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Independent Auditor's Report

To the Shareholders of Seed Co International Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Seed Co International Limited and its subsidiaries (the Group) and company set out on pages 11 to 84, which comprise the consolidated and separate statements of financial position as at 31 March 2022, and the consolidated and separate income statements, the consolidated and separate statements of other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of Seed Co International Limited as at 31 March 2022, and of its consolidated and separate financial performance and of its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act (CAP 42:01).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements section of our report. We are independent of the group and company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with other ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Botswana, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

The Key Audit Matter applies equally to the audit of the consolidated and separate financial statements.

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<table>
<tr><th>Key Audit Matter</th><th>How the matter was addressed in the audit</th></tr>
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Credit impairment of trade and other receivables

As at 31 March 2022, the Group and Company recognised net trade and other receivables amounting to USD47.0 million (2021: USD40.1) and USD0.78 million (2021: USD1.8 million) respectively net of allowances for impairment (estimation of credit losses) of USD12.1 million (2021: USD12.6 million) and USD5.9 million (2021: USD6.0 million) respectively.

The determination of expected credit losses (ECL) on trade, and other receivables as required by IFRS 9: Financial Instruments, requires significant management judgement and assumptions across the multiple African regions in which the Group operates.

The continued significance of the balance and the environmental factors in the current year meant that this required significant audit focus. These factors included estimation uncertainty that was further increased by ongoing economic volatility owing to the continued impact of COVID-19 second-order effects in the geographical locations in which the Group operates.

Specifically, our attention was focused on:

- Considering various scenarios that may have an impact on the recoverability of the trade and other receivable balances. This necessitated the involvement of our internal IFRS technical experts and increased robust discussions with management and increased focus on the variables in the scenarios.
- The Group uses different models in each geographic region. The status of subsequent settlement determined whether an impairment provision was required thus necessitating an increase in procedures and effort to assess the subsequent settlements and collections.

Evaluating management's assumptions and judgements was complex in some instances and required significant audit effort in others. Accordingly, we have identified the ECL on trade and other receivables to be a key audit matter.

The disclosures associated with respect to the application of IFRS 9 in determining the allowance for expected credit losses are disclosed in:

- Note 2 "Summary of significant accounting policies"
- Note 4 "Significant accounting judgements, estimates and assumptions"
- Note 17 "Trade and other receivables"
- Note 29 "Financial Instruments"

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Our audit procedures included, amongst others:

- We obtained an understanding of management's process over credit origination, monitoring and remediation and assessed the appropriateness of the accounting policies and impairment methodologies with reference to the requirements of IFRS 9 and tested the design and the operating effectiveness of the key controls over the process of credit assessment, classification and impairment assessment.
- With the assistance of our internal IFRS experts, we assessed the ECL models developed by management and the assumptions applied in the calculation of allowances for impairment by assessing the reasonableness of the underpinning assumptions, inputs and formulae used. This included a combination of evaluating the appropriateness of model design and model used.
- We reconciled the data from the core systems of each jurisdiction to the relevant ECL models.
- Our assessment also included the evaluation of the macroeconomic environment by considering trends in the economy, trends in the collection patterns as part of the working capital assessments by management and comparing with information developed by management as model inputs for each jurisdiction.
- To evaluate the data quality, we compared the ECL calculation data points to source system reports including testing, on a sample basis, that cash received was allocated to the appropriate receivables related invoices.
- We assessed the appropriateness of the default rates, recovery rates and formulae used in the best case, worst case and base case scenarios considered by management.

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	➢ We further assessed the reasonability of the ECL provision by testing extended samples for outstanding balances as at year end and tracing them to subsequent payments. ➢ We held discussions with management to understand the ECL balance changes experienced in the geographical locations in which the Group operates due to the continued impact of COVID-19 related economic volatility and our understanding of the operations as gained through our audit. ➢ We discussed with management and assessed the exposure to concentration risk management actions taken by management, including management mitigative actions. ➢ We assessed the adequacy of the disclosures regarding the allowance for impairment of trade and other receivables in the consolidated and separate financial statements to determine whether they were in accordance with IFRS 9: Financial Instruments.

Other Information

Other information comprises the information included on pages 3 to 5 of the document titled "Seed Co International Limited Consolidated and Separate Financial Statements 31 March 2022", which includes the Directors' Statement of Responsibility and Approval of the Financial Statements, Company Information and the Directors' Report as required by the Companies Act (CAP 42:01), which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. The directors are responsible for the other information. Other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation of the consolidated and separate financial statements which give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Companies Act (CAP 42:01), and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group and 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 directors either intend to liquidate the group or company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and Company's financial reporting processes.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 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 consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group and company audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Ernst & Young
Firm of Certified Auditors
Practising Member: Thomas Chitambo (CAP 0011 2022)
Gaborone

30 June 2022