

Eskom Holdings SOC Limited  
(Registration No. 2002/015527/30)  
JSE alpha code: BIESKM  
("Eskom" or "the Group")

## **NOTICE OF AVAILABILITY OF ANNUAL FINANCIAL STATEMENTS**

Eskom hereby notifies its debt investors that it has publicly released its audited annual financial statements [and integrated report] for the year ended 31 March 2022 ("AFS").

The auditors, Deloitte & Touche, have issued a qualified opinion and have concluded that Eskom's consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group as at 31 March 2022, except for the effects and matters described in the basis for qualified opinion of the auditor's report which primarily relate to irregular expenditure, fruitless and wasteful expenditure and losses due to criminal conduct.

In addition, the following matters were raised in the auditors' report although the auditors' opinion was not modified in respect of these matters:

1. A material uncertainty relating to Eskom's ability to continue as a going concern.
2. Emphasis of matter relating to:
  - 2.1 restatement of corresponding figures as a result of errors in the corresponding figures for March 2021 and March 2020;
  - 2.2 several material non-adjusting and adjusting subsequent events subsequent to the reporting period; and
  - 2.3 significant new accounting policy related to investigations into possible corruption at the Group and the potential impact on the valuation of capital projects, once the investigations are completed.
3. Reportable irregularities relating to:
  - 3.1 various irregularities reported in prior financial periods;
  - 3.2 Eskom's failure to effect corrective action for identified non-compliance to the National Environment Management Act;
  - 3.3 management's failure to investigate a backdated cross functional team appointment and whether there were additional circumstances where documents were falsified or re-created to avoid findings and implement consequence management procedure on the official;
  - 3.4 certain financial records were not complete or accurately maintained in line with legislative requirements;
  - 3.5 tender documents requested for audit purposes were purposefully destroyed in a fire to avoid audit findings and management failed to investigate;
  - 3.6 allegations of financial misconduct against the accounting authority were not reported to the executive authority;
  - 3.7 due to the backlog of forensic cases, management is not meeting the requirements of the National Treasury Regulations; and

- 3.8 management has not complied with sections 51(1)(a)(i), 51(1)(e)(iii) and 55(1)(a) of the Public Finance Management Act due to failure to (i) conduct investigations, (ii) take disciplinary action and (iii) provide supporting documentation to confirm disciplinary steps were taken, relating to irregular and fruitless and wasteful expenditure.

The reportable irregularities have been reported to the Independent Regulatory Board of Auditors by Eskom's auditors.

### **Restatements**

The statements of financial position for the periods 31 March 2020 and 31 March 2021 as well as the income statements, statements of comprehensive income and statements of cash flows for the period 31 March 2021 have been restated as a result of prior period errors relating to:

1. property, plant and equipment;
2. inventories;
3. deferred and income taxation;
4. loans receivable;
5. payments made in advance;
6. trade and other receivables;
7. derivatives held for risk management;
8. provisions;
9. trade and other payables; and
10. debt securities and borrowings;

Full details of the above restatements are set out in note 48 of the AFS.

The AFS, together with the audit report, [and integrated report] are available on the Eskom website at [www.eskom.co.za/investors/integrated-results/](http://www.eskom.co.za/investors/integrated-results/) and for inspection at Eskom's registered office at 1 Maxwell Drive, Megawatt Park, Sunninghill, Johannesburg, 2000.

Johannesburg  
23 December 2022

Debt Sponsor  
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