



# **Veritas Group Limited**

Registration Number: 51919 (Bermuda)

## **INTERIM FINANCIAL STATEMENTS**

**For the period ended 31 May 2021**

# VERITAS GROUP LTD

Registration Number: 51919 (Bermuda)

## Interim Financial Statements for the period ended 31 May 2021

### Index

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The reports and statements set out below comprise the annual financial statements presented to the shareholders:

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# VERITAS GROUP LTD

Registration Number: 51919 (Bermuda)

## Interim Financial Statements for the period ended 31 May 2021

### Information page

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Country of incorporation and domicile	Bermuda
Directors	HO Hager A Hodgson P Neilson M Coleman LM Bell
Registered address	Veritas Place, 6 <sup>th</sup> Floor 65 Court Street Hamilton HM 12 Bermuda
Bermuda Administrator and Register Office	BeesMont Corporate Services Ltd Licensed corporation administration 5 <sup>th</sup> Floor Andrew's Place 51 Church Street Bermuda
Auditor	Integritat Audit, Accounting and Advisory, LLC 1825 NW Corporate Blvd, Suite 110 Boca Raton, FL 33431 United States
Listing Sponsor	Clarien Bank Bermuda Mr Bruce Jackson, CFA, HBA.BH 9 Reid Street, Hamilton Bm HM 11 19 Reid Street City of Hamilton Bermuda
Listing Exchange	Bermuda Stock Exchange Symbol : VERI.BH Issuer: Veritas Group Ltd Cusip Number: G9400n 109 ISIN Number: BMG9400N1092 LEI: 9845007FFF689669E358
Corporate Secretary	A Karen Ming L.L.B Richmond Corporate Services LTD Licensed Corporate Administrators, Company Services & Local Representation Veritas Place 6 <sup>th</sup> Floor, 65 Court Street, Hamilton HM 12

# VERITAS GROUP LTD

Registration Number: 51919 (Bermuda)

## Interim Financial Statements for the period ended 31 May 2021

### Directors' Report

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The directors have the pleasure to present the interim financial statements of Veritas Group Limited for the period ended 31 May 2021.

#### 1. Principal Material Changes

There have been no material changes in the objectives, strategies or key service providers of the Company during period ended 31 May 2021.

#### 2. Principal activities

Veritas Group Limited ("Veritas" or the "Company") was incorporated on October 10, 2016 in Bermuda as an exempt corporation. The Registrar of Companies for the Ministry of Finance, Bermuda has granted assurance of tax-exempt status to the Company and such assurance shall be in effect until March 31, 2035. The Company is in the business of identifying and evaluating opportunities for the acquisition of interests in assets or businesses with a view to providing strategic planning, restructuring and development.

On 31 May 2021 the Company had:

4 500 000 preferred shares and 3 985 440 common shares issued and outstanding.

Authorized shares were as follows:

- 30,000,000 preferred shares (voting only) with \$0.0001 par value;
- 90,000,000 common shares with \$0.0001 par value.
- All shares of equity are registered under the laws of the Islands of Bermuda pursuant to section 65(1)(a) of the Companies Act 1981.
- Note, only common shares are listed on the Bermuda Stock Exchange. These shares became listed in January 2020.

#### 3. Dividends

No dividends have been declared in the period ended 31 May 2021 and up to the date of this report

#### 4. Related Parties

Material transactions carried out with the Company by Directors and other related parties ("related parties") must be carried out as if negotiated at arm's length. Transactions must be in the best interests of the Shareholders.

The Directors are satisfied that all material transactions with related parties entered into during the year were conducted at arm's length prices.

Details of related parties and related party transactions are disclosed in Notes.

#### 8. Directors

The directors of the company during the year and to the date of this report are as follows:

Name	Nationality	Changes
Henri Otto Hager	South African	
Arthur Hodgson	American	
Philip Neilson	American	
Marjorie Colman	American	
Laquita Maybelle Bell	Bermudian	Appointed March 2021

#### 9. Registered office

Veritas Place, 6<sup>th</sup> Floor  
65 Court Street  
Hamilton HM 12  
Bermuda

# VERITAS GROUP LTD

Registration Number: 51919 (Bermuda)

