Annual Report 2024

ZIMPLOW

ENGINEERING PERFORMANCE

FARMEC MEALIEBRAND TPS C.T. BOLTS POWERMEC SCANLINK TrenTyre ZIMBABWE

ZIMPLOW

ENGINEERING PERFORMANCE

Our Purpose

Our Mission

Provision of value driven mining, agricultural and logistics equipment solutions for all our stakeholders.

Our Vision

To be the dominant supplier of choice for quality and innovative equipment solutions delivered through mutual partnerships, high performance and innovation

Our Values

Integrity

We act honestly and ethically.

Respect

We respect people for who they are.

Teamwork

We trust, support and motivate each other.

Excellence

We deliver quality in our service, react quickly and positively in our interaction with our stakeholders.

Our Brand Promise

We promise reliability of our premium brands, people and financial strength so that our customers can focus on their core business whilst we take care of their equipment and mainte-nance needs.

About This Report

Zimplow Holdings Limited is pleased to present its Annual Report for the period ending 31 December 2024. This report provides our stakeholders with the information needed to assess our performance, impacts, and contributions to the economy, environment, society, and sustainable development in Zimbabwe.

It includes an overview of the operations of Zimplow Holdings Limited within Zimbabwe. All references to 'our', 'we', 'us', 'Zimplow', and 'the Group' throughout this report refer to Zimplow Holdings Limited.

Reporting Frameworks

This report has been prepared with consideration of the following:

- Companies and Other Business Entities Act [Chapter 24:31];
- International Financial Reporting Standards (IFRS) Accounting Standards;
- Securities and Exchange (Victoria Falls Stock Exchange Listings Requirements) Rules, 2020; and
- Global Reporting Initiative (GRI) Standards (2021);

The report contains elements of the IFRS Sustainability Disclosure Standards (S1 and S2) which will continue to be aligned and developed to fully meet the standards' requirements.

Sustainability Data

The report was prepared using a combination of qualitative and quantitative data from Company policy documents, records, and personnel responsible for the key issues discussed. In some cases, estimates were made and validated to ensure alignment with the Group's operational activities.

Assurance

The financial information was audited by Grant Thornton Zimbabwe, in accordance with the International Standards on Auditing (ISAs), with the independent auditors' report included alongside the financial statements on pages 95 to 98. The sustainability data was verified for compliance with the GRI Standards by the Institute for Sustainability Africa (INSAF), an independent expert in the field. A GRI Content Index is available on pages 141 to 143. The sustainability information in this report has not been externally assured.

Report Declaration

The Directors accept responsibility for ensuring that this report has been prepared with reference to the GRI Standards (2021).

Restatements

The Group made restatements on information previously reported due to improved data collection processes.

Currency

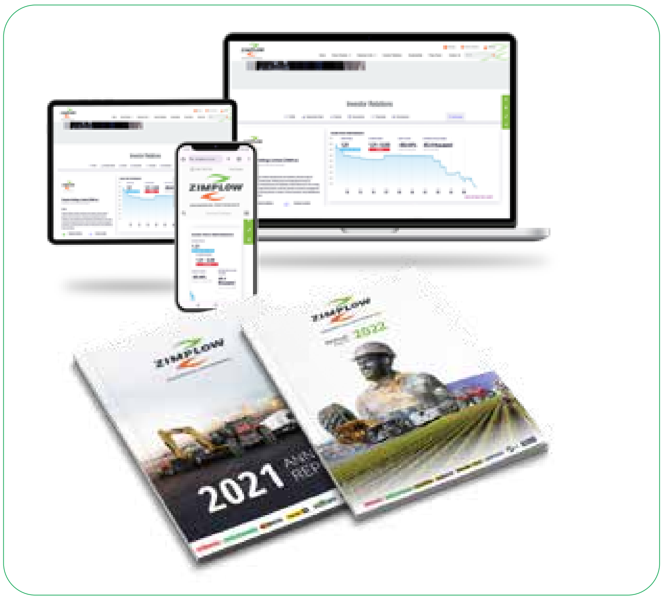
All financial information is presented in US$.

Forward Looking Statements

This report may contain forward-looking statements about the Group's future performance and prospects. However, these statements do not guarantee future outcomes, as they are subject to various known and unknown risks and uncertainties. Stakeholders are advised not to place undue reliance on these forward-looking statements. We are committed to providing updates on any revisions to these statements in response to events or circumstances that arise after the publication of this report, whether expected or unexpected.

Online Copy

A copy of this report can be accessed at https://zimplow.co.zw/



Feedback

We value and welcome your feedback on how we can enhance our reporting. If you have any enquiries or suggestions, please share your comments with Sharon Manangazira at smanangazira@zimplow.co.zw

B. N. Kumalo
Chairman

31 March 2025

W. Swan
Group Chief Executive Officer

31 March 2025

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FINANCIAL REPORTS

Chairman's Statement

Operating Environment

Dear Stakeholders

I am pleased to present to you the Group's financial results for the year 2024.

Operating Environment

The tough operating environment that persisted in the period under review, characterised by the poor 2023/2024 cropping season due to the El Nino induced drought, US$ inflation and currency related challenges had a notable adverse impact on the financial performance of the Group. In April 2024, Monetary authorities introduced a raft of measures which included the introduction of a new currency, the Zimbabwe Gold (ZWG), in order to restore exchange rate stability and to address market volatility. However, the depreciation of the local currency in September 2024 caused severe disruptions in trading activities as liquidity dampened, resulting in a resurgence of inflationary pressures.

Group Financial Performance

The 2024 financial year saw the Group's performance swing from a profit position in the prior year to a loss before tax of US$3.4 million in the period under review attributable to TrenTyre and the agriculture related business units. The agriculture related business units collectively contributed 96.6% of the operational losses. Volumes across all product ranges within the Agriculture Cluster were depressed due to the severe impact of the 2023/2024 El Nino induced drought which resulted in reduced consumer spending. This was further exacerbated by the late onset of the 2024/2025 agricultural season which was characterised by an erratic rainfall pattern, particularly in the fourth Quarter of 2024. TrenTyre's financial performance was adversely affected by persistent supply chain bottlenecks coupled with the informalisation of the tyre industry.

Included in the current year loss is IFRS (International Financial Reporting Standards) related provisions and write-downs amounting to US$1.4 million as listed below:

- Stock write down US$957,780
- Allowance for credit losses US$390,011

These adjustments were part of the balance sheet clean-up exercise pursuant to the migration to the US$ as the reporting currency.

The Group's performance is discussed in greater detail in the Group Chief Executive Officer's report.

The Group instituted the following initiatives to preserve shareholder value:

- Embarked on a cost containment drive to preserve cash flows, which included a group-wide staff rationalisation exercise, closure of non-performing branches and branch consolidation at TrenTyre. This was buttressed through the review of the Group's organisational lean structure to achieve a lean structure and operational excellence and efficiencies.
- Identification and disposal of non-strategic assets Dividend comprised of residential and commercial properties worth US$2,753,000. The proceeds from the disposal of the abovementioned assets were channelled towards working capital to consolidate the Group's position in the mining and infrastructure sector pursuant to the successful conclusion of the Barzem transaction. This initiative resulted in revenue growth and financial performance improvement of Tractive Power Solutions (TPS) by 478% and 63% respectively. The unsold properties earmarked for disposal are disclosed in the Consolidated financial statements as "Assets Held for Sale" in terms of IFRS (International Financial Reporting Standards).
- Preservation of the Group balance sheet through the comprehensive review exercise and focus on working capital management. Given the tight liquidity in the market, the Group has prioritised self- financing of the business by reviewing the cash cycle, inventory management and refinement of the supply chain.

Directorate

During the period under review two new Non-Executive Directors, were appointed to the Board of Directors namely Mr Benjamin Burr on 25 March 2024 and Mr. Hamish B.W. Rudland on 31 July 2024.

Mr. Vimbayi Nyakudya resigned as the Group CEO and an executive member of the Board on 31 March 2024. On behalf of the Board and Management, I would like to convey my gratitude to him for his service to the Group over the past 8 years. Mr. Willem Swan, the Group Chief Operating Officer (COO), was appointed as Acting CEO on the same date and has since been appointed as substantive Group CEO with effect from 1 March 2025.

Mr. Godfrey T. Manhambara retired as a Director of the Company and Chairman of the Board on 31 July 2024, having served the Board for over 11 years. On the same date, Mr. Benjamin N. Kumalo was appointed as Chairman of the Board of Directors. On behalf of the Board, Management and Staff, I would like to thank Mr Manhambara for his invaluable contributions over the years and to wish him every success in all his future endeavours.

The Board of Directors, Management and Staff warmly welcome the new appointees and also express their gratitude for the invaluable contributions of Messers Manhambara and Nyakudya and wish them well in their future endeavors.

Dividend

The Board resolved not to declare a dividend as part of the measures to preserve Group cash flows as the Group focuses on returning to profitability.

Outlook

The Board and Management are encouraged by the opportunities that lie ahead through the 2024/2025 agricultural season, which is forecast to be characterised by normal to above-normal rainfall patterns, thus presenting immense opportunities for the Agriculture focused business units. The energy supply situation is expected to worsen during the course of the year thus presenting the alternative energy business units with an opportunity for improved sales. The Board and Management will concentrate on continuous review of the Group cost structure, working capital management and business model as key strategic focus areas to restore the Group to profitability.

Appreciation

I would like to extend my appreciation to Management and Staff for their hard work during the period under review. I would also like to thank my fellow Board members for their continued commitment and guidance to the Group, as well as our valued stakeholders for their support.

B. N. Kumalo
Board Chairman

31 March 2025

Powermec-Perkins Zw   Powermec Zimbabwe

A Division of ZIMPLOW
ENGINEERING PERFORMANCE

DEPENDABLE POWER SOLUTIONS

Contact our experts to engineer a customised power solution that aligns with your operational goals and sustainability vision.

Perkins | mecc alte | LONGi | PYLONTECH | SUN SYNK | CanadianSolar | victron energy BLUE POWER | solis inverters

Contact Us Today: +263 78 703 9681   powemec@powermec.co.zw

POWERMEC

How Our Annual Report Aligns with the GRI Standards

Mission Vision Values

Climate
Read about our climate change initiatives.
see page 71

Learn about our efforts to reduce greenhouse gas emissions.
see page 74

Explore our approach to climate-related risks and opportunities.
see page 72

Materiality
The topics that we found most material to us. Read more about our materiality identification and determination process.
see page 59

Our Materiality Assessment is discussed in detail elsewhere in this report, highlighting key areas of focus, including stakeholder input, identification of significant economic, environmental, social and governance topics, and how these align with our long-term strategy and sustainability goals.
see page 58

Stakeholder Engagement
Stakeholder engagement is outlined in the 'Engaging Our Stakeholders' section and is integrated throughout our report.
see page 55

Local Communities	page 57
Financial Institutions	page 57
Shareholders and Investors	page 57
Employees	page 57
Government and Regulators	page 57
Suppliers	page 57
Customers	page 57

ESG Pillars

Economic

The key highlights for the economic pillar, including economic performance, tax practices, competition and benchmarking, and the business operating environment, can be found across sections 2 and 5 of the report.

Environment

Section 3 of the report covers the environmental pillar, highlighting our water conservation, energy efficiency, and waste reduction efforts through recycling and responsible disposal.

see pages 64 to 69

Social

Section 4 of the report highlights the social pillar. Our key efforts focus on strengthening community ties, promoting fair employment, and ensuring workplace safety.

see pages 77 to 83

Governance

Found in Section 2 of the report. Key areas focus on leadership structure and our strong governance standards. Read the CEO's Statement.

see pages 32

Value Creation

How do we add value?
Read about our value creation model.

Our value creation model is detailed in the 'Corporate Overview' section and is discussed throughout the report.
see page 30

ZIMPLOW HOLDINGS LIMITED IN FOCUS

01

OUR PERFORMANCE IN REVIEW

Sustainability Highlights

Financial Highlights

Total Assets
↓ 11%

2024:	US$41,155,933
2023:	US$46,219,997

Revenue
↓ 7%

2024:	US$29,778,706
2023:	US$32,072,713

Operating Profit
↓ 459%

2024:	(US$3,164,552)
2023:	US$880,647

Cash Generated from Operations
↓ 72%

2024:	(US$613,962)
2023:	US$2,168,865

Social Highlights

Total Employees (Headcount)
↓ 34%

2024:	356
2023:	537

Average Training Hours
↑ 355%

2024:	1.41
2023:	0.31

Environmental Highlights

Electricity (KwH)
↓ 34%

2024:	1,438,650
2023:	2,171,822

Oil (Litres)
↓ 8%

2024:	15,060
2023:	16,380

Ground Water (Litres)
↑ 79%

2024:	382,879
2023:	213,454

Waste Directed to Disposal-by-Disposal Operation (Landfill) (Tons)
↓ 67%

2024:	9
2023:	27

*Ground water and waste directed to disposal-by-disposal operation (Landfill) figures are based on estimates.

Review of Operations: Chief Executive Officer's Statement

GROUP PERFORMANCE OVERVIEW

The Group recorded a revenue of US$29,778 million, 7.2% below prior year. The devastating effects of the El Nino induced drought, introduction of the new currency (ZWG) and its subsequent devaluation in September 2024, along with tight liquidity have had a knock on effect across all the Group Business Units, particularly in the Agricultural Sector. The resultant loss before tax was US$3,437 million, having achieved a profit in the prior year.

AGRICULTURE

Mealie Brand

The Business Unit was particularly hard hit by the drought owing to its primary target market, being small scale and subsistence farmers, recording the poorest harvest in 40 years. Mealie Brand recorded a turnover of US$3,3 million, 46% below prior year. The Business Unit managed to reduce the cost of its plough by 11% during the year and is on track to reduce it by a further 9% by the end of quarter 2 of 2025, giving it an aggregate of 21% in cost reduction.

The volumes of smuggled spares and implements continue unabated despite authorities tightening the border controls. The cost reductions made in the production of the plough will make the product competitive against grey imports. Mealie Brand received the 'Exporter of the Year award' in the Agricultural equipment category from ZimTrade and participated at a ZimTrade trade fair in Angola in an attempt to revive export sales in that market. Mealie Brand continued to interact with mines in order to gain traction in the heavy equipment repair arena so as to fully utilize their equipment capacity outside of trailer and small implements manufacturing.

Farmec

The Business Unit recorded a 9% increase in revenue over prior year. Tractor volumes were up 11% and implements up 34% over the previous year. Service hours were 15% behind previous year. Informal business practitioners (runners) have enabled customers to bypass statutory charges, resulting in the Business Unit recording lower part sales in the year under review. In response, Farmec undertook a refinement of its supplier base, culminating in price reductions on most fast-moving spares lines late in 2024. Tight liquidity and the effects of the drought amongst other macro-economic factors put pressure on the Business Unit's margins, resulting in an operating loss of US$877,356.

The introduction of a finance facility through a major local bank in Quarter 4 of 2024 to facilitate the extension of credit to approved farmers, was well received by customers.

MINING AND INFRASTRUCTURE

Powermec

The Business Unit recorded a 1% negative variance in turnover against the previous year and a 14% drop in gross profit, which led to the unit recording a loss before tax of US$170,673, 177% down from 2023. The BU was unable to take full advantage of the reduced power supply from the regulator owing to supply chain delays, tight liquidity, and delays in ports in Mozambique. Sales of regionally sourced generators as stop gap measures had a negative effect on whole goods margins. Solar equipment

Review of Operations: Chief Executive Officer's Statement (continued)

sales and installations grew by 142% over the previous year, but the margins were tight in a very competitive environment.

CT Bolts

CT Bolts turnover was 4% behind previous year with operating costs 4% above 2023 levels owing to increased rent and occupancy costs of 61% above previous year. The delayed delivery of the nail factory led to a failure to penetrate the wire nail market to the levels expected. The Group expects the nail factory to deliver in Q1 of 2025. The Business unit experienced delays of stock owing to port congestion at Beira during the civil strife in Mozambique post elections in the second half of 2024, but this has since been rectified. The impact of the informal market is also keenly felt by the Business unit.

Tractive Power Solutions

The Business Unit created a footprint in the supply of Develon earthmoving equipment and FAW trucks during the period under review. TPS was awarded best FAW service provider in Zimbabwe for FAW trucks by FAW Global in China in December 2024. TPS recorded a 478% increase in the top line mainly driven by whole goods sales albeit at low margins and generally on short term credit arrangements owing to exceedingly tight market liquidity conditions. Unfortunately, the Business unit recorded a loss for the period under review but fared better than the prior period. Management expects the Unit to perform substantially better in the next financial year owing to increased focus on the supply of construction equipment spares and service to the mining and construction sector which attract higher margins. A lack of capital equipment financing from financial institutions has forced the Group to extend credit to customers and severely disrupted its cashflows.

LOGISTICS

Scanlink

The Business unit recorded an 8% drop in revenue for the period under review, mainly driven by the lower number of buses sold into the market (25% less). However, the number of trucks sold increased by 19%. Parts were down by 3% whereas service hours were up 3%. Operating expenses were up 24% off the back of increases in NEC salaries and wages and administrative expenses including rent and occupancy costs. Scanlink recorded a profit but was 91% below previous year. The Business unit expects to return to the prior year's profitability owing to a strong confirmed pipeline, but market illiquidity may tamper the returns.

TrenTyre

TrenTyre recorded a 29% drop in revenue against prior year owing to lower sales volumes across the range. In an effort to reduce exposure to loss making branches, the Business unit closed the Gweru fitment centre and relocated the Bulawayo Branch to the Scanlink premises. The retread factory showed positive growth in the second half of 2024 but closed the year 11% below previous year. Competition from cross border informal traders has resulted in the fitment centres coming under increasing overhead pressure. The Business unit increased its focus on truck and bus tyres in the second half of the year but was plagued by supply chain challenges emanating from congestion at the Beira port. Further focus on refining the business unit has led to cost reductions in employment costs by 27% and rent and occupation down 38%.

OUTLOOK AND STRATEGIC FOCUS

The Group has vigorously pursued cost cutting measures, re-examined supplier pricing and actively sought new suppliers for fast moving stock items in an effort to remain competitive. The effects of the El Nino drought will still be felt during 2025 in the agricultural sector, and tight liquidity is expected to persist. The impact of the informal market will continue to be felt by TrenTyre and CT Bolts, but measures to be more price competitive, offer the best- in-class service and lower overheads are expected to translate to profitability. Late rains in the 2024/25 season have delayed infrastructure and mining projects, and coupled with persistent power outages, the cost of doing business will impact the entire market. Softer platinum and Chrome prices have delayed several large projects. Chinese mines, which currently make up approximately 80% of all mines, generally buy exclusively from Chinese suppliers, reducing the rest of the mining equipment suppliers to 20% of the market, which leads to further pressure on margins.

Rationalisation at Mealie Brand and TrenTyre is expected to bring these business units back to profitability thereby adding to Group profitability. Sales pipelines across Scanlink, Farmec, Powermec and TPS are encouraging.

W. Swan
Group Chief Executive Officer

31 March 2025

Awards, Memberships and Certifications

Business Associations

Agricultural Dealers and Manufacturers Association (ADMA)

Construction Industry Federation of Zimbabwe

Agricultural Dealers and Manufacturers Association (ADMA)

Motor Industry Association of Zimbabwe

Renewable Energy Association of Zimbabwe

Association of Mine Managers Zimbabwe

Motor Industry Association of Zimbabwe

Confederation of Zimbabwe Industries

Professional Memberships

- Association of Chartered Certified Accountants (ACCA)
- Institute of Chartered Accountants (ICAZ)
- Institute of People Management Zimbabwe (IPMZ)
- Institute of Internal Auditors (IIA)
- Zimbabwe Institute of Engineers (ZIE)
- Zimbabwe Institute of Occupational Health and Safety (ZIOSH)
- Institute of Marketing Management (IMM)
- Chartered Institute of Management Accountants (CIMA)
- Law Society of Zimbabwe (LSZ)
- Institute of Directors of Zimbabwe (IoDZ)

Certifications

Zimplow Holdings Limited: ISO 9001: 2015

CORPORATE OVERVIEW

Corporate Overview

Group Profile

Legacy

For over 85 years, Zimplow has been at the forefront of Zimbabwe's agricultural, infrastructure, mining, and logistics sectors. The Group made significant contributions to the country's agricultural output, and in recent years, it expanded its involvement to infrastructure development, mineral wealth extraction, and logistics. Zimplow's machinery and equipment are a common sight across Zimbabwe, actively used in the country's mines, construction sites, agricultural fields, and roads, reflecting its deep-rooted connection to Zimbabwe's development.

FARMEC

TPS TRACTIVE POWER SOLUTIONS

POWERMEC

MEALIE BRAND

C.T. BOLTS

SCANLINK

TrenTyre ZIMBABWE

Ownership

Zimplow is listed on the Victoria Falls Stock Exchange (VFEX). The following is an outline of the top 3 of Zimplow Holdings Limited Shareholders:

Percentage Ownership

Magister Investments Limited	29%
Stanbic Nominees Pvt Ltd	16%
Pioneer Development Company	8%

Corporate Structure

AGRICULTURAL CLUSTER

FARMEC — 100%

Mechanised equipment

- Tractors
- Combine Harvesters
- Implements
- Parts

MEALIE BRAND — 100%

Farming equipment

- Ploughs
- Implements
- Small scale

MINING AND INFRASTRUCTURE CLUSTER

TPS — 100%

Heavy Mobile Earthmoving Equipment

- Mining
- Parts
- Consignment stock
- Special projects
- Construction

POWERMEC — 100%

Industrial and Domestic

- Generators
- Engines
- Solar
- Parts

C.T. BOLTS — 100%

Fasteners

- Nuts and Bolts
- Specialized Fasteners

LOGISTICS AND AUTOMOTIVE CLUSTER

TrenTyre ZIMBABWE — 100%

Tyres

- TBR
- PCR
- RETREADS
- OTR

SCANLINK — 100%

Industrial and Commercial Vehicles

- Trucks
- Buses and coaches
- Parts
- Generators
- Engines

Our Brands

ZIMPLOW
ENGINEERING PERFORMANCE

FARMEC
MASSEY FERGUSON
MONOSEM
BALDAN
Kverneland
agromaster
FALCON works for you!
VALTRA

MEALIE BRAND
Mealie Brand
Master Farmer

TPS
FAW
WEICHAI

C.T. BOLTS

POWERMEC
Perkins
victron energy BLUE POWER
Agate
CanadianSolar
JinKO Solar

SCANLINK
SCANIA

TrenTyre ZIMBABWE
GOODYEAR

Birmingham Investments (Private) Limited
Manica Road Investments

Our Business Units

Agricultural Equipment Segment

FARMEC

A fully owned division of Zimplow Holdings Limited. Farmec is the flagship brand for mechanised agriculture equipment within the Group. The division holds franchise agreements for renowned brands such as Massey Ferguson and Valtra tractors, as well as combine harvesters, alongside distributorship for Monosem, Vicon, and Falcon implement ranges. Farmec serves as a one-stop-shop for agricultural implements, tractor and related spares requirements for farmers.

With branches located in the key agricultural regions across the country, Farmec provides vital support to our valued customers and the agriculture sector at large. The Group's extensive offerings and services are designed to meet the diverse needs of the agricultural community.

Harare
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Website: www.farmec.co.zw

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Email: dulanip@farmec.co.zw

Mutare
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Tel: +263 712 978 789, 08677 007184
Email: horsefieldm@farmec.co.zw

Marondera
19 Smithfield way
Tel: +263 772 609 357, 08677 007184
Email: mutambue@farmec.co.zw

Bulawayo
Corner Falcon and Wanderer Street
Tel: +263 772 720 759, 08677 007184
Email: dulanip@farmec.co.zw

Our Business Units (continued)

Agricultural Equipment Segment (continued)

MEALIE BRAND

A 100% owned division of Zimplow Holdings Limited. Mealie Brand is the largest manufacturer and distributor of animal-drawn ploughs, harrows, rippers, and planters in Zimbabwe. The division offers a range of land preparation, cultivation, and planting implements across Sub-Saharan Africa. Mealie Brand's commitment to quality is demonstrated through its ISO 9001: 2015 Quality Management System (QMS) certification, which guarantees that its products meet the high standards required by even the most discerning export customers.

Mealie Brand is dedicated to empowering Africa's small scale farmers, working closely with conservation and extension departments in Zimbabwe to ensure that value is delivered to grassroots-level farmers both in Zimbabwe and throughout the region. With its well-earned motto, *'From Generation to Generation',* Mealie Brand has built a reputation for manufacturing the most rugged and durable small scale agricultural equipment in Southern and Central Africa. The division's products are distributed through a wide network, ensuring that they are available at well-known wholesalers as well as at some of the most remote hardware stores across the region.

Bulawayo
39 Steelworks Road, Heavy Industrial Sites
Tel: +263 029 2880667/71363-4, 08677 007184
Email: sales@zimplow.co.zw.
Website: www.mealiebrand.co.zw

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36 Birmingham Road, Southerton
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Email: sales@zimplow.co.zw

Our Business Units (continued)

Mining and Infrastructure Segment

Tractive Power Holdings, trading as Tractive Power Solutions (TPS), is a wholly owned subsidiary of Zimplow Holdings Ltd. TPS provides the FAW products consisting of haulage and specialised trucks. TPS is responsible for the distribution and maintenance of FAW equipment in Zimbabwe.

In addition to machinery distribution, TPS provides a wide range of OEM and aftermarket spares, including ground engaging tools, filtration systems, and lubricants. As part of the Zimplow Mining Cluster, which includes Powermec and CT Bolts, TPS supports the mining and construction industries by offering on-site maintenance, service, and repairs. This enables mining and construction companies to focus on their core operations while TPS ensures the upkeep of their equipment. TPS is committed to delivering exceptional backup services and outstanding performance across the brands it represents. Its dedicated team of product support and service technicians is always ready to provide the reliable service and performance that customers expect.

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10 Harrow Road, Msasa, Harare, Zimbabwe
Tel: +263 024 2754612-9
Email: g.clark@zimplow.co.zw

Our Business Units (continued)

Mining and Infrastructure Segment (continued)

POWERMEC

Powermec is a fully owned division of Zimplow Holdings Limited and serves as the authorised supplier of Perkins engines, spare parts, and related services in Zimbabwe. The division also offers alternative sustainable energy solutions from domestic to industrial applications, including installations, solar panels, inverters and batteries.

As the official distributor of Perkins engines, Perkins-powered generators, and genuine aftermarket spares, Powermec provides high-quality products and reliable services to its customers, ensuring that their power and energy needs are consistently met.

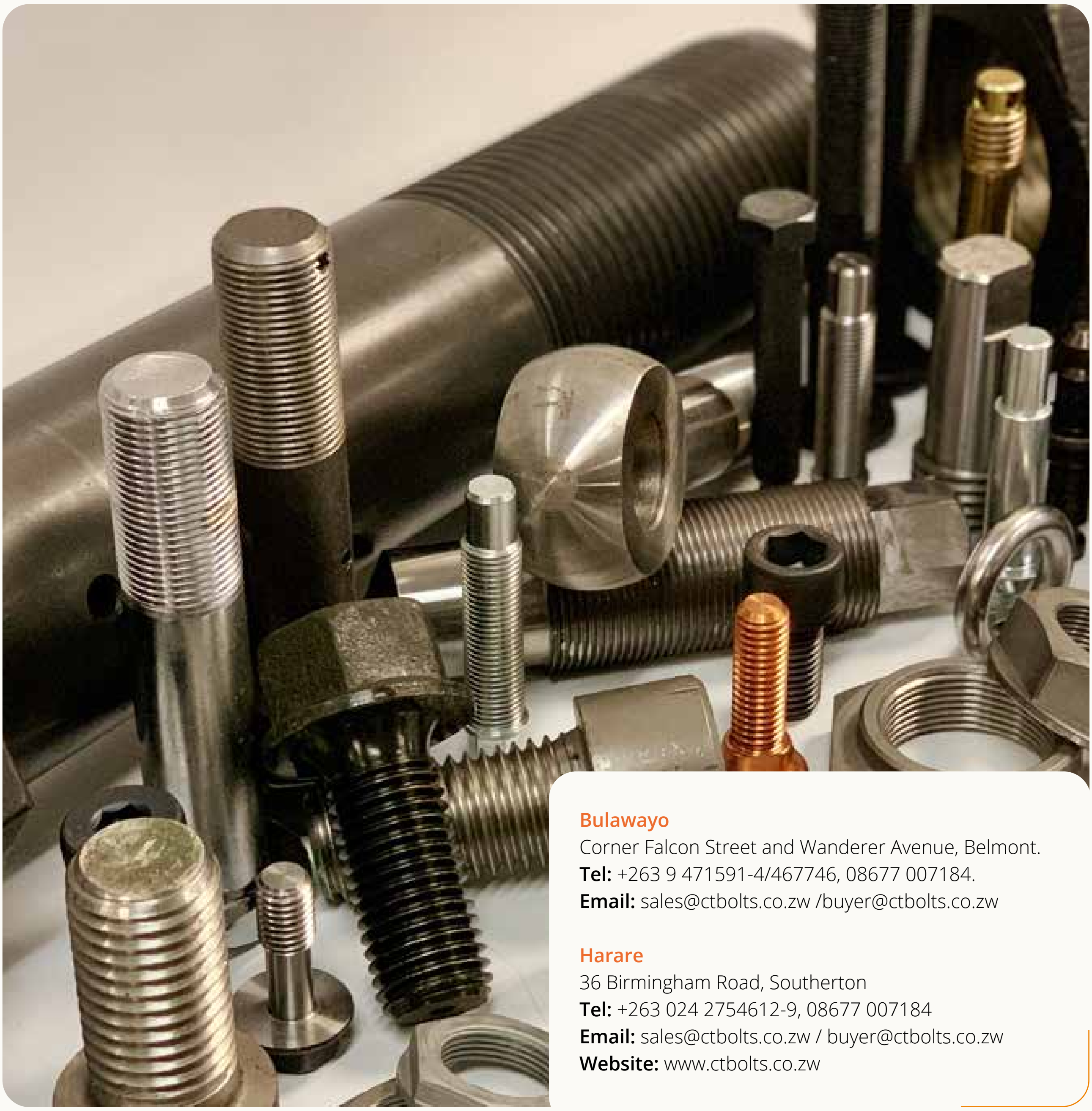
Harare
36 Birmingham Road, Southerton.
Tel: +263 024 2754612/9, 08677 007184.
Email: powermec@powermec.co.zw
Website: www.zimplow.co.zw

Our Business Units (continued)

Mining and Infrastructure Segment (continued)

C.T. BOLTS

CT Bolts, a 100% owned division of Zimplow Holdings Limited. The Company is a leading distributor of mild steel and high tensile bolts, nuts, nails, threaded rods, wire nails, and a wide range of fasteners, including specialised products for the mining, construction, agriculture, and infrastructure sectors. CT Bolts plays a vital role in the economy, as its products are essential across a broad spectrum of industries, from the most basic to the most advanced sectors.



Bulawayo
Corner Falcon Street and Wanderer Avenue, Belmont.
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Email: sales@ctbolts.co.zw /buyer@ctbolts.co.zw

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Tel: +263 024 2754612-9, 08677 007184
Email: sales@ctbolts.co.zw / buyer@ctbolts.co.zw
Website: www.ctbolts.co.zw

Our Business Units (continued)

Logistics and Automotive Segment

SCANLINK

Scanlink (Pvt.) Ltd, a 100% owned subsidiary of Zimplow Holdings Limited. The Company is the sole distributor of Scania products in Zimbabwe, offering both vehicle sales and after-sales support for Scania vehicles in the country. In addition to its vehicle offerings, Scanlink provides a wide range of generators, with capacities ranging from 250kVA to 1.6MVA.

