investments

	Shares in group undertakings and participating interests \$	Loans to group undertakings and participating interests \$	Total \$
Cost or valuation			
At 1 January 2017	9,722,899	1,781,337	11,504,236
Additions	-	665,678	665,678
Disposals	(107,681)	-	(107,681)
At 31 December 2017	<u>9,615,218</u>	<u>2,447,015</u>	<u>12,062,233</u>
Carrying amount			
At 31 December 2017	<u>9,615,218</u>	<u>2,447,015</u>	<u>12,062,233</u>
At 31 December 2016	<u>9,722,899</u>	<u>1,781,337</u>	<u>11,504,236</u>

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

8 Subsidiaries

Details of the company's subsidiaries at 31 December 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
AEL Zambia Plc	Zambia	Explosives trading	Ordinary ZMW0.01 shares	75.00	
AECI Ghana imited	Ghana	Explosives trading	Ordinary \$100 shares	100.00	

9 Financial instruments

	2017 \$	2016 \$
Carrying amount of financial assets		
Debt instruments measured at amortised cost	7,197,306	1,781,337
Carrying amount of financial liabilities		
Measured at amortised cost	11,271,432	11,255,678

10 Debtors

	2017 \$	2016 \$
Amounts falling due within one year:		
Amounts owed by group undertakings	4,750,291	-
Deferred tax asset (note 12)	37,157	-
	4,787,448	-

11 Creditors: amounts falling due within one year

	2017 \$	2016 \$
Amounts due to group undertakings	11,247,832	11,243,678
Accruals and deferred income	23,600	12,000
	11,271,432	11,255,678

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

12 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2017 \$	Assets 2016 \$
Balances:		
Tax losses	37,157	-

There were no deferred tax movements in the year.

The deferred tax asset set out above is expected to reverse within the foreseeable future and relates to the utilisation of tax losses against future expected profits of the same period.

13 Share capital

	2017 \$	2016 \$
Ordinary share capital Issued and fully paid		
151 Ordinary shares of £1 each	151	151
	151	151

14 Controlling party

The immediate parent company is African Explosive Holdings (Proprietary) Limited, a company which is incorporated in the Republic of South Africa and which owns 100% of the issued share capital of the group headed by African Explosives International Limited. There are no group accounts for African Explosives Holdings (Proprietary) Limited because it is 100% held by AEL Mining Services, a company which is 100% held by AECI Mining Solutions.

The ultimate parent company is AECI Limited which is incorporated in the Republic of South Africa. Group accounts can be obtained from AECI Place, 24 The Woodlands, Woodlands Drive, Woodmead, Sandton, South Africa or from Companies House in Cardiff.

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2017

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2017

		2017		2016
	\$	\$	\$	\$
Administrative expenses		165,155		(12,921)
		<u>165,155</u>		<u>(12,921)</u>
Operating profit/(loss)		165,155		(12,921)
Investment revenues				
Dividends receivable from group companies	9,617,705		15,278,955	
		<u>9,617,705</u>	<u>15,278,955</u>	
		9,617,705		15,278,955
Other gains and losses				
Sales of shares in subsidiary company		707,871		-
		<u>707,871</u>		<u>-</u>
Profit before taxation	-	<u>10,490,731</u>	-	<u>15,266,034</u>

AFRICAN EXPLOSIVES INTERNATIONAL LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 DECEMBER 2017

	2017	2016
	\$	\$
Administrative expenses		
Legal and professional fees	4,155	-
Non audit remuneration paid to auditors	2,000	2,400
Audit fees	9,600	9,600
Bank charges	482	-
Profit or loss on foreign exchange	(181,392)	921
	<u>(165,155)</u>	<u>12,921</u>