## Interim Financial Statements for the period ended 31 May 2021

### Statements of Financial Position

Figures in USD	Notes	Un-Audited 31 May 2021	Audited 2020	Audited 2020
		Consolidated	Consolidated	Parent Only
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Property, plant and equipment		\$ 52,113	\$ -	\$ -
Investment in subsidiaries	1	-	-	-
Investment in associates	2	-	146,934	146,934
Intangible assets	3	50	50	50
Deferred tax		9,540	-	-
		<u>\$ 61,703</u>	<u>\$ 146,984</u>	<u>\$ 146,984</u>
<b>CURRENT ASSETS</b>				
Due from related party	4	\$ 7,370	\$ 7,370	\$ 7,370
Inventories	5	823,932	316,000	-
Trade and other receivables	7	1,508,009	126,460	3,793
Loan's receivable	6	619,015	-	-
Cash and cash equivalents		-	6,214	6,109
		<u>\$ 2,958,326</u>	<u>\$ 456,044</u>	<u>\$ 17,272</u>
<b>TOTAL ASSETS</b>		<u><b>\$ 3,020,029</b></u>	<u><b>\$ 603,028</b></u>	<u><b>\$ 164,256</b></u>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Related party loans	8	\$ 571,530	\$ 530,678	\$ 62,205
Other financial liabilities		20,611	-	-
Due to related parties	9	251,889	251,889	204,537
Trade and other payables	11	2,357,450	238,694	238,594
Tax payable		16,892	-	-
Bank overdraft		60,048	-	-
Convertible notes		10,000	10,000	10,000
		<u>\$ 3,288,420</u>	<u>\$ 1,031,261</u>	<u>\$ 515,336</u>
<b>TOTAL LIABILITIES</b>		<u><b>\$ 3,288,420</b></u>	<u><b>\$ 1,031,261</b></u>	<u><b>\$ 515,336</b></u>
<b>EQUITY</b>				
Common stock	10	\$ 398	\$ 398	\$ 398
Preferred stock	10	450	450	450
Additional paid-in capital		480,457	472,654	472,654
Accumulated other comprehensive income		26,474	5,801	-
Non-controlling interest reserve		151,817	-	-
Accumulated loss		(927,988)	(907,536)	(824,852)
<b>TOTAL EQUITY</b>		<u><b>\$ (268,391)</b></u>	<u><b>\$ (428,233)</b></u>	<u><b>\$ (351,080)</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>\$ 3,020,029</b></u>	<u><b>\$ 603,028</b></u>	<u><b>\$ 164,256</b></u>

# VERITAS GROUP LTD

Registration Number: 51919 (Bermuda)

## Interim Financial Statements for the period ended 31 May 2021

### Statements of Comprehensive Income

Figures in USD	Notes	Un-audited	Audited	Audited
		31 May 2021	2020	2020
		Consolidated	Consolidated	Parent Only
Gross revenue		\$ 2,135,887	\$ -	\$ -
Cost of sales		(1,569,130)	-	-
<b>Gross profit</b>		<b>566,757</b>	-	-
Selling, general and administrative expenses	12	(534,737)	(147,667)	(184,028)
<b>Operating profit (loss)</b>		<b>32,020</b>	<b>(147,667)</b>	<b>(184,028)</b>
Gain (loss) on foreign exchange transactions		-	855	-
Foreign exchange gain on equity transactions		-	16,640	16,640
Gain in forgiveness of liability by Veritas Capital Africa		-	229,710	229,710
Gain on bargain purchase for acquisition of LVS		-	129,156	129,156
Impairment loss on write off of investment in First Argentum Group Inc.		-	(64)	(64)
Share of earnings from associates - LVS		-	17,728	17,728
Finance costs		(49,323)	(29,983)	-
<b>(Loss) profit for the year</b>		<b>\$ (17,303)</b>	<b>\$ 216,375</b>	<b>\$ 209,142</b>
Foreign translation adjustment		20,673	5 801	-
<b>Total comprehensive income for the year</b>		<b>\$ 3,370</b>	<b>\$ 222,176</b>	<b>\$ 209,142</b>
Comprehensive income attributable to parent company		(22,185)	-	-
Comprehensive income attributable to non-controlling shares		4,882	-	-
		<b>\$ (17,303)</b>	<b>\$ -</b>	<b>\$ 209,142</b>
Basic net (loss) earnings per common share		\$ (0.03)	\$ 0.33	\$ 0.32
Weighted average number of common shares outstanding - basic		647 332	647 332	647 332
Diluted net (loss) earnings per common share		\$ (0.03)	\$ 0.33	\$ 0.32
Weighted average number of common shares outstanding - diluted		657 332	657 332	657 332

# VERITAS GROUP LTD

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## Interim Financial Statements for the period ended 31 May 2021