Bulawayo
15 Plumtree Road, Belmont, Bulawayo.
Tel: + 263 766 655656 / +263 767 676956.
Email: info@scanlink.co.zw

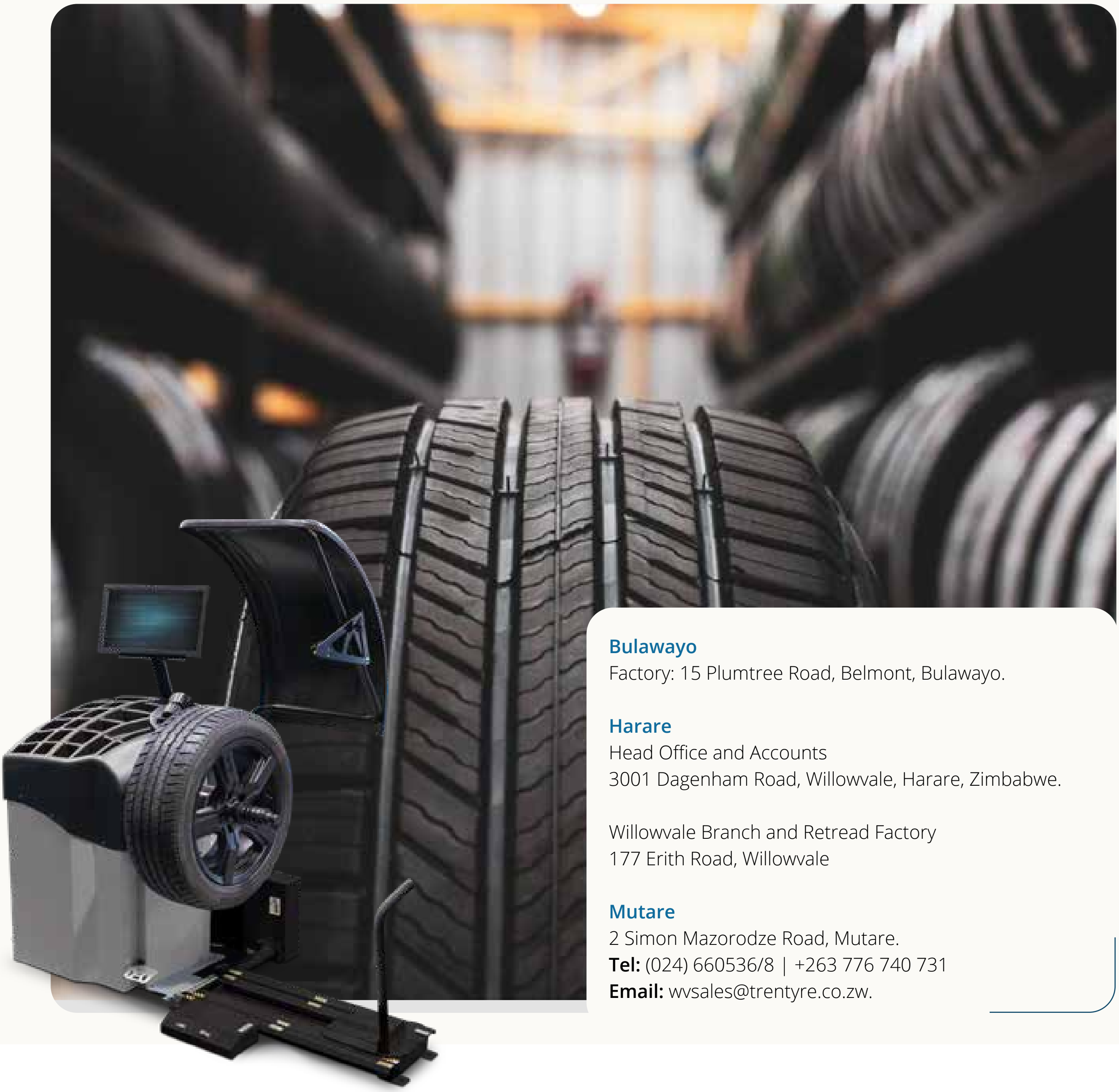
Harare
3001 Dagenham Road, Willowvale, Harare, Zimbabwe.

Our Business Units (continued)

Logistics and Automotive Segment (continued)

Tredcor Zimbabwe (Private) Limited, trading as Trentyre Zimbabwe, is a 100% owned subsidiary of Zimplow Holdings Limited. The Company is the authorised distributor for the Goodyear brand of tyres in Zimbabwe. Trentyre Zimbabwe offers a variety of services, including re-treading solutions, fleet tyre management, tyre accessories and fitting services, and the distribution of various brands of new vehicle tyres.

Originally established as a partnership between the multinational tyre distribution and re-treading subsidiary of the globally renowned Goodyear Tire and Rubber Company and the local Company Clan Services (Private) Limited. Trentyre Zimbabwe is a key player in the country's tyre industry.



Bulawayo
Factory: 15 Plumtree Road, Belmont, Bulawayo.

Harare
Head Office and Accounts
3001 Dagenham Road, Willowvale, Harare, Zimbabwe.

Willowvale Branch and Retread Factory
177 Erith Road, Willowvale

Mutare
2 Simon Mazorodze Road, Mutare.
Tel: (024) 660536/8 | +263 776 740 731
Email: wvsales@trentyre.co.zw.

Our Business Units (continued)

Property Holding Companies

Manica Road Investments

Manica Road Investments is a 100% owned subsidiary of Zimplow Holdings Limited. The Company is a property holding investment entity that owns the property used by Zimplow for office accommodation, showrooms, and workshops.

Birmingham Investments (Private) Limited

Birmingham Investments (Private) Limited is a 100% owned subsidiary of Zimplow Holdings Limited. The Company owns an immovable property located at 63/65 Birmingham Road, Southerton, Harare.

Our Success Story

1939

FOUNDED
The Company is founded.

1951

STOCK EXCHANGE
The Company is listed on the Stock Exchange.

2006

CT BOLTS
The Company enters the fasteners market through the acquisition of CT BOLTS.

2008

TASSBURG
The Company acquires TASSBURG to consolidate its position in the fasteners market.

2011

AFRITRAC
Acquisition of African Traction and Associated Technologies. (AFRITRAC).

2013

RESTRUCTURING
Group Restructuring
Disposal of Puzey and Payne.
Disposal of Tassburg.
Delisting of Tractive Power Holdings.
New corporate identity.

2013

TPH
Purchase of Tractive Power Holdings.

2015

STRATEGY REFINEMENT
Rationalisation and restructuring strategy for all business units.

US$5 million Rights issue. Exit from CASE franchise.

2021

ACQUISITION
Scanlink, Trentyre and Birmingham Properties.

2022

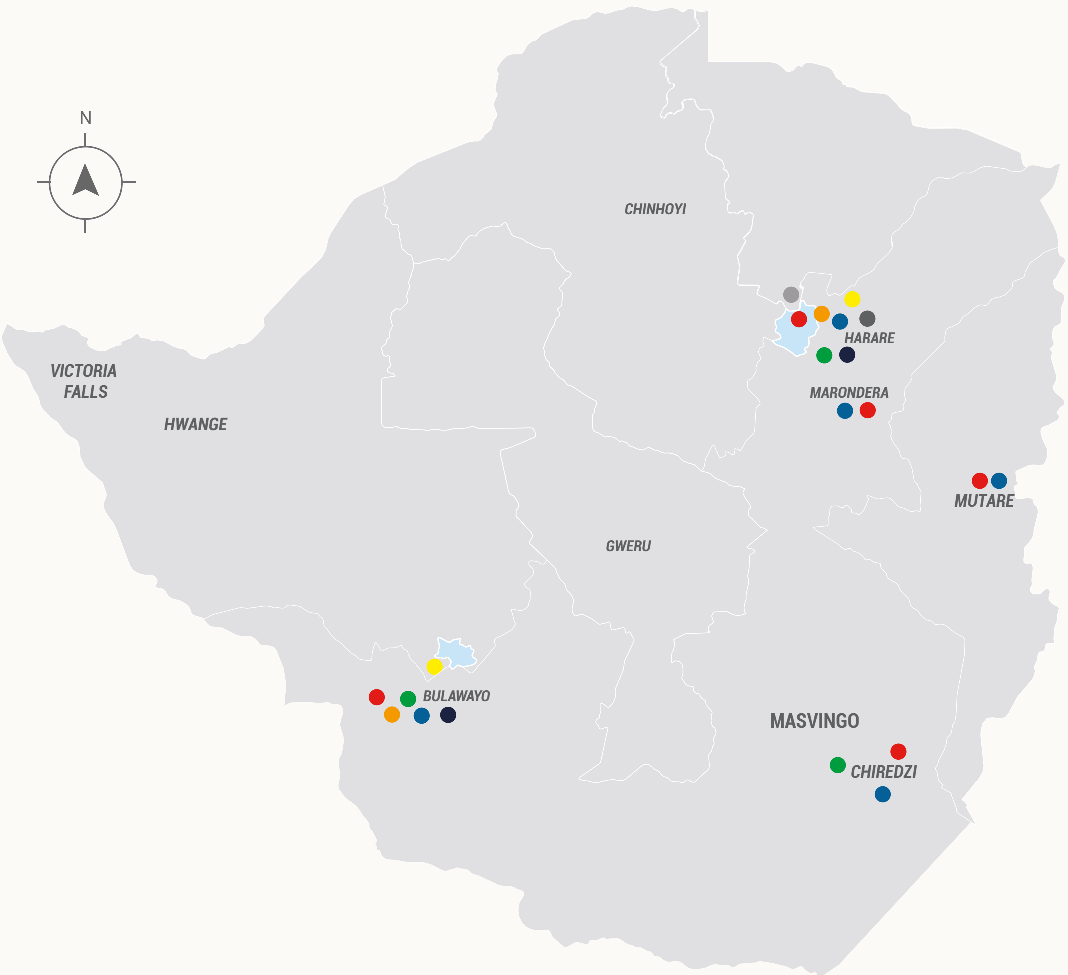
TPS
Resuscitation of Tractive Power Holdings now trading as Tractive Power Solutions.

2024

STAFF RATIONALISATION
To further improve operational efficiencies

Our Geographical Distribution Channels

Our Group's SBU's cover a large proportion of Zimbabwe. Our branches are spread out across all the country's provinces.



Harare	Chiredzi	Marondera	Mutare	Bulawayo
Headquarters	Farmec	Farmec	Farmec	Mealie Brand
TPS	Powermec	Powermec	TrenTyre	Scanlink
Powermec	Mealie Brand			Trentyre
CT Bolts				TPS
Farmec				CT Bolts
Mealie Brand				Powermec
Scanlink				
Trentyre				

*We have sales representatives that undertake regular visits to existing and new customers across the country.

Our Value Creation Model

Inputs → Business Activity – Outcomes → Outputs

Inputs

Capital	Component of Capital
Financial	**FINANCE** • Appropriate debt/equity funding. • Optimal divisional capital structures. • Access to capital.
Manufactured	**INFRASTRUCTURE AND FACILITIES** • Geographic footprint. • Workshop and storage facilities. • Training facilities.
Intellectual	**OEM AND INTELLECT** • Captive brands. • State of art operating systems. • Premium customer solutions.
Human	**PEOPLE** • Talent. • Skilled workforce.
Social and relationship	**BUILDING LONG TERM RELATIONSHIPS** • Stakeholder engagement.
Natural	**NATURAL RESOURCES** • Land. • Water. • Clean energy. • Adoption of Solar energy at business premises

Business Activity

Activities that add value

SOURCE
Plant and equipment from OEMs and own products.

PLACE
Our products and sales (of plant and equipment), services, maintenance and repair, storage, and solutions (supply chain optimization) at the disposal of our customer.

SOURCE
Plant and equipment from OEMs and own products.

GROW
Our customer base and demand for our products.

Outcomes

Impact on stakeholders

SHARED VALUE
Long-term value creation for all our stakeholders including the communities in which we operate.

IMPACT ON CAPITAL
- Optimized intellectual capital.
- Improved social and relationship capital.
- Developed human capital.
- Consumed natural capital.

Outputs

Key products, solutions and impact

Flexible, value adding, innovative customer solutions in:
- Earthmoving mining and infrastructure.
- Power systems and electric power.
- Material handling and lift trucks.
- Agricultural equipment.
- Solar.

Training and development
- Skills development.
- Required talent pool.
- Increase performance and productivity.

OUR BUSINESS PRACTICES

02

OUR GOVERNANCE

Board of Directors

The following **Board changes** took place in 2024

- Mr Manhambara retired on 31 July 2024;
- Mr Ben Kumalo was appointed Chairman on 31 July 2024;
- Mr Benjamin Burr was appointed on 25 March 2024;
- Mr Hamish Rudland was appointed on 31 July 2024.

Benjamin N. Kumalo
Chairman

(Independent)

Tenure:
4 years

Key Skills:
Business Management in the manufacturing, tourism and automotive industries.

Qualifications:
Bachelor of Accountancy (Hons) Degree (University of Zimbabwe) and a Chartered Accountant.

Board of Directors (continued)

Lance Kennedy
Non- Executive Director

(Non-Independent)

Tenure:
10.5 years

Key Skills:
Agribusiness Management.

Qualifications:
Master of Science Degree in Business Management in the Agriculture and Food Industries (Royal Agricultural University, UK).

Grant Pio
Non- Executive Director

(Non-Independent)

Tenure:
4.6 years

Key Skills
Business Management, Engineering, Project Management and project development.

Qualifications:
Diploma in Mechanical Engineering (Cape Town Technikon)

Hamish Rudland
Non-Executive

(Non-Independent)

Tenure:
5 months

Key Skills:
Business Management in the transport, logistics, agriculture, agro-processing, distribution and property sectors.

Qualifications:
Bachelor of Business Studies (Information Systems, Management and Tourism) from Massey University, New Zealand.

Other Commitments:
TSL Limited, R. Davis and Company.

Board of Directors (continued)

Angeline Vere
Non- executive

(Independent)

Tenure:
1.5 years

Key Skills:
Corporate governance, Compliance, Legal Risk Management, Business Management.

Qualifications:
Masters in Corporate Law (LLM) (University of South Africa), Bachelor of Laws (Honours) Degree (LLB) (University of Zimbabwe), Diploma in Finance and Accounting and Executive Diploma in Business Administration.

Other Commitments:
Zimbabwe Gender Commission.

Dr. Kalpesh Patel
Non- executive

(Non-Independent)

Tenure:
9 years

Key Skills:
Business Management in the steel industry.

Qualifications:
Bachelor of Science in Economics (London School of Economics) ,BA Political Science (London School of Economics), MSc in Economics (London School of Economics), Honorary Doctorate in Humanities.

Other Commitments:
MP Shah Hospital (Kenya) and Mayfair Insurance (DRC).

Benjamin Burr
Non- executive

(Non-Independent)

Tenure:
10 months

Key Skills:
Property development and Associated consultancy services.

Qualifications:
Bachelor of Commerce Degree (Rhodes University) majoring in Business Management and Economics.

Other Commitments:
Unifreight Limited and Umfurudzi Park.

Senior Management

Willem Swan
Group Chief Executive Officer

Charles Chaibva
Group Chief Finance Officer

Sharon Manangazira
Group Corporate Services Executive

Hatson Chimutsasha
General Manager – Scanlink

Gladys Machawira
Group Risk Audit and Compliance Executive

Executive Management (continued)

Eddington Buranga
General Manager- Farmec

Vinay Doolabh
General Manager- Mealie Brand

Dumisani Masuku
Business Unit Head - Trentyre

Glen Clark
General Manager- TPS

Vincent Chidindi
Business Unit Head- Powermec

Corporate Governance

The Board

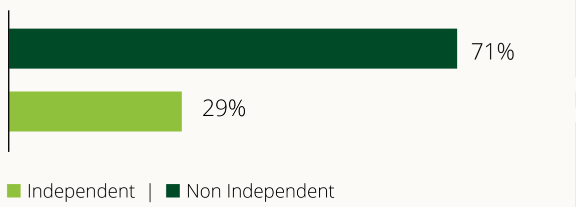
The Board operates in the best interests of the Group and upholds its fiduciary responsibility to act honestly, with appropriate care and attention. It carries out its duties while considering the interests of various stakeholders, including but not limited to current and future investors, potential clients, business partners, employees, and the communities in which it operates. Strong reporting and accountability practices play a vital role in enabling the Board to monitor the Group's Management team effectively. The Board is governed by a charter that outlines its accountability, responsibilities, and obligations to the Group. The Group adheres to the National Code of Corporate Governance Zimbabwe, which outlines the corporate governance standards that businesses in Zimbabwe are expected to follow.

Board Composition

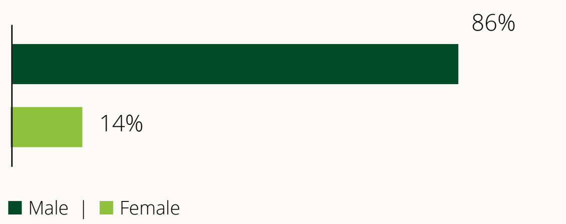
Our Board of Directors includes a non-executive chairperson, five non-executive directors and one independent non-executive director. The Board is made up of one female and six male members.

The following data presents the composition of the board, highlighting key metrics such as tenure, age, and gender distribution. This breakdown provides insight into the diversity and experience within the board, showcasing the balance between long-standing expertise and fresh perspectives.

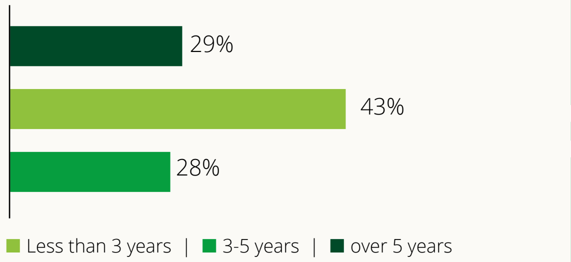
Composition



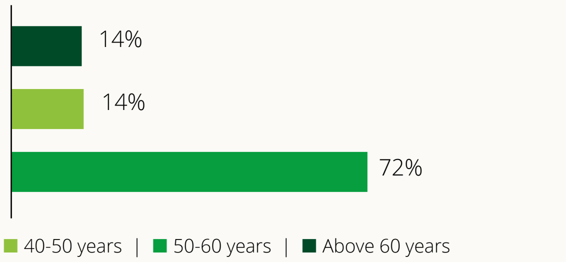
Gender Distribution



Tenure on the Board



Age Distribution



Corporate Governance (continued)

Evaluation of the Board, its Committees and Individual Directors

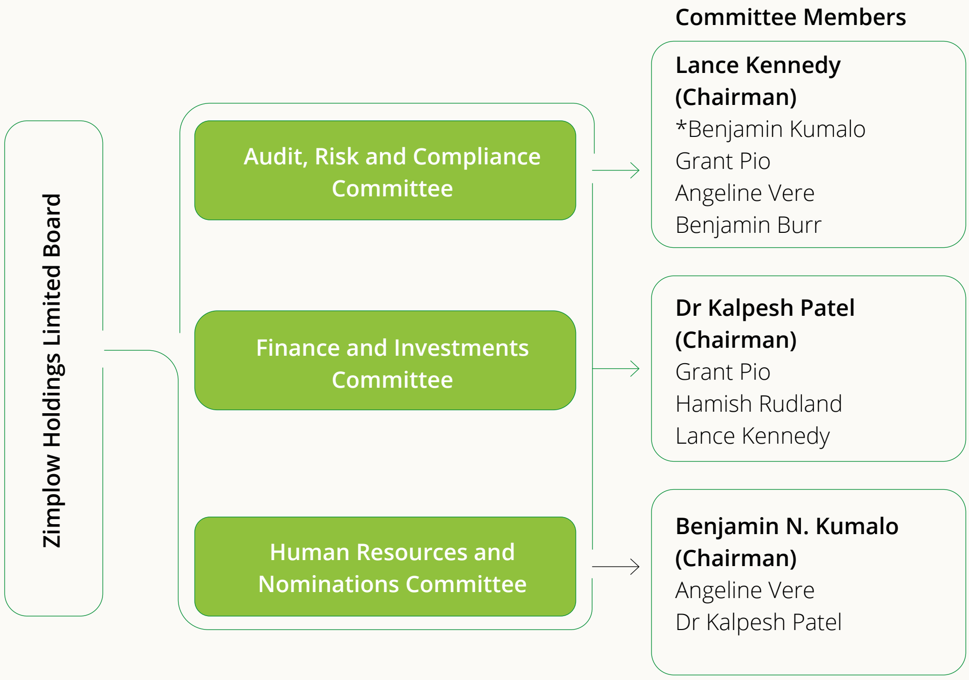
The Board has a framework to assess its performance and that of its committees and their effectiveness. The evaluation process includes a peer review of the directors' performance. The Board evaluation occurs annually, with any issues identified being referred to the Human Resources and Nominations Committee for review and the development of resolutions to enhance the Board's oversight function.

Conflict of Interest

Board members are required to complete a Conflict-of-Interest Declaration Form every quarter. These forms are distributed as part of the Board pack for each meeting. Any new developments that may affect a director's independence are highlighted in these forms and submitted either at the meeting or, if the Board is not convening, to the Group Company Secretary. The Board takes the necessary and appropriate actions upon disclosure of any conflict of interest.

Board Meetings

The Board holds at least four scheduled meetings each calendar year. To ensure the effective performance of its duties and responsibilities, the Board established three committees which are depicted below:



*Mr Benjamin Kumalo stepped down from Chairmanship of the Audit, Risk and Compliance Committee as at 31 July 2024 following his appointment as the Board Chairman with effect from 31 July 2024.

Corporate Governance (continued)

Board Committees

The following is an outline of the Board's Committees:

Audit, Risk and Compliance Committee

The Audit, Risk and Compliance Committee offers independent guidance to Executive Management regarding the Group's financial and performance reporting, risk oversight and management systems, and internal control mechanisms, while ensuring adherence to statutory and regulatory obligations.

The Committee convenes at least four times a year. The Group's internal and external auditors assess compliance with financial reporting requirements, evaluate the appropriateness of accounting policies, and review the effectiveness of internal control systems. It examines the findings of both the internal and external auditors. Our auditors are granted unrestricted and/or direct access to the Audit, Risk and Compliance Committee, safeguarding their independence and the impartiality of their reports. This Committee is responsible for overseeing the Group's Environmental, Social, and Governance (ESG) initiatives. Further, our management team ensures that sustainability standards are enforced and regularly reviewed within the Group.

Human Resources and Nominations Committee

The Human Resources and Nominations Committee comprises three non-executive directors and is required to meet at least four times a year. This Committee is responsible for determining the remuneration of the Group's executive directors and approving guidelines for the Group's pay reviews, as well as other matters relating to employees, including employee benefits.

The Committee oversees the implementation of performance-related incentives linked to achieving specified targets in accordance with the Group's performance management system. Additionally, the Committee handles the nomination and assessment of potential Board members, ensuring the Board possesses the right mix of skills and experience relevant to the Group's diverse functions and operations. Key considerations include educational background, leadership qualities, sound judgment, business experience, and familiarity with the Group's activities. The Committee oversees the promotion of diversity within the Board, including factors such as professional background, experience, expertise, perspective, age, gender, and ethnicity.

Finance and Investments Committee

The Finance and Investments Committee is composed of three non-executive directors and is required to meet at least three times a year. The Committee supports the Board in evaluating the Group's policies, strategies, transactions, and performance related to investments, divestments, and disposals.

The Committee's mandate covers reviewing proposals concerning loans, borrowings, and capital expenditure. Further, it is responsible for setting, approving, and overseeing the overall borrowing limits for the Group and the individual companies within it. The Committee reviews the Group's annual budgets and business plans, alongside conducting half-year reviews of these plans. It is tasked with the formulation, implementation, and review of the Group's capital and liquidity planning. Additionally, the Finance and Investments Committee provides guidelines for the Group's financing and internal capital management.

The Board (continued)

Board Meeting Attendances

For the year 2024, the Board and its Committees' attendance at meetings is below:

	Main Board				Audit, Risk and Compliance				HR and Nominations				Finance and Investments			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
*Godfrey Manhambara	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A
Benjamin N. Kumalo	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A	N/A	✓	✓	N/A	N/A	N/A	N/A
Grant Pio	✓	✓	✓	✓	N/A	N/A	✓	✓	N/A	N/A	N/A	N/A	✓	✓	N/A	N/A
Angeline Vere	✓	✓	✓	✓	✓	✓	N/A	N/A	✓	✓	✓	✓	N/A	N/A	N/A	N/A
Dr Kalpesh Patel	✓	✓	✓	✓	N/A	N/A	N/A	N/A	✓	✓	✓	✓	✓	✓	✓	✓
Benjamin Bur	✓	✓	✓	✓	N/A	N/A	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
** Hamish Rudland	N/A	N/A	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	✓	✓
Lance Kennedy	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A	N/A	✓	✓	✓	✓

KEY

✓- Attended
X- apologies
N/A – Not Applicable

Q1 - Quarter 1
Q2 - Quarter 2
Q3 - Quarter 3
Q4- Quarter 4

*Mr Godfrey Manhambara retired from the Board as of 31 July 2025.
** Mr Hamish Rudland was appointed to the Board as of 31 July 2025.

Board Oversight on Sustainability

The Board is responsible for developing, implementing and overseeing sustainability strategies within the group through the Audit, Risk and Compliance Committee. A governance structure was established to define roles and responsibilities in sustainability reporting, with oversight from designated individuals to ensure accountability and transparency. Standardised procedures for data collection, validation, and storage were implemented to maintain consistency. Ongoing training programs equip employees with knowledge of best practices and regulatory requirements, while stakeholder engagement mechanisms allow for feedback on sustainability initiatives, fostering transparency. A formal management review process ensures that reports are comprehensive and accurate before publication.

A feedback loop facilitates continuous improvement in reporting practices, ensuring alignment with evolving best practices. Through these measures, the Group aims to enhance the credibility and integrity of its sustainability reporting, building trust with stakeholders and demonstrating a commitment to responsible corporate governance.

The Group aims to report on sustainability issues on a quarterly basis to the main Board. Once the annual report is prepared, the Audit, Risk and Compliance Committee should review and send it to the main Board for approval if the Committee is satisfied.

Communication of critical concerns

Our stakeholders are valuable to our operations and existence, therefore we established platforms for them to engage directly with the Board. This allows stakeholders to communicate their needs and expectations and ensure decision making is done with a deliberate aim to meet them. The engagement platforms in place include Annual General Meetings (AGM) and press releases.

The Group is governed by legal and regulatory frameworks, with the following being the most important:

- Companies and Other Business Entities Act [Chapter 24:31];
- Income Tax Act [Chapter 23:02];
- Labour Act [Chapter 28:01], as amended by the Labour Amendment Act No.11 of 2023; and
- Securities and Exchange (Victoria Falls Stock Exchange Listings Requirements) Rules, 2020.

During the 2024 reporting period, the Group did not incur any fines or penalties for failing to comply with relevant laws and regulations. Due to its strong Legal and Regulatory Risk Management Framework, the Group maintains a zero-tolerance policy towards non-compliance with applicable legal and regulatory requirements. The Directors are not aware of any significant instances of non-compliance within the Group's operations.

BUSINESS CONDUCT AND ETHICAL STANDARDS

Business Conduct and Ethical Standards

Business Ethics and Compliance

The Group consistently adheres to the various legislative and regulatory frameworks in which it operates and is fully committed to complying with all relevant laws and regulations while fulfilling its responsibilities.

We prioritise honesty, integrity, and fairness in all our business activities, and these values are deeply embedded in our practices. The Group is dedicated to upholding its core business values and ensuring integrity across all operations. We actively work to prevent unethical behaviour, including bribery and corruption. Our Human Resources Policy, Procurement Policy, and other operational guidelines address these issues and provide mechanisms to enforce them.

The Group Internal Audit Department regularly evaluates the financial, business, and compliance risks faced by the Group. This department operates independently from management and reports directly to the Audit, Risk, and Compliance Committee.

Upholding Human Rights

The Group is committed to upholding human rights, as evidenced by its compliance with the Constitution of Zimbabwe, which enshrines these rights. We prioritise fair remuneration for our employees, ensuring their protection from slavery and forced labour. We encourage the freedom to join labour unions and offer educational loans to facilitate further educational pursuits. Our commitment to health care is reflected in our provision of medical aid coverage, reinforcing the right to health care. Further, we uphold the principle of fair hearing through disciplinary processes, ensuring that labour rights are respected at all levels within the Group. While we strive to maintain these positive impacts, we recognise the potential negative impacts associated with our operations.

Our Medical Aid Scheme Policy guarantees the right to medical care, while our Remuneration Policy ensures fair compensation. The Professional Subscriptions Policy and various training initiatives, including the Induction Training and Graduate Trainee policies, emphasise the right to education and ongoing professional development. Moreover, our Industrial Relations Policy is designed to protect labour rights comprehensively.

We are committed to regularly reviewing these policies and raising awareness among employees to ensure that all employees understand their rights. We aim to introduce employee engagement surveys to gather data and feedback from our employees regarding human rights issues. These surveys will provide valuable insights into our progress towards human rights objectives and help identify areas for improvement. Through sustained engagement and a commitment to upholding human rights, we aim to foster a workplace that is not only compliant with legal standards but supportive of the dignity and well-being of all employees.

Addressing Corruption

As Zimplow, our anti-corruption practices aim to reduce risks associated with corrupt practices and ensure transparency, accountability, and ethical behaviour. Zimplow aims to mitigate legal and reputational risks that could arise from corruption-related activities by fostering a culture of integrity and accountability. However, the Group understands that legal repercussions and reputational damage can be severe consequences of participating in corrupt activities. The financial burden of lost income due to penalties for non-compliance and increased operational costs can significantly affect the Group's bottom line.

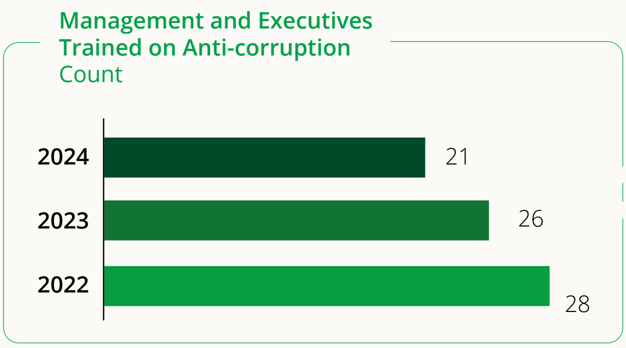
Zimplow is committed to instilling an anti-corruption culture throughout the Group. This includes sharing policies and conducting training sessions to ensure that all employees understand the importance of ethical conduct. Continuous monitoring of high-risk areas for corruption is essential, and stakeholders are kept informed through regular reporting. Further, Zimplow emphasises the importance of advising third parties about the Group's corporate culture regarding anti-corruption. The Anti-Bribery and Corruption Policy reflects our commitment to preventing bribery and complying with applicable legal and regulatory requirements across various jurisdictions. This policy applies to all employees within Zimplow Holdings Limited, encompassing all business activities with both private and public sectors.

We conduct employee training on the Anti-bribery and Corruption Policy to ensure compliance with the Group's ethical standards. Additionally, monitoring mechanisms are established to reduce opportunities for corruption within the Group and in dealings with external parties. Routine risk-based audits, guided by the Group risk matrix, enable Zimplow to identify and address any vulnerabilities. We review all related party transactions to ensure they are conducted at fair value and adhere to arms-length principles. Zimplow disseminates awareness messages through training programs and accessible policy documents. Regular reviews of policies in line with current trends help maintain relevance and effectiveness.

Zimplow established clear goals, aiming for zero reported incidents of corruption. The enforcement of pre-approved suppliers' listing and segregation of duties in debtor management resulted in no reports of manipulation in the reporting period.

Business Conduct and Ethical Standards (continued)

Statistics on anti-corruption were as follows:



Diversity and Inclusion

Zimplow is committed to fostering a diverse and inclusive workplace, recognising the benefits that come from embracing a variety of perspectives and backgrounds. The Group actively seeks to promote a high uptake of diversity and inclusion through various policies and actions that create an equitable environment for all employees. We noted enhanced creativity and innovation, as diverse teams bring different viewpoints that can lead to unique solutions and improved problem-solving. Diversity and inclusion enhance employee satisfaction and retention, as individuals feel valued and respected in an inclusive environment. However, if not managed effectively, diversity and inclusion efforts can lead to misunderstandings or conflicts among employees, particularly if there are significant cultural differences.

Zimplow established a Gender-Based Violence Policy designed to protect all employees, regardless of gender, ensuring that both male and female employees feel safe and supported. Our Succession and Development Policy provides growth opportunities for all employees, aiming to cultivate a diverse talent pipeline. The Employment Code of Conduct governs the relationships between employees and management, fostering respect and collaboration within the workplace. Further, the Recruitment and Selection Policy ensures a fair and unbiased hiring process, promoting equal opportunities for all candidates. Zimplow facilitates the formation of Workers Committees and Women's Forums, creating platforms for dialogue and support, particularly for underrepresented groups.

The Group is committed to upholding these policies and procedures, ensuring that they are effectively implemented and regularly reviewed. We take proactive steps to mitigate potential negative impacts related to diversity and inclusion, reinforcing a culture that values every employee's contribution and experience. Our aim is to build a workplace that celebrates diversity and leverages it to enhance overall performance and innovation.

Cybersecurity and Privacy Protection

Zimplow recognises the critical importance of data privacy and security in today's digital landscape. Our initiatives help protect sensitive information from unauthorised access, which in turn builds trust among various stakeholders. Zimplow improves operational efficiency and better manages risks associated with data handling by enhancing data quality and implementing effective data management practices. However, poor data management may lead to bad publicity, which can result in reputational damages. Further, financial losses can occur if sensitive information is not adequately protected. Common vulnerabilities include weak passwords, falling for scams, inadequate employee training, and insufficient resources allocated to data security.

