



2 December 2022

FRAZER SOLAR VOWS INTERNATIONAL SCRUTINY INTO GOVERNMENT ABUSE OF PUBLIC FUNDS

Frazer Solar GmbH (Frazer Solar) advises that in addition to pursuing seizure actions against Lesotho government assets in a growing number of international jurisdictions, it will extend its legal proceedings to shine a spotlight on the activities of Lesotho government officials.

A spokesperson for Frazer Solar said: "The reality is that our case is symptomatic of the wider problem within Lesotho's government of rampant mismanagement, misuse and likely outright theft of public funds.

"Under the administration of former prime minister Moeketsi Majoro, it is widely reported that more than 16.1 billion maloti of government money (around US\$930 million) has been mishandled or has gone missing."

This total includes M3.4 billion and M6.2 billion of government funds unaccounted for in financial years 2019/20 and 2020/21 respectively; the likely M3 billion termination fee to remove the organisation responsible for running the Queen Mamohato Memorial Hospital; the M1.6 billion in alleged overpayments and bribes for the Mafeteng solar project; and M1 billion in publicly reported cost overruns and delayed payments to suppliers.

In addition, 12 Lesotho diplomats were expelled from South Africa in June 2021 for participating in an alcohol excise tax rort allegedly worth 100 million rand (US\$5.8 million) per month.

The spokesperson continued: "The M0.9 billion Frazer Solar arbitration award constitutes around six per cent of the total funds apparently squandered by the Majoro government.

"Several credible accusations of fraud and corruption have been made against former government ministers and officials, which have not been investigated. This needs to change.

"M16 billion is a huge amount of money to be unaccounted for and it must have gone somewhere, most likely overseas. This opens the very real potential for the involvement of law enforcement agencies in the United States, the European Union and other jurisdictions to track where the money has gone and who has it. Corruption, wire fraud and money laundering are serious crimes and are bound to attract the attention of well-resourced international investigators who won't leave a stone unturned."

As the Frazer Solar case continues to wind its way through various international jurisdictions, the spotlight will increasingly focus on Lesotho's missing billions. This is especially so as the government's defence against Frazer Solar is tied solely to allegations of corruption, thus guaranteeing these allegations and similar claims are brought to the attention of international investigators who will be duty bound to investigate.

This will ultimately lead to the identification of the officials responsible for defrauding Basotho – whoever they are and on a much wider scale than those responsible for mishandling the Frazer Solar case – individuals who have stuffed their own pockets with billions of illegally obtained maloti.

The spokesman concluded: "Unless the new prime minister Sam Matekane is truly committed to tackling these historic injustices himself, Frazer Solar will seek the support of international law enforcement agencies, which could have serious and far-reaching consequences for many former and current government officials."

Frazer Solar will continue to pursue its rightful claim, using every legal method and avenue available, to seize Lesotho's assets wherever they are located around the world, until the full amount owed by the Kingdom - which is in excess of €50 million - is paid in full.

More legal updates will follow in the near future.

ENDS

Notes to editors

In January 2020, an independent arbitrator ruled in Frazer Solar's favour concerning a series of contractual breaches committed by the Kingdom of Lesotho, related to a renewable energy project developed by the company. Lesotho was ordered to pay Frazer Solar €50 million in damages but failed to do so.

Consequently, in May 2021, Frazer Solar's lawyers commenced a worldwide enforcement action against assets held by the Kingdom.

For more information about Frazer Solar's ongoing legal proceedings against the Kingdom of Lesotho, visit <https://www.frazersolarvlesotho.com/>.