### Statements of Changes in Equity

Figures in USD	Number of Common shares	Number of Preferred shares	Common shares at \$0.0001 Par	Preferred shares at \$0.0001 Par	Additional paid in capital	Accumulated Other Comprehensive income	Accumulated Loss	Non-Controlling Interest	Total Equity
<b>Balance - January 01, 2019</b>	<b>25,437,680</b>	-	<b>\$ 2,544</b>	-	<b>\$ 156,932</b>	<b>\$ -</b>	<b>\$ (1,126,057)</b>		<b>\$ (966,581)</b>
Common shares cancelled	(25,000,000)		(2,500)				-		(2,500)
Preferred shares issued as compensation for services rendered		4,500,000		450					450
Share issued in conversion of debt	41,601		4		315,722				315,726
Common shares issued for services (Note 12)	1,402,659		140						140
Common shares issued for acquisition of subsidiaries and associates (Note 4 & 5)	1,603,500		160						160
Common shares issued for acquisition of intangible assets (Note 6)	500,000		50						50
Foreign currency translation adjustment						5,801			5,801
Net profit							216,375		216,375
Prior period adjustment							2,146		2,146
<b>Balance - December 31, 2020</b>	<b>3,985,440</b>	<b>4,500,000</b>	<b>\$ 398</b>	<b>\$ 450</b>	<b>\$ 472,654</b>	<b>\$ 5,801</b>	<b>\$ (907,536)</b>		<b>\$ (428,233)</b>
Change in control					7,803		1,733	146,935	156,471
Net loss							(22,185)	4,882	(17,303)
Foreign currency translation adjustment						20,673			20,673
<b>Balance - May 31, 2021</b>	<b>3,985,440</b>	<b>4,500,000</b>	<b>\$ 398</b>	<b>\$ 450</b>	<b>\$ 480,457</b>	<b>\$ 26,474</b>	<b>\$ 927,988</b>	<b>\$ 151,817</b>	<b>\$ 268,391</b>

# VERITAS GROUP LTD

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## Interim Financial Statements for the period ended 31 May 2021

### Notes to the Annual Financial Statements

#### 1. Investment in subsidiaries

The company acquired 100% of the equity interest of First Argentum Group Inc, group of companies, incorporating RG Upneck Investments (Pty) Ltd, RG Upneck Investments 1000 (Pty) Ltd and RG Upneck Investments 2000 (Pty) Ltd, on 21 December 2020, for the consideration of 603 500 Veritas Group Limited common shares at the issue price of \$0.0001 per share. First Argentum Inc, operates in the real estate development industry and is incorporated in the USA and is subsidiaries in South Africa. The group has entered into various agreements for the option to purchase and development of certain real estate in South Africa. RG Upneck Investments (Pty) Ltd is the only subsidiary that had operational activities in 2020. These operations were related to the development of a real estate project. On 05 January 2021, the company acquired an additional 3% of the equity interest in Low Voltage Switchboards (Pty) Ltd (Note 2). From that date, the group obtained effective control over the company. In the company's separate financial statements, the carrying amounts of subsidiaries are shown at cost, net of impairment losses.

#### 2. Investment in associates

31 December 2020					Carrying Value at
Entity		% Interest Held	Opening Carry Value	Change in control	31 May 2021
Veritas Group Limited	Low Voltage Systems (Pty) Ltd	48%	\$ 146,934	\$ (146,934)	-
			<b>\$ 146,934</b>	<b>\$ (146,934)</b>	

The company acquired 48% of the equity interest of Low Voltage Switchboards (Pty) Ltd on 04 January 2020, for the consideration of 1,000,000 Veritas Group Limited common shares at the issue price of \$0.0001 per share. The company operates in the manufacturing and distribution of low voltage switchgear, switchboard systems industry. The company recognised a bargain purchase gain to the value of \$129,156 on acquisition of the investment.

#### 3. Intangible assets

The company acquired certain Intellectual Properties from K2018515354 (South Africa) (Pty) Ltd, t/a iRCB Biogas. The effective date of the transaction was 18 November 2020, in exchange for 500,000 Common shares in the company. The intellectual property related to containerised biogas production, project information and the Memorandum of Understand for Morocco and Africa Rice. The Company has impaired the value of this asset to \$50, the par value of its shares issued as consideration, it will reassess its fair value in the future once the related project developments have progressed.

#### 4. Due from related party

During 2020, the Company issued convertible notes, the proceeds and the related legal consulting were managed by its affiliate Veritas Capital Africa (Pty) Ltd. The balance of \$7,370 owed on December 31, 2020 and 2019 to the Company by this affiliate is a result of these collections and payments of expenses made on behalf of the Company.

#### 5. Inventories

During 2020, RG Upneck Investments (Pty) Ltd capitalized costs as work in progress inventory totalling \$316,000 for a property development project. These costs include architect design, consulting fees, Geotech report and equipment hire and salaries paid for these professional services. These services were rendered by Glacier View Properties 58 CC, a related party to RG Upneck Investments (Pty) Ltd.