We established clear policies, including confidentiality clauses in management contracts that emphasise the importance of data protection. The Group is committed to managing data securely and implementing initiatives like the use of firewalls and encryption technologies to prevent unauthorised access, as well as regular software updates to ensure that we have the latest security features. The business tightens security measures when data is compromised and invests in employee training to enhance their understanding of data management practices.

As part of our strategic ICT resilience plan, we have successfully launched our new Disaster Recovery Plan (DRP). This initiative ensures business continuity by providing a backup infrastructure capable of supporting critical operations in the event of primary site disruptions. While the DRP at Msasa enhances our resilience, our long-term objective is to transition to a cloud-based solution that has shared responsibility and less management.

Business Conduct and Ethical Standards (continued)

Security Practices

Zimplow places a strong emphasis on property safety and security to protect its assets, personnel, and information. We implement a range of physical and technological measures to protect our assets and personnel. The presence of physical security infrastructure and systems, greatly enhances the safety of our properties. We see potential for further improvement through upgrades to alarms and lighting, allowing us to adopt a more proactive approach to safeguarding our assets.

The Group established a maintenance calendar to ensure the timely servicing of all our security infrastructure. Further, we are adjusting our budget provisions to prioritise critical system upkeep without compromising other operational needs. We are negotiating service-level agreements (SLAs) with our equipment suppliers to ensure faster response times and guaranteed maintenance cycles. Additionally, we have implemented an internal alerts system to notify our facilities management team of any overdue maintenance tasks. We established a Security policy aimed at ensuring the safety of our people, property, and information. Our commitment to maximising security provisions through layered protection measures reinforces our dedication to maintaining a secure environment. We utilise daily patrols, spot checks, internal audits, and stakeholder engagement to monitor and assess our effectiveness.

Goal	Target	KPI
Protecting people and assets	Eliminate breaches	Monthly crime reports
Upgrade systems	Complete by Q3 2025	System installation logs

Each incident we encounter serves as a learning opportunity, helping us to improve our internal control measures. Engagement with stakeholders, including our employees and local authorities, has proven invaluable in strengthening our security posture, ensuring that we remain vigilant and responsive to security needs.

ADAPTIVE STRATEGY

Adaptive Strategy

Business Model Resilience

Our Approach	Policies and Commitments	Goals and Targets
The business emphasises resilience in its operations to achieve significant positive impacts, including enhanced adaptability to market changes, improved crisis response capabilities, and increased customer loyalty. This focus on resilience fosters business growth, ensures operational sustainability, and strengthens customer confidence. However, significant upfront investments may be required to restructure operations, which can disrupt existing workflows as we adapt.	We established a strategic framework to identify potential disruptions to our core business model, assess their impact, and implement proactive measures. This framework ensures that we adapt and recover swiftly from unexpected challenges, thereby maintaining the viability of our value proposition during turbulent periods. Our policy on business resilience is grounded in proactive planning, risk management strategies, and a culture that values flexibility. Zimplow is committed to dedicating resources, leadership focus, and cultural practices to identify, mitigate, and adapt to potential disruptions. We utilise a risk matrix that helps us assess vulnerabilities and prepare accordingly. We conduct regular resilience tests and periodic internal audits to ensure that resilience management is integrated into our overall strategy.	Our primary goals include business sustainability and growth, with specific targets focused on profitability and achieving budgeted revenue. Key performance indicators used to measure our progress include profit margins, and overall revenue. Engagement with stakeholders provided valuable insights into our sustainability efforts, helping us refine our strategies and ensure long-term success.

Business Operating Environment

The economic, environmental, political landscape, social dynamics, technological advancements, ecological considerations, and legal regulations all play crucial roles in shaping our business strategies. Zimplow aims to foster business growth, benefit from economic performance, and ultimately increase customer satisfaction. However, impacts stemming from inflation, low sales, and reduced Foreign Direct Investment (FDI).

Zimplow established policies aimed at adapting to market dynamics, regulatory landscapes, and economic conditions. The Group's commitment to agility ensures that it can adjust to changes in the environment. Zimplow implements strategies to manage and adapt to external factors, ensuring resilience. We avoid strategic drift by conducting regular strategic review sessions and continuously engaging stakeholders in the operating environment. This engagement helps the Group to remain aligned with market demands and stakeholder expectations. We strategically align our operations with the prevailing business environment, ensuring that we capitalise on opportunities for growth and sustainability.

Our goal is to achieve business growth with targets focused on revenue growth and profitability. Key performance indicators such as asset ratio, Return On Investment (ROI), and Return On Capital Employed (ROCE) provide a view of the Group's financial health and shareholder value. Progress toward these goals and targets is an ongoing process; Zimplow regularly assesses the operating environment to avoid strategic drift. Engagements with stakeholders proved invaluable, providing strategic direction and insight that enhances the Group's understanding of the operating landscape. Through these initiatives, we aim to secure our position as a resilient and adaptive player in the industry.

Adaptive Strategy (continued)

Competition and Benchmarking

Tracking our Targets

	Target
Brand recognition	▪ 20% increase
Social media following	▪ 15% annual growth

Zimplow actively engages in industry benchmarking through its participation in associations such as the Agricultural Dealers and Manufacturers Association (ADMA), which provides valuable retail statistics on market share, unit sales, and product performance across the agricultural equipment sector. These insights enable us to assess its market positioning and make data-driven strategic decisions.

Additionally, Zimplow collaborates with government entities such as the Ministry of Lands, Agriculture, Fisheries, Water and Rural Development through initiatives like the Agricultural Mechanisation Development Alliance (AMDA), which publishes detailed reports on national mechanisation trends, uptake levels, and regional demand statistics. We conduct customer and stakeholder surveys at every trade show, exhibition, and field day it participates in. These surveys gather feedback on customer satisfaction, brand perception, pricing competitiveness, and product performance. The data is compiled and analysed quarterly, forming part of a broader benchmarking and continuous improvement process.

Furthermore, the Group monitors competitor activity through regular participation in agricultural expos, tracking competitor product launches, pricing strategies, and service offerings. Informal benchmarking also takes place through direct feedback from dealer networks, customer visits, and on-site demonstrations, giving Zimplow valuable real-time insights into market shifts and operational best practices.

RISK MANAGEMENT

Risk Management

Enterprise Risk Management

Risk management is a fundamental component of our strategy and is essential for achieving our long-term objectives. The success of the Group hinges on our ability to identify and capitalise on opportunities within our business and market environments.

The Board holds ultimate accountability for risk management and evaluating the effectiveness of the business units' risk management and internal control systems. To facilitate this, the Board established a clear structure with well-defined responsibilities for the major risks in each business unit. The risks are classified as short, medium and long term. For each major risk, we developed a risk management framework that outlines the controls and assigns responsibility for managing the overall risk and the specific controls that mitigate it. Our risk assessment process encompasses both short-term and long-term risks and these risks are subject to continuous review. The risks are formally assessed by senior management and the Board at least annually.

The Group Internal Audit function plays a crucial role by providing both management and the Board with an objective and independent evaluation of the effectiveness of our risk management and internal control systems. The Group Audit, Risk and Compliance Department oversees the overall risk control function, supported by designated officials or general managers within the business units. These individuals are tasked with identifying specific business-related risks, evaluating those risks, and implementing the applicable risk control standards and recommendations from the Group Audit, Risk and Compliance Department and external risk control consultants.

In our risk assessment, we recognise that the total risk associated with any given hazard is defined as the product of its probability (p) and its consequence (c). In simpler terms, this reflects both the likelihood of an occurrence, and the severity of its impact should it occur.

Approach to Managing Financial Risks

The Group recognises the inherent risks associated with the use of financial instruments, specifically liquidity risk, market risk, and credit risk. The following is a summary of our approach to financial risks:

Liquidity Risk Management

Our approach involves maintaining sufficient cash reserves and marketable securities, as well as ensuring access to committed credit facilities. We strive for a balanced funding strategy that combines continuity and flexibility, employing instruments such as loans. The Group actively considers diversifying funding sources through finance leases and other options.

Foreign Exchange Risk

In response to foreign exchange liquidity challenge, the Group adopted a prepayment strategy. This entales the engagement of foreign suppliers and customers inorder to reduce the exposure to foreign exchange risk.

Interest Rate Risk

Interest rate risk pertains to the potential impact of market interest rate changes on the fair value or future cash flows of our financial instruments. Our exposure primarily arises from long-term debt obligations with floating interest rates. The Group adheres to a non-speculative policy in managing interest rate risk, maintaining fixed terms and rates for our borrowings in the current and prior periods.

Credit Risk Management

We manage credit risk through stringent policies regarding cash deposits, investments, and trade receivables. Deposits and short-term cash surpluses are held with reputable banks and financial institutions, with investment limits to minimise concentration risk. For trade receivables, our approach involves establishing credit limits based on rigorous internal assessments and background checks.

Risk Management (continued)

Significant risks, other than financial risks identified during the period were as follows:

Concentration Risk

Risk Description	Mitigation Measures
The potential for financial loss due to a significant portion of our revenues being dependent on a limited number of customers or specific market segments.	→ Actively approaching new customers to grow the business and limit exposure. → Diversifying the product range to help reduce overall exposure.

Government Policy

Risk Description	Mitigation Measures
The recent Statutory Instrument (SI) 81A of 2024 poses a risk to our operations. This policy states that any seller of goods or services is guilty of a civil infringement if they offer such goods or services at an exchange rate above the prevailing average interbank foreign currency selling rate published by the Reserve Bank of Zimbabwe. This creates challenges in pricing and compliance, particularly given the limited fiscal space and potential inconsistencies in policy implementation.	→ Adjusting pricing strategies to ensure that all prices are set in accordance with the daily official exchange rate from the Reserve Bank of Zimbabwe, preventing any violations of SI81 of 2024. → Implementing a dynamic pricing model that allows for real-time adjustments based on fluctuations in the official exchange rate, ensuring compliance and competitiveness.

Product Supply Disruption

Risk Description	Mitigation Measures
Product supply disruptions pose a significant threat to the business, particularly in the context of low liquidity. With limited cash flow, the Group faces challenges in maintaining adequate inventory levels, which can lead to stockouts and failure to meet customer demand.	→ Ensuring adequate stock is available for essential product lines, and ensuring funds are allocated primarily for inventory purchases to address the current low liquidity situation. → Shifting toward procuring stock directly from suppliers in China to secure necessary inventory more efficiently.

System Integrity

Risk Description	Mitigation Measures
This risk involves unauthorised alterations or misuse of systems that can lead to data inaccuracies, inefficiencies, and potential financial losses.	→ Conducting regular audits of system processes and data entry to ensure compliance with established protocols. → Analysing user access logs to detect any suspicious activities or unauthorised changes made to the systems.

Cybersecurity and Data Protection

Risk Description	Mitigation Measures
The potential threats to information systems and data integrity, including data breaches, malware and ransomware attacks, phishing attempts, and insider threats. These risks can lead to significant financial losses, legal penalties, and reputational damage.	→ Constant alerts are being sent out to employees as reminders to be aware of the different methods hackers use to access data and the system. → Regular training on cyber security. → Developing and regularly updating an incident response plan detailing roles, responsibilities, and procedures for responding to data breaches or cyberattacks. → Data Recovery Plan.

Risk Management (continued)

Sustainability – Related Risks and Opportunities (SRRO)

Approach to Managing Sustainability Risks

Sustainability-Related Risks refer to potential challenges and threats that arise from environmental, social, and governance factors, such as regulatory changes, resource scarcity, and climate change. These can impact our operations, reputation, and financial performance. Conversely, Sustainability-Related Opportunities are advantages that the Group can seize by adopting sustainable practices, such as innovation in product development, cost savings through efficiency, enhanced brand loyalty, and attracting investment focused on environmental and social responsibility.

We identify potential sustainability risks that could impact the Group, including economic. Environmental, social, and governance (ESG) factors. This involves an analysis of our operations, supply chain, regulatory landscape, and stakeholder expectations to identify issues that may affect our sustainability objectives. Once identified, we evaluate the likelihood and potential impact of each sustainability risk. This assessment allows us to prioritise risks based on their significance and relevance to our goals, ensuring that we focus on the most critical sustainability challenges.

Following evaluation, we recommend targeted mitigation strategies to address each identified risk. These strategies may include implementing environmentally friendly practices, enhancing social responsibility initiatives, and ensuring compliance with relevant regulations. Continuous monitoring is essential to assess the effectiveness of our mitigation strategies and adapt to any changes in the sustainability landscape. This involves regular reviews of sustainability performance metrics, stakeholder feedback, and compliance with sustainability policies.

Risk Management (continued)

Our significant sustainability-related risks and opportunities in the reporting period were as follows:

Employee Health and Safety (Short term Risk)

Our commitment to OHS focuses on creating a safe and healthy work environment for all employees and stakeholders by by implementing the zero tolerance policy and systems that prevent injuries, illnesses, and accidents, while ensuring compliance with legal and regulatory standards. To avoid injuries at our factories recently we introduced stricter enforcement of machine safety checks and strict PPE protocols.

Opportunity
- Regular safety talks, upgraded workshop standards, and consistent safety training are in place to reduce downtime.

Financial Implications
- Expenses associated with safety training and awareness programs, thereby increasing operating costs.

Risk
- Potential hazards that can adversely affect the well-being of employees, these risks include physical hazards, such as accidents from machinery, slips, trips, and falls, which can lead to serious injuries or fatalities, reducing productivity.

Waste Management

Our waste management commitment focuses on minimizing environmental impact by responsibly handling, recycling, and disposing of waste, while ensuring compliance with relevant regulations and promoting sustainability.

Opportunity
- Waste segregation and recycling programs.
- Waste management training for employees.
- Investing in cost-effective waste reduction technologies.
- Engaging in community outreach to improve public perception and establish partnerships for resource recovery.

Financial Implications
- Expenses associated with cleaning up contaminated sites and restoring ecosystems, which can be substantial.
- Non-compliance with environmental regulations can result in significant fines, legal fees, and sanctions.
- Extra income from recycling and waste recovery initiatives.

Risk
- Improper waste management poses significant risks, including environmental degradation, health hazards, and regulatory compliance issues, which might have negative impacts on the reputation of the business.

Risk Management (continued)

Gender Balance and Accommodation

This relates to fostering an inclusive work environment by promoting equal opportunities, supporting diversity, and providing accommodations to ensure all employees are treated fairly and equitably.

Opportunity
- Developing and enforcing policies that promote gender equality, such as anti-discrimination policies and equal pay initiatives. This ensures that teams are equipped with diverse talent and skills, which contribute to high productivity.

Financial Implications
- Investing in targeted recruitment strategies to attract diverse talent may incur additional expenses, which will have an impact on our income.
- Increase in productivity leads to improved financial performance.

Risk
- Homogeneous teams may lack diverse perspectives, limiting creativity and problem-solving capabilities.

Anti-corruption

This relates to maintaining the highest ethical standards by preventing bribery, fraud, and unethical practices, ensuring transparency and integrity in all our business operations.

Opportunity
- Providing anti-corruption training to foster a culture of integrity and ethical behaviour.
- Leveraging technology, such as blockchain and data analytics, can enhance monitoring and reporting mechanisms to detect corruption.

Financial Implications
- Legal fees, fines, and penalties associated with corruption cases increase the operating costs.
- Establishing anti-corruption programs may require upfront investments in training, technology, and compliance systems, which increase operating costs. Investment in technologies can improve the financial position.

Risk
- The risk of corruption includes bribery, fraud, and unethical practices that can compromise the integrity of business operations.

SUSTAINABILITY

03

SUSTAINABILITY

Sustainability

Sustainability Approach

The Group is dedicated to maximising social and environmental impact of its operations while ensuring long-term economic sustainability. Our goal is to drive growth while improving the lives of our local communities and fostering sustainable change.

Stakeholder Relationships

Zimplow embraces a transformational business philosophy, aiming to uncover opportunities to generate sustainable value for all stakeholders and making a meaningful impact as a responsible corporate entity. In our pursuit of enhancing shareholder value, we recognise the importance of various stakeholder groups essential to our success.

Stakeholder Engagement Process

To identify stakeholders, we begin by compiling a list of all parties that could either influence or be affected by our operations.

→ Subsequently, we assess their needs, expectations and pertinent concerns.

→ Stakeholders are then classified according to their levels of influence and interest in our business activities.

Purpose for Conducting Stakeholder Engagement

Engaging with stakeholders fosters trust and confidence in the Group's initiatives. This foundation of trust is crucial for successful implementation of our programs and strategies. Understanding the perspectives of our stakeholders enables us to make more informed and effective decisions. This approach facilitates the consideration of diverse viewpoints and allows us to align our strategies with the needs of those we serve.

Engaging with stakeholders is essential for ensuring compliance with laws and regulations, and effective risk management. Active involvement of stakeholders helps us anticipate potential challenges and proactively address them. This analysis informs us about the most effective methods for engaging with stakeholders based on their varying levels of interest and influence. Insights gained supported business units in identifying and managing emerging opportunities and risks, ultimately enhancing our value propositions, strategic decisions, operational actions, performance, and communications.

Sustainability (continued)

Engaging Our Stakeholders

While our focus is on increasing value for our shareholders, we recognise the importance of other stakeholder groups that are vital to the success of our business. Zimplow's Board and Management carefully consider the interests of stakeholders when making decisions for the Group.

Our Stakeholders are categorised as follows:

Internal Stakeholders

- Employees
- Shareholders
- Management

External Stakeholders

- Suppliers
- Customers
- Local Communities
- Government and Regulators
- Financial Institutions

Through our stakeholder engagement, we identified the need to enhance customer sharing across Zimplow's various divisions. These needs could relate to emerging business opportunities or be integrated into existing customer solutions.

Employees

Material Matters
- Income and benefits.
- Working conditions.
- Careers and opportunities.
- Job security.
- Health and safety.

Our Response
- Provision of employee training.
- Maintaining employee engagement.
- Frequent medical checks.

Engagement Methods
- Face to face meetings.
- Suggestion boxes.
- Staff memo circularisation.
- Employee surveys.
- Emails.

Frequency of Engagement
- Monthly.
- Bi-annually.
- Ad hoc.

Sustainability (continued)

Our stakeholder engagement for FY2024 is presented below:

Suppliers

Material Matters
- Payment terms.
- Sustainable sourcing.
- Pricing.
- Supply chain effectiveness.

Our Response
- Service supplier accounts.
- Negotiating extended credit terms.

Engagement Methods
- Face to face meetings.
- Emails.
- Telephone calls.

Frequency of Engagement
- Daily.
- Monthly
- Ad hoc.

Government and Regulators

Material Matters
- Legal and regulatory compliance.
- Tax payments.
- Other statutory obligations.

Our Response
- Paying taxes and submitting returns on time.
- Constant engagements with government and regulators.

Engagement Methods
- Face to face meetings.
- Emails.
- Policy briefings.
- Compliance inspections.

Frequency of Engagement
- Monthly
- Yearly

Customers

Material Matters
- Delays in issuance of invoices.
- Delivery of value.
- Competitive pricing.
- Product range and promotions.
- Stock availability.
- Affordable prices.

Our Response
- Continuous customer engagement.
- Offering credit facilities.

Engagement Methods
- Face to face meetings.
- Emails.
- Customer surveys.
- Product roadshows.

Frequency of Engagement
- Monthly.
- Ad hoc.
- Quarterly

Financial Institutions

Material Matters
- Lending terms and interest.
- Investment opportunities.
- Financial risk.

Our Response
- Negotiations for more favourable lending terms.
- Exploring new markets potential investment.
- Options for raising finance.

Engagement Methods
- Formal meetings.
- Briefings.
- Emails.

Frequency of Engagement
- Quarterly

Local Communities

Material Matters
- Community welfare and development.
- Health and safety.
- Economic development.
- Waste disposal.

Our Response
- Partnership to drive local development.

Engagement Methods
- Road shows.
- Publications.
- Newspapers.
- Face to face meetings.

Frequency of Engagement
- Quarterly
- Yearly

Shareholders and Investors

Material Matters
- Business growth.
- Value creation.
- Business risk.
- Long term targets.
- Going concern.
- Dividend payout.

Our Response
- Strategy implementation.
- Monitoring and long-term investments.
- Expanding product lines or services.

Engagement Methods
- Annual General Meetings.
- Investor and shareholder briefings.
- Trading updates.
- Emails.

Frequency of Engagement
- Quarterly
- Annually

Sustainability (continued)

Sustainability Materiality Assessment

Our strategy focuses on addressing material impacts and understanding where they occur within the business value chain. Material issues are those that reflect our economic, environmental, and social impacts, and which influence stakeholders' decisions regarding the business.

Identifying what matters

Our sustainability reporting framework is based on a materiality process that identifies key topics related to Economic, Environmental, Social, and Governance (ESG) issues within our operations. To ensure thorough reporting, we follow the Global Reporting Initiative (GRI) Standards and the Sustainability Accounting Standards Board (SASB) guidelines, tailored to our industry. The assessment process involves several stages, identification, prioritisation, validation, and generation of a matrix. We conduct surveys to accurately identify and rank material issues. This method offers valuable insights into various sustainability topics and their significance to both our business and stakeholders. Management played a vital role in prioritising the list of material issues, informed by their assessment of stakeholder interests and alignment with the Group's strategic goals.

The Group's materiality process is managed through a structured approach, where business units identify key issues within their operations. These topics are then presented to the Management for discussion and assessment. The Management evaluates these matters and recommends appropriate actions. If a matter requires strategic direction, it is escalated to the Board of Directors for a decision.

Materiality Process

Identification

The Group carried out an internal sustainability materiality assessment by identifying significant topics and benchmarking against other companies within our industry.

Prioritisation

Identified topics are prioritised as material issues according to their significance to the business and the interests of stakeholders, as assessed by senior management across all departments.

Validation

The Group Executives validate and approve the final topics by evaluating their alignment with business activities.

Matrix Generation

These topics are presented in a matrix that illustrates their significance to both the business and stakeholders

Sustainability (continued)

Material Topics

Material topics for the Group are determined by assessing their significant impact on the business and their influence on stakeholders' decisions. Through engagement with our stakeholders, we identified the following key material topics.

Our material topics were categorised into economic, environmental, social and governance as presented below:

Economic

Topics that cover the flow of capital among different stakeholders, and the main economic impacts of the business.

- Product Quality and Innovation
- Economic Performance
- Tax
- Research and Development
- Marketing Practices
- Responsible Sourcing and Supply Chain Management

Environmental

Topics that cover the effects of our operations on both living and non-living elements of the natural world, such as land, air, water, and ecosystems.

- Energy
- Waste
- Climate Change
- Greenhouse Gas Emissions
- Circular Economy
- Air Quality
- Water and Effluent

Social

Topics that cover the impacts on the communities, societies, and individuals affected by our activities and the measures we take to uphold and respect human rights.

- Human Rights
- Diversity and Inclusion
- Customer Welfare
- Marketing Practices
- Employment Practices
- Employee Relations
- Occupational Health and Safety
- Skills Development
- Corporate Social Responsibility

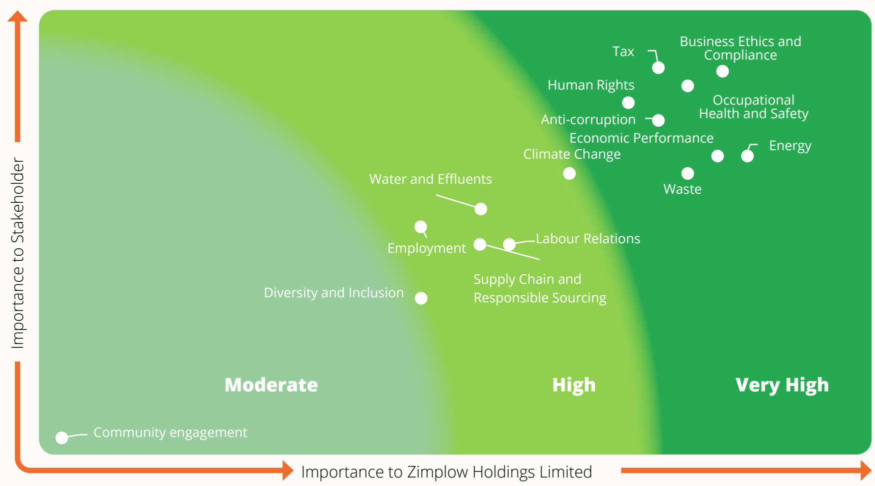
Governance

Topics that cover the effects on the system of rules, practices, and processes that guide and govern our operations.

- Business Ethics and Compliance
- Corruption
- Cybersecurity and Privacy Protection
- Security Practices

The Materiality Matrix serves as a critical tool for Zimplow in identifying and prioritising the most significant economic, environmental, social, and governance (ESG) factors, aligning our sustainability efforts with stakeholder expectations and our commitment to sustainable growth.

Our materiality matrix for the reporting period is presented below:



Very High
Topics with significant impacts to the Group and our stakeholders.

High
Topics that the Group is actively working on mitigating their impacts.

Moderate
Topic that poses lower risks as the Group managed to reduce their negative impacts.

During the reporting period, the following topics were identified as significant to the Group and our Stakeholders:

1. Anti-corruption;
2. Business Ethics and Compliance;
3. Economic Performance;
4. Energy;
5. Human Rights;
6. Occupational Health and Safety;
7. Tax; and
8. Waste.

Sustainability (continued)

VALUE-DRIVEN PRACTICES

Customer Welfare

Our customer welfare initiatives are designed to ensure that we meet and exceed the needs and expectations of our clients while fostering long-term relationships built on trust and respect. Effective management of customer welfare expands the customer base, which drives business profitability. Conversely, neglecting customer welfare leads to detrimental effects such as loss of customers, damage to the Group's reputation, negative publicity, and a decline in market share. The business faces challenges in areas such as waste management, delayed product supply, and pricing strategies, which can affect customer satisfaction.

Zimplow is committed to providing sustainable solutions to enhance customer welfare. The Group actively engages with customers to gather feedback and understand their needs. This includes conducting customer surveys, maintaining open lines of communication, and offering tailor-made solutions to address any challenges. We aim to foster strong relationships and ensure customer satisfaction by continually engaging with customers and responding to their demands in a timely manner. Our target is to achieve 100% customer retention, which is monitored through specific key performance indicators, including positive customer growth and retention rates. The measures implemented were effective in establishing a sustainable customer base for the Group. The business has shown continuous improvement, reflecting the importance of customer welfare management as a crucial aspect of its operations. Engagement with stakeholders further enhanced processes and positioned the Group favourably in the market, emphasising that customer welfare management must remain a priority for ongoing success.

Sustainability (continued)

Marketing Practices

Our marketing approach is centred on three key areas including understanding market dynamics, engaging customers, and leveraging digital innovation. Our practices create cross-sector synergies by marketing complementary products, such as alternative power solutions alongside mining or agricultural equipment. This positions Zimplow as a one-stop shop, increasing transaction value and enhancing customer retention. With a legacy since 1939, Zimplow reinforces brand trust through marketing campaigns that attract new customers while maintaining loyalty from existing ones. However, challenges include the risk of fragmented marketing across diverse sectors, which can confuse customers and dilute brand messaging. An overemphasis on after-sales services might limit the promotion of new equipment and innovations in rapidly evolving fields like alternative power solutions. Moreover, reliance on trade shows for networking and showcasing products could limit our reach to only those who can attend. Social media platforms pose another risk, as they can be susceptible to negative comments that damage the brand's reputation. Partnering with trade show organisers or exhibitors with poor reputations could adversely affect our brand.

Our commitments include guidelines on gifts and hospitality, hosting customer events, due diligence, conflicts of interest, whistleblowing, and after-sales support. We are committed to transparency and honesty in all marketing communications, ensuring product capabilities, pricing, and benefits are communicated clearly and without exaggeration. We adopt a customer-centric approach, prioritising customer needs and satisfaction over aggressive sales tactics. We emphasise responsible use of digital platforms, ensuring data privacy and truthful advertising while regularly monitoring our digital presence for compliance with ethical standards. The Group established a review and approval process for marketing materials to verify the accuracy of claims, conducting regular training for marketing teams on ethical advertising standards, and developing customer feedback loops to enhance marketing messaging based on real experiences. Personalising follow-ups and avoiding pressure sales tactics are part of our strategy to maintain customer satisfaction.

We are committed to continuous improvement and regularly review our marketing practices based on customer feedback and internal audits. Maintaining anonymous whistleblowing mechanisms encourages reporting of unethical practices, ensuring accountability and prompt corrective actions when necessary. We conduct quarterly audits and utilise compliance checklists to ensure all campaigns align with ethical guidelines and legal standards. Regular sales and marketing review meetings help us assess campaign outcomes and identify areas for improvement. Key performance indicators, such as customer satisfaction and net promoter scores, are crucial metrics in evaluating our success.

Progress towards our goals includes significant growth in social media following, with increased engagement from both Business to Business (B2B) and Business to Consumer (B2C) audiences. Customer satisfaction scores are improving, although we recognise the need for further enhancements to encourage referrals. Our commitment to brand recognition has seen positive results through trade shows and digital campaigns, with full target achievement anticipated in the upcoming quarter. By fostering direct engagement with customers and strengthening after-sales support, we established faster response times for queries and complaints. Collaborating with suppliers improved product quality and delivery timelines. Regular consultations with business partners and distributors provide insights into market trends and regulatory compliance, ensuring that our marketing practices remain aligned with industry standards.

Sustainability (continued)

Product Quality and Innovation

Tracking our Progress and Targets

Metrics	Targets
Reduction in defect rates	• 3%
Increasing the innovation pipeline	• Development of 10 new products in 12 months
Improving customer satisfaction	• 90%

Innovation plays a significant role in enhancing our brand reputation, credibility, and trust, offering a competitive advantage by differentiating products from competitors and driving market leadership. However, innovation brings challenges, such as laying off employees due to increased efficiency and longer development times needed to ensure quality. Over-engineering and inefficient processes may arise from an excessive focus on quality, raising costs and complexity. High-quality products involve added costs, from certification fees to regulatory compliance, and may lead to increased resource usage and warranty requirements. Additionally, innovative products can introduce complexity, raising support costs and causing potential financial losses or unpredictable outcomes. Resistance from employees, intellectual property risks, and over-reliance on technology present significant challenges, as does dependence on key personnel and the disruption of established processes.

ISO 9001 2015

Zimplow is committed to ISO 9001:2015 Quality Management Systems (QMS) certification, aligning its QMS with business objectives through leadership commitments. Management ensures that the QMS supports our overall strategy, and the Integrated Management System (IMS) policy outlines key commitments. The focus is on customer satisfaction, process performance, continuous improvement, and effective communication internally and externally. Data-driven decisions and risk management practices guide our operations, while regular reviews and performance monitoring ensure ongoing improvement. Research and development, and innovation are central to the Group's strategy, with creativity encouraged through ideation sessions, prototype development, and pilot testing. Cross-functional collaboration ensures alignment across departments, leveraging expertise in production, marketing, and quality. Additionally, our digital transformation strategy enhances quality and innovation, utilising data analytics and technology to streamline processes. Leadership maintains a strong commitment to quality and innovation, supported by a governance structure and resource allocation to foster continuous improvement and learning.

GREEN OPERATIONS

Oils (Litres)

↓**8%**

16,380 in FY2023

Scope 2 – Electricity (Kg CO2e/Kwh)

↓**34%**

489,650 in FY2023

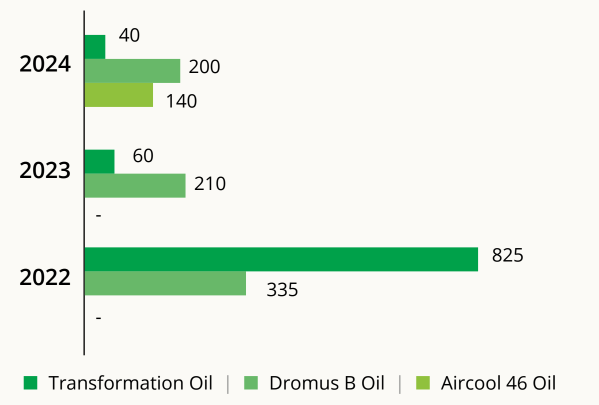
Green Operations

Materials

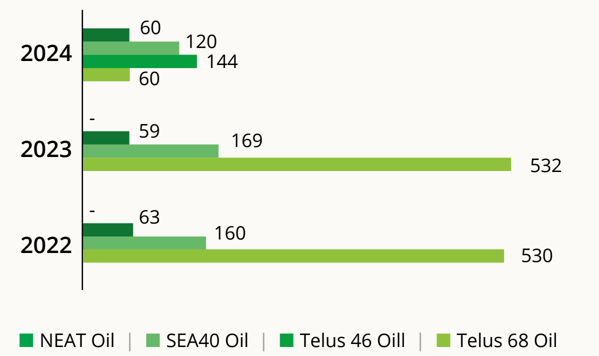
As Zimplow has implemented environmentally friendly material management strategies to significantly decrease pollution while enhancing material efficiency, ultimately leading to lower production costs. This approach contributes to the advancement of a circular economy, promoting sustainable growth and ensuring long-term economic resilience. By embracing these practices, the Group creates opportunities for new roles in repairing, refurbishing, and repurposing materials. However, investing in a circular economy requires substantial financial commitments to establish systems and fund related initiatives. Additionally, challenges such as technological and design limitations may impact the overall effectiveness of these strategies, as some materials remain difficult or even impossible to repurpose, thereby limiting the full potential of circular economy practices.

We are actively exploring opportunities for recycling and repurposing key raw materials such as scrap metal, which is returned to suppliers on a tonne-for-tonne basis. To manage materials, the Group implements a structured management plan aimed at tracing material sources and establishing control measures. Clear communication through signage reinforces essential management practices. The volume of materials processed serves as a key indicator of our management status, reflecting whether there has been a reduction or increase in material usage. Metrics such as the number of materials repurposed and the volume of scrap returned are critical. The Group aims to adopt effective practices, including minimising material waste and ensuring clearly labelled collection points. Recognising the significance of material management, the Group developed a comprehensive management plan and adopted best practices based on recommendations from stakeholders. Materials (non-renewable) used during the reporting period by the Group are as follows:

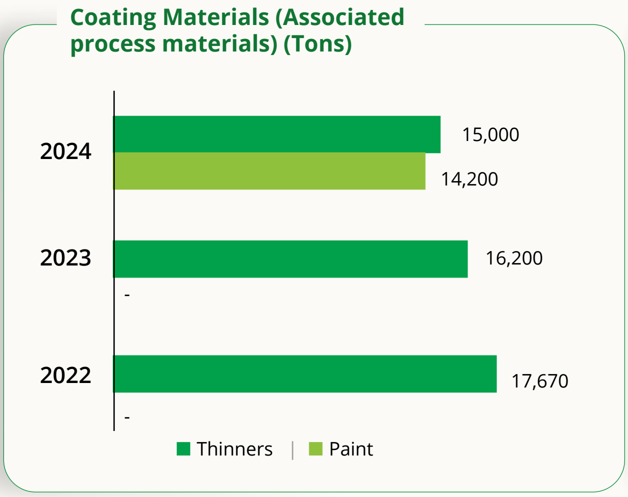
Industrial Oils (Associated process materials) (Tons)

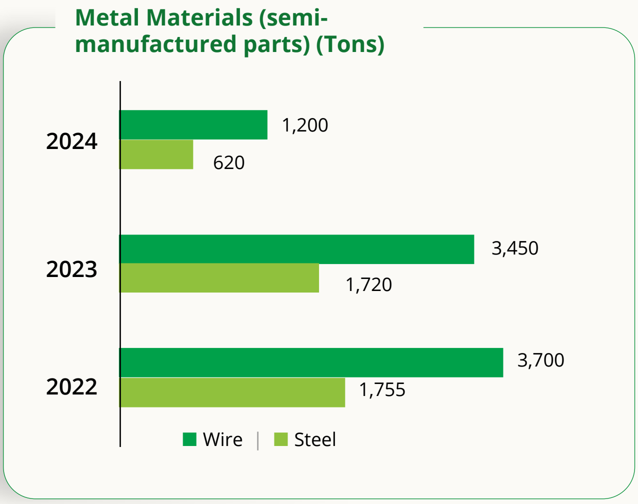


Lubricating Oils (Associated process materials) (Tons)



Green Operations (continued)





The drop in material used as noted above was largely caused by low production during the 2024 period and production of complimentary parts throughout the year (2024) as opposed to daily production during the previous year (2023).

Our Commitment to Air Quality

Zimplow's environmental impact, particularly in terms of air quality and greenhouse gas emissions, plays a crucial role in its overall sustainability efforts and public perception. Improving air quality and reducing greenhouse gas emissions can significantly benefit the environment and health. Reduction in air pollutants helps to minimise respiratory and cardiovascular diseases, benefiting employees and surrounding communities. Moreover, adhering to air quality standards prevents legal risks and can reduce fines, further enhancing the Group's credibility as an environmentally responsible leader. Investments in air quality improvements can spur innovation, create green job opportunities, and support broader sustainability goals.
Our commitment to managing environmental impacts is reinforced by our Integrated Management System (IMS) Policy (IMS D01), which specifically addresses pollution. The Group is dedicated to reducing pollution and managing its environmental footprint by adopting the best practices that maximise economic and environmental benefits, while safeguarding health, safety, and welfare of all stakeholders. To ensure compliance and continuous improvement, the Group conducts quarterly air emissions inspections to measure pollutant levels, assess trends, and maintain adherence to air quality regulations. Regular audits are performed to monitor compliance and identify opportunities for further improvement. In addition, health screenings are conducted periodically for employees to address respiratory or health issues related to air quality. We remain proactive in working with regulators to stay ahead of potential future air quality regulations and to influence policies that promote cleaner air.

The Group has a Zero tolerance towards non compliance with all applicable environmental laws and regulations. To ensure consistency, the Group is guided by existing standard operating procedures. Root cause analysis and continual improvement practices are implemented to enhance operational efficiency and prevent future challenges. To ensure consistency, we are committed to standardising procedures and maintaining accessible documentation of Standard Operating Procedures (SOPs). Further, existing policies and commitment statements were shared with stakeholders, and ongoing training and awareness sessions are held as needed to foster a culture of compliance and environmental responsibility across all levels.

Green Operations (continued)

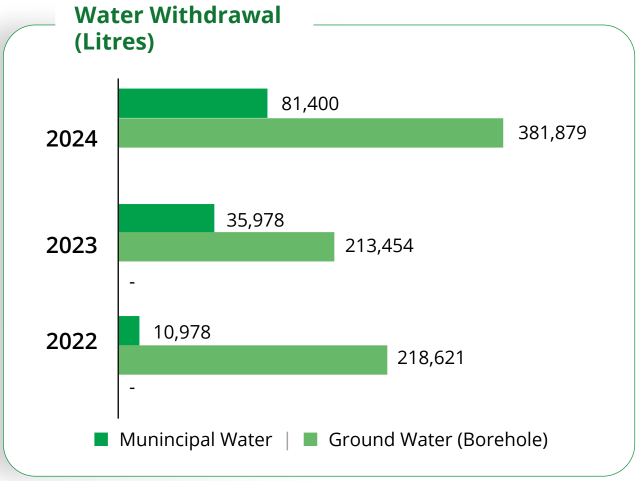
Water and Effluent

As Zimplow, we recognise the critical importance of effective water management in our operations, as water is essential for human life, production, agriculture and power generation. We are committed to sustainable water practices that contribute to environmental conservation, enhance our business performance and ensure long-term resilience. Our efforts focus on reducing costs, protecting ecosystems, and complying with regulations while developing sustainable borehole water practices and improving access to clean drinking water for employees and surrounding communities. We are devoted to increasing irrigation capacity, managing waste lubricants and ensuring awareness of waterborne diseases to maintain healthy employees and safeguard the environment. However, we acknowledge the challenges of borehole water, including contamination risks, depletion of groundwater and associated costs, and the environmental and health risks posed by waterborne diseases, pollution, and scarcity.

We are committed to the sustainable and responsible use of borehole water, ensuring minimal environmental impact and full compliance with relevant regulations across all facilities. We prioritise the provision of clean water, proper effluent disposal and the prevention of water pollution through the treatment and removal of pollutants. Regular monitoring ensures effluent meets regulatory standards, and we encourage practices such as closing taps after use, developing a water recycling culture and raising awareness within the Group and communities. We support advanced technologies to improve water efficiency, encourage recycling, and reduce environmental impact, while integrating broader sustainability efforts such as tree planting.

We conduct regular internal water audits to assess consumption and water quality, whilst identifying areas for improvement and ensuring effective water management. Effluent is regularly inspected by regulatory authorities, and we train our employees on water and effluent management while tracking water usage.

Water withdrawal by the Group for the period under review was as follows:



*Ground water (borehole) statistics provided are based on estimates.

Green Operations (continued)

Energy

Tracking our energy impacts

Metric	Target	Achievement
Renewable Sources	Source 50% of energy from renewable sources by 2026	Three of our business premises are now equipped with solar energy namely our Dagenham, Birmingham and Msasa.

Zimplow is committed to the adoption of renewable energy, particularly solar power, to reduce reliance on the grid and promote sustainable energy practices. By transitioning to solar energy, we aim to reduce operational costs, lower energy consumption, and eliminate reliance on liquid fuels, which helps decrease our carbon footprint. The shift to renewable energy reduces our dependence on conventional power generation, which relies heavily on liquid fuels and thermal energy. We implement energy-saving technologies across our operations to optimise energy use, lower energy bills, and enhance productivity. Fostering energy awareness among employees encourages a culture of sustainability, promoting energy conservation practices. However, we acknowledge the environmental impact of relying on generators during power cuts, which emit significant carbon emissions. Additionally, the use of liquid fuels in generators, vehicles and machinery results in emissions and the potential contamination of water sources. While we have an exhaust system to manage emissions from coal combustion at our Mealie Brand factory, the continued use of coal as a primary energy source for production processes still contributes to carbon emissions and air pollution, which is further exacerbated by our vehicle emissions.

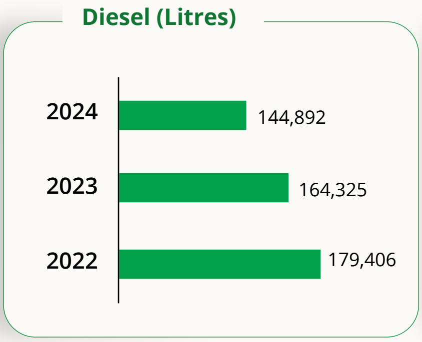
The Group takes pride in maximising energy efficiency and minimising our environmental impact. We are fully committed to complying with the Environmental Management Agency (EMA) regulations, ensuring that emissions from our operations remain within acceptable limits to reduce environmental harm. To achieve this, we conduct external quarterly emissions inspections with Environmental Management Agency (EMA) to monitor emissions and ensure they are within the acceptable range. We continuously strive to enhance energy efficiency by improving energy sources and reducing emissions across all operations, including upgrading lighting systems, installing solar panels. We promote energy-saving practices, such as turning off lights after hours and optimising machine usage, alongside transitioning to energy-efficient technologies like Light Emitting Diode (LED) lighting. We implement monthly energy usage monitoring, conduct regular energy audits, and report on progress to track improvements. To further reduce emissions, we use a CNC plasma cutter powered by compressed air instead of traditional gas-based methods. Through these efforts, we continue to improve energy performance, reduce costs, and minimise our environmental impact by streamlining operations and using energy-efficient appliances and lighting.

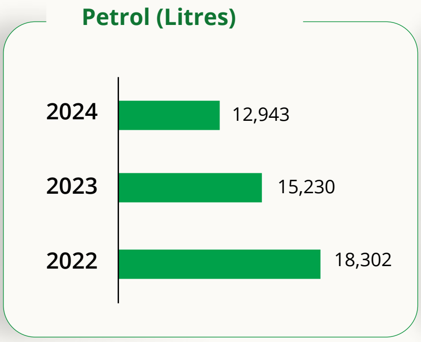
We are committed to improving energy efficiency, reducing carbon emissions and increasing the use of renewable energy across our operations. We set measurable monthly targets for energy consumption, costs and progress on solar installations, ensuring that corrective actions are taken where necessary. These efforts foster a culture of sustainability, with employees actively involved in energy-saving practices, such as switching off gadgets when not in use. Through these initiatives, we are reducing our environmental impact, optimising resource use and ensuring long-term sustainability across the Group.

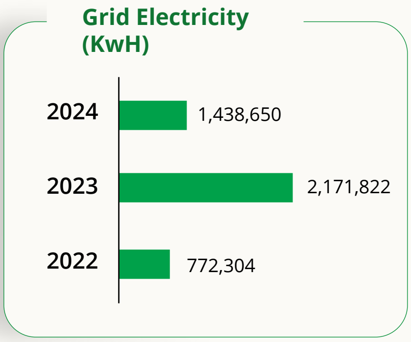
Green Operations (continued)

During 2024, energy consumption within the Group decreased primarily due to low production.

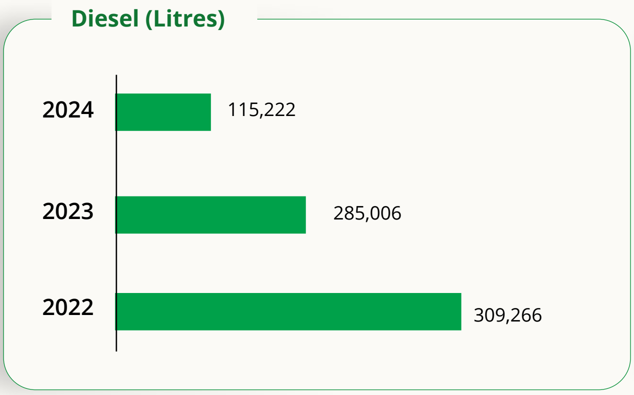
Energy used for production, administration and office operations for the period under review was as follows:

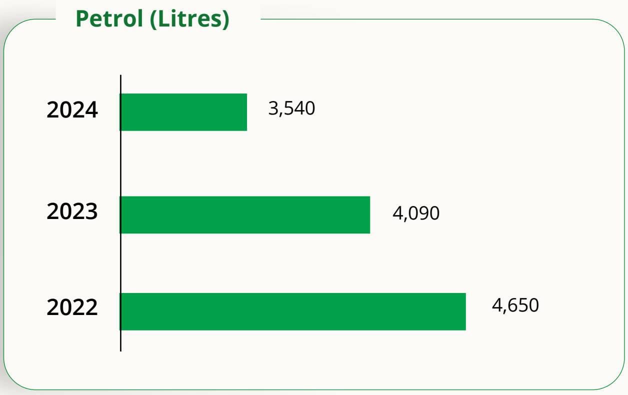






Energy consumed in logistics and distribution for the period under review was as follows:





Green Operations (continued)

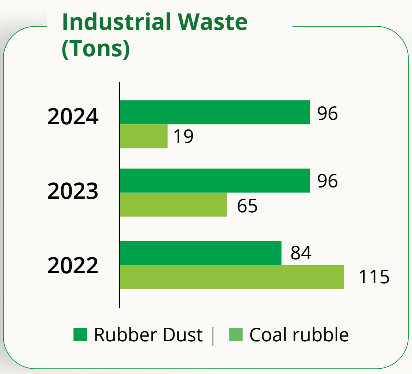
Waste

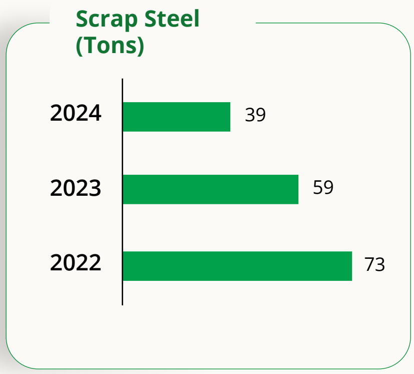
The Group is dedicated to implementing waste management strategies which align with environmental regulations and enhance operational efficiency and corporate responsibility. Through effective waste management initiatives, we achieved considerable reductions in landfill waste, conserved natural resources, and decreased pollution levels. This commitment results in job creation in the recycling industry and generates revenue from the sale of recyclable materials, fostering environmental awareness and responsibility among employees and the community. Communities living near landfill sites often face health risks and a diminished quality of life, which undermines their right to a safe and healthy environment. Additionally, improper waste disposal can harm ecosystems by causing air, water, and soil pollution. Organic waste in landfills produces harmful gases that contribute to climate change. Managing waste, including its collection, transportation, and disposal, incurs significant costs for the business.

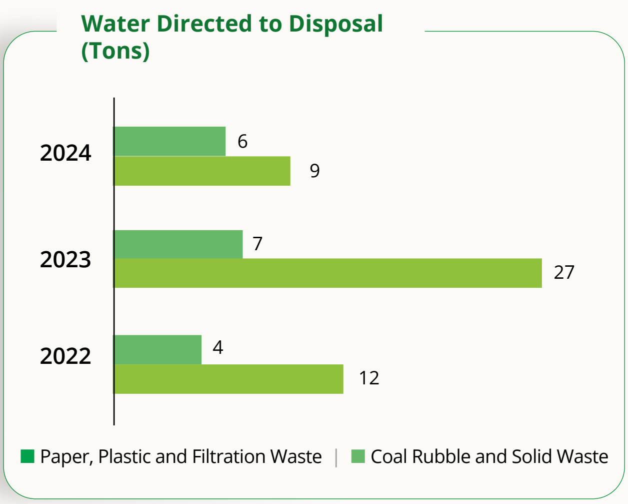
As Zimplow we implemented environmentally friendly material management practices to reduce our footprint. Through Trentyre business unit, rubber shavings are sold off to recycling companies who extract carbon black and heavy furnace oil as final products. Scrap steel materials produced during manufacturing at Mealibrand is sent for recycling through partnerships with steel suppliers. Our efforts in materials management are further harnessed through our oil skeemer machine that picks spilt oil during manufacturing and separates it from water. The oil picked is reused in our manufacturing processes reinforcing our commitment to a circular economy.

We conduct quarterly internal waste audits to assess the types and quantities of waste generated, identifying areas for improvement and implementing corrective measures. Key performance indicators (KPIs) related to waste management, such as waste generated per unit of production materials, are established and monitored. We implemented a systematic waste management system to manage waste generation, segregation, recycling, and disposal, ensuring compliance with regulations. Employee feedback on waste management initiatives is encouraged through regular surveys and feedback sessions, helping us identify improvement areas.

Waste statistics for the period under review were as follows:







CLIMATE CHANGE

Climate Change

Climate Change

As climate change continues to shape the business landscape, we face significant challenges and new opportunities to innovate and adapt. Climate change can drive innovation by fostering the development of new products and services that are less carbon-intensive, for instance, the demand for advanced, efficient agricultural implements is likely to grow as farmers seek to adapt to changing climate conditions. However, climate change is causing water shortages, reduced agricultural yields, and resource depletion, which pose risks to industries that rely on these resources. Sectors like agriculture, energy, and manufacturing are facing higher costs and disruptions in their supply chains due to unpredictable weather patterns, which can hinder their ability to meet sustainability goals. We recognise these risks and are actively working to reduce greenhouse gas emissions through the adoption of renewable energy sources, such as solar and wind.

Zimplow's policies aim to establish frameworks that regulate climate-related matters, enabling the Group and its stakeholders to reduce greenhouse gas emissions. We engage in policy advocacy to support stronger climate regulations, lobby for frameworks that promote emissions reduction and sustainability. We are exploring opportunities in irrigation solutions to address the challenges posed by prolonged and frequent droughts. Additionally, the Group is investing in renewable energy and entering into public-private partnerships to tackle climate issues. This includes collaborations with governments and organisations like the United Nations on sustainability initiatives. Through our research and development department, we continue to offer tailor-made solutions to meet customer and retailer requirements, contributing to conservative agriculture and enhancing resilience to climate challenges.

13 CLIMATE ACTION

Purpose
Ecosystem restoration through planting and conservation of trees to save the planet from ozone layer depletion.

Beneficiaries
Friends of The Environment

Items Donated
Trees

Cash value
US$2,500

Climate Change (continued)

Climate – Related Risks and Opportunities (CRRO)

Our significant climate-related risks and opportunities for the reporting period were as follows

Drought

Physical Risk

Description

- The drought season resulted in reduced farming activities and ultimately reduced demand for farming equipment.
- Farmers have lost their livestock due to extreme temperatures, leading to reduced demand of traditional ox-drawn ploughs.

Actions to Take

- Educating farmers on the importance of growing drought -resistant crops during the drought seasons.
- Introducing zero till equipment such as stripe tiller, chisel ploughs and rippers.
- Investing in the development or acquisition of other modern farming tools that can cater to the needs of farmers facing livestock shortages.

Financial Impact

- Direct loss of sales revenue from decreased demand for farming equipment.
- Increased stockholding costs including storage and maintenance expenses.
- Costs associated with developing or acquiring modern farming tools to replace traditional methods, which may require significant capital investment.

Market Shift

Transitional Risk

Description

- Due to climate change, the market is shifting the focus to conservation agriculture and irrigation farming.

Actions to Take

- Developing new product lines that align with conservation practices.
- Exploring alternative revenue streams.

Financial Impact

- Decreased sales of traditional farming equipment as demand shifts towards conservation agriculture leading to a reduction in overall revenue.
- Expenses related to marketing new product lines.

Climate Change (continued)

Water Scarcity

Physical Risk

Description

- Stems from the El Niño-induced drought that led to significantly low water levels at Kariba Dam, resulting in reduced power generation. This caused frequent power cuts.

Actions to Take

- Investing in renewable energy options (solar power) to ensure a consistent energy supply during outages.
- Adjusting production schedules to align with periods of stable power supply, maximising efficiency when grid power is available.

Financial Impact

- Higher costs associated with implementing backup power solutions.
- Initial capital expenditure on renewable energy systems may strain budgets, although it can provide long-term savings.

Climate Change (continued)

Greenhouse Gas Emissions

Tracking our Targets

	Target
CO^2 Emissions	Reduce CO^2 emissions by 20% by the first quarter of 2026

Greenhouse gas (GHG) emissions are a key environmental concern that contributes significantly to global climate change. As part of our commitment to reducing the causes and effects of climate change, we continuously monitor and assess our GHG emissions across all operations. This includes emissions from direct activities, such as energy use in our facilities, and indirect emissions from our supply chain. We are dedicated to reducing our carbon footprint through energy efficiency measures, transitioning to renewable energy sources, and adopting sustainable practices across all levels of the Group. Our goal is to actively contribute towards global effort to mitigate climate change by reducing GHG emissions and promoting a low-carbon economy.

Scope 1 Emissions (Direct Emissions):

These emissions are produced directly by sources that are owned or controlled by the Zimplow Holdings.

Scope 2 Emissions (Indirect Emissions):

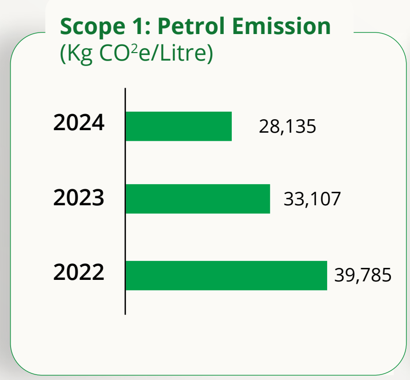
These emissions are generated from the production of the purchased energy, rather than from the Zimplow Holdings's operations.

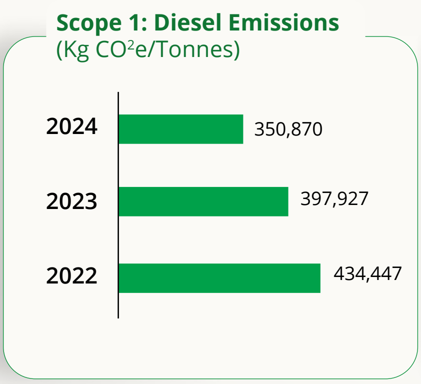
Emission Factors and Methodology

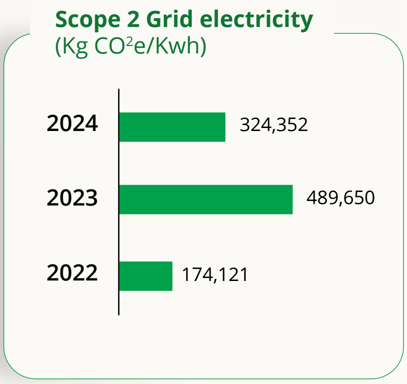
Scope 1 and 2 emissions were activity based and calculated by applying Greenhouse Gas (GHG) Protocol[Emission_Factors_for_Cross_Sector_Tools_V2.0_0.xlsx] emissions factor to obtain carbon emission equivalency. Petrol emission factors were adjusted downwards by a 5% margin to suit the blending ratio that we use in Zimbabwe. Emission factors for grid electricity were adjusted upwards by a margin of 10% to account for our energy mix, which for Zimbabwe comprises thermal and hydro power. To apply GHG Emissions factors, diesel in litre was converted to density and then tonnes.

Climate Change (continued)

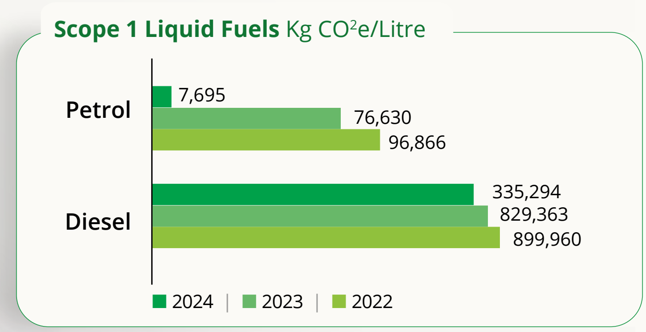
Our scope 1 and 2 emissions from fuel consumption within the Group are presented below:







Our scope 1 emissions from fuel consumption outside the Group are presented as follows:



SOCIAL

04

OUR EMPLOYEES

Pension Contributions

↑ **7%**

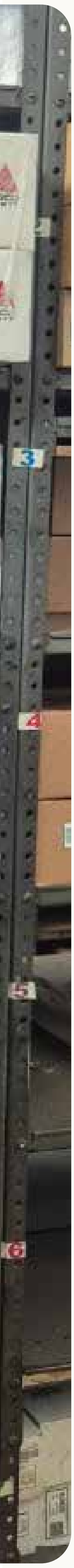
US$249,832 in FY2023

Collective Bargaining Agreements

↓ **36%**

384 employees in FY2023

Our Employees



Management Practices

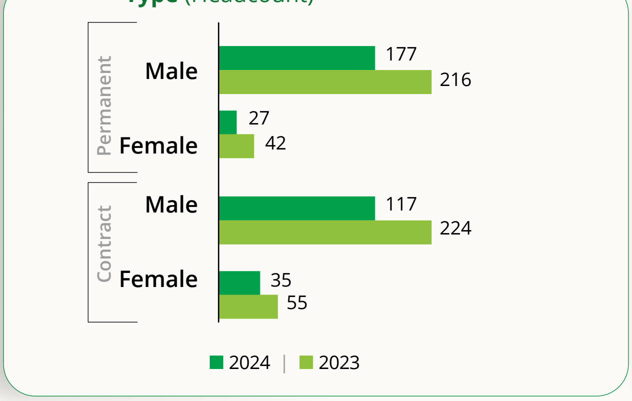
Zimplow's approach to employment revolves around operational excellence, focusing on hiring, developing, and retaining competent personnel. The Group ensures that employees possess the skills, technical expertise, and professional capacity necessary to meet the diverse needs of customers. However, unfavourable conditions of employment (fixed-term contracts) and uncompetitive wages and salaries affected the Group's ability to attract and retain qualified employees. The deteriorating economic environment impacts employment, making it difficult to attract and retain skilled employees. However, the adverse impacts may stem from the Group's inability to accurately predict and formulate future human capital requirements, productivity levels, and costs.

We avoid over-employment by filling positions based on necessity, not simply vacancy. Positions are filled internally, and employment is made in line with business objectives after human capital requirements forecast. Job descriptions, advertising and selections are done based on the written employment policy. To avoid poor employee selection, a strict process is followed when filling vacant positions, including interviews, references and medical checks. Internal and external auditors appreciate this procedural approach and the Group's commitment to high-quality talent and a strong employment process. The Group offers transport allowances, housing allowances, and medical aid based on individual positions. Our commitment to operational excellence is managed through an employment procedure that emphasises skilled employees, technological and professional capacity. This process ensures that we adapt to changing customer needs and maintain a competitive edge in the market.

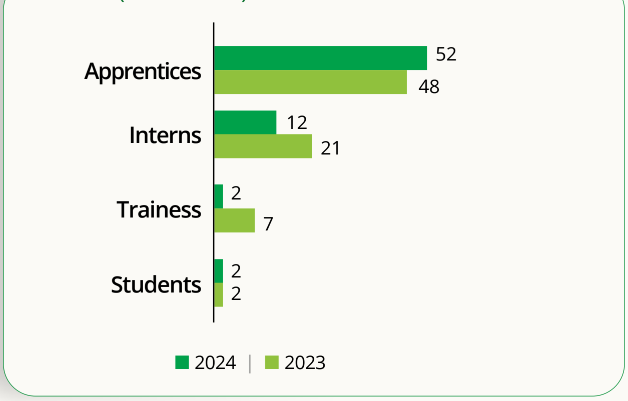
Offer letters are made after satisfactory interviews and personnel files are created to document offer letters, contracts, and job descriptions. These files are used during internal and external audits conducted during the year. Our goal is to achieve operational excellence through the recruitment, development, and retention of competent employees. The current low employee turnover of skilled labour demonstrates the effectiveness of our employment process.

Employee headcount statistics were as follows:

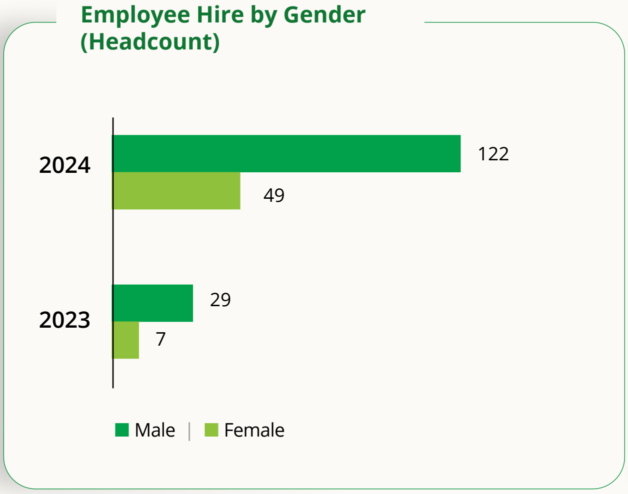
Employees by Contract Type (Headcount)

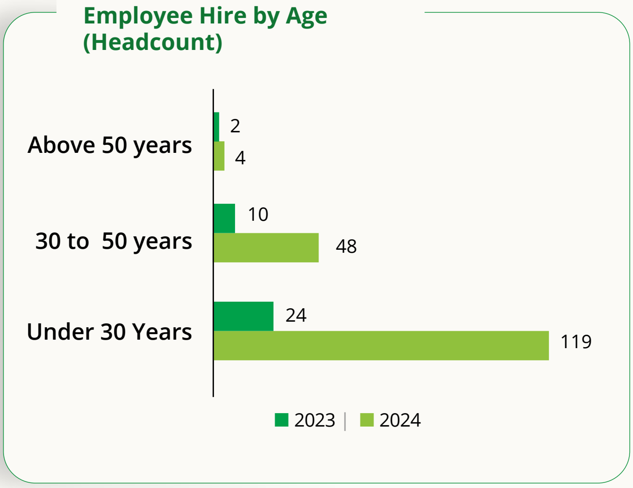


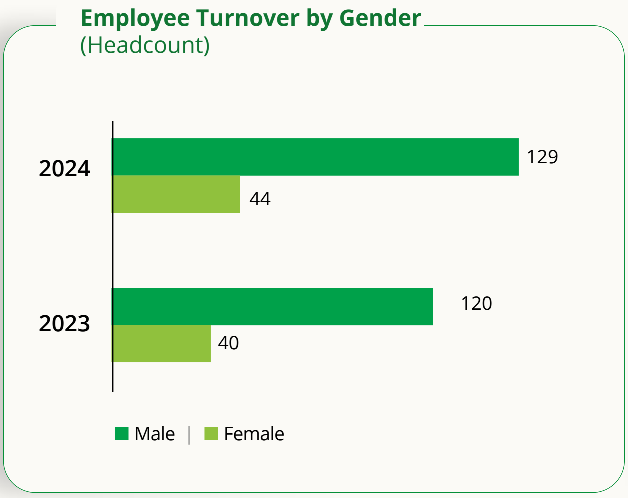
Third Party Employees (Headcount)

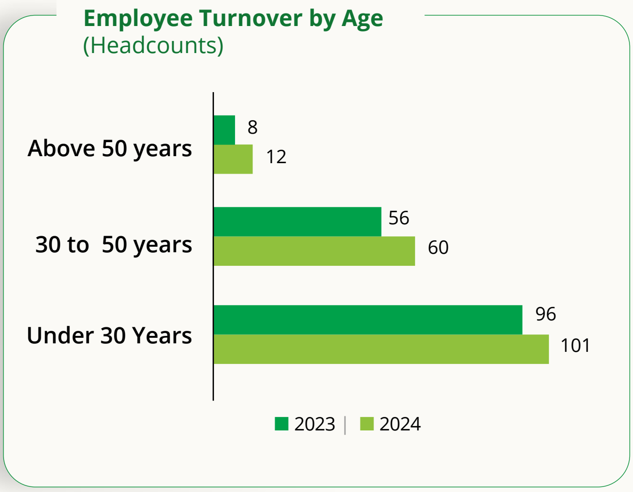


Our Employees (continued)









Employee movements were due to the following:

- retrenchments;
- voluntary turnover; and
- seasonal hiring in response to seasonal demand, for instance, Mealie Brand Division.