Figures in USD		31 May 2021		2020
		Consolidated		Consolidated
Entity	Description			
Low Voltage Switchboards (Pty) Ltd	Finished goods	\$	507,932	\$ -
RG Upneck Investments (Pty) Ltd	Deposits for purchase of property		316,000	316,000
		<b>\$</b>	<b>823,932</b>	<b>\$ 316,000</b>

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### Notes to the Annual Financial Statements

#### 6. Loan's receivable

Figures in USD		31 May 2021		2020	
		Consolidated		Consolidated	
Entity	Description				
Low Voltage Switchboard (Pty) Ltd	Loan's receivable, at 0% interest, repayable upon demand	\$	619,015	\$	-
		\$	619,015	\$	-

#### 7. Trade and other receivables

Figures in USD		31 May 2021		2020	
		Consolidated		Consolidated	
Entity	Description				
Veritas Group Limited	Funds held in trust	\$	3,793	\$	3,793
RG Upneck Investments (Pty) Ltd	Deposits for purchase of property		122,667		122,667
Low Voltage Switchboard (Pty) Ltd	Trade and other receivables		1,381,609		-
		\$	1,508,069	\$	126,640

#### 8. Related party loans

Figures in USD					31 May 2021		2020	
					Consolidated		Consolidated	
Entity	Issuance date	Interest rate	Original Principal	Maturity Date				
Veritas Group Limited	May 11, 2020	0%	\$ 84,205	Due on demand	\$	84,205	\$	62,056
RG Upneck Investments (Pty) Ltd	December 31, 2020	0%	468,473	Due on demand		468,473		468,473
Low Voltage Switchboards (Pty) Ltd			18,852	Due on demand		18,852		-
			\$ 571,530		\$	571,530	\$	530,678

#### 9. Due to related parties

Related party transactions occurred in the normal course of business to facilitate obtaining services for ongoing operations of the Company and its subsidiaries. As the effect of discounting is not material, the carrying value of these loans approximate their fair value.

Figures in USD		31 May 2021		2020	
		Consolidated		Consolidated	
Entity	Description				
Veritas Group Limited	Accounting fees – Shibu Abraham Professional Corp.	\$	61,350	\$	61,350
	Fees paid on behalf of Veritas Group Limited – VGL Holdings (Canada) Ltd		3,644		3,644
Veritas Group Limited	Accrued compensation – previous officers		139,543		151,675
RG Upneck Investments (Pty) Ltd	Property development costs – Glacier View Properties 58 CC		47,352		-
		\$	251,889	\$	216,669

# VERITAS GROUP LTD

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## Interim Financial Statements for the period ended 31 May 2021

### Notes to the Annual Financial Statements

#### 10. Equity

Units of shares	31 May 2021	2020
Shares authorised	Consolidated	Consolidated
Common shares at \$0.0001	90,000,000	90,000,000
Preferred shares at \$0.0001	30,000,000	30,000,000
	<b>120,000,000</b>	<b>120,000,000</b>

  

Units of shares	31 May 2021	2020
Reconciliation of number of shares issued: Common	Consolidated	Consolidated
At the beginning of the year	3,985,440	25,437,680
Share issued		3,547,760
Share cancelled		(25,000,000)
	<b>3,985,440</b>	<b>3,985,440</b>

  

Reconciliation of number of shares issued: Preferred	31 May 2021	2020
At the beginning of the year	4,500,000	-
Share issued		4,500,000
	<b>4,500,000</b>	<b>4,500,000</b>

#### 11. Trade and other payables

Figures in USD		31 May 2021	2020
		Consolidated	Consolidated
Entity	Description		
Veritas Group Limited	Legal fees	\$ 59,091	\$ 59,091
Veritas Group Limited	Consulting fees	179,500	179,500
Veritas Group Limited	Stock subscription payable for acquisition of First Argentum Group Inc	3	3
First Argentum Group Inc	Due to officer	100	100
Low Voltage Systems (Pty) Ltd	Trade and sundry payables	2,118,756	
		<b>\$ 2,357,450</b>	<b>\$ 238,694</b>

#### 12. Selling, general and administration expenses

Nature of selling, general and administrative expenses is indicated below

Figures in USD	31 May 2021	2020
Nature of expense	Consolidated	Consolidated
Consulting fees	\$ 33,109	\$ 36,000
Employment costs	355,375	-
Finance charges	-	17,852
Professional and legal	-	82,390
Other general and administrative	60,412	9,096
Rent and utilities	85,841	
Compensation		450
Donations		2,149
<b>Selling, general and administration expenses total</b>	<b>\$ 534,737</b>	<b>\$ 147,667</b>