Employee Relations

Zimplow is dedicated to fostering positive employee relations as a basis of its work culture, as it boosts employee morale resulting in increased productivity. The formation of Workers Committees facilitates open communication between management and employees, ensuring that employee voices are heard. Regular remuneration reviews further reinforce the Group's commitment to fair compensation and employee satisfaction. This situation was exacerbated by the challenges posed by the recent El Niño drought in 2023-2024, which significantly affected the Group's financial performance.

The Group established Workers Committees and implemented employee engagement surveys. These initiatives promote transparency and foster a culture of dialogue, allowing employees to express their concerns and contribute to decision-making processes. Zimplow utilises employee engagement surveys, performance appraisals, and internal and external audits to assess the impact of its policies and initiatives.

Our goal is to achieve a peaceful and cordial working environment, where employees feel valued and secure. Targets include raising awareness of our policies on a quarterly basis and ensuring that cases affecting industrial relations are handled with care and expediency. Our employee engagement survey results and audit outcomes provide valuable insights into the effectiveness of Zimplow's initiatives. Through these efforts, Zimplow aims to cultivate a supportive workplace

Our Employees (continued)

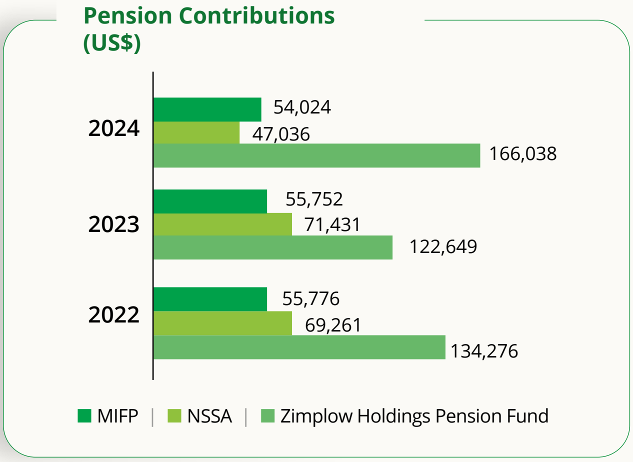
environment that not only addresses existing challenges but empowers employees, ultimately contributing to the overall success of the Group.

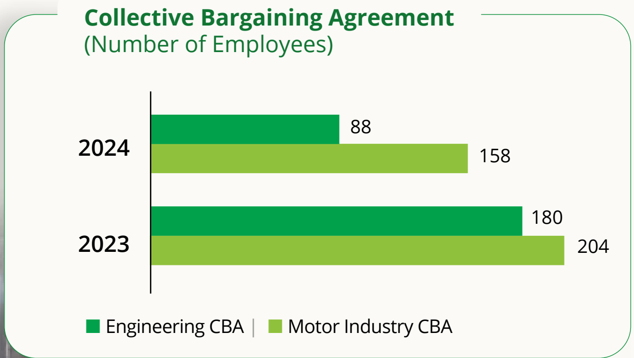
Freedom of Association and Collective Bargaining

The Group is committed to maintaining fair, inclusive, and non-discriminatory practices in all aspects of employment, in alignment with our Code of Ethics, People Risk Policy, and applicable Collective Bargaining Agreements. We strongly believe in the fundamental rights of employees to freely associate, organise, and participate in collective bargaining processes. This commitment ensures all employees are provided with the opportunity to voice their concerns, negotiate for better working conditions, and collaborate with management in a constructive and mutually beneficial manner. We recognise that creating a culture of open dialogue and respect enhances trust, promotes a positive work environment, and supports the long-term success of our employees and the Group. Zimplow continues to create an environment where employees are empowered to actively contribute to the improvement of their working conditions and overall Group performance.

Our Collective Bargaining Association (CBA) serves to protect the rights of employees while providing a framework for resolving disputes and grievances. Through CBA, both parties aim to reach mutually beneficial agreements that promote fair labour practices and enhance workplace relations.

CBA for the period under review was as follows:





Our Employees (continued)

Life After Employment Plans

The Group increased its efforts to clear overdue amounts on the Zimplow pension fund, hence the growth in FY2024, compared to FY2023. The employee rationalisation exercise resulted in more claims on pension funds, hence the need to be up-to-date with payments despite the general cashflow constraints experienced in FY2024. Pension obligations in the reporting period were as follows;

Parental Leave

All female employees are entitled to parental leave, however, for the period under review, we did not have any employees that took parental leave.

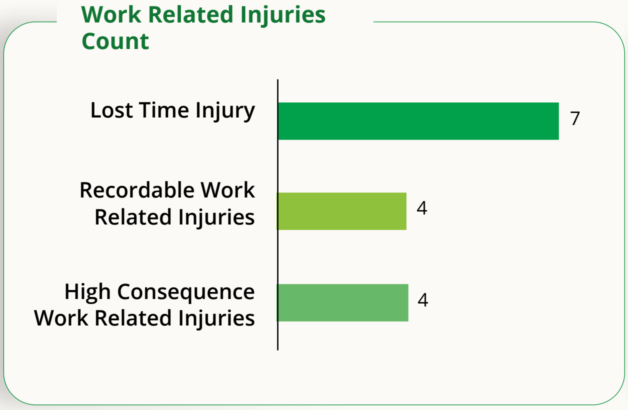
Occupational Health and Safety (OHS)

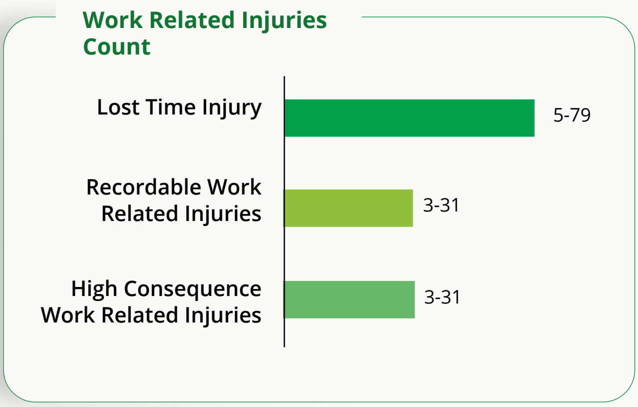
As Zimplow, we prioritise the health and safety of our employees, recognising that a safe work environment is essential to the overall success of the Group. We aim to lower the risk of accidents and injuries across all departments by focusing on proactive hazard identification and mitigation. This approach enhances employee efficiency and productivity by reducing illness-related absences. Healthy, well-trained employees lead to higher productivity and ensure compliance with occupational health and safety regulations. Maintaining a consistent zero injury rate and a stable health and safety culture across all departments is key to fostering a safe work environment. Our operations, particularly in manufacturing and manual handling, present hazards that must be carefully managed to protect the health and safety of all employees.

We are committed to prioritising OHS and ensuring that our workplace is compliant with all necessary regulations. Our IMS, under IMS D01, incorporates occupational health and safety issues, guiding Zimplow in providing a safe environment for employees. As per our policy, worksites with 20 or more employees are required to have an Occupational Health and Safety Committee. Regular discussions around safety risks, the implementation of controls, and allocating the necessary resources are key to our approach. We ensure that all employees are well-informed of their roles and responsibilities regarding safety and are encouraged to exhibit good safety behaviours in their work practices. We align our processes to meet ISO 9001:2015 Quality Management Systems, 14001:2015 Environmental Management Systems, and 45001:2018 Occupational Health and Safety standards, reinforcing our dedication to the health, safety, and welfare of all individuals affected by our operations.

Our primary goal is zero workplace related injuries, illnesses and fatalities. To achieve this, we implemented a structured approach, including setting a monthly schedule for safety audits and aiming to reduce reported safety incidents by 25%. Key metrics that we monitor include reported incidents, equipment breakdowns, average employee overtime hours, total recordable injury frequency rate, and the frequency of employee training. All employees are required to wear protective clothing during work periods, maintaining a safe and healthy work environment. Through these efforts, we experienced a consistent reduction in the total number of injuries recorded on a monthly and annual basis.

Occupational Health and Safety statistics for work related injuries for FY2024 were as follows:





Our Employees (continued)

Occupational Health and Management System

We prioritise the safety and well-being of all employees, contractors, and suppliers. To ensure a secure working environment, all employees must wear acid-resistant work suits and safety shoes before entering the workshop. The foreman is responsible for monitoring and ensuring that safety protocols are always adhered to. All incidents are reported to HR, and depending on the severity, operations around the affected area may be temporarily shut down. Every workday begins with a safety meeting where we check that all employees are properly dressed before entering the workshop. We are actively implementing an OHS management system in line with ISO 45001:2018 Occupational Health and Safety standards, as part of our wider initiative to integrate an IMS system. This ensures that all employees, contractors, suppliers, and other stakeholders are covered by our OHS system, nurturing a culture of safety across the Group.

Hazard Identification and Risk Assessment (HIRA)

Safety is a top priority of ours, and we established a system for identifying, reporting, and addressing hazards. Each business unit has a SHEQ champion who conducts regular inspections of the premises. Zimplow undergoes inspections by external parties such as EMA, the City Council, and First Mutual Medical Aid, who provide regular reports and health check-ups. Workplace walk-through inspections are conducted to identify potential hazards, and a hazard and risk register is maintained to track both routine and non-routine risks. Employees are encouraged to report any hazards to their immediate supervisor or directly to the SHEQ office, where control measures are implemented. In the event of an accident, an investigation team is formed to prevent recurrence and improve overall workplace safety.

Work related hazards that pose a risk of high consequence injury are as follows:

Hazard	Hazard Identification	Mitigation
Burns and scabs	Baseline HIRA process; Daily and periodic inspections; Audit processes.	Rejection of substandard material, use of gloves and Supplier engagements to ensure material quality assurance.
Poor co-ordination amongst employees	Baseline HIRA process; Daily and periodic inspections; Audit processes.	On-the-job training to improve coordination amongst employees and rotating operators can reduce extended exposure to the hazard.
Extended time doing routine movements	Baseline HIRA process; Daily and periodic inspections; Audit processes.	Provision of eye protection through gear-clear safety goggles and installing a barrier to create a safe work distance between the employees' hand and the rotating drill bit.
Noise	Baseline HIRA process; Daily and periodic inspections; Audit processes.	Provision of hearing protection through earmuffs or ear plugs, installation of silencers and monitoring of noise levels.
Exposure to live current or electricity	Baseline HIRA process; Daily and periodic inspections; Audit processes.	Weekly visual inspections and insulating wires.

Our Employees (continued)

Occupational Health Services

We believe in fostering a safe and inclusive environment where employees can freely voice their concerns. Workers' meetings are held regularly and are separate from management, allowing employees to express their opinions without any influence. Any issues raised during these meetings are then sent to management anonymously for review and action. To further promote OHS, we conduct weekly safety talks, employee induction services, and wellness days, all of which serve as platforms for OHS awareness and hazard identification. Additionally, medical surveillance is carried out based on the exposure group and the nature of the activity's employees are involved in. Both internal and external training sessions are regularly organised to ensure all employees are equipped with the knowledge and skills needed to maintain a safe and healthy work environment.

Employee Training on Occupational Health and Safety

We prioritise continuous training and awareness to ensure a safe working environment. A health and safety committee were appointed to oversee and improve safety standards across the Group. Induction training is provided pre-employment to familiarise new hires with our safety protocols. In addition, we conduct specialised training sessions, including first aid and fire-fighting courses, to ensure employees are well-prepared for emergency situations. On-the-job OHS training is regularly conducted to reinforce safety practices in the workplace. These efforts contribute to creating a culture of safety and preparedness across all levels of the Group.

Promotion of Employee Health

The Group is committed to ensuring the health and safety of all our employees through our OHS programs. Our permanent employees receive medical aid coverage, and we partner with First Mutual for annual health screenings, offering a range of services to support employee health. We regularly inspect our premises, equipment, and workspaces, ensuring they meet safety standards, while servicing fire extinguishers every six months. With a clear evacuation plan and emergency preparedness, we engage stakeholders to identify and mitigate potential risks. Wellness days provide employees with access to various health services, such as diabetes, blood pressure, HIV and AIDS, and cancer screenings.

Employee Skills Development

Zimplow is committed to enhancing human capital development as a significant component of its overall business strategy. Training of employees ensures that we operate in the most sustainable way thereby contributing to operational excellence. However, the Group faced significant challenges, including a notable turnover in skills due to resignations and retrenchments. These changes underscored the importance of investing in employee development to retain talent and ensure continuity.

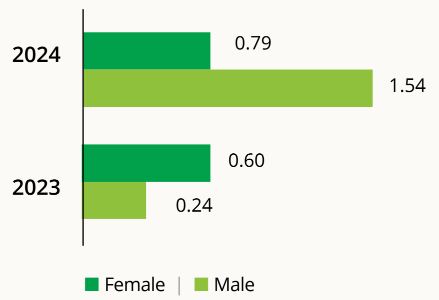
We established several policies that promote education and professional development. The Induction Training Policy, Graduate Trainee Policy, and Professional Subscriptions Policy emphasise the right to education and aim to equip employees with the necessary skills and knowledge to thrive in their roles. Additionally, the Succession Planning and Career Development Policy ensures that employees are prepared for future leadership positions within the Group.

Our Employees (continued)

Zimplow is committed to reviewing training costs to maximise the effectiveness of its human capital development initiatives. The Group prefers to focus on internal training wherever possible, which reduces costs and fosters a culture of growth among employees. We implement balanced scorecards and performance appraisals to assess employee performance and align individual goals with the overall business objectives. The goals of Zimplow's human capital development strategy include achieving customer satisfaction, fostering high performance, and increasing productivity and revenue. By focusing on these areas, Zimplow aims to create an employee base that is skilled, engaged, and capable of driving the Group's success in a competitive market. Through these initiatives, we demonstrate our commitment to investing in employees, recognising that a well-developed human capital base is essential for overcoming challenges and seizing growth opportunities.

Training and education statistics were as follows:

Employee Average Training Hours per Employee by Gender



Talent Attraction and Retention

The Group made significant efforts to improve customer services within the business units and retain skilled labour, contributing to sales growth and increased profitability. Investments in employee development programs, such as professional internships, graduate traineeships, and apprenticeships, are key strategies in attracting, developing, and retaining talent. However, challenges persist due to low wages for technical and professional employees, along with limited investment in continuous employee development. These factors hinder our ability to attract and retain key talent, resulting in a high turnover rate, with skilled employees seeking opportunities abroad or elsewhere. This talent drain leads to a loss of valuable expertise, increased training costs, and a potential decrease in product quality due to employee stress and resignations.

Zimplow is committed to attracting, developing, and retaining top talent by implementing a Training and Development Policy, which includes facilitating at least one training session per quarter and prioritising internal recruitment. Training needs are identified through departmental assessments and individual performance evaluations, with any skills gaps addressed accordingly. The effectiveness of training programs is continuously assessed, and refresher courses are provided to maintain skills development. Zimplow has a Succession Plan to fill future vacancies and prevent talent shortages. To counter the potential impact of low salaries or compensation, we offer a comprehensive benefits package, including medical aid, a pension scheme, and allowances (housing, transport, fuel) based on employee grades, ensuring skilled employees are retained.

OUR INVESTMENT IN COMMUNITY DEVELOPMENT

Our Investment In Community Development

1197
CSR Man Hours

Community Engagement

The Group's commitment to community engagement is driven by the belief that a collaborative and inclusive approach leads to better outcomes for everyone involved. We contribute to economic growth and strengthen ecosystems by investing in job creation and fostering partnerships with local businesses. Our programs help minimise the negative effects of climate change and address social disparities by providing access to education for vulnerable communities. However, we recognise that if our initiatives fail to deliver the promised benefits or are perceived as self-serving, they can damage relationships with the community. Moreover, there is a risk that communities may become overly reliant on our support, leading to sustainability issues if our funding or assistance is withdrawn. This dependency could hinder local growth and resilience.

We conduct regular community impact assessments to identify areas for improvement and address risks. External auditors are engaged for independent assessments, ensuring transparency, with results shared with stakeholders. We actively collect input and feedback from community members about the effectiveness of our actions, monitor and analyse complaints or grievances, and document our progress in annual sustainability or CSR reports. We set up accessible channels for community members to voice concerns regarding our operations or the actions of our partners. The Group maintains a media policy that allows us to issue transparent statements of commitment to address and remediate these issues collaboratively with stakeholders. We engage independent third-party experts to ensure unbiased analysis and build trust within the community. Operational changes, such as upgrading equipment to reduce emissions or revising construction practices to minimise displacement, are part of our strategy. Regular employee training on community engagement, sustainability, and ethical practices further supports our commitment to positive community interaction.

	Target	Achievement
Inclusivity	Train 5,000 community members in sustainable agricultural practices by 2025.	▪ CIMMYT Partners Day in Harare ▪ CIMMYT Technology fair in Masvingo ▪ The International Maize and Wheat Improvement Center (CIMMYT) and AGRITEX in Masvingo ▪ Farmec demonstration field day in Marondera at Mr. Nyakonda Farm ▪ Farmec Demonstration field day in Marondera at ▪ Mr. Ruzvidzo farm
Education and Health	Improve access to education and health outcomes in impacted communities by 20% by 2026.	Provided educational support and training to youth through initiatives such as the University of Zimbabwe Agriculture Department and Gwebi College Educational Excellence Support Programs, aimed at assisting top-performing students.

Our goals include minimising the environmental footprint of our operations, fostering inclusivity, and improving the quality of life for community members through skills development and social programs. We aim to build trust and strengthen relationships with communities through active engagement and participation. To enhance inclusivity, we actively involve marginalised groups in program design and decision-making. Increasing the frequency of monitoring and independent evaluations allows us to identify and address gaps proactively. Engagement with local representatives, such as the Ministry of Education and the Child Protection Society, was crucial in designing impactful community programs and understanding needs. Feedback from these entities guided the allocation of scholarships to underserved students, ensuring that our efforts are aligned with community priorities and effectively address gaps.

Our Investment In Community Development (continued)

Investment in Communities

Our Approach	Commitments	Progress
We are proud of our various CSR initiatives, which have contributed significantly to our communities. Through the Educational Excellence Support Initiatives, we have rewarded top-performing students at institutions like the University of Zimbabwe and Gwebi College, providing financial relief and motivating academic success. Our involvement in the School Nutrition Support Program and contributions to the Child Society of Zimbabwe have improved student health and learning outcomes by supporting feeding schemes and providing essential kitchen items. In partnership with Friends of the Environment, our Ecosystem Restoration efforts focus on tree planting and conservation, while the Road Safety Awareness Campaign with the Traffic Safety Council of Zimbabwe aims to reduce road accidents. Additionally, Trentyre's early childhood recreational support program promoted environmental mindfulness through upcycling old tyres into playground equipment. However, we acknowledge the challenges that come with these efforts, including the potential creation of dependency on corporate support and the unintended exclusion of underprivileged or underperforming students. Nonetheless, we remain focused on refining our approach to make lasting and positive changes within the communities we serve.	By engaging with local governments, NGOs, and community leaders, we aim to complement existing community efforts, helping schools and communities build self-sufficiency rather than creating long-term dependency on corporate support. Our commitment to ethical community interactions is evident in our focus on ensuring that all community programs are transparent and free of undue influence, while promoting inclusive participation, especially for marginalised groups such as low-income families and girls. We recognise the potential environmental impact of our mining and industrial operations and partnered with organisations like Friends of the Environment to carry out tree planting and other ecosystem restoration efforts. Regular community feedback and impact assessments help us continuously refine our CSR initiatives to ensure they deliver tangible benefits without causing unintended harm.	We prioritise transparency by publishing an annual CSR report, outlining its progress and activities. The Group tracks its progress through regular reviews, board updates, and analyst briefings. Successful initiatives like the Ecosystem Restoration Program and Road Safety Awareness Campaign have shown tangible results, such as improved environmental sustainability and reduced road accidents. However, some marginalised communities found it difficult to engage through established channels, and real-time tracking mechanisms could be improved. Employee engagement, particularly through initiatives like the women's workshop, which led to higher participation rates and innovative ideas, such as using recycled materials for playground construction. Additionally, customer feedback has helped shape our CSR programs, with support for initiatives like ecosystem restoration and education aligning with their values. Zimplow's ongoing commitment to community engagement, transparency and continuous improvement ensures that its CSR activities leave a lasting and meaningful impact.

Our Investment In Community Development (continued)

Our corporate social responsibility activities for FY2024 were as follows:

Education

4 QUALITY EDUCATION

Purpose

Early Childhood recreational support program; Road Safety Awareness Campaign. Educational excellence support initiative to assist best performing students with funds.

Beneficiaries

Crest Breeders Pre School; Road Users.
University of Zimbabwe; Gwebi College

Items Donated
Playground area equipment - recycling old tyres to create child playing areas.

Cash Prizes

US$3,100

Philanthropy

2 ZERO HUNGER

Purpose

To ensure that children have the necessary resources for school feeding schemes. School Nutrition Support Program.

Beneficiaries

Child Society of Zimbabwe.

Items Donated

School kitchen essentials and groceries

US$300

ECONOMIC

05

OUR ECONOMIC IMPACTS AND VALUE CREATION

Spending on Foreign Suppliers

↑6%

US$9,474,837 in FY2023

Tax Payments

↓8%

US$2,867,096 in FY2023

Supplier Assessment on Environmental Criteria (Count)

↑17%

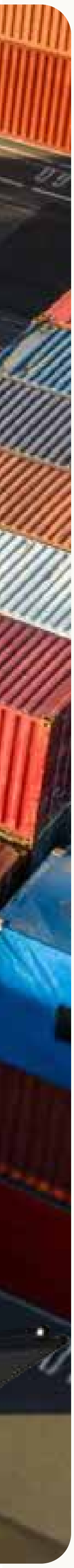
12 in FY2023

Spending on Local Suppliers

↑13%

US$2,454,733 in FY2023

Our Economic Impacts and Value Creation



Responsible Sourcing and Supply Chain

	Target
Products	▪ Reduce costs of major products by at least 5% annually
Procurement	▪ Ensure local purchases comprise at least 60% of total procurement

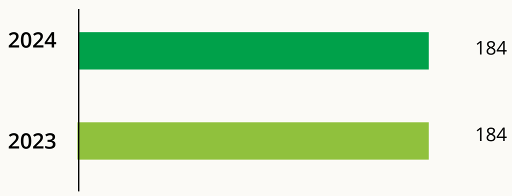
The Group is committed to optimising its supply chain operations to drive cost efficiency and sustainability. The procurement department is focused on integrating sustainability into the supply chain, aiming to reduce environmental impact while maximising social and economic benefits of our operations.

We are committed to reorganising supply chain processes to improve operational performance and reduce emissions, pollution, and global warming, in line with environmental regulations. This focus leads to better-performing, eco-friendly products and lower production costs. The Group ensures its suppliers adhere to environmental, human rights, and ethical standards by conducting supplier assessments and visits. Supplier relationships are maintained with 100% retention, and practices such as recycling steel scrap help reduce costs and promote sustainability. The procurement team ensures that all materials sourced are environmentally friendly and meet social responsibility standards, aiming for a positive impact on communities and the environment.

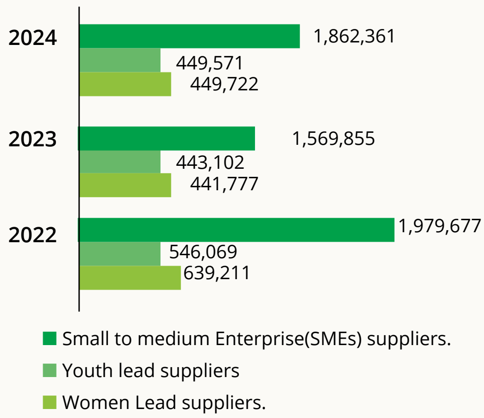
We are dedicated to reducing product costs, supporting local suppliers, and fostering supplier diversity while ensuring responsible sourcing practices. Supplier evaluation is conducted annually, and we actively negotiate more favourable credit terms and discounts with suppliers. We ensure that all key materials come with quality certificates, and that all goods in transit are insured. To minimise our environmental footprint, we screen suppliers using the Supplier Sustainability Self-Assessment Questionnaire (SSAO), which covers areas such as sustainability management, environmental impact, human rights, working conditions, ethics, and compliance. Supplier diversity is essential, and we continue to widen our supplier base, with sourcing from international markets like South Africa, India and China. Our commitment to sustainability is reinforced through annual audits, including Standards Association of Zimbabwe (SAZ) surveillance and internal audits, to ensure all suppliers meet environmental and social criteria. By implementing supplier evaluations and engaging in transparent communication, we promote operational efficiency, quality control, and social responsibility throughout our supply chain, ultimately recognising and rewarding good supplier performance.

Zimplow successfully reduced the cost of key products, especially the plough, by more than 5%, surpassing our target and aiming for a further 10% reduction. This was achieved through strategic negotiations with key suppliers and optimising ordering practices to prevent stock-outs, despite challenges like supply chain disruptions. We maintain full compliance with ISO 9001:2015 Quality Management Systems standards and internal controls, with regular audits tracking product cost reductions and material quality. Our procurement approach prioritises responsible sourcing, including supplier evaluations, Know Your Client (KYC) requirements, and annual reviews, while promoting ethical practices, reducing carbon emissions, and ensuring fair wages.

Number of Supplier Assessed



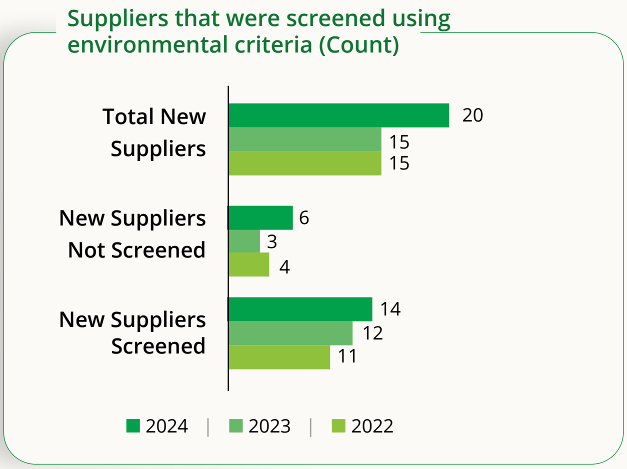
Spending on Local Suppliers US$

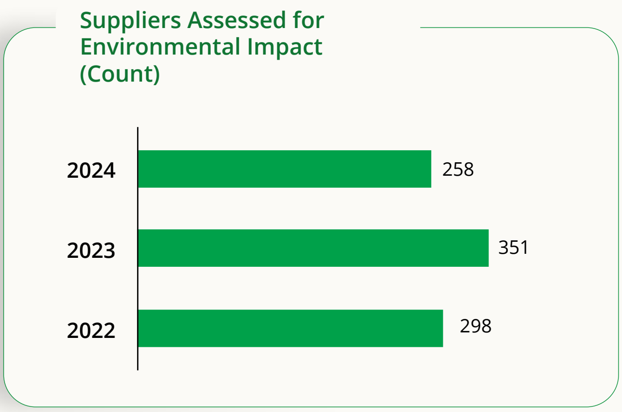


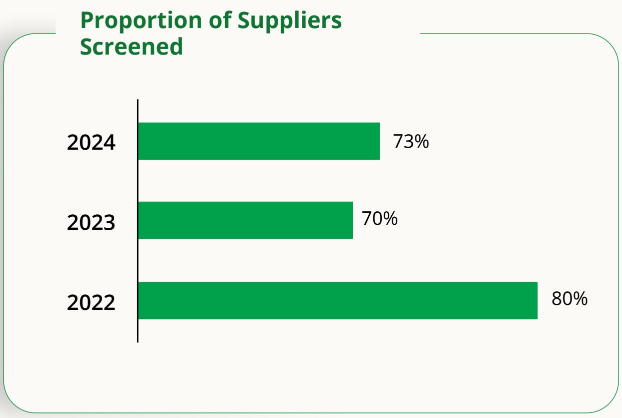
Our Economic Impacts and Value Creation (continued)

Supplier assessment for the reporting period was as follows: The increase in international supplier payments is a result of the drive to increase trading stock levels across the Group.

Suppliers screened for environmental criteria for the period under review were as follows





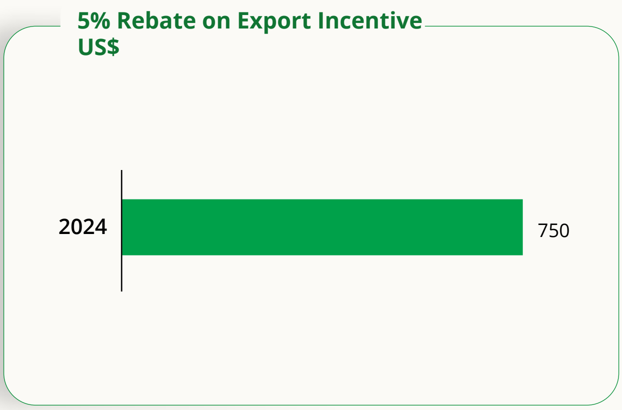


Economic Performance

Economic performance plays a crucial role in enhancing overall business success by driving sales and profitability. A strong economic performance contributes to business growth and generates positive returns for shareholders, reinforcing the importance of maintaining a focus on these areas. However, high operational costs and low performance levels could lead to a lack of profitability. To counteract these challenges, the business is committed to achieving sustainable profitability through the delivery of value-driven, durable, and world-class products.

Our policies emphasise efficiency in managing profitability, controlling costs, and achieving operational excellence. We implemented measures such as cutting costs and increasing operational efficiencies to ensure that we meet the set goals. Additionally, we are actively focused on reducing downtime and boosting marketing activities to drive revenue growth. The effectiveness of our actions is monitored through variance analysis compared to our budget. Our primary goals include achieving shareholder value, with specific targets focused on profitability. This includes aligning our operations with established targets and budgets to ensure consistency and focus. We are committed to a continuous process aimed at achieving our set targets. Clear outlining of responsibilities and targets will further enhance our performance, allowing the business to thrive. Stakeholders began to appreciate our economic performance, providing valuable insights into areas of improvement. This engagement strengthens our strategies and highlights the importance of collaboration in driving ongoing success.

The graph illustrates financial assistance from the government in the form of export incentive rebates, aimed at boosting our economic performance during the reporting period.



Our Economic Impacts and Value Creation (continued)

Tax Practices

Zimplow recognises the critical importance of effective tax management in ensuring compliance with tax regulations, which helps avoid penalties and garnishment of business accounts. By adhering to tax obligations, the Group mitigates risks and enhances its financial stability, allowing ample time to fulfil tax commitments and reduce errors. This approach contributes to future growth by creating a solid financial foundation. However, instances such as not meeting tax payment dates may lead to penalties, while an inability to adhere to payment plans can strain cash flow and hinder operational efficiency. In severe cases, non-compliance could lead to the closure of the business. Additionally, while Zimplow benefits from tax exemptions related to the importation of farming equipment, this can reduce its overall tax liability, which may lead to scrutiny from tax authorities.

Tax Strategy

Zimplow developed a Tax Strategy that involves regular monitoring and timely submission of tax returns. The governance of this strategy is overseen by the Group Chief Finance Officer, with reviews conducted on a monthly basis to ensure compliance and effectiveness. This approach not only aligns with Zimplow's business strategies but supports sustainable development by reducing tax risk, thereby maximising profitability and enhancing overall business performance.

Stakeholder Engagement regarding Tax Matters

Engagement with tax authorities is facilitated through continuous communication with account officers, allowing for an open dialogue about compliance and obligations. Written commitments further reinforce Zimplow's dedication to maintaining a transparent relationship with tax authorities. Public policy advocacy on tax issues is approached thoughtfully, ensuring that the Group aligns its practices with broader regulatory frameworks and community expectations. Zimplow is committed to a zero-tolerance policy regarding tax evasion, emphasising the importance of ethical practices in all financial dealings. The Group continuously monitors its tax obligations and payments to ensure compliance and mitigate risks. To empower employees, Zimplow provides tax training that keep employees informed of the latest tax regulations. Active engagement with Zimbabwe Revenue Authority (ZIMRA) officers further enhances understanding and compliance with tax requirements.

Zimplow conducts tax planning training sessions aimed at helping employees manage cash flow effectively while setting aside funds for tax obligations. This ensures that the Group is prepared to meet its financial responsibilities without jeopardising operational capabilities. Additionally, Zimplow maintains a focus on maximising available tax credits through ongoing monitoring of tax regulations, which can positively impact the Group's financial health.

Taxes paid in the period under review were as follows:

Taxes	FY 2024 (US$)	FY2023 (US$)	FY2022 (US$)
Corporate Tax - Associates	-	13,534	-
Corporate Tax - Subsidiaries	109,783	220,176	146,019
Value Added Tax (VAT)	767,391	836,810	783,770
Import Duty	744,309	794,824	724,151
PAYE	838,017	827,168	814,391
Withholding Tax-10%	22,537	48,834	62,111
Withholding Tax-1/3	8,949	4,419	7,533
Fines	8,099	1,918	124
Aids Levy	14,114	10,703	17,059
IMTT	126,450	108,710	168·131
Total	**2,639,649**	**2,867,096**	**2,723,288**

FINANCIAL REPORTS

06

FINANCIAL REPORTS

Directors' Report

Your directors present their report together with the audited financial statements of Zimplow Holdings Limited (Zimplow) and its subsidiaries (together being "the Group") for the year ended 31 December 2024.

Principal activities

The Group is a diversified mining, construction, infrastructure and agricultural equipment manufacturer and distributor listed on the Victoria Falls Stock Exchange.

Share Capital

Authorised share capital

The authorised share capital of the company remains unchanged at 400 000 000 (Four hundred million) shares at a nominal value of USD0.0004 each.

Issued share capital
The issued share capital of the company was 344,580,486.

Unissued share capital

Unissued ordinary shares of 55,419,514 remain placed under the control of directors in terms of resolutions passed in Extra-Ordinary General Meetings by members.

Financial affairs

The Group and company financial statements set out on pages 56 to 97 have been audited by Grant Thornton and depict the resilience of the business even with the constrained economic environment under which the company operates.

The directors have determined and are implementing strategies that should see the company maintain value and ride out the tough economic wave in which it is operating.

While the economic outlook remains difficult and uncertain, the directors believe that the company will continue to operate as a going concern in the foreseeable future.

Dividend

The Board has exercised prudence in its decision to not declare a dividend in respect to the year ended 31 December 2024.

Directorate

The names of directors and secretary are those in office at the time of printing this notice.

Auditors

Messrs Grant Thornton remain in office until conclusion of the Annual General Meeting on 30 June 2025, at which members will be asked to fix their remuneration and appoint auditors for the ensuing year. Grant Thornton have indicated their willingness to continue in office.

For and on behalf of the Board of Directors

B. N. Kumalo
Chairman

Lance Kennedy
Non-Executive Director

The Directors' Statement of Responsibility

Accounting Records and Financial Statements
The Directors are responsible for the maintenance of adequate accounting records as well as the preparation and integrity of the Group and company financial statements and related information contained in the annual report in a manner that fairly presents the results of the Group's operations.

External Auditors' Role
The external auditors are responsible for carrying out an independent examination of the Group and company financial statements in accordance with International Standards on Auditing and reporting their findings thereon.

Systems of Internal Control
The Directors are also responsible for the Group's systems of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements and to safeguard, verify and maintain accountability of assets and to prevent and detect misstatement and loss.

Nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

Going Concern
After reviewing the Group's budgets and related financial projections, the Directors have no reason, in all material respects, to believe that the Group will not continue to operate in the foreseeable future. Accordingly, these Group and company financial statements have been prepared on a going concern basis. Further information is provided under note 28, in relation to events after the reporting period.

Accounting Policies
In preparing the Group and company financial statements set out on pages 100 to 137 appropriate accounting policies have been applied, as have the relevant International Financial Reporting Standards, unless otherwise stated, and are supported, where necessary, by reasonable and prudent judgments and estimates. The Directors are of the view that the requirement to comply with the Statutory Instrument 29 of 2019 has created inconsistencies with International Accounting Standard (IAS) 21 (The effects of changes foreign exchange rates) as well as with the principles embedded in the IFRS Conceptual Framework, resulted in the accounting treatment adopted in the 2024 and 2023 Group and Company financial statements being different from that which the Directors would have adopted if the Group had been able to fully comply with IFRS. Consequently, the Group and company financial statements did not comply with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors for non-correction of the prior year non-compliance with IAS 21. These exceptions have also made full compliance with the Companies and Other Business Entities Act (Chapter 24.31) not possible since it requires the entities to prepare the financial statements in accordance with the General Accepted Accounting practice applicable to that entity which is IFRS.

Approval of Group and company financial statements
The Group and company financial statements for the year ended 31 December 2024 have been approved by the Board of Directors and are signed on its behalf by the Board Chair and a member Director.

These Group and company financial statements were prepared by the finance department of Zimplow Holdings Limited under the direction and supervision of the Group Chief Finance Officer, Charles Chaibva (PAAB No: 198683).

B. N. Kumalo
Chairman

Lance Kennedy
Non-Executive Director

Grant Thornton
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Independent Auditor's Report

To the members of Zimplow Holdings Limited and its subsidiaries

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion
We have audited the consolidated financial statements of Zimplow Holdings Limited and its subsidiaries set out on pages 9 to 67, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the Group's significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the consolidated financial statements present fairly, in all material respects, the financial position of Zimplow Holdings Limited and its subsidiaries as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion
Non-Compliance with International Accounting Standard (IAS) 21 -The Effect of changes in Foreign Exchange Rates

Exchange rates applied to translate foreign currency transactions and balances
During the prior and current financial years, the Group's foreign currency transactions and balances were translated into the functional and presentation currency using internally generated exchange rates which were not considered appropriate spot exchange rates for translations as required by (IAS) 21 -The Effect of Changes in Foreign Exchange Rates. Had the appropriate spot exchange rates been used some elements of the consolidated financial statements could have been materially different.

Comparative financial information
During the prior year, the Group changed its functional and presentation currency from Zimbabwe Dollar (ZWL) to United States Dollar (USD) with effect from 1 July 2023. In preparing the USD consolidated financial statements for the year ended 31 December 2023, management translated ZWL transactions and balances [including comparatives) by separating USD and ZWL components of the transactions and balances for the period prior to the change in the functional and presentation currency. The USD components of the transactions and balances [including comparatives) were then maintained as if the USD had always been the functional currency of the Group. The ZWL components were translated to USD using internally generated exchange rates on the dates the transactions occurred, as described above. This constitutes a departure from the requirements of IAS 21. Our opinion on the current year's consolidated financial statements is modified because of the possible effects of the matter on the comparability of the current year's consolidated financial statements with those of the prior year.

The effects of the above non-compliance with International Financial Reporting Standards were considered to be material but not pervasive to the financial statements.

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 Annual Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with 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 financial statements. We have determined that there are no other key audit matters to communicate in our report.

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the Key Audit Matter</th></tr>
<tr><td>IFRS 15 - Revenue from Contracts with Customers
There is a presumed fraud risk with regards revenue recognition as guided by International Standard on Auditing [ISA 240: Revised]. There is a risk that the revenue is presented at amounts higher than what has been actually in generated by the Group. This is a significant risk and accordingly a key audit matter.</td><td>Our audit procedures incorporated a combination of tests of the Group's controls relating to revenue recognition and the appropriateness of revenue recognition policies as well as substantive procedures in respect of testing the occurrence assertion.

Our substantive procedures included but were not limited to the following:
• Reviewed that revenue recognition criteria are appropriate and in line with the requirements of IFRS 15.
• Tested design, existence and operating effectiveness of internal controls implemented as well as tests of detail to ensure accurate processing of revenue transactions.
• We identified key controls and tested these controls to obtain satisfaction that they were operating effectively for the year under review.
• We performed analytical procedures and assessed the reasonableness of explanations provided by management.
• Performed cut-off tests on year end balances to ensure revenue is recognised in the correct period.
• Inspected reversals and credit memos performed in the period subsequent to year end and established if they were for valid revenue transactions.

Based on the audit work performed, we satisfied ourselves that the Group revenue recognition is appropriate and in compliance with the requirements of IFRS 15 - Revenue from Contracts with Customers.</td></tr>
<tr><td>Goodwill Impairment - IAS 36 Impairment of assets.
• Goodwill arose from the acquisition of Farmec through Tractive Power Holding Limited and from the acquisition of Scanlink, Tredcor and Birmingham investments in 2021.
• Farmec is a division which falls under farming segment, Scanlink and Tredcor are subsidiaries falling under the logistics and automotive segment and Birmingham a subsidiary falling under properties segment in applying IAS 36.
• The goodwill on acquisition for each of the above has been tested for impairment and no impairment has been recognized in the current year.
• Due to the significant use of judgement involved in the impairment assessment and determination of the impairment loss, we consider this to be a key audit matter.</td><td>We performed the following procedures in response to the key audit matter identified:
• We assessed management's process for the determination of key inputs into the impairment assessment.
• Reviewed the accounting policy to ascertain whether it complied with IFRSs.
• We reviewed the reasonableness of management's key assumptions in the impairment assessment of the goodwill.
• Verified the calculation of impairment to check the arithmetic accuracy.
• Reviewed the disclosure made in the financial statements relating to the judgements involved in the impairment assessment.

Based on the audit work performed, we satisfied ourselves that the Group's goodwill is recognized and disclosed appropriately.</td></tr>
</table>

Responsibilities of Management and Those Charged with Governance for the Consolidated Annual Financial Statements
Management is responsible for the preparation and fair presentation of the Consolidated annual financial statements in accordance with International Financial Reporting Standards (IFRSs), and for such internal control as management determines is necessary to enable the preparation of consolidated annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group orto cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Annual 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 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.

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 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 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 financial statements or, if such disclosures ore 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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 those charged with governance 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, related safeguards.

Report on other legal and regulatory requirements

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the consolidated annual financial statements have been properly prepared in compliance with the requirements of the Companies and Other Business Entities Act (Chapter 24:31).

The engagement partner on the audit resulting in this independent auditor's report is Farai Chibisa.

Farai Chibisa
Partner

Registered Public Auditor (PAAB No: 0547)

Grant Thornton **31 March 2025**
Chartered Accountants (Zimbabwe) Registered Public Auditors

HARARE

Group and Company Statement of Financial Position

as at 31 December 2024

		Group		Company	
	Notes	31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
Assets					
Property, plant and equipment	10	14,325,638	17,617,000	4,979,437	5,670,607
Intangible assets	10.3	52,996	48,641	35,670	48,641
Investment property	11	-	248,000	2,140,000	2,140,000
Investment in subsidiaries	13	-	-	21,739,005	20,507,891
Right of use assets	25.1	-	-	102,370	307,110
Government treasury bills	17.1	462,572	-	107,294	-
Long term receivables	22	583,103	787,204	583,103	787,204
Goodwill	14	5,995,285	5,995,285	-	-
Total non-current assets		**21,419,594**	**24,696,130**	**29,686,879**	**29,461,453**
Current assets					
Inventories	15	10,145,270	11,571,978	6,899,723	9,346,441
Inter company receivables	24.1	-	-	1,886,221	759,927
Trade and other receivables	16	5,177,308	3,090,513	2,461,858	1,383,725
Prepayments	17.3	2,028,863	5,597,527	1,360,285	3,663,663
Investment in financial assets	17.2	38	14	38	14
Assets held for sale	10.4	1,093,000	-	-	-
Cash and bank balances	20	1,291,860	1,263,835	379,629	460,140
Total current assets		**19,736,339**	**21,523,867**	**12,987,754**	**15,613,910**
Total assets		**41,155,933**	**46,219,997**	**42,674,633**	**45,075,363**
Equity and liabilities					
Equity					
Share capital	7.1	137,832	137,832	137,832	137,832
Share premium		19,741,179	19,741,179	19,741,179	19,741,179
Revaluation reserve	21.1	3,983,872	4,338,935	3,254,475	3,702,924
Capital reserve		(194,451)	(194,451)	(194,451)	(194,451)
Change in ownership reserve	21.3	-	(904,212)	-	-
Foreign currency translation reserve	21.2	(3,714,283)	(3,128,494)	6,300,353	6,820,191
Retained earnings		8,476,689	6,649,535	5,236,966	7,607,464
Attributable to holders of the parent		**28,430,838**	**26,640,324**	**34,476,354**	**37,815,139**
Non-controlling interests	23	-	6,123,869	-	-
Total equity		**28,430,838**	**32,764,193**	**34,476,354**	**37,815,139**
Non-current liabilities					
Inter company payables	24.1	-	-	2,978,107	347,904
Deferred tax liabilities	8.3	739,315	2,015,315	552,281	1,143,557
Total non-current liabilities		**739,315**	**2,015,315**	**3,530,388**	**1,491,461**
Current liabilities					
Trade and other payables	18.1	6,216,210	6,208,717	2,226,750	2,515,894
Provisions	18.2	930,647	862,121	181,435	137,946
Short term borrowings	19.1	852,731	1,221,711	852,731	1,221,711
Customer deposits	17.4	3,315,695	2,460,040	1,076,920	1,267,122
Lease liabilities	25.2	-	-	111,711	316,087
Current tax liabilities	8.5	670,497	687,900	218,344	310,003
Total current liabilities		**11,985,780**	**11,440,489**	**4,667,891**	**5,768,763**
Total equity and liabilities		**41,155,933**	**46,219,997**	**42,674,633**	**45,075,363**

B. Kumalo
Chairman

31 March 2025

W. Swan
Group Chief Executive Officer

31 March 2025

Group and Company Statement of Profit or Loss and other Comprehensive Income

for the year ended 31 December 2024

		Group		Company	
	Notes	31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
Sales of goods		27,209,724	29,784,336	16,228,720	18,967,734
Rendering of services		2,489,556	2,190,217	1,318,327	1,055,169
Investment property rental income		79,426	98,160	103,200	98,144
Revenue	**5**	**29,778,706**	**32,072,713**	**17,650,247**	**20,121,047**
Cost of sales		(22,241,368)	(23,142,729)	(12,980,741)	(14,407,891)
Gross profit		**7,537,338**	**8,929,984**	**4,669,506**	**5,713,156**
Other operating income	9	798,526	1,040,000	45,883	723,962
Selling and distribution expenses		(411,892)	(456,961)	(281,320)	(378,745)
Administrative expenses	5.1	(10,175,187)	(8,146,906)	(6,333,273)	(4,842,698)
Other operating expenses		(581,901)	(762,335)	(620,789)	(500,185)
Allowance for expected credit losses	17	(331,436)	276,865	(252,911)	42,295
Operating (loss)/profit		**(3,164,552)**	**880,647**	**(2,772,904)**	**757,785**
Finance costs	19.4	(276,972)	(204,220)	(192,952)	(163,487)
Finance income	19.3	4,136	3,719	4,081	3,719
(Loss)/profit before tax		**(3,437,388)**	**680,146**	**(2,961,775)**	**598,017**
Income tax expense	8	1,276,000	(120,275)	591,277	(220,529)
(Loss)/profit for the year		**(2,161,388)**	**559,871**	**(2,370,498)**	**377,488**
Other comprehensive income					
Other comprehensive income that may be recycled through profit or loss					
Revaluation of plant, land and buildings		(508,475)	356,820	(603,971)	(47,844)
Income tax expense		153,413	(52,694)	155,523	24,770
Total other comprehensive (loss)/income for the year, net of tax		**(355,063)**	**304,126**	**(448,449)**	**(23,074)**
Total comprehensive (loss)/income for the year		**(2,516,451)**	**863,997**	**(2,818,947)**	**354,414**
(Loss)/income for the year attributed to:					
Owners of the parent		(2,136,772)	594,344	(2,370,498)	377,488
Non controlling interests		(24,616)	(34,473)	-	-
		(2,161,388)	**559,871**	**(2,370,498)**	**377,488**
Total comprehensive (loss)/profit for the year attributable to:					
Owners of the parent		(2,491,835)	819,170	(2,818,947)	354,414
Non controlling interests		(24,616)	44,827	-	-
		(2,516,451)	**863,997**	**(2,818,947)**	**354,414**
Earnings per share	**27**				
Basic earnings per share		(0.006)	0.002	(0.007)	0.0004
Diluted earnings per share		(0.006)	0.002	(0.007)	0.0004
Headline earnings per share		(0.006)	0.002	(0.007)	0.0004
Diluted headline earnings per share		(0.006)	0.002	(0.007)	0.0004

Group and Company Statement of Cash Flows

for the year ended 31 December 2024

		Group		Company	
	Notes	31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
Operating profit before tax		(3,437,388)	680,146	(2,961,775)	598,017
Adjusted to reconcile profit before tax to net cash flows:					
Depreciation of property plant and equipment and amortisation of intangible assets		774,419	864,845	680,215	674,557
Net fair value adjustments		-	(41,000)	-	(140,000)
Net unrealised foreign exchange differences	5.2	98,861	(77,994)	12,954	(19,428)
Interest income		(4,136)	(3,719)	(4,081)	(3,719)
Interest payable		276,972	204,220	192,952	163,487
Movement in provisions		190,725	(200,448)	(1,124)	(29,730)
Loss/(profit) on disposal of property, plant and equipment		(143,360)	8,909	219,472	8,909
		(2,243,907)	**1,434,959**	**(1,861,387)**	**1,252,093**
Working capital changes					
Decrease/(increase) in Inventories		1,398,050	698,034	2,418,023	(358,283)
Increase/(decrease) in Trade and other receivables		(2,411,033)	1,790,685	145,169	2,021,146
Decrease/(increase) in prepayments		382,010	(1,888,841)	314,405	(2,226,382)
Increase in customer deposits		21,800	2,310,248	1,800	1,184,393
(Increase)/decrease in intergroup receivables		(554,986)	-	1,358,530	(851,413)
Increase/(decrease) in trade and other payables		3,244,279	(1,964,325)	189,757	(96,523)
		(163,787)	**2,380,760**	**2,566,297**	**925,031**
Interest received		4,136	3,719	4,081	3,719
Interest paid		(276,972)	(204,220)	(192,952)	(163,487)
Income tax paid		(177,339)	(11,394)	(141,323)	(10,457)
Net cash flow from/(used) in operating activities		**(613,962)**	**2,168,865**	**2,236,103**	**754,806**
Investing activities					
Acquisition of subsidiaries and investments		(1,326,700)	-	(1,326,700)	-
Proceeds from sale of property, plant and equipment		2,150,998	9,328	111,212	9,328
Purchase of property, plant and equipment	10	(888,051)	(556,381)	(715,951)	(363,858)
Net cash flows used in investing activities		**(63,753)**	**(547,053)**	**(1,931,439)**	**(354,530)**
Financing activities					
Lease liability principal repaid		-	-	-	(93,521)
Repayments of borrowings	19.2	(368,980)	(1,335,158)	(368,980)	(1,335,158)
Proceeds from borrowings	19.2	-	1,920,000	-	1,920,000
Net cash flows (used)/from financing activities		**(368,980)**	**584,842**	**(368,980)**	**491,321**
Net (decrease)/increase in cash and cash equivalents		**(1,046,695)**	**2,206,654**	**(64,316)**	**891,597**
Effects of exchange rate changes on cash and cash equivalents		1,074,720	(3,162,822)	(16,195)	(1,673,778)
Cash and cash equivalents at 1 January		**1,263,835**	**2,220,003**	**460,140**	**1,242,322**
Cash and cash equivalents at 31 December	20	**1,291,860**	**1,263,835**	**379,629**	**460,140**
Comprising of:					
Cash and bank balances		1,291,860	1,263,835	379,629	460,140

Group Statement of Changes in Equity

for the year ended 31 December 2024

	Share capital USD	Capital reserve USD	Share premium USD	Revaluation reserve USD	Change in ownership reserve USD	Foreign currency translation reserve USD	Retained earnings USD	Attributable to owners of the parent USD	Non-controlling interest USD	Total USD
Balance on 1 January 2023	**137,832**	**(194,451)**	**19,741,179**	**4,114,109**	**(904,212)**	**(893,953)**	**6,055,191**	**28,055,695**	**5,976,379**	**34,032,074**
Effects of currency translation						(2,234,541)		(2,234,541)	102,663	(2,131,878)
Profit/(loss) for the year	-	-	-	-	-	-	594,344	594,344	(34,473)	559,871
Other comprehensive profit net of tax	-	-	-	224,826	-	-		224,826	79,300	304,126
Balance at 31 December 2023	**137,832**	**(194,451)**	**19,741,179**	**4,338,935**	**(904,212)**	**(3,128,494)**	**6,649,535**	**26,640,324**	**6,123,869**	**32,764,193**
Effects of currency translation	-	-	-	-	-	(585,789)	-	(585,789)	-	(585,789)
Elimination of NCI on Barzem disposal	-	-	-	-	904,212	-	3,963,926	4,868,138	(6,099,253)	(1,231,115)
(Loss) for the year	-	-	-	-	-	-	(2,136,772)	(2,136,772)	(24,616)	(2,161,388)
Other comprehensive loss net of tax	-	-	-	(355,063)	-	-	-	(355,063)	-	(355,063)
Balance at 31 December 2024	**137,832**	**(194,451)**	**19,741,179**	**3,983,872**	**-**	**(3,714,283)**	**8,476,689**	**28,430,838**	**-**	**28,430,838**

Company Statement of Changes in Equity

for the year ended 31 December 2024

	Share capital USD	Capital reserve USD	Share premium USD	Revaluation reserve USD	Foreign currency translation reserve USD	Retained earnings USD	Attributable to owners of the parent USD
Balance on 1 January 2023	**137,832**	**(194,451)**	**19,741,179**	**3,725,998**	**6,997,204**	**7,229,976**	**37,637,738**
Effects of currency translation	-	-	-	-	(177,013)	-	(177,013)
Profit for the year	-	-	-	-	-	377,488	377,488
Other comprehensive loss net of tax	-	-	-	(23,074)	-	-	(23,074)
Balance at 31 December 2023	**137,832**	**(194,451)**	**19,741,179**	**3,702,924**	**6,820,191**	**7,607,464**	**37,815,139**
Effects of currency translation	-	-	-	-	(519,838)	-	(519,838)
Loss for the year	-	-	-	-	-	(2,370,498)	(2,370,498)
Other comprehensive (Loss) net of tax	-	-	-	(448,449)	-	-	(448,449)
Balance at 31 December 2024	**137,832**	**(194,451)**	**19,741,179**	**3,254,475**	**6,300,353**	**5,236,966**	**34,476,354**

Notes to the Consolidated Financial Statements
for the year ended 31 December 2024

1 Nature of operations

The principal activities of the Group are manufacture and distribution of animal drawn implements, manufacture and distribution of metal fasteners for mining, construction and agricultural industries, distribution of tractors, generators and mechanised implements as well as the distribution of tyres, trucks, buses, earthmoving and mining equipment.

Corporate information
The consolidated financial statements of Zimplow Holdings Limited and its subsidiaries (collectively, the Group) for the year ended 31 December 2024 were authorised for issue by the Board of Directors on 31 March 2025. Zimplow Holdings Limited, the Company, is a limited company incorporated and domiciled in Zimbabwe and whose shares trade on Victoria Falls Stock Exchange. The registered office is located at 39 Steelworks Road, Heavy Industrial Sites in Bulawayo, Zimbabwe and the head office is located at 10 Harrow Road, Msasa in Harare, Zimbabwe.

2 General information, statement of compliance with IFRS and going concern assumption

The Group's financial results have been prepared under policies consistent with the requirements of the Companies and Other Business Entities Act (Chapter 24.31). The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and interpretations developed and issued by the International Financial Reporting Interpretations Committee (IFRIC) with the exception to IAS 21 Effects of Changes in Exchange Rates on accounting for change in functional currency in prior year and IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors for non-correction of the prior year non-compliance with IAS 21. This is because it has been impracticable to fully comply with IFRS in the current and prior year, due to the need to present financial statements with reasonable fair view. The Directors are of the view that the requirement to comply with IAS 21-The effects of Changes in Foreign Exchange Rates as well as with the principles embedded in the IFRS Conceptual Framework, will not produce financial statements with a true and fair view. This has resulted in the accounting treatment adopted in translating prior year financial Statements being different from that which the Directors would have adopted if the Group had been able to fully comply with IFRS. These exceptions have also made full compliance with the Companies and Other Business Entities Act (Chapter 24.31) not possible.

The accounting policies are applied consistently throughout the Group. The consolidated financial statements are presented in United Sates dollars (USD) and all values are rounded to the nearest dollar except where otherwise stated. The consolidated financial statements are prepared under the historical cost convention, except for land and buildings (classified as property, plant and equipment) and factory plant and machinery which is carried using the revaluation model.

Change in reporting currency
The Group de-listed from the Zimbabwe Stock Exchange (ZSE) as at 30 June 2023, and subsequently listed on the Victoria Falls Exchange (VFEX) with the Group's shares commencing to trade on 1 July 2023. As per the listing requirements for the VFEX, the Group effective 1 July 2023 adopted the US dollar as its presentation currency. In accordance with IAS 8-Accounting Policies, Changes in Accounting Estimates and Errors, the Group restated the prior year consolidated financial statements to cater for the presentation currency change.

3 New or revised standards or amended and interpretations

3.1 New Standards adopted as at 1 January 2024

Other Standards and amendments that are effective for the first time in 2024 and could be applicable to the Group are:
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1).
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16).
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7).
- Non-current Liabilities with Covenants (Amendments to IAS 1).

These amendments do not have a significant impact on these Consolidated Financial Statements and therefore the disclosures have not been made.

3.2 Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Lack of exchangeability – Amendments to IAS 21
The amendment specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The Group has early adopted the amendment in the current year.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

Other Standards and amendments that are not yet effective and have not been adopted early by the Group include:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and 7)
- IFRS 18 'Presentation and Disclosure in Financial Statements'
- IFRS 19 'Subsidiaries without Public Accountability: Disclosures'

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Group's consolidated financial statements

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendments are effective for annual reporting periods beginning on or after 1 January 2024. The amendments are not expected to have a material impact on the Group's financial statements and must applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16. Earlier application is permitted and that fact must be disclosed.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement.
- That a right to defer must exist at the end of the reporting period.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted, but will need to be disclosed. The amendments are not expected to have a material impact on the Group's financial statements.

4 MATERIAL ACCOUNTING POLICIES

4.1 Basis of preparation

The Group's consolidated financial statements have been prepared on an accruals basis and under the historical cost convention as modified by the revaluation of properties, investments, and derivatives. Monetary amounts are expressed in United States Dollars (USD).

4.2 Basis of consolidation

The Group's financial statements consolidate those of the parent company and all of its subsidiaries at 31 December 2024. All subsidiaries have a reporting date of 31 December. Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

4.3 Business combinations

The Group applies the acquisition methods to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee benefits respectively;

- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share - based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date and;
- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree' s identifiable net assets. The choice of measurement basis is made on a transaction by-transaction basis.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity.

Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed.

4.4 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses (if any). For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units (or groups of cash generating units) that is expected to benefit from the synergies of the combination.
A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss.

An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

4.5 Revenue recognition

The Group is in the business of distributing mining and agricultural equipment and the related service for the same equipment. The equipment and services are sold both on their own in separate identified contracts with customers. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The Group recognises revenue at a point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

Sale of agriculture and mining equipment and spares
Revenue from sale of agriculture and mining equipment and spares is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment at the customer's location. The normal credit term is 30 days upon delivery.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties). In determining the transaction price for the sale of agriculture and mining equipment and spares, the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the customer (if any).

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved Some contracts with customers provide a right of return. The group allows returns of spare parts for cash within a period of 10 days. The portion of sales at year end has been assessed as insignificant. Therefore, there is no impact on the group's reported revenue for the period.

Rights of return

The Group uses the expected value method to estimate the goods that will be returned because this method better predicts the amount of variable consideration to which the Group will be entitled. The Group then applies the requirements on constraining estimates of variable consideration to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. The group policy allows returns of products within 10 days. At year end, any such goods that would have been returned had their terms expired, Therefore, there is no impact on financial statements.

Warranty obligations

The Group generally provides for warranties for general repairs and does not provide extended warranties in its contracts with customers. These assurance-type warranties are accounted for as warranty provisions, which are accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Rendering of services

The Group's mining and mechanical agricultural equipment segments provides after sales service for equipment sold. These services are sold on their own in contracts with the customers. The Group accounts for the equipment and service as separate deliverables of bundled sales and allocates consideration between these deliverables based on relative stand-alone selling prices. Service revenue qualifies for overtime recognition, but given the short period of a service, no significant judgement is required in determining the pattern of revenue recognition.

Advances received from customers

Generally, the Group receives only short-term advances from its customers. They are presented as part of current liabilities and described as Customer deposits. The Group does not receive long-term advances from customers. The Group determines whether there is a significant financing component in its contracts. The Group uses the practical expediency and will not adjust the promised amount of the consideration for the effects of a significant financing components in the contracts, where the Group expects, at contract inception, that the period between the Group transfer of a promised good or service to a customer and when the customer pays for that good or service will be one year or less. Therefore, for short term advances, the Group does not account for a financing component even if it is significant.

Based on the nature of the goods and services offered and the purpose of payment terms, the Group determined that for the vast majority of the contracts that require customers to pay in advance, the payment terms were structured primarily for reason other than the provision of finance to the Group, that is. Advances are generally required from new customers, as well as customers with a history of late payments, they do not provide customers with an alternative to pay in arrears. In addition, the length of time between when the customer pays for the goods and the Group transfers goods to the customer is relatively short. Therefore, the Group has concluded that there is not a significant financing component in these contracts.

Presentation in financial statements

Contracts with customers are presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. A contract liability is presented in the statement of financial position where a customer has paid an amount of consideration prior to the entity performing by transferring the related good or service to the customer.

Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established. This generally happens when a provision has been made. Interest income from a financial asset is recognised when it is probable that the economic benefits will follow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

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Rental income
The Group's policy for recognition of revenue from operating leases is described in note 3.5 below.

4.6 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as lessee
The Group applies a single recognition and measurement approach for all leases, except for short term leases and leases of low value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use underlying assets.

Right of use assets
The group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of the right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Land and Buildings 5 – 10 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment as covered under section 3.13.

4.7 Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term. The lease payments including in substance fixed lease payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual values guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. In calculating the present value of the lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in lease payments or a change in the option to purchase the underlying asset.

The Group as lessor
Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

4.8 Foreign currency transactions and balances

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks.
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

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For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated to United States Dollars using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

4.9 Employee benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement plans are recognised in profit or loss in the year of contribution. A liability for termination benefits recognised at the earlier of when the entity can no longer withdraw the offer of termination benefit and when the entity recognizes any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

4.10 Share-based payment arrangements

Share-based payment transactions of the Company

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share - based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counter-party renders the service.

4.11 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

4.13 Taxation

The directors of the Company reviewed the Group's investment property portfolios and concluded that none of the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, the directors have determined that the 'sale' presumption set out in the amendments to IAS 12 is not rebutted.

Current and deferred tax for the year
Current and deferred tax are recognised in profit or loss, except when they relate to items that a re-recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

4.14 Property, plant and equipment

Items of Property, plant and equipment is measured at cost less accumulated depreciation and impairment losses, if any. Land and buildings and plant and equipment are however measured at fair value, less accumulated depreciation and impairment losses, if any, recognised after the date of revaluation. Valuations, performed by the Group's Directors or independent external valuators, are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

When items of property, plant and equipment are revalued, any accumulated depreciation at the date of a revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount after revaluation equals its market value.

Any revaluation surplus (increase in the carrying amount of an asset as a result of a revaluation) is recognised in other comprehensive income and accumulated in equity (revaluation reserve) in the statement of changes in equity. The increase is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. If an asset's carrying amount is decreased as a result of a revaluation, the decrease shall be recognised in profit or loss. The decrease, however, is recognised in other comprehensive income to

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the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in equity as a revaluation reserve.

Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings. Subsequent costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will follow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss in the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation is calculated on a straight line basis over the estimated useful lives of the asset as follows:

- Buildings: 50 years;
- Plant and machinery: 5 to 50 years;
- Motor vehicles: 5 years;
- Office furniture and computer equipment: 4 to 10 years.
- Freehold land is not depreciated.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

The depreciation methods, useful lives and residual values of assets are reviewed and adjusted, if appropriate, at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, depreciation will cease to be charged on the asset until its residual value subsequently decreases to an amount below its carrying amount.

4.16 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the fair value model. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Transfers to and from investment property under the fair value model are accounted for as follows:

- Transfers from inventory: any difference between the fair value of the property at date of change in use and its previous carrying amount must be recognised in profit or loss. This treatment is consistent with the treatment of sales of inventories.
- Transfers to inventory or owner–occupation: the cost for subsequent accounting for inventories under IAS 2, or for owner–occupied property under IAS 16 or IFRS 16, must be the property's fair value at the date of change in use. [IAS 40.60].
- Transfers from owner–occupation: IAS 16 will be applied for owned property and IFRS 16 for property held by a lessee as a right–of–use asset up to the date of change in use. At that date, any difference between the carrying amount under IAS 16 or IFRS 16 and the fair value must be treated in the same way as a revaluation under IAS 16. [IAS 40.61].

4.18 Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The impairment assessment of these intangible assets with indefinite useful lives is done annually.

For intangible assets acquired in a business combination, the cost on initial recognition will be its fair value at the acquisition date. It will subsequently carried at that cost less amortisation and accumulated impairment loss if it has a finite useful life and at cost less accumulated impairment losses if it has an infinite useful life.

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De-recognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

4.20 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

4.21 Inventories

Inventories are valued at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and condition, are accounted for as follows:

- Raw materials - Purchase costs on weighted average cost.
- Consumable stores - Purchase costs on weighted average cost.

Whole goods, parts and work in progress - Direct material and labour cost, appropriate share of production expenses and where applicable, customs duty paid. Net realisable value is the estimated selling price in the ordinary course of the business, less estimated costs of completion and the estimated costs necessary to make the sale.

4.22 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Group's obligation. The warrant is of short term in nature since it covers the sold products for a maximum period of twelve months.

4.23 Financial assets

Classification

Financial assets are classified into the following specified categories: amortised cost and fair value through profit or loss (FVPL. The classification is based on the measurement criteria. Under amortised cost, the asset is measured at the amount recognised at initial recognition minus principal repayments, plus or minus the cumulative amortisation of any difference between that initial amount and the

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maturity amount, and any loss allowance. Interest income is calculated using the effective interest method and is recognised in profit and loss. Changes in fair value are recognised in profit and loss when the asset is derecognised or reclassified the financial assets and is determined at the time of initial recognition.

Trade and other financial assets are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified as financial assets at amortised cost.

Measurement

Trade receivables, treasury bills and other receivables are measured at amortised cost. The assets mainly represent solely future contractual cash payments of principal and interest. These financial assets are short term in nature.

Impairment

Trade receivables

The group uses the simplified approach in calculating the ECL for trade receivables. The Group establishes a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The debt is written off when all reasonable steps to recover the debt have failed.

Other financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all other financial assets. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The debt is written off when all reasonable steps to recover the debt have failed.

The Group considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

A debt is considered to be uncollectible when it meets one of the following criteria:
All reasonable collection efforts have been exhausted.

- The cost of further collection action will exceed the amount recovered.
- The debt is legally without merit or cannot be substantiated by evidence.
- The debtor cannot be located.
- The available assets or income (current or anticipated) are insufficient.
- The debt was discharged in bankruptcy.
- The applicable statute of limitations for collection of the debt has expired.
- It is not in the public interest to pursue collection of the debt.

Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralised borrowing for the proceeds received. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g., when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

4.24 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group

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entity are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities
Financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

4.25 Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short term deposits with a maturity of three months or less which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

4.26 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies
The following are the critical judgements that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Inventory Valuation
Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. An assessment is done by management regularly to assess the appropriateness of the assigned values of inventory.

Determining the lease term of contracts with renewal options – Group as lessee and the incremental borrowing rate
The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g construction of significant leasehold improvements or significant customisation to the leased asset).

The Group included the renewal period as part of the lease term for leases of Land and buildings with shorter non-cancellable period (i.e., 3-5 years). The Group typically exercises its option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases of Land and buildings with longer non-cancellable periods (i.e., 5 to 10 years) are not included as part of the lease term as these are not reasonably certain to be exercised.

The Group also applies judgement in determining the incremental borrowing rate used to discount the lease payments in determining the lease liability and right of use asset at commencement of the lease .

Key sources of estimation and uncertainty
The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment of trade and other receivables
IFRS 9 requires the Group to record expected credit losses on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. The Group applies the simplified approach and record lifetime expected

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losses on all trade receivables and other financial assets. Zimplow incorporates forward looking information in the determination of expected credit losses. Management also regards GDP as a measure of wealth that best reflect the quality of the company's customers, who are mainly into capital goods investment, which we sell. Management has also considered the impact of Inflation (CPI) and Purchasing Power Parity (International dollars) as other measures, that reflects the quality of the Group customers. Management uses a period of 5 years to forecast the impact of forward-looking information on the expected credit loss allowance. The 5-year period is aligned to the company's business plan forecasting process for strategic planning purposes.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables and contract assets is disclosed in Note 17.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise (refer to note 14 for additional information).

Useful lives of property, plant and equipment

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. The following factors are considered in estimating the useful life of an asset.

- Expected usage of the asset
- Expected physical wear and tear which depends on how the asset is going to be used.
- Management also uses experience with the usage of the asset.

Fair value measurements and valuation processes

Some of the Group's assets are measured at fair value for financial reporting purposes. The directors determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuators to perform the valuation. The directors work closely with the qualified external valuators to establish the appropriate valuation techniques and inputs to the model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed under the following notes;

- Investment Property (note 11).
- Property, Plant and equipment (note 10).

4.27 Investment in subsidiaries

The company carries its investment in subsidiaries at cost less impairment. An assessment is done by management regularly to assess the appropriateness of the assigned values. Dividends from subsidiaries are recognised when the Company's right to receive is established, normally when the subsidiary declares the dividend. The dividends are recognised in the profit and loss section of the financial statements.

5. Revenue

Analysis of Group revenue and results for the year

Set out below is the disaggregation of the Group's revenue from contracts with customers.

	Group		Company	
	31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
Sale of goods: Domestic	28,612,860	30,068,837	16,460,627	18,117,187
Sale of goods: Export	1,086,420	1,905,716	1,086,420	1,905,716
Total revenue from contracts with customers	29,699,280	31,974,553	17,547,047	20,022,903
Investment property rental income	79,426	98,160	103,200	98,144
Total revenue	**29,778,706**	**32,072,713**	**17,650,247**	**20,121,047**

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

All revenue is recognised at a point in time, and all was generated in Zimbabwe.

	Group		Company	
	31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
5. Profit For The Year				
Profit/ (loss) for the year has been arrived after charging:				
5.1 Administrative expenses				
Salaries and employment costs	5,203,175	5,191,326	3,610,931	3,319,512
Motor, travel and accommodation	546,954	643,285	374,341	413,647
Rental and occupancy	489,439	576,541	142,058	93,379
Other administrative	3,935,619	1,735,754	2,205,943	1,016,160
	10,175,187	**8,146,906**	**6,333,273**	**4,842,698**
5.2 Foreign exchange gains/losses				
Realised exchange gains/losses	204,738	109,380	130,298	106,452
Unrealised exchange gain/losses	(98,861)	77,994	(12,954)	19,428
	105,877	**187,374**	**117,344**	**125,880**

6. Segment Information

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on the sector of the economy serviced and the type of goods or services delivered or provided. The Directors of the Company have chosen to organise the Group around the differences in sectors of the economy and products or services. Specifically, the Group's reportable segments under IFRS 8: Operating segments are therefore as follows:

Mining and Infrastructure
- Mining equipment, parts and related services.

Agriculture
- Animal drawn equipment, parts and related services.
- Tractors, tractor drawn equipment, parts and related services.

Property
- Property rental and property management.

Logistics and Automotive
- Trucks, buses, tyres

The disclosed results are an analysis of the Group's revenue and results from operations by reportable segment. Segment revenue reported below represents revenue generated from external customers. The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 2. Segment profit/ (loss) represents the profit/ (loss) earned by each segment without allocation of central administration costs and directors' salaries. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance. Transfer prices between operating segments are set on an arm's length basis in a manner similar to transactions with third parties. Internal transactions are appropriately eliminated on consolidation and data aggregation.

The "Agriculture" segment comprises the following business units: Mealie Brand and Farmec. The "Mining and Infrastructure" segment comprises of the following business units: Barzem, Powermec, CT Bolts and Tractive Power Solutions. The properties segment comprises Manica Road investments and Birmingham properties investments. The Logistics and automotive segment consist of Scanlink and TrenTyre. Other segments include the head office and shared services division. The following is an analysis of the Group's revenue and results from continuing operations by reportable segment.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

6. Segment Information (continued)

6.1 Segment information

	Agriculture	Mining and Infrastructure	Logistics and Automotive	Property	Other Segments	Total Segments	Adjustments	Consolidated
31 December 2024								
Revenue	13,632,183	6,833,691	9,875,507	103,200	-	30,444,581	(665,875)	29,778,706
Segment operating profit	(2,001,508)	(378,424)	(683,789)	(118,479)	(238,564)	(3,420,764)	256,212	(3,164,552)
Other items								
Finance income	3,441	56	-	-	639	4,136	-	4,136
Finance costs	(119,724)	(46,296)	(110,952)	-	-	(276,972)	-	(276,972)
Income taxes	-	-	-	-	-	-	1,276,000	1,276,000
Group profit after tax	**(2,117,791)**	**(424,664)**	**(794,741)**	**(118,479)**	**(237,925)**	**(3,693,600)**	**1,532,212**	**(2,161,388)**
Segment assets	13,676,960	9,932,196	6,963,616	6,400,797	30,299,381	67,272,980	(26,116,747)	41,155,933
Segment liabilities	(2,397,095)	(5,231,705)	(6,804,286)	(587,376)	(3,379,103)	(18,399,565)	5,674,470	(12,725,095)
Other segment information								
Depreciation and amortisation	157,622	113,482	92,116	-	73,480	436,699	337,719	774,419
Additions to non-current assets	35,770	-	206,038	-	196,623	438,431	449,620	888,051
Inventory provision	450,780	309,496	79,205	-	-	839,481	-	839,481
Impairment loss recognised on receivables	210,007	219,395	40,739	-	-	470,141	-	470,141
31 December 2023								
Revenue	15,787,004	5,078,651	11,699,447	98,160	-	32,663,262	(590,549)	32,072,713
Segment operating profit	423,803	(83,325)	437,972	42,796	(15,770)	805,476	75,171	880,647
Other items								
Finance income	2,460	15,859	-	-	1,257	19,576	(15,857)	3,719
Finance costs	(122,536)	(38,365)	(58,654)	(396)	-	(219,951)	15,731	(204,220)
Income taxes	(107,878)	142,950	(197,881)	(71,969)	(73,503)	(308,281)	188,006	(120,275)
Group profit after tax	**195,849**	**37,119**	**181,437**	**(29,569)**	**(88,016)**	**296,820**	**263,051**	**559,871**
Segment assets	17,568,521	8,043,147	5,946,791	7,905,000	28,977,419	68,440,878	(22,220,881)	46,219,997
Segment liabilities	(4,108,035)	(3,122,889)	(4,978,226)	(355,663)	(952,639)	(13,517,452)	61,648	(13,455,804)
Other segment information								
Depreciation	384,975	226,651	69,474	113,240	67,883	862,223	2,622	864,845
Additions to non-current assets	167,666	121,197	177,678	-	89,840	556,381	-	556,381
Inventory provision	345	267,644	9,564	-	-	277,553	-	277,553
Impairment loss recognised on receivables	50,841	189,003	21,100	-	-	-	-	260,944

The inter company assets and liabilities are eliminated on consolidation.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

		31-Dec-24 USD	31-Dec-23 USD
6.	**Segment Information** (continued)		
6.1.2	**Segment reconciliation**		
	Segment profit	(3,693,600)	880,647
	Depreciation of owner occupied at consolidation	(256,212)	(113,240)
	Taxation	1,276,000	(120,275)
	Profit after tax	**(2,161,388)**	**559,871**
	Segment assets	**67,272,950**	**42,829,210**
	Investment in subsidiaries	(21,739,005)	(20,507,891)
	Accumulated depreciation owner occupied at consolidation	(961,128)	(1,220,137)
	Goodwill	(5,995,285)	(5,995,285)
	Reclassification adjustments	2,578,401	31,114,100
	Total assets	**41,155,933**	**46,219,997**
	Segment liabilities	**18,399,564**	**13,517,452**
	Reclassifications	(6,021,568)	(2,234,925)
	Deferred taxation	347,099	2,015,315
	Intercompany eliminations	-	157,962
	Total liabilities	**12,725,095**	**13,455,804**
6.1.3	**Geographic information** Group revenue was all generated from Zimbabwe.		
6.2	**Revenue from major products and services** The following is an analysis of the Group's revenue from its major products and services:		
	Mining and construction equipment	2,224,178	-
	Animal drawn equipment	3,308,252	6,097,858
	Tractors and tractor drawn equipment	9,646,887	9,118,924
	Service of equipment	2,489,557	2,092,073
	Fasteners	1,219,326	1,263,628
	Property rentals	103,200	157,962
	Power systems	2,748,903	2,003,002
	Logistics and automotive	8,704,278	11,891,473
	Adjustments for intercompany transactions	(665,875)	(590,549)
	Total revenue	**29,778,706**	**32,072,713**

Notes to the Consolidated Financial Statements (continued)
for the year ended 31 December 2024

7. Share Capital

Subject to Section 183 of the Companies and Other Business Entities Act (Chapter 24.31), and to the limitations of the Victoria Falls Stock Exchange, the unissued shares are under the control of the Directors.

		Group		Company	
		31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
7.1	**Reconciliation of authorised and issued share capital**				
	Authorised share capital				
	Number of ordinary shares at the beginning of the year	400,000,000	400,000,000	400,000,000	400,000,000
	Number of ordinary shares at the end of the year	400,000,000	400,000,000	400,000,000	400,000,000
	Nominal value per share (US$)	0.0004	0.0004	0.0004	0.0004
	Total nominal value of shares (US$)	160,000	160,000	160,000	160,000
	Unissued shares under the control of the directors	55,419,514	55,419,514	55,419,514	55,419,514
	Reconciliation of the number of shares in issue				
	Issued number of shares at the beginning of the year	344,580,486	344,580,486	344,580,486	344,580,486
	Number of shares in issue at the end of the year	344,580,486	344,580,486	344,580,486	344,580,486
	Issued and fully paid number of shares				
	Number of ordinary shares	344,580,486	344,580,486	344,580,486	344,580,486
	Nominal value per share (US$)	0.0004	0.0004	0.0004	0.0004
	Total nominal value of shares (US$)	**137,832**	**137,832**	**137,832**	**137,832**

		Year Ended 31-Dec-24	Year Ended 31-Dec-23
7.2	**At 31 December 2024, the directors of the Group held directly and indirectly, the following shares:**		
	Name		
	H Rudland	210,160,386	-
	G Manhambara	375	375
	L Kennedy	24,936,122	24,936,122
	K Patel	13,089,629	13,089,629
	Total	**248,186,512**	**38,026,126**

		Group		Company	
		31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
8.	**Taxation**				
8.1	**Income tax expense**				
	Zimbabwe income tax	-	264,083	-	48,724
	Deferred tax relating to the origination and reversal of temporary differences	(1,276,000)	(143,808)	(591,277)	171,805
	Taxation	**(1,276,000)**	**120,275**	**(591,277)**	**220,529**
8.2	**Reconciliation of tax charge**				
	Tax on profit before tax for the year at 25.75% (incl. Aids Levy)	(885,127)	359,448	(762,724)	147,830
	Tax effects on expenses that are not deductible in determining taxable profit	64,018	66,602	66,844	50,936
	Non taxable income**	(91,985)	(161,967)	(14,406)	(150,042)
	Change in deferred tax rate	(362,906)	(143,808)	119,009	171,805
		(1,276,000)	**120,275**	**(591,277)**	**220,529**

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

		Group		Company	
		31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
8.3	**Deferred tax**				
	Property, plant and equipment	2,528,810	3,114,404	1,073,355	1,208,767
	Investment property	12,400	12,400	428,000	428,000
	Provisions	(313,654)	(97,739)	(342,399)	(106,999)
	Net exchange gains/(losses)	(950,269)	(1,013,750)	(219,665)	(386,211)
	Deferred income	-	-	-	-
	Assessed losses	(537,972)	-	(387,010)	-
	Net deferred tax liability/ (asset)	**739,315**	**2,015,315**	**552,281**	**1,143,557**
	Reflected in the statement of financial position as follows:				
	Deferred tax liability	739,315	2,015,315	552,281	1,143,557
	Net deferred tax liability/ (asset)	**739,315**	**2,015,315**	**552,281**	**1,143,557**
8.4	**Reconciliation of deferred tax (net)**				
	Opening balance	2,015,315	1,725,319	1,143,557	1,351,044
	Effects of translation of balances	153,413	381,110	155,523	(354,522)
	Expense/(credit) for the year	(1,276,000)	(143,808)	(591,276)	171,805
	Other comprehensive income	(153,413)	52,694	(155,523)	(24,770)
	Closing balance	**739,315**	**2,015,315**	**552,281**	**1,143,557**

8.5 **Current tax liability**

The current tax liability relates to accumulated income tax liabilities from prior years. In the current year there was no tax liabilities as the since the group performance resulted in a loss for the year.

		Group		Company	
		31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
9.	**Other Operating Income**				
	Commissions	408,286	557,497	99,650	161,598
	Bad debts recovered	101,327	141	428	141
	Scrap sales	62,708	147,955	62,708	135,238
	Exchange difference unrealised	(98,861)	77,994	(12,954)	19,428
	Profit/(loss) on sale of PPE Items	143,360	(8,909)	(219,472)	(8,909)
	Fair value gain on investment property	-	41,000	-	140,000
	Other recoveries	181,706	224,322	115,523	276,466
	Total	**798,526**	**1,040,000**	**45,883**	**723,962**

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

10. Property, Plant and Equipment

10.1 Group

	Land and Buildings USD	Plant and Machinery USD	Motor Vehicles USD	and Computer Equipment USD	Total USD
At cost/valuation					
At 01 January 2023	**11,830,309**	**4,338,914**	**2,973,130**	**1,200,172**	**20,342,525**
Additions	-	233,851	213,480	109,050	556,381
Disposals	-	-	(159,884)	(20,405)	(180,289)
Transfers	678,346	-	(37,715)	-	640,631
Revaluation	355,240	(325,329)	-	-	29,911
At 31 December 2023	**12,863,895**	**4,247,436**	**2,989,011**	**1,288,817**	**21,389,159**
Additions	-	571,745	205,518	110,788	888,051
Disposals	(1,660,000)	(287,816)	(633,980)	(156,777)	(2,738,573)
Transfers	-	(1,287)	(351,732)	(12,299)	(1,210,318)
Revaluation	86,960	(711,129)	-	133	(624,036)
At 31 December 2024	**11,290,855**	**3,818,949**	**2,208,817**	**1,230,662**	**17,704,283**
Accumulated depreciation					
At 01 January 2023	**(26,800)**	**(603,449)**	**(2,015,619)**	**(755,085)**	**(3,400,953)**
Charge for the year	(140,149)	(183,688)	(380,257)	(147,780)	(851,874)
Disposals	-	-	136,618	6,326	142,944
Revaluation	53,600	273,439	-	-	327,039
Transfers	-	-	10,686	-	10,686
At 31 December 2023	**(113,349)**	**(513,698)**	**(2,248,572)**	**(896,539)**	**(3,772,158)**
Charge for the year	(131,815)	(210,061)	(293,352)	(124,645)	(759,873)
Disposals	-	17,515	585,610	120,823	723,948
Revaluation	-	115,694	-	(170)	115,524
Transfers	-	1,287	310,244	2,383	313,914
At 31 December 2024	**(245,164)**	**(589,263)**	**(1,646,070)**	**(898,148)**	**(3,378,645)**
Carrying amount					
At 31 December 2024	**11,045,691**	**3,229,686**	**562,747**	**332,514**	**14,325,638**
At 31 December 2023	**12,750,546**	**3,733,738**	**740,439**	**392,278**	**17,617,001**

10.2 Company

	Land and Buildings USD	Plant and Machinery USD	Motor Vehicles USD	and Computer Equipment USD	Total USD
At cost/valuation					
At 01 January 2023	**1,680,200**	**3,945,430**	**2,335,439**	**922,402**	**8,883,471**
Additions	-	90,116	213,480	60,262	363,858
Disposals	-	-	(186,451)	(17,914)	(204,365)
Revaluation	(10,200)	(364,682)	-	-	(374,884)
Transfers	-	-	(37,715)	-	(37,715)
At 31 December 2023	**1,670,000**	**3,670,864**	**2,324,753**	**964,750**	**8,630,365**
Additions	-	484,628	172,204	59,119	715,951
Disposals	-	(284,599)	(586,235)	(72,050)	(942,884)
Revaluation	-	(719,665)	-	-	(719,665)
Transfers	-	(1,287)	(45,000)	(12,297)	(58,584)
At 31 December 2024	**1,670,000**	**3,149,941**	**1,865,722**	**939,522**	**7,625,183**
Accumulated depreciation					
At 01 January 2023	**(26,800)**	**(550,485)**	**(1,695,821)**	**(634,632)**	**(2,907,738)**
Charge for the year	(26,800)	(164,635)	(253,452)	(87,804)	(532,691)
Disposals	-	-	136,618	6,326	142,944
Revaluation	53,600	273,439	-	-	327,039
Transfers	-	-	10,686	-	10,686
At 31 December 2023	**-**	**(441,681)**	**(1,801,969)**	**(716,110)**	**(2,959,760)**
Charge for the year	(26,200)	(158,646)	(199,371)	(78,287)	(462,504)
Disposals	-	17,247	546,516	61,891	625,654
Revaluation	-	115,694	-	-	115,694
Transfers	-	1,287	31,500	2,383	35,170
At 31 December 2024	**(26,200)**	**(466,099)**	**(1,423,324)**	**(730,123)**	**(2,645,746)**
Carrying amount					
At 31 December 2024	**1,643,800**	**2,683,840**	**442,398**	**209,397**	**4,979,437**
At 31 December 2023	**1,670,000**	**3,229,181**	**522,784**	**248,640**	**5,670,607**

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

		Group	Company
		Software License USD	Software License USD
10.3	**Intangible assets**		
	Cost		
	At 01 January 2023	129,709	129,709
	Additions	-	-
	At 31 December 2023	129,709	129,709
	Additions	18,901	-
	At 31 December 2024	148,610	129,709
	Amortisation and impairment		
	At 01 January 2023	(68,097)	(68,097)
	Amortisation	(12,971)	(12,971)
	At 31 December 2023	(81,068)	(81,068)
	Amortisation	(14,546)	(12,971)
	At 31 December 2024	(95,614)	(94,039)
	Carrying Amount at 31 December 2024	52,995	35,670
	Carrying Amount at 31 December 2023	48,641	48,641

The Group's amortisation period for intangible assets is 5 -10 years.

10.4 On 25 February 2024, the Board of Directors approved the disposal of certain non-core properties with a carrying amount of US$1,093,000. These properties have been classified as non-current assets held for sale as of 31 December 2024, as management is committed to a plan to sell the assets and has engaged reputable real estate agents to facilitate the sale. The sale is expected to be completed within 12 months.

The non-core properties are measured at fair value less costs to sell, with a fair value of US$1,232,800 and costs to sell of US$120,198. Since the carrying amount is lower than fair value less costs to sell, no impairment loss has been recognised. As the properties were previously measured under the revaluation model, the related revaluation reserve has been transferred to retained earnings.

		Group		Company	
		31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
11.	**Investment Property**				
	Balance at 1 January	248,000	907,000	2,140,000	2,000,000
	Disposals	-	-	-	-
	Fair value adjustments	-	41,000	-	140,000
	Additions	-	-	-	-
	Transfers to assets held for sale	(248,000)	(700,000)	-	-
	Balance at 31 December	**-**	**248,000**	**2,140,000**	**2,140,000**

The Company holds an investment property located at 3001 Dagenham Road which is occupied by two of the Group's subsidiaries namely Tredcor and Scanlink and is therefore reclassified as Land and Buildings at Group level. The Group in the prior year classified the property held under Birmingham Investments as investment property but during FY2024 the property was disposed off.

11.1 Fair value measurement of the Group's investment properties

The Group's 2024 investment properties is nil as the vacant residential stands situated in Harare were transferred to assets held for sale. The Company's investment property consists of land and buildings situated in Harare at number 3001 Dagenham Road. The land and buildings have been subsequently measured at fair value based on valuations performed by independent valuators using historical USD denominated inputs. A valuation model in accordance with that recommended by the International Valuation Standards Committee has also been applied.

Details of the Group's investment properties and information about the fair value hierarchy as at 31 December 2024.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

	Level 1 USD	Level 2 USD	Level 3 USD	Fair Value at 31-Dec-24 USD
11. Investment Property (continued)				
11.1 Fair value measurement of the Group's investment properties (continued)				
Fair value hierarchy				
Vacant residential stands	-	-	-	-

Fair value hierarchy	Level 1 USD	Level 2 USD	Level 3 USD	Fair Value at 31-Dec-23 USD
Vacant residential stands	-	-	248,000	248,000

Details of the Company's investment properties and information about the fair value hierarchy as at 31 December 2024.

Fair value hierarchy	Level 1 USD	Level 2 USD	Level 3 USD	Fair Value at 31-Dec-24 USD
Dagenham property	-	-	2,140,000	2,140,000

Fair value hierarchy	Level 1 USD	Level 2 USD	Level 3 USD	at 31-Dec-23 USD
Dagenham property	-	-	2,140,000	2,140,000

Group valuation techniques used to determine Level 3 values 2023

Class of Property	Valuation Technique	Key Inputs	Range USD	Property size
Vacant residential stands	Market comparable approach	Price per square meters	12-17	1,000 square meters each.
Birmingham property	Market comparable approach	Price per square meters	288.61-318.99	7,444 square meters each.

Company valuation techniques used to determine Level 3 values 2024

Class of Property	Valuation Technique	Key Inputs	Range USD	Property size
Dagenham property	Market comparable approach	Price per square meters	288.61-318.99	7,044 square meters each.

Company valuation techniques used to determine Level 3 values 2023

Class of Property	Valuation Technique	Key Inputs	Range USD	Property size
Dagenham property	Market comparable approach	Price per square meters	269.73-298.13	7,044 square meters each.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

11. Investment Property (continued)

11.1 Fair value measurement of the Group's investment properties (continued)

Sensitivity analysis

The value of investment properties is subject to material changes to key valuation inputs such as the property value per square meter. An increase or decrease in the value per square meter in the Group and Company's investment property would result in a positive or negative movement in the value of the Group and Company's investment property.

Group: description of valuation techniques used and key inputs to valuation of investment properties:

	Valuation technique	Significant unobservable inputs	Range (weighted average)	
			31-Dec-24 USD	31-Dec-23 USD
Vacant residential stands	Market comparison approach	Comparable market value per square metre	12-20	12-17

Company: description of valuation techniques used and key inputs to valuation of investment properties:

	Valuation technique	Significant unobservable inputs	Range (weighted average)	
			31-Dec-24 USD	31-Dec-23 USD
Dagenham property	Market comparison approach	Comparable market value per square metre	288.61-318.99	269.73-298.13

	Group		Company	
	31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
12. Capital Commitments				
Authorised but not yet contracted	1,071,213	784,666	1,071,213	621,388
Authorised and contracted	405,868	-	405,868	-
Total	**1,477,081**	**784,666**	**1,477,081**	**621,388**
13. Investments Held In Subsidiaries	**%**	**%**	**USD**	**USD**
Investment in Barzem Enterprises (Private) Limited	100	51	7,908,078	6,676,964
Investment in Manica Road Investments (Private) Limited	100	100	4,785,194	4,785,194
Investment in Scanlink (Private) Limited	100	100	3,040,801	3,040,801
Investment in Tredcor Zimbabwe (Private) Limited	100	100	4,178,109	4,178,109
Investment in Birmingham Investments (Private) Limited**	100	100	1,826,823	1,826,823
Total			**21,739,005**	**20,507,891**

**Birmingham investments property (The Building) was disposed off during the year under review.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

	Group	
	31-Dec-24 USD	31-Dec-23 USD
14. Goodwill		
Balance at the beginning of the year	**5,995,285**	**5,995,285**
Impairment of investments during the year	-	-
Balance at year end	**5,995,285**	**5,995,285**

Goodwill arose from the acquisition of Farmec through Tractive Power Holding Limited and from the acquisition of Scanlink, Tredcor and Birmingham investments in 2021. Farmec is a division which falls under farming segment, Scanlink and Tredcor are subsidiaries falling under the logistics and automotive segment and Birmingham a subsidiary falling under properties segment in applying IAS 36. The goodwill on acquisition for each of the above has been tested for impairment and no impairment has been recognised in the current year.

Budgeted operating cash flows for the related business unit were projected and discounted at the Group's average pre-tax cost of capital. The calculations performed on each acquisition indicated that goodwill was not impaired.

Key assumptions used in value in use calculations and sensitivity to changes in assumptions:

i. The forecast horizon of 5 years was used. The forecast horizon comprises of the approved budget for 2025 drafted in the last quarter of 2024.
ii. The values assigned to the 5-year forecast; that is revenue, cost and growth assumptions reflect current trends, anticipated market developments and management's experience.
iii. The key assumptions for the recoverable amount calculation are the long-term growth rate and the discounting rate. The long-term growth rate of 4-8% per annum was used purely for impairment testing of goodwill under IAS 36 and does not reflect the long-term planning assumptions used by the Group for investment proposals or for any other assessments.
iv. A discount rate of 12% per annum, being the Group's pre-tax weighted average cost of debt, was used.

The calculation of value in use is most sensitive to the gross margins, discount rates and growth rates.

Gross margins
The gross margins used in the calculation is based on the forecasts of the CGU for the next 5 years (2025: 5 years). The gross margins lie between 20%-30% (2024: 20%-30%).

Discount rates
The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of debt of 12% per annum. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service.

Growth rate estimates
The growth rate is based on the financial forecast of between 6-8% (2022: 14-18%) per annum.

A reasonable possible change in the above key assumptions would not result in impairment of the goodwill.

	Group	
	31-Dec-24 USD	31-Dec-23 USD
Goodwill attributable to:		
Manica Road Investments	924,904	924,904
Scanlink	1,150,991	1,150,991
Farmec	3,919,390	3,919,390
Balance at year end	**5,995,285**	**5,995,285**

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

	Group		Company	
	31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
15. Inventories				
Raw materials	471,451	778,965	295,535	603,049
Finished goods	7,369,572	7,943,445	5,152,215	6,447,015
Spare and components	2,882,286	3,082,014	1,932,118	2,463,831
Other	261,442	45,107	243,332	7,329
Provision for obsolescence	(839,481)	(277,553)	(723,477)	(174,783)
Total Inventories at lower cost and net realisable value	**10,145,270**	**11,571,978**	**6,899,723**	**9,346,441**

At the year-end there was no inventory used as collateral on borrowings.

	Group		Company	
	31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
16. Trade and Other Receivables				
Local trade receivables	3,702,228	2,134,140	1,660,436	1,189,523
Foreign trade receivables	138,541	150,350	74,656	72,977
Other receivables	1,806,680	1,066,967	1,029,785	220,228
Allowance for credit losses (trade and other receivables)	(470,141)	(260,944)	(303,019)	(99,003)
Total	**5,177,308**	**3,090,513**	**2,461,858**	**1,383,725**
Ageing of receivables that are past due but not impaired				
30-60 Days	811,125	625,524	376,730	557,228
61-90 Days	884,381	68,195	146,445	68,195
91-120 Days	263,649	22,386	46,078	22,334
Over 120 Days	881,840	408,670	675,676	408,670
Total	**2,840,995**	**1,124,775**	**1,244,929**	**1,056,427**

The effects of IFRS 9 were considered by a re-computation of expected credit losses using an IFRS 9 compliant statistical regression analysis model. The resultant Expected credit losses have been analysed on the table below.

See Note 26 on credit risk of trade receivables, which explains how the Group manages and measures credit quality of trade receivables that are neither past due nor impaired.

	Group		Company	
	31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
17. Movement in the Allowance for Credit Losses				
Balance at the beginning of the year	**260,944**	**537,809**	**99,003**	**141,298**
Adjustment for effects of Translation	(123,427)	-	(69,684)	-
Impairment losses recognised on receivables	331,436	(276,865)	252,911	(42,295)
Amounts written off during the year as uncollectible	58,576	-	20,789	-
Amounts recovered during the year	(57,388)	-	-	-
Balance at end of the year	**470,141**	**260,944**	**303,019**	**99,003**

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

17. Movement in the allowance for credit losses (continued)

The credit period on sale of goods and services is 30 days. Interest is charged on outstanding trade receivables. Before accepting any new customer, members of the Group's executive team and sales administrators deliberate the prospective customer's credit worthiness. Members of the Group's executive team, its sales administrators and marketing managers often meet prospective customers in order to conduct background and screening checks and attach a credit quality rating before accepting credit trading customers. Credit limits are defined for each customer and set by the executive team. Credit limits and customer quality are constantly reviewed.

		Group		Company	
		31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
17.1	**Investment in Government Treasury Bills**				
	Government treasury bills	462,572	-	107,294	-
	Balance at end of the year	**462,572**	**-**	**107,294**	**-**

The Treasury Bills (TBs) were issued to the Group by the Government in lieu of foreign currency allocations which were outstanding from the RBZ auction system. The bids were converted to government treasury bills when the auction system closed in November 2023. The TBs were issued at the same value with a 3 year tenure. The TBs are set to mature in 2027.

		Group		Company	
		31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
17.2	**Investment in financial assets**				
	Investment in PUPs	38	14	38	14
	Balance at end of the year	**38**	**14**	**38**	**14**

The investment in financial assets is a fixed term deposit denominated in ZWG that is held with ZB that has not yet vested as at 31 December 2024.

		Group		Company	
		31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
17.3	**Prepayments**				
	Prepayment to suppliers	2,028,863	5,597,527	1,360,285	3,663,663

Prepayments relate advance payments to suppliers for inventory items yet to be delivered.

		Group		Company	
		31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
17.4	**Contract liabilities (customer deposits)**				
	Short term advances for goods	(3,315,695)	(2,460,040)	(1,076,920)	(1,267,122)

The Group received customer deposits which were paid to the respective suppliers for the goods in transit at year end. The balances of deposits are short term in nature as at the end of the year and are shown in the table above.

	Group		Company	
	31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
Revenue from contracts with customers				
Amounts included in contract liabilities at the beginning of the year	(2,460,040)	(149,792)	(1,267,122)	(82,729)
Performance obligations satisfied in current year	2,460,040	149,792	1,267,122	82,729
Performance obligations added during the year	(3,315,695)	(2,460,040)	(1,076,920)	(1,267,122)
Performance obligations outstanding at year end	**(3,315,695)**	**(2,460,040)**	**(1,076,920)**	**(1,267,122)**

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

		Group		Company	
		31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
18.	**Trade, Other Payables and Provisions**				
18.1	**Trade and other payables**				
	Local trade payables	830,608	2,960,915	378,899	444,183
	Foreign trade payables	2,398,731	1,156,140	348,746	1,094,709
	Other payables and accrued expenses	2,986,871	2,091,662	1,499,105	977,002
	Balance at end of the year	**6,216,210**	**6,208,717**	**2,226,750**	**2,515,894**

Local trade payables

The average credit period on local purchases of key manufacturing inputs ranges between 7-60 days (from date of invoice).

Foreign trade payables

The average credit period on foreign purchases of key manufacturing inputs is 30 days (from date of invoice). No interest is charged on trade payables. The Group has financial risk management policies in place to ensure that trade payables are paid within the pre-agreed credit terms.

		Group			Company		
		Emp Benefits USD	Audit fees USD	Total USD	Emp Benefits USD	Audit fees USD	Total USD
18.2	**Provisions**						
	Opening balance 2023	**1,062,569**	**-**	**1,062,569**	**167,676**	**-**	**167,676**
	Charge to profit and loss	392,730	30,178	422,908	268,110	30,178	298,288
	Payments	(605,963)	(17,393)	(623,356)	(310,625)	(17,393)	(310,625)
	Closing balance 2023	**849,336**	**12,785**	**862,121**	**125,161**	**12,785**	**137,946**
	Charge to profit and loss	281,188	125,658	406,846	252,580	73,259	325,840
	Payments	(226,349)	(111,971)	(338,320)	(222,777)	(59,574)	(282,351)
	Closing balance 2024	**904,175**	**26,472**	**930,647**	**154,964**	**26,470**	**181,435**

Employee benefit provisions relate to provisions for bonus, leave pay and gratuity. Audit fees provision relates to audit fees provision for the current year audit. These provisions fall due for settlement within the next 12 months.

		Group		Company	
		31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
19.	**Financial Liabilities: Interest Bearing Loans and Borrowings**				
19.1	**Borrowings**				
	Short term borrowings				
	Bank loan	852,731	1,221,711	852,731	1,221,711
	Total short term borrowings	**852,731**	**1,221,711**	**852,731**	**1,221,711**
	0-3 months	425,516	610,856	425,516	610,856
	3-6 months	427,215	610,855	427,215	610,855
	Total due within one year	**852,731**	**1,221,711**	**852,731**	**1,221,711**

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

		Group	Company
		31-Dec-24 USD	31-Dec-23 USD
19.	**Financial Liabilities: Interest Bearing Loans and Borrowings** (continued)		
19.2	**Movement in borrowings**		
	Opening balance: 1 January 2023	**1,061,741**	**636,869**
	Paid during the year	(1,335,158)	(1,335,158)
	Acquired during the year	1,920,000	1,920,000
	Effects of exchange rate movements	(424,872)	-
	Closing balance: 31 December 2023	**1,221,711**	**1,221,711**
	Paid during the year	(368,980)	(368,980)
	Closing balance: 31 December 2024	**852,731**	**852,731**

		Group		Company	
		31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
19.3	**Finance income**				
	Bank deposits and investments				
	Other loans and receivables	4,136	3,719	4,081	3,719
	Total	**4,136**	**3,719**	**4,081**	**3,719**
19.4	**Finance costs**				
	Finance costs arising from				
	Short term facilities with financial institutions	276,972	204,220	166,020	140,185
	Lease liabilities	-	-	26,932	23,302
	Total	**276,972**	**204,220**	**192,952**	**163,487**
20.	**Cash and Bank Balances**				
	Cash at bank and on hand (ZiG)	9,618	203,228	9,618	194,301
	Foreign cash at bank (other than US$)	35,088	160	35,088	160
	Cash at bank and on hand (Nostro)	1,247,154	1,060,447	334,923	265,679
	Total cash and cash equivalents	**1,291,860**	**1,263,835**	**379,629**	**460,140**

21. Reserves

21.1 Revaluation reserve

The Revaluation reserve arises on the revaluation of land and buildings and items of plant and machinery. When revalued assets are sold, the portion of the revaluation reserve that relates to that asset is transferred directly to retained earnings. Items of other comprehensive income included in revaluation reserve will not be reclassified subsequently to profit or loss.

Distributions from the revaluation reserve can be made where they are in accordance with the requirements of the Company's memorandum and articles of association, the Companies and Other Business Entities Act (Chapter 24.31) of Zimbabwe and relevant case law. Amounts may also be effectively distributed out of the revaluation reserve as part of a share buy-back or financing of bonus shares.

However, the payment of cash distributions out of the reserve is restricted by the terms of the Company's memorandum and articles of association. These restrictions do not apply to any amounts transferred to retained earnings. The directors do not currently intend to make any distribution from the revaluation reserve.

21.2 Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies into the Group's presentation currency (USD) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency reserve are reclassified to profit or loss on disposal of the foreign operation.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

21. Reserves (continued)

21.2 Foreign currency translation reserve (continued)

Following the de-listing of Zimplow Holdings from the Zimbabwe Stock Exchange and the subsequent re-listing on the Victoria Falls Stock Exchange, the Group changed it's functional and reporting currency from ZWG to USD effective 01 July 2023. The net effect of the translation of the Group's balances and transactions was recognised directly in the foreign currency translation reserve. In the current year, current year movement in the foreign currency translation reserve is a result of the introduction of new currency, Zimbabwe Gold (ZiG) on 5 April 2024.

21.3 Change in ownership reserve

The Change in ownership reserve arose from changes in the company's interest in subsidiaries without change in degree of control. It represents the difference between the amount by which the carrying amount of the non-controlling interest was adjusted and the fair value of the consideration paid. According to IFRS 10.B 96 such changes on ownership interest must be recognised directly in equity.

On 6 March 2024, Zimplow acquired an additional 49% shareholding in Barzem, increasing its ownership from 51% to 100%. Zimplow was exercising a call option per the provisions of the Shareholders Agreement. The consideration paid for the additional 49% was US$1,231,115. As a result of this transaction, the non-controlling interest (NCI), previously recognised at US$6,099,253, was derecognised. The difference between the NCI and the consideration paid, amounting to US$4,868,138, was recognised in equity. The transaction did not result in any gain or loss as it was accounted for as an equity transaction with the NCI. Following this acquisition, Barzem is now a wholly owned subsidiary of the Group.

	Group		Company	
	31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
22. Long Term Receivables				
Long term receivables	583,103	787,204	583,103	787,204
Short term portion of long term receivables	-	-	-	-
Total long term receivables	**583,103**	**787,204**	**583,103**	**787,204**
Opening balance	**787,204**	**768,896**	**787,204**	**768,896**
Transfer to short term	(175,883)	-	(175,883)	-
Exchange rate movements on non-functional currency balances	(28,218)	18,308	(28,218)	18,308
Total long term receivables	**583,103**	**787,204**	**583,103**	**787,204**

The long-term receivables relate to deposits tied up with distributorship agreements with key principal suppliers in AGCO and Total Zimbabwe. The AGCO receivable is Euro denominated and therefore generates exchange rate movements to the United State dollar.

23. Group Information

Information about subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation and business	Proportion of ownership interests and voting rights held by the Group 31-Dec-24	31-Dec-23
Barzem Enterprises (Private) Limited	Property rental and management	Zimbabwe	100%	51%
Manica Road Investments (Private) Limited	Property rental and management	Zimbabwe	100%	100%
Scanlink (Private) Limited	Sales, distribution and maintenance of trucks, buses and engines	Zimbabwe	100%	100%
Tredcor Zimbabwe (Private) Limited	Sales, distribution and maintenance of tyres	Zimbabwe	100%	100%
Birmingham Investments (Private) Limited	Property rental and management	Zimbabwe	100%	100%
Tractive Power Holdings	Sales and distribution of mining and earthmoving equipment	Zimbabwe	100%	100%

Notes to the Consolidated Financial Statements (continued)
for the year ended 31 December 2024

23. Group Information (continued)

An analysis of Group subsidiaries with material non-controlling interests is as follows:

Name of subsidiary	Place of incorporation and business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit/(loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23	31-Dec-24	31-Dec-23
Barzem Enterprises (Private) Limited*	Zimbabwe	-	49%	(24,616)	(34,473)	-	6,123,869
Total		**-**	**-**	**(24,616)**	**(34,473)**	**-**	**6,123,869**

*There was a change in the Group's ownership in Barzem 30 April 2024.

24. Related Party Disclosures

24.1 Transactions with companies controlled by Zimplow Holdings Limited

	Barzem		Manica		Birmingham		Total	
	31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
Company Name								
Transaction:								
Shared service fees	-	-	-	-	-	-	-	-
Balance receivables /(payable)	(1,000,302)	(661,020)	(773,475)	(7,647)	(995,843)	-	(2,769,620)	(668,667)
	Scanlink		**Tredcor**		**TPS**		**Total**	
Transaction:								
Shared service fees	207,468	229,205	30,546	139,641	-	-	238,014	368,846
Balance receivables /(payable)	(208,487)	(91,260)	538,383	347,904	1,347,838	-	1,677,734	256,644
Total balance receivable							**1,886,221**	**759,927**
Total balance payable							**(2,978,107)**	**(347,904)**
Net Balance (payable)/Receivable							**(1,091,886)**	**412,023**

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

24. Related Party Disclosures (continued)

24.1 Transactions with companies controlled by Zimplow Holdings Limited (continued)

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below:

24.2 Balances and transactions with companies controlled by Non-Executive Directors

Zimplow Company

	Group		Company	
	31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
24.2.1 Balances with companies controlled by Non-Executive Directors				
Amount owed to Steelmakers	(40)	-	(40)	-
Amount receivable from Kencor Management Services	35,455	22,208	35,455	22,208

Balances payable or receivable from entities controlled by Non-Executive Directors above are disclosed under trade and other receivables and payables in the Statement of Financial Position.

	Group		Company	
	31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
24.2.2 Transactions with companies controlled by Directors				
Company and transactions				
Steelmakers: purchase of raw materials	654,010	1,327,141	654,010	1,327,141
Kencor Management Services: sale of goods	120,603	213,378	120,603	213,378
Steelmakers: sale of goods	17,906	93,809	17,906	93,809
	792,519	**1,634,328**	**792,519**	**1,634,328**

Sales of goods to related parties were made at the Group's usual list prices with purchases being made at market prices. The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received.

	Group		Company	
	31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
24.3 Compensation to key management personnel				
Short term employee benefits	942,393	1,019,461	942,393	1,019,461
Termination benefits	144,448	-	144,448	-
Total	**1,086,841**	**1,019,461**	**1,086,841**	**1,019,461**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly. The Group's Remuneration Committee having regard to the performance of individuals and market trends determines the remuneration of Directors and key executives.

Notes to the Consolidated Financial Statements (continued)
for the year ended 31 December 2024

		Group		Company	
		31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
24.	**Related Party Disclosures** (continued)				
24.4	**Directors fees and emoluments**				
	Directors fees	162,265	222,530	162,265	222,530
	Total	**162,265**	**222,530**	**162,265**	**222,530**

The remuneration of the sole Executive Director is included in the note 24.3, compensation to key management.

25. Lease Assets and Liabilities

The Company leases property from Manica Road Investments (Private) Limited. The property is mainly used as office space, showrooms and workshops where repairs are undertaken. The Company has elected to present right-of-use assets and lease liabilities separately in the Statement of Financial Position.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

		Group	Company
		31-Dec-24 USD	31-Dec-23 USD
25.1	**Right of use assets**		
	Opening net carrying amount at 1 January	**307,110**	**2,603**
	Remeasurement	-	407,745
	Depreciation	(204,740)	(103,238)
	Closing net carrying amount at 31 December	**102,370**	**307,110**
	Set out below are the carrying amounts of lease liabilities and the movements during the period:		
25.2	**Lease liabilities**		
	Accretion of interest	26,932	23,302
	Payments	(231,308)	(93,521)
	Remeasurement	-	382,962
	As at 31 December	**111,711**	**316,087**
	Current	**111,711**	**316,087**
	Maturity analysis - contractual undiscounted cash flows		
	Less than one year	115,654	231,308
	One to five years	-	115,654
25.3	**The following are the amounts recognised in profit or loss:**		
	Depreciation expense of right-of-use assets	(204,740)	(103,238)
	Interest expense on lease liabilities	(26,932)	(23,302)
	Total amount recognised in profit or loss	**(231,672)**	**(126,540)**

The Right of Use Asset pertains to buildings leased by Zimplow company divisions from Manica Road Investments which is a 100% owned subsidiary Zimplow Holdings.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

26. Capital Management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing return to stakeholders through the optimisation of the debt and equity balance. The Group's strategy remains unchanged from 2016. The capital structure of the Group consists of net debt (borrowings as detailed in note 19) offset by cash and bank balances and equity of the Group (comprising issued capital, reserves, retained earnings and non-controlling interests). The Group is not subject to any externally imposed capital requirements. The Group's risk management committee reviews the capital structure of the Group bi-annually. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. The Group aims to maintain a gearing ratio ceiling of 15% - 35% determined as the proportion of net debt to equity.

	Group	
	31-Dec-24 USD	31-Dec-23 USD
Debt(1)	(852,731)	(1,221,711)
Cash and Bank balances net of bank overdraft	1,291,860	1,263,835
Net cash/(debt)	439,129	42,124
Equity(2)	28,436,738	32,764,193
Net cash/debt to equity ratio (gearing)	**1.5%**	**0.1%**

(1) Debt is defined as long- and short-term borrowings.
(2) Equity includes all capital and reserves of the Group that are managed as capital.

26.1 Financial risk management objectives

The Group's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The Corporate Treasury function reports quarterly to the Group's risk executive committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings are settled as promptly as possible if interest rates are unfavourable and the Group always strives to negotiate the most favourable rates and tenures to avoid interest rate risk. The Group endeavours to maximise interest rates on investments and minimise interest rates on borrowings. The Group policy is to adopt anon – speculative policy on managing interest rate risk. In the current and presented prior period, Group borrowings were at fixed terms and interest rates.

Credit risk

Credit risk relates to the risk that trade counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss being incurred. Potential concentrations of credit risk consist principally of short-term cash and cash equivalents, investments and trade receivables. Credit risk related to cash deposits was attributed to Group deposits and short-term cash surpluses held with major banks and financial institutions of high credit standing and within investment limits assigned to each counter party.

Investment limits with banks and financial institutions are assigned by the Group's Executive Committee to minimise the concentration of risk and therefore mitigate financial loss through potential counter party failure. The Group's Board of Directors reviews the limits and investment placements on a periodic basis and approves the Committee's proposals accordingly, or alternatively rejects related proposals and effects changes to Group policy.

Trade receivables and other receivables

Trade receivables comprise a relatively large and widespread customer base. Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit limits are established for all customers based on internal credit rating assessments after extensive prospective customer background and credit reference checks are performed.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

26. Capital Management (continued)

26.1 Financial risk management objectives (continued)

Outstanding customer receivables are regularly monitored, and a full-time credit control department exists to independently perform this function. The Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The Group's maximum exposure to credit risk at 31 December 2024 and further specific credit risk mitigating activities adopted by the entity are as shown in Notes 17, 20 and 22.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for Groupings of various customer segments with similar loss patterns (i.e., customer type and rating). This ensures that any increase in the gross balance of trade and other receivables is covered by an increase in the provisioning amounts.

The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 16. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its credit customers are thoroughly screened.

The Group considers both qualitative and quantitative information that is reasonable and supportable when making this assessment on expected credit losses, including historical experience and forward-looking information that is available without undue costs or effort. Based on historical experience, and expert credit assessment including forward looking information. Management has opted to apply regression analysis as a statistical method. The forward-looking information considered includes inflation (CPI), purchasing power parity and gross domestic product (GDP).

Other receivables

Other receivables comprise of fully provided for balances which emanated from Group restructuring which was done in prior years. Therefore, there is no risk expected to arise from these balances.

Liquidity risk

Liquidity risk is the risk that an entity will have difficulties in paying its financial liabilities. Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. The Group maintains flexibility in funding by maintaining funding availability under committed credit lines. The Group's objective is to maintain a beneficial balance between continuity of funding and flexibility using bank overdrafts and bank loans, whilst always considering the need for potential funding source diversification through the introduction of Finance lease or hire purchase arrangements, or the issuance of preference shares. As at the reporting period end date, the Group's external funding sources were limited to customer deposits, and borrowings. The Group has access to financing facilities, which were fully utilised in the current period. The Group expects to meet its core trading-based obligations from operating cash flows and proceeds from the realisation of its financial assets.

Notes to the Consolidated Financial Statements (continued)

for the year ended 31 December 2024

	Group		Company	
	31-Dec-24 USD	31-Dec-23 USD	31-Dec-24 USD	31-Dec-23 USD
27. Earnings Per Share				
Basic earnings per share				
Basic earnings per share	(0.006)	0.002	(0.007)	0.0004
Diluted earnings per share				
Diluted earnings per share	(0.006)	0.002	(0.007)	0.0004
Headline earnings per share				
Headline earnings per share	(0.006)	0.002	(0.007)	0.0004
Diluted headline earnings per share				
Diluted headline earnings per share	(0.006)	0.002	(0.007)	0.0004
The information below was used to calculate earnings per share:				
Weighted average number of ordinary shares in issues				
For the purpose of basic loss per share	344,580,486	344,580,486	344,580,486	344,580,486
For the purposes of diluted earnings per share	344,580,486	344,580,486	344,580,486	344,580,486
Profit for the year used in the calculation of basic and diluted earnings per share	(2,130,873)	594,344	(2,370,498)	377,488
Profit for the year used in the calculation of basic and diluted Headline earnings per share	(2,130,873)	594,344	(2,370,498)	377,488

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The company had no potential shares as at last year end and hence no dilutive effect on the year-end EPS of the company.

28. Events After the Reporting Period

On 31 March 2025, Mr. Grant Pio resigned from the Board as a non-Executive Director of the Zimplow Holdings Limited ("The Company"). The board sincerely expresses its gratitude for his service.

This event is considered a non –adjusting event after the reporting date.

Shareholder Analysis

ZIMPLOW LIMITED: ANALYSIS BY VOLUME AS AT : 31 December 2024

Range	Shares	Shares %	Shareholders	Shareholders %
1-5000	1,124,534	0.33	1,344	80.19
5001-10000	701,468	0.20	97	5.79
10001-25000	1,495,204	0.43	92	5.49
25001-50000	1,290,244	0.37	37	2.21
50001-100000	2,974,688	0.86	40	2.39
100001-200000	3,454,855	1.00	24	1.43
200001-500000	4,261,034	1.24	13	0.78
500001-1000000	6,234,290	1.81	08	0.48
1000001 and Above	323,044,169	93.75	21	1.25
Totals	**344,580,486**	**100.00**	**1,676**	**100.00**

ZIMPLOW LIMITED: ANALYSIS BY INDUSTRY AS AT: 31 December 2024

Industry	Shares	Shares %	Shareholders	Shareholders %
LOCAL COMPANIES	269,925,588	78.33	182	10.86
LOCAL NOMINEE	56,874,500	16.51	90	5.37
LOCAL INDIVIDUAL RESIDENT	7,513,778	2.18	1,196	71.36
PENSION FUNDS	7,401,632	2.15	26	1.55
NEW NON RESIDENT	1,600,991	0.46	54	3.22
TRUSTS	431,412	0.13	18	1.07
INSURANCE COMPANIES	283,326	0.08	11	0.66
OTHER INVESTMENTS and TRUST	182,605	0.05	50	2.98
FUND MANAGERS	123,153	0.04	10	0.60
FOREIGN NOMINEE	118,794	0.03	03	0.18
DECEASED ESTATES	67,633	0.02	20	1.19
FOREIGN INDIVIDUAL RESIDENT	28,952	0.01	07	0.42
CHARITABLE	18,293	0.01	08	0.48
GOVERNMENT / QUASI	9,829	0.00	01	0.06
Totals	**344,580,486**	**100.00**	**1,676**	**100.00**

ZIMPLOW LIMITED TOP 20: SCHEDULE AS AT: 31 December 2024

Rank	Names	Tax	Industry	Shares	%
1	MAGISTER INVESTMENTS LTD	MAU	LC	99,007,141	28.73
2	STANBIC NOMINEES (PVT) LTD	ZIM	LN	56,104,488	16.28
3	PIONEER DEVELOPMENT COMPANY (PVT) LTD	ZIM	LC	29,143,239	8.46
4	ESSENTIAL PROPOSITION PROPERTIES (PVT) LTD	ZIM	LC	28,090,650	8.15
5	KENCOR HOLDINGS PVT LTD	ZIM	LC	24,936,122	7.24
6	CHARTER MINING (PVT) LTD	ZIM	LC	19,745,346	5.73
7	CLAN SERVICES (PVT) LTD	ZIM	LC	18,399,564	5.34
8	UNIFREIGHT AFRICA LTD	ZIM	LC	15,774,446	4.58
9	YUMIKO INVESTMENTS PVT LTD	WNP	LC	13,089,629	3.80
10	BARLOWORLD EQUIPMENT UK LTD BARLOWORLD EQUIPMENT UK LTD	UK	LC	7,340,933	2.13
11	FLAME LILY VENTURE CAPITAL GRP FLAME LILY VENTURE CAPITAL GRP	ZIM	LC	4,054,625	1.18
12	TRACTIVE POWER HOLDINGS WORKERS TRUST (PRIVATE) LIMITED	ZIM	LC	3,683,201	1.07
13	PUBLIC SERVICE PFUND-SMARTVEST	ZIM	PF	2,684,581	0.78
14	MEGA MARKET (PVT) LTD	ZIM	LC	2,479,259	0.72
15	MINING INDUSTRY PENSION FUND	ZIM	PF	1,720,016	0.50
16	BERNARD NORMAN CHITEPO	ZIM	LR	1,587,620	0.46
17	PUBLIC SERVICE COMMISS PF-ABC	ZIM	PF	1,505,300	0.44
18	MAXWELL CHINORWADZA CHINORWADZA	ZIM	LR	1,058,576	0.31
19	CBZ BANK CBZ BANK	ZIM	LC	920,000	0.27
20	BOX CART (PVT) LTD	ZIM	LC	797,762	0.23
	Selected Shares			**332,122,498**	**96.38**
	Non - Selected Shares			**12,457,988**	**3.62**
	Issued Shares			**344,580,486**	**100.00**

Notice to Annual General Meeting (AGM)

NOTICE IS HEREBY GIVEN THAT the Seventy Fifth Annual General Meeting of Shareholders is to be held at the Zimplow Holdings Limited Head Office No.10 Harrow Road, Msasa, Harare at 1000hrs on 30 June 2025 as well as virtually via the link **https://escroagm.com/eagmZim/Login.aspx** for the purpose of transacting the following business below :-

Ordinary Business

1. To approve the minutes of the Annual General Meeting held on 27 June 2024.
2. To receive, approve and adopt the audited Financial Statements and Reports of the Directors and Auditors for the financial year ended 31 December 2024.
3. To re-elect the following Director, Mr Lance Kennedy, who retires from the Board by rotation in terms of the Articles of Association of the Company and being eligible, offers himself for re-election. Mr Kennedy has extensive experience in agribusiness and agriculture, including hands - on experience in managing farming operations. His career in the agricultural sector spans over 25 years.
4. To re-elect the following Director, Mrs Angeline Vere, who retires from the Board by rotation in terms of the Articles of Association of the Company and being eligible, offers herself for re-election. , Mrs Vere is a registered legal practitioner with a wealth of working experience in the areas of corporate governance, compliance, legal risk management and business management, attained over twenty (20) years working for the Ministry of Justice, insurance and the telecommunications industry. She holds a Masters in Laws (LLM), Bachelor of Law Honours Degree (LLB), a Diploma in Finance and Accounting and an Executive Diploma in Business Administration.
5. To elect Mr Hamish Rudland who was appointed after the last Annual General Meeting. Mr Rudland Hamish is a holder of a Bachelor of Business Studies (Information Systems, Management and Tourism) from Massey University, New Zealand. He established Pioneer Corporation Africa, a passenger transport company that is presently listed as Unifreight Africa Limited on the Zimbabwe Stock Exchange. He possesses over 25 years business experience amassed across various business sectors inter alia, transport, logistics, agriculture, agro-processing, distribution and property. He serves as a Non-Executive Director on the Boards of both listed public entities and private companies namely TSL Limited, ZimRe Property Investments Limited, R. Davis and Company (Private) Limited and Pioneer Development Company.
6. To approve the Directors' remuneration for the financial year ended 31 December 2024.
7. To fix the Auditors' remuneration for the year ended 31 December 2024.
8. To re-appoint Messrs Grant Thornton (Zimbabwe) as Auditors of the Company until the conclusion of the next Annual General Meeting. Grant Thornton (Zimbabwe) has served the Company for the past two years.

Any other Business

9. To transact any other business competent to be dealt with at an Annual General Meeting.

Appointment of Proxies

In terms of the Companies and Other Business Entities Act [Chapter 24:31], a member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote on a poll and speak in his stead. A proxy need not be a member of the Company. Proxy forms should be forwarded to reach the office of the Company Secretary at least 48 (forty-eight) hours before the commencement of the meeting.

Members who may not physically be able to attend the meeting shall be able to do so via the eAGM platform and such members are requested to register using the link above, at least 48 (forty-eight) hours before the commencement of the meeting or to inform the Share Transfer Secretaries to make appropriate arrangements.

By Order of the Board

Sharon Manangazira (Mrs)
Group Company Secretary

Zimplow Holdings Limited
Head Office
No. 10 Harrow Road, Msasa,
Harare

29 May 2025

Proxy Form

I/ We ....Of..

Being member/members of the above Company , hereby appoint:

Mr. / Mrs. / Ms. / Dr ....Or failing

him.. Of...

....as my/our proxy to vote for me/us on my/our behalf at the Annual General

Meeting of the Company and any adjournment thereof.

Signature...Signed this...Of...2025

Note

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend, and speak in his stead. The person appointed need not be a member.
2. Proxy forms should be lodged at the registered office of the Company by no later than 48 hours before the time of holding the meeting.
3. Any alterations or corrections made to this form of proxy (including the deletion of alternatives) must be initialled by the signatory/ signatories.
4. Shareholders are requested to submit key questions in writing at least five days before the date of the meeting to enable comprehensive answers to be prepared. This will not preclude them from raising questions from the floor.

Physical and Postal Delivery

Zimplow Holdings Limited
Head Office
No.10 Harrow Road,
Msasa
Harare

Email: headoffice@zimplow.co.zw

Shareholders' Diary

Seventh Fifth Annual General Meeting	30 June 2025
Financial Year End	31 December 2025
Half-Year Financial Statements	30 June 2026
Quarterly Trading Updates	15 May 2026
Annual Report Published	30 June 2026

GRI Content Index

Statement of Use

Zimplow Holdings Limited has reported the information cited in this GRI content index for the period from 01 January 2024 to 31 December 2024 with reference to the GRI Standards.

GRI Standard	Disclosure	Page number	Omission		
			Part Omitted	Reason	Explanation
GRI 101: Foundation 2021					
General Disclosures					
GRI 2: General Disclosures 2021	2-1 Organisational details	138			
	2-2 Entities included in the organisation's sustainability reporting	15			
	2-3 Reporting period, frequency and contact point	3			
	2-4 Restatements of information	3			
	2-5 External assurance	3			
	2-6 Activities, value chain and other business relationships	15			
	2-7 Employees	77-78			
	2-8 Workers who are not employees	77			
	2-9 Governance structure and composition	37			
	2-10 Nomination and selection of the highest governance body	39			
	2-11 Chair of the highest governance body	32			
	2-12 Role of the highest governance body in overseeing the management of impacts	37			
	2-13 Delegation of responsibility for managing impacts	40			
	2-14 Role of the highest governance body in sustainability reporting	40			
	2-15 Conflicts of interest	38			
	2-16 Communication of critical concerns	40			
	2-17 Collective knowledge of the highest governance body	32-34			
	2-18 Evaluation of the performance of the highest governance body	38			
	2-19 Remuneration policies	To be included in next report			
	2-20 Process to determine remuneration	To be included in next report			
	2-21 Annual total compensation ratio	To be included in next report			
	2-22 Statement on sustainable development strategy	87			
	2-23 Policy commitments	-			
	2-24 Embedding policy commitments	-			
	2-25 Processes to remediate negative impacts	49-53			
	2-26 Mechanisms for seeking advice and raising concerns	3,40			
	2-27 Compliance with laws and regulations	40			
	2-28 Membership associations	15			
	2-29 Approach to stakeholder engagement	55-57			
	2-30 Collective bargaining agreements	79			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	58			
	3-2 List of material topics	59			
	3-3 Management of material topics	See the management approach for each topic			

GRI Content Index (continued)

GRI Standard	Disclosure	Page number	Omission		
			Part Omitted	Reason	Explanation
GRI 101: Foundation 2021					
General Disclosures					
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	93- ,90 130			
	201-2 Financial implications and other risks and opportunities due to climate change	72-73			
	201-3 Defined benefit plan obligations and other retirement plans	80			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	85- 87			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	89			
GRI 207: Tax 2019	207-1 Approach to tax	91			
	207-2 Tax governance, control, and risk management	91			
	207-3 Stakeholder engagement and management of concerns related to tax	91			
	207-4 Country-by-country reporting	91			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	64-65			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	68			
	302-2 Energy consumption outside of the organisation	68			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	66			
	303-2 Management of water discharge-related impacts	66			
	303-3 Water withdrawal	66			
	303-5 Water consumption	66			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	75			
	305-2 Energy indirect (Scope 2) GHG emissions	75			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	69			
	306-2 Management of significant waste-related impacts	69			
	306-3 Waste generated	69			
	306-4 Waste diverted from disposal	69			
	306-5 Waste directed to disposal	69			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	78			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	79-80			
	401-3 Parental leave	80			
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	month 1			

GRI Content Index (continued)

GRI Standard	Disclosure	Page number	Omission		
			Part Omitted	Reason	Explanation
GRI 101: Foundation 2021					
General Disclosures					
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	80			
	403-2 Hazard identification, risk assessment, and incident investigation	81			
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	403-4 Worker participation, consultation, and communication on occupational health and safety	80			
	403-5 Worker training on occupational health and safety	82			
	403-6 Promotion of worker health	82			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	81			
	403-8 Workers covered by an occupational health and safety management system	80			
	403-9 Work-related injuries	81			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	83			
	404-2 Programs for upgrading employee skills and transition assistance programs	82-83			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	78 ,43 ,37			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not Applicable			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	85-87			

Corporate Information

CONTACT DETAILS

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10 Harrow Road, Msasa, Harare
Tel: 08677007182 or 08677007183
Website: www.zimplow.co.zw
Email: info@zimplow.co.zw

LAWYERS

Tatenda Mawere-Mawere Sibanda
10th Floor, Chiedza House
First Street/Kwame Nkrumah Avenue
P.O Box CY 1376
Harare

Nyasha Munyuru-Muvingi Mugadza
Legal Practitioners
7th Floor, Pegasus House
Samora Machel Avenue
Harare

FINANCING PARTNERS

BANCABC
BARCLAYS
CBZ
NEDBANK
FIRST CAPITAL
AGRIBANK
ZB BANK
FBC
ECOBANK
CABS
STANBIC
NMB
STEWARD BANK

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ZIMPLOW
ENGINEERING PERFORMANCE